



ASSEMBLYWOMAN NICOLE PARRA'S  
INFORMATIONAL MEETING ON AUTOMOBILE INSURANCE PREMIUMS

Hanford, California  
April 1, 2004

**AUTO INSURANCE PREMIUMS VARY WIDELY  
BY ZIP CODE IN ASSEMBLY DISTRICT 30  
AND THE CENTRAL VALLEY**

**SUPPORTING EXHIBITS**

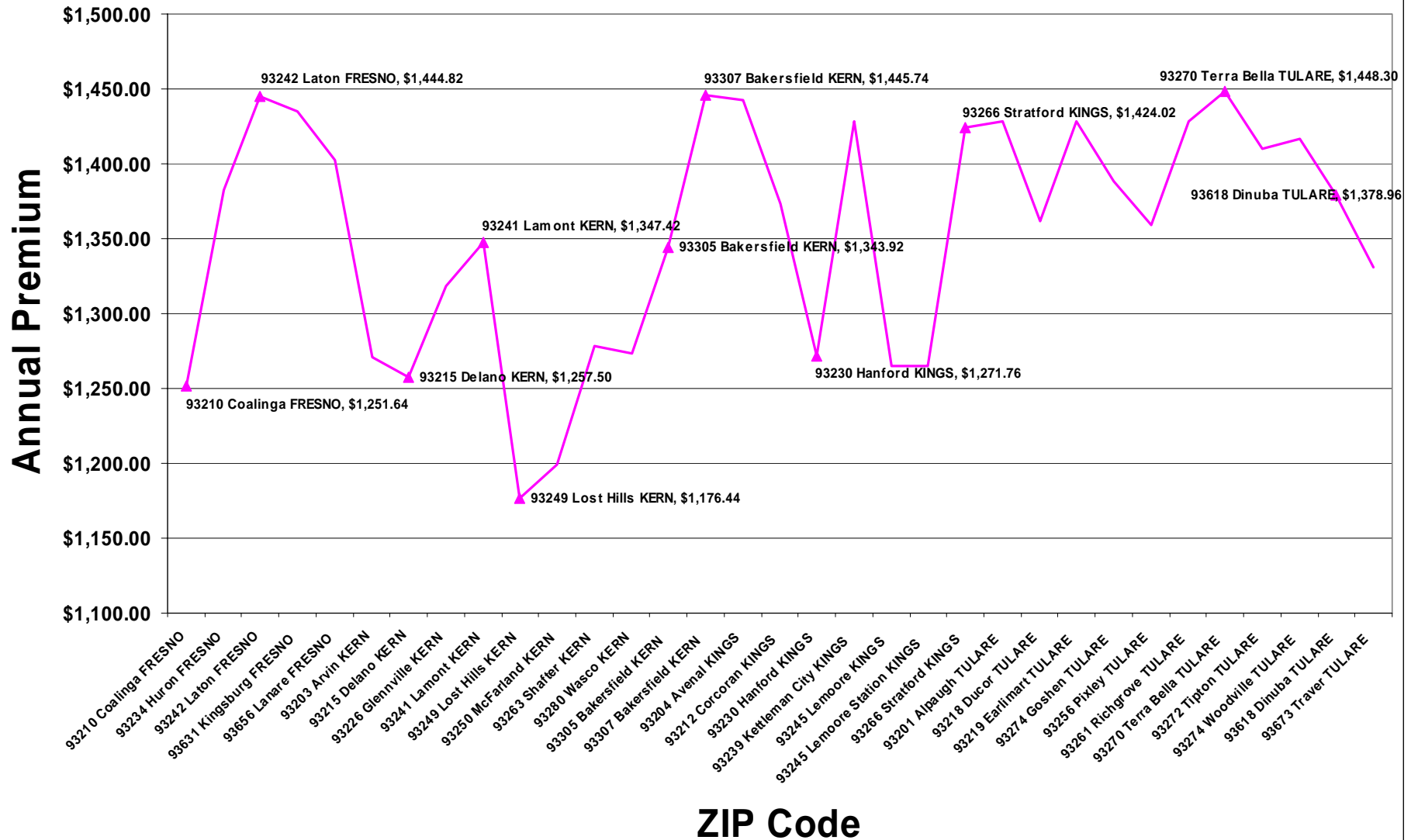
Mark Savage  
Consumers Union of U.S., Inc.  
West Coast Regional Office  
1535 Mission Street  
San Francisco, California 94103-2566  
(415) 431-6747  
(415) 431-0906 (fax)

