

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

**CHANGES LAW TO ALLOW AUTO INSURANCE COMPANIES TO SET PRICES
BASED ON A DRIVER'S HISTORY OF INSURANCE COVERAGE. INITIATIVE**

STATUTE. Changes current law to permit insurance companies to set prices based on whether the driver previously carried auto insurance with any insurance company. Allows insurance companies to give proportional discounts to drivers with some prior insurance coverage. Will allow insurance companies to increase cost of insurance to drivers who have not maintained continuous coverage. Treats drivers with lapse as continuously covered if lapse is due to military service or loss of employment, or if lapse is less than 90 days. Summary of estimate by

Legislative Analyst and Director of Finance of fiscal impact on state and local government:

Probably no significant fiscal effect on state insurance premium tax revenues. (11-0013.)