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**CIVIL RIGHTS, BUSINESS, PROFESSIONAL GROUPS & LABOR UNIONS OPPOSE CA
DEPARTMENT OF INSURANCE PROPOSAL THAT WOULD END AFFINITY GROUP DISCOUNTS
FOR CAR INSURANCE**

Proposed regulation will result in loss of discounts and major increases in costs for millions of Californians

SACRAMENTO – A broad coalition of civil rights leaders, minority-owned business leaders, public safety organizations, business groups and unions today opposed a new regulation proposed by the California Department of Insurance (CDI) that would end affinity group discounts for millions of Californians, resulting in steep increases in car insurance costs for millions of Californians.

“This is the wrong proposal at the wrong time,” noted Californians United to Protect Insurance Discounts, the coalition opposing the changes. “As proposed, these draft regulations would eliminate group car insurance discounts for millions of teachers, firefighters, paramedics, small business owners, healthcare workers and other Californians struggling to recover from the global pandemic – increasing car insurance costs by hundreds of dollars every year.”

"In a time when Black businesses are struggling just to survive, a contraction or loss of an [affinity discount] program, and the extra cost of a few hundred dollars each year for our members, can mean a skipped doctor visit or postponed vacation for a small business owner and their family." said Edwin A. Lombard III, President & CEO - California African American Chamber of Commerce (CAACC). "Without the ability to offer affinity group discounts, it would take away a major benefit that our members could use to save money."

“The members of the California Hispanic Chambers of Commerce, representing the interests of California’s over 815,000 Hispanic business owners, have benefitted from an affinity relationship for nearly a decade,” Julian Cañete, President and CEO - California Hispanic Chambers of Commerce. “This discount has enabled our members to save much-needed dollars on their home and auto insurance. The last thing the Hispanic community needs now is for the Department of Insurance to take away our insurance discounts.”

“Many of our members are able to obtain auto insurance discounts as part of their CSFA membership,” said Robert B. Hamilton, President & General Manager, California State

Firefighters Employee Welfare Benefits Corporation. “The proposed regulations will very likely reduce this discount significantly or eliminate it entirely.

“I know firsthand that many individuals in our community are actively benefiting from the savings afforded by affinity programs, and I have seen it make a difference,” said Gloria Colazo, Regional Director - Ecuadorian and Salvadoran Chambers of Commerce. “When the economic belt is already tight, there is no logic behind taking away a program that gives so many that breathing room they need to cover the cost of living in such an expensive state.”

Many non-profits, such as unions, trade associations, membership organizations and professional associations offer their members or employees auto insurance discounts via partnerships with insurance companies known as affinity discounts. Under the law, insurers can also offer direct discounts to many professionals that are proven to have lower risk of accidents.

These affinity discounts are regulated by the California Department of Insurance (CDI) and allow insurance companies to offer these discounts – directly or through associations and organizations – to drivers of similar professions or categories who are proven to be at lower risk of auto accidents such as teachers, nurses, government employees, healthcare workers, secretaries, firefighters, police officers and others.

These discounts save millions of hard-working Californians hundreds of dollars on average per year.

The groups said they support the intent of the regulations to expand discounts to more low-income and disadvantaged consumers, but this proposal would instead eliminate discounts for millions. The coalition hopes to work with the Department to make the proposal more workable and equitable.

The list of organizations opposing the proposed regulations includes: The list of organizations opposing the proposed regulations includes: American College of Sports Medicine, Society of Professional Journalists, National Association of Home Builders, American GI Forum, California African American Chamber of Commerce, Ecuadorian-American Chamber of Commerce of Los Angeles, HOPE for All, National Latino Evangelical Coalition, California Hispanic Chambers of Commerce, Peace Officers Research Association of California, California State Firefighters Association, California Association of Black Pastors, Valley Industry and Commerce Association (VICA), Los Angeles Civil Rights Association, Association of Independent California Colleges and Universities (AICCU), Black Business Association, and the Antelope Valley Black Chamber of Commerce.

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