Counsel for Petitioners  
Consumers Union of U.S., Inc.  
National Council of La Raza  
Southern Christian Leadership Conference of  
Greater Los Angeles  
Spanish Speaking Citizens' Foundation  
Foundation for Taxpayer and Consumer Rights  
City of Los Angeles  
City of Oakland  
City and County of San Francisco

**West Coast Regional Office**  
1535 Mission Street ■ San Francisco, CA 94103  
415.431.6747 Tel ■ 415.431.0906 Fax

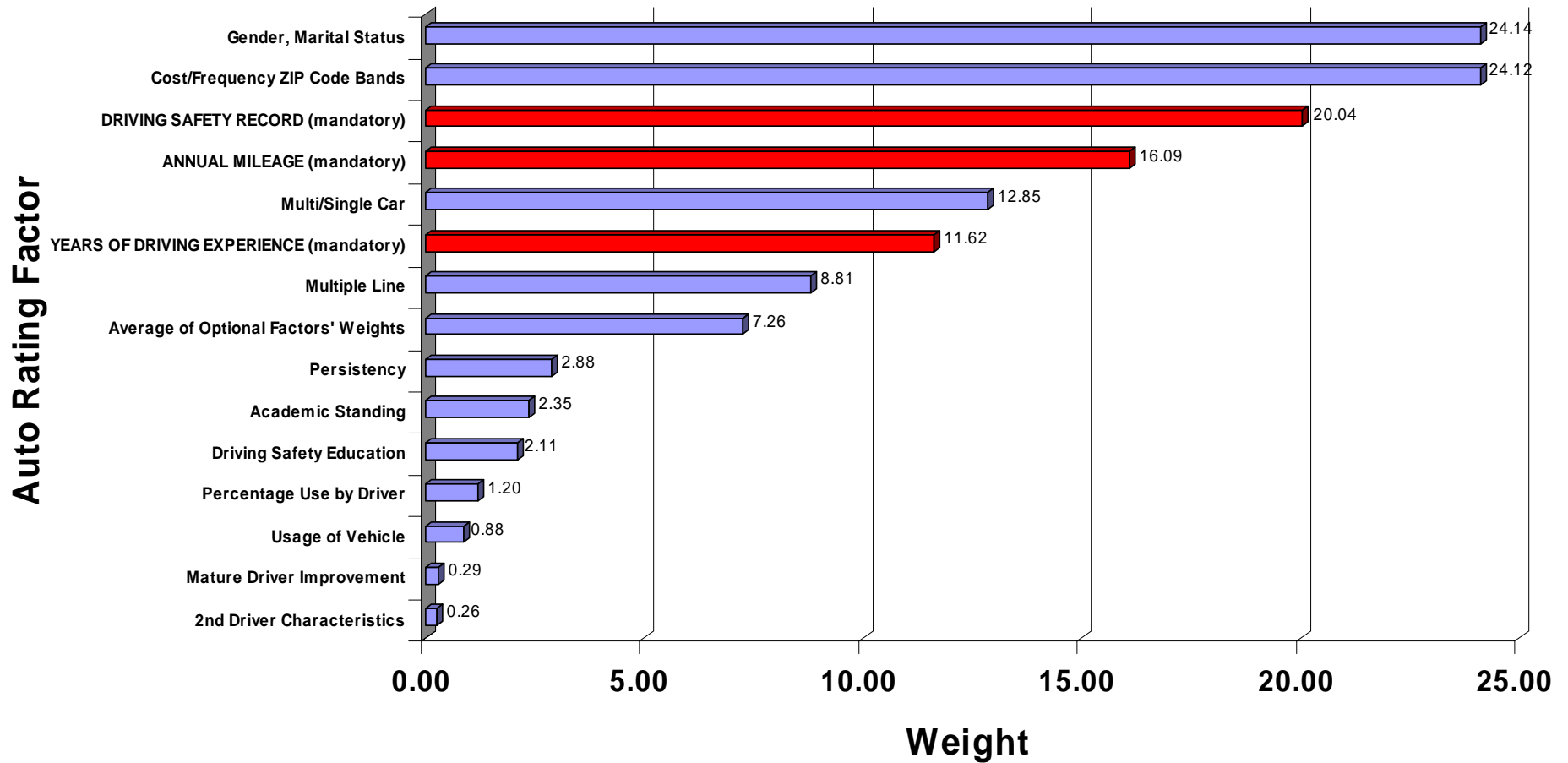
# \$352 or 37% Increase for Same Good Driver, Same Coverage

