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December 22, 2022

Department of Insurance
Attn: Commissioner Ricardo Lara
300 Capitol Mall, 17th Floor
Sacramento, CA 95814

RE: Delayed Review of Auto Rate Filings

Dear Commissioner Lara:

On behalf of our broad coalition of independent insurance agents, business advocates, social justice groups and small businesses, we urge you to take swift action and resume reviewing auto insurance rate cases filed with your department. We appreciate your recent approval of a handful of auto rate filings; however more than 40 auto rate filings are still awaiting action.

Your office's failure to approve the majority of pending auto insurance rate filings over the last 31 months has caused serious imbalance in the auto coverage marketplace. As a result, California is on the verge of an auto insurance coverage crisis – where coverage options for consumers are already being restricted. The longer you delay, the fewer options Californians will have to protect their vehicles and families with auto insurance.

As drivers return to the road post-pandemic, there has been a [drastic spike in accidents](#) across the state. At the same time, inflation and supply-chain pressures are driving up repair and replacement costs for damaged vehicles. These pressures, paired with your failure to appropriately review auto insurance rate cases, threatens the solvency of insurance providers. Under current conditions, premiums do not cover the actual cost of settling consumer claims – creating an unbalanced and unhealthy market that leads to restricted coverage options for consumers.

Major insurance providers are already significantly limiting new coverage in California – some even [closing offices or restricting plans that agents can offer](#). Each day you refuse to act, auto coverage availability will continue to shrink for California drivers and businesses.

Please, Commissioner, California is on the brink of an auto insurance coverage crisis that will further burden consumers, especially those who can least afford it. We urge you to take immediate action and continue reviewing auto insurance rate filings.

Sincerely,

Pat Fong Kushida, President & CEO
California Asian Pacific Chamber of Commerce

Julian Canete, President & CEO
California Hispanic Chambers of Commerce

Betty Jo Toccoli, President
California Small Business Association

Rueben Guerra, Chairman
Latin Business Association

Tracy Hernandez, Founding CEO
**Los Angeles County Business Federation
(BizFed)**

Matt Regan, Senior Vice President Public Policy
Bay Area Council

John Kabatek, State Director
NFIB – California

Ahmad R. Holmes, Interim Chief Operating
Officer
**California African American Chamber of
Commerce**

Stuart Waldman, President & CEO
Valley Industry & Commerce Association

Jennifer Bullard, Senior Vice President of
Advocacy and Government Affairs
Orange County Business Council

Jeremy Harris, President & CEO
Long Beach Area Chamber of Commerce