



Personal Insurance Federation of California

California's Personal Lines Trade Association

REPRESENTING THE LEADING AUTOMOBILE AND HOMEOWNERS INSURERS

State Farm • Farmers • 21st Century Insurance Group • SAFECO • Progressive • NAMIC

MEMORANDUM

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Senior Legislative Advocate

Michael Paiva
Senior Legislative Advocate

Jerry Davies
Director of Communications

Date: April 13, 2005

To: The Honorable Tom Torlakson, Chair
Members, Senate Transportation and Housing Committee

From: Dan C. Dunmoyer, President
Rex D. Frazier, Vice President & General Counsel
Michael A. Gunning, Senior Legislative Advocate
Michael A. Paiva, Senior Legislative Advocate

Re: SB 969 (Ducheny): Motorcycle Helmets
Senate Transportation Committee Hearing – April 19, 2005
PIFC Position: Oppose

The Personal Insurance Federation of California, representing insurers who write over 45% of the auto insurance sold in the state, including Farmers, 21st Century, SAFECO, Progressive, State Farm and NAMIC, **opposes Senate Bill 969** by Senator Ducheny.

SB 969 would effectively repeal the motorcycle helmet law by exempting those who are over 18 years and have either completed a motorcycle rider training program, been issued a motorcycle license from another jurisdiction, for two years or more, and has proof of current medical insurance on his or her person. Our opposition to this bill can be simply stated -- **Enactment of SB 969 will increase the number of motorcycle related deaths, result in greater numbers and increased severity of motorcycle related injuries, and increase the cost taxpayers pay for county health services.**

According to the California Highway Patrol, motorcycle injuries and fatalities have decreased by over 50% since the helmet law was enacted in 1992. SB 969 will reverse this downward trend, resulting in more deaths and permanent disabilities as a result of traumatic head injuries.

Studies conducted by the University of Southern California and the University of California at Davis concluded that helmet use is the single most important factor governing survival in motorcycle crashes. Public opinion surveys conducted by the National Highway Traffic Safety Administration (NHTSA) found that public support for motorcycle helmet laws in the U.S. is very strong, with four out of five persons indicating support for helmet laws.

Aside from saving lives and decreasing motorcycle-related injuries, there are other societal interests gained by enforcing strong helmet laws. Motorcycle fatalities and injuries impose a multi-million dollar societal cost on taxpayers each year. Despite the bill's requirement to have medical insurance, we believe that most drivers injured in motorcycle accidents will not have health insurance sufficient to cover the

millions of dollars in acute and long-term care frequently associated with serious debilitating head injuries. These costs instead are borne by taxpayers through increased costs for Medicare and county health services. NHTSA estimates that motorcycle helmet use nationwide saved \$10.4 billion in economic costs from 1984 to 1996, and that an additional \$9.2 billion would have been saved if all motorcyclists had worn helmets during that same time period. To the extent such injuries are covered by insurance, the increased claims costs attributable to such injuries drive up the cost of health insurance and motor vehicle insurance for all policyholders.

For the foregoing reasons, **PIFC opposes SB 969 and urges your "no" vote.** If you have any questions regarding PIFC's opposition, please contact Michael Gunning at (916) 442-6646.

CC: Senator Ducheny, Author
Randall Henry, Senate Transportation Committee
Ted Morley, Senate Republican Caucus
Richard Costigan, Legislative Secretary for the Governor
Cynthia Bryant, Deputy Legislative Secretary for the Governor
Scott Reid, Office of the Insurance Advisor
Senate Floor Analyses