Female Good Driver, Licensed 22 Years, No Accidents/Violations, Standard Coverage  
 ZIP Codes in Assembly District 30



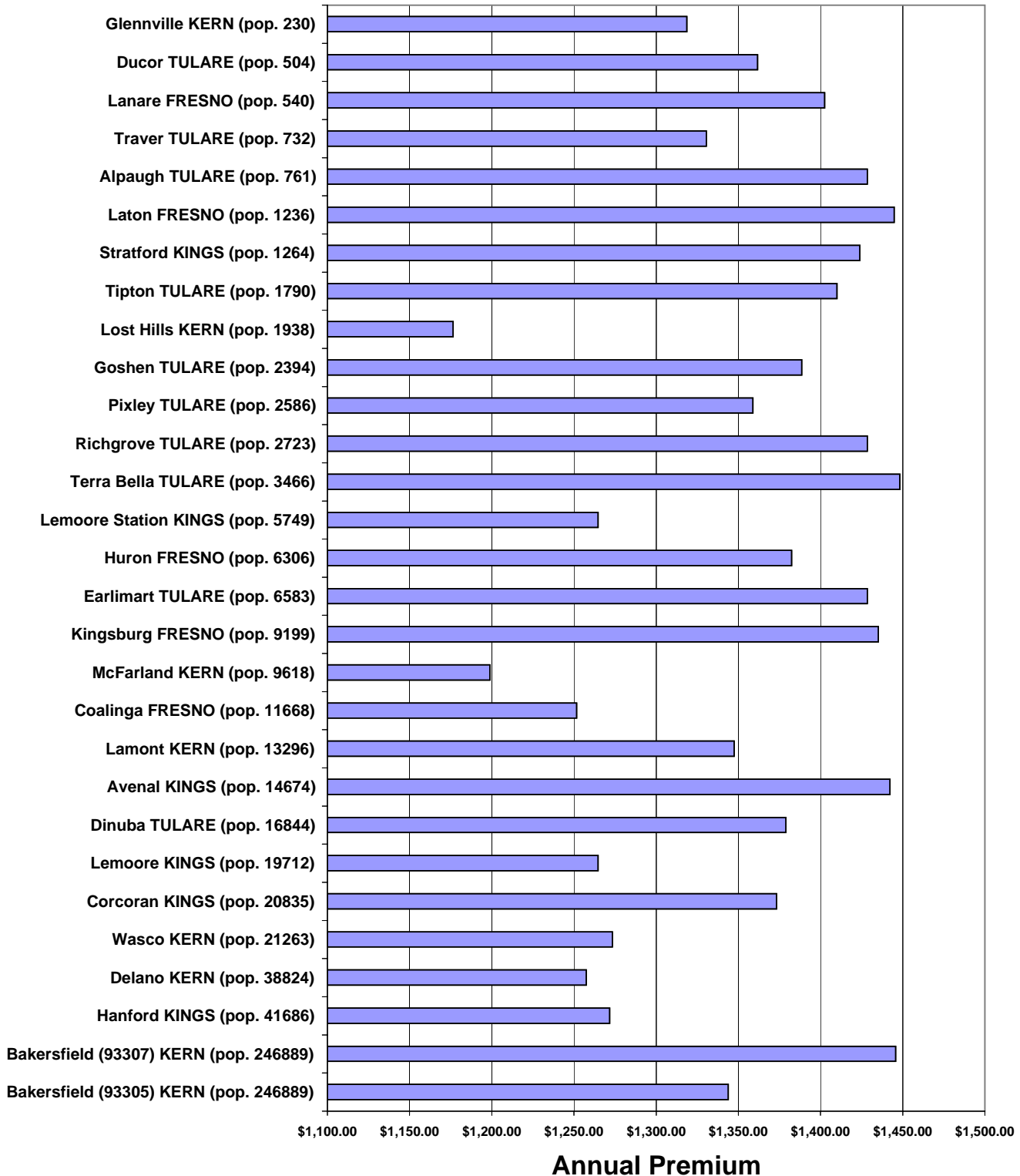
# Insurers Give Greater Weight to Where You Live, or Your Gender, Than to How Well You Drive

