

RESOLUTION NO. 198

RESOLUTION OF THE CITY OF AMADOR CITY AGAINST
LEGISLATION TO MAKE ALL AUTO RATES THE SAME
THROUGH OUT THE STATE

WHEREAS, California law currently provides that automobile insurers may use a system of territorial rating in allocating costs between unsureds in various geographic areas of the state; and

WHEREAS, the California Legislature has refused repeated attempts by legislators representing higher-rated territories to prohibit the use of such a system, which would result in a statewide insurance rate; and

WHEREAS, a statewide average insurance rate would not reduce the overall cost of insurance to the public, but would merely reallocate existing and future costs between insureds in various parts of the state; and

WHEREAS, a statewide average rate would increase insurance premiums for approximately two-thirds of California's motorists, while reducing rates for the one-third of motorists living in higher-rated territories; and

WHEREAS, elimination of territorial rating would be unfair to the residents of Amador City because they would be required to subsidize motorists in areas which have higher loss costs; and

WHEREAS, the Department of Insurance has scheduled hearings on territorial rating to receive input from the public and their elected representatives preparatory to reporting thereon to the Legislature pursuant to Assembly Concurrent Resolution 100 of the 1977-1978 Regular Session; and

WHEREAS, information made available by automobile insurers indicates that the elimination of territories and adoption of a statewide average rate would increase average rates for a typical insured resident of Amador City by 43 percent.

NOW THEREFORE, BE IT RESOLVED, that the City of Amador on behalf of its residents, urges the Department of Insurance to maintain an equitable system of allocating loss costs on the basis of the geographical area to which such costs are properly charged; and

BE IT FURTHER RESOLVED, that copies of this resolution be provided to the Commissioner of Insurance for inclusion in the hearing record and to Assemblyman Waters and Senator Garamendi.

THE FOREGOING RESOLUTION NO. 198 was duly passed and adopted by the City Council of the City of Amador City on the 8th day of March, 1979, at a regular meeting thereof, by the following vote:

,, AYES: Councilmen Vaira, Hart, Daubenspeck, Matich

NOES: None

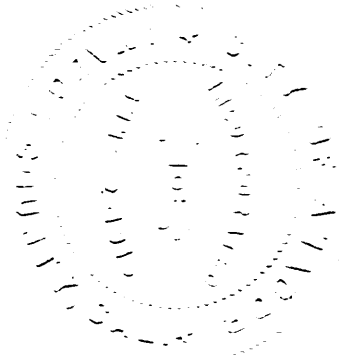
ABSENT: None

Signed and approved by me after its passage this 8th day of March, 1979.

Lloyd L. Smith
MAYOR, City of Amador City

ATTEST:

Harold K. Burns
Clerk, City of Amador City



CLERK'S CERTIFICATE

I, Harold K. Buus, Clerk of the City of Amador, do hereby certify the foregoing to be a full, true and complete copy of a Resolution adopted by the City Council of the City of Amador passed at a meeting held on the 8th day of March, 1979, as the same appears of record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the said City of Amador this 8th day of March, 1979.


Harold K. Buus, Clerk

(seal)