Rating Factors Used by One of California's Largest Automobile Insurers



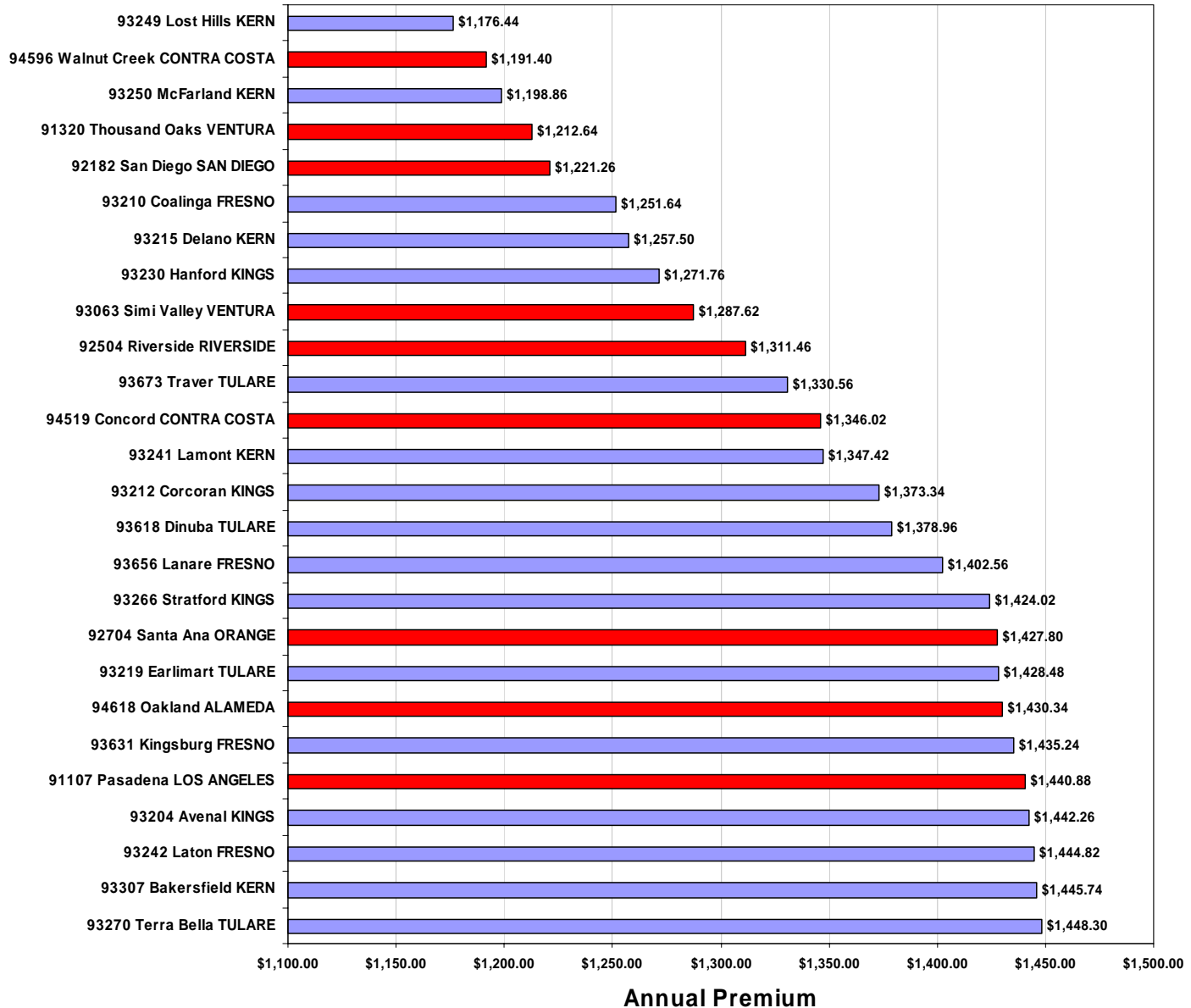
# When Insurance Premiums Are Based Primarily on ZIP Code, Drivers in Small Towns Can Pay More, Not Less

Female Good Driver, Licensed 22 Years, No Accidents/Violations, Standard Coverage  
ZIP Codes in Assembly District 30



# Insurers Charge as Much in Assembly District 30 as in "Urban" and "Suburban" California

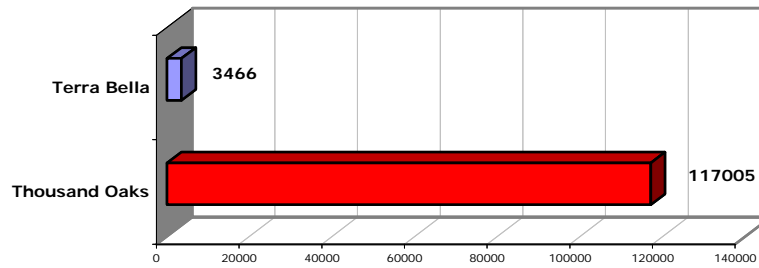
When Insurers Can Manipulate Your Premium Based Primarily on Where You Live, Not How You Drive, Small Central Valley Towns Can Pay More



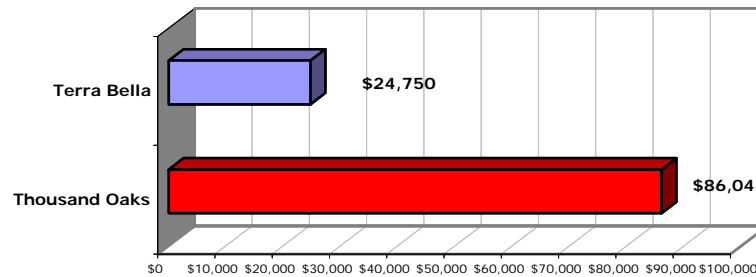
# Small Town Pays More Than Much Bigger City

## ZIP-Code Based Auto Rates Hurt Rural Communities, Too

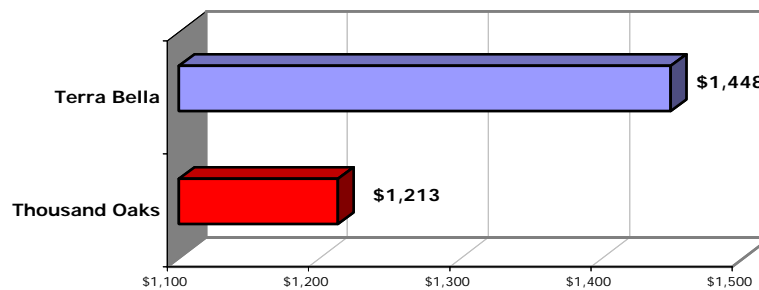
Population



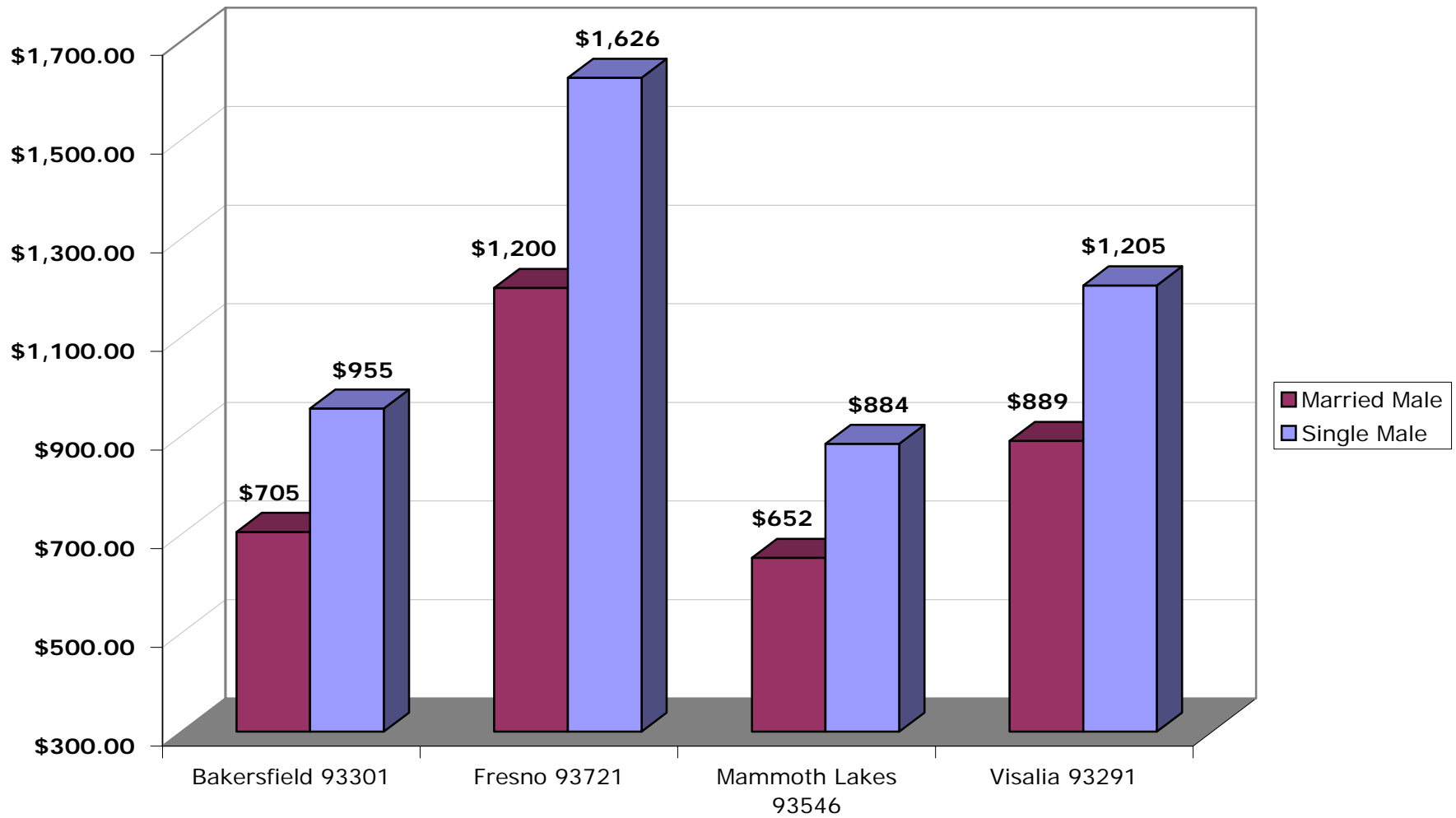
Median Family Income



Good Driver Insurance Premium



## Widows and Singles Pay 35% More Than Married Drivers at Geico.com



Source: Online quote from [www.Geico.com](http://www.Geico.com) for 49-year-old male with perfect driving record. Standard coverage.

## Good Drivers With Low Mileage, More Experience Will Pay Less Under Proposal

Figure 5. Average Dislocations

Group	% of Insureds	Standardized Factors Alone	Average Class	Single Omit-1	Single Omit-2	When Driving Safety Record Matters Most You See:
Total	100%	\$0	\$0	\$0	\$0	
"Good Driver"						
No	8%	(\$7)	(\$6)	\$17	\$10	(Lower Rates for Good Drivers)
Yes	92%	\$1	\$1	(\$1)	(\$1)	
Annual Mileage:						
0 to 3,000	10%	\$4	(\$41)	(\$17)	(\$42)	(Lower Rates for Low Annual Mileage)
3,001 to 5,000	14%	\$6	(\$18)	(\$6)	(\$30)	
5,001 to 8,000	22%	\$0	(\$5)	(\$4)	(\$15)	
8,001 to 10,000	28%	(\$3)	\$3	\$0	\$14	
10,001 to 12,000	12%	(\$3)	\$17	\$7	\$18	
12,001 to 15,000	8%	(\$1)	\$30	\$14	\$21	
over 15,000	5%	\$2	\$56	\$30	\$25	
Driving Experience:						
0 to 2 years	2%	\$26	\$2	\$94	\$33	(Lower Rates for Drivers With More Experience, Including Seniors)
3 to 13 years	19%	\$15	\$23	\$31	\$11	
14 to 48 years	68%	(\$7)	(\$6)	(\$13)	(\$2)	
49 or more	11%	\$11	(\$4)	\$3	(\$10)	
Area:						
S. Calif.:						(Limited Regional Impact In Every Part of the State)
L.A. only	23%	(\$5)	(\$7)	(\$8)	(\$2)	
Costal Counties	22%	\$0	\$1	\$2	\$1	
Inland Counties	8%	(\$2)	\$0	\$0	\$2	
Rest of Calif.:						
S.F. Bay Area	24%	\$3	\$4	\$4	\$0	
Sac. & Fresno Cos.	6%	\$13	\$14	\$13	\$2	
Rural N. & Valley	16%	(\$1)	(\$1)	\$0	\$1	

Note: Average Class uses the standardized factors.  
 Single Omit-1 uses the standardized factors.  
 Single Omit-2 mostly uses allowable rating factors as currently defined.

The first thing to note about the average dislocation results is that they represent the *average* experiences of the individuals in each group. Some individuals in the group will have much