

FINAL STATEMENT OF REASONS

1) The Update to the Initial Statement of Reasons

There are no changes to the text as described initial statement of reasons, with exception to the following:

- Subsection (b)(12) is amended to add reference to subsections (b)(12)(A) through (E). The previous amendments stated “The document shall be titled with one of the following.” However, the list of document titles did not immediately follow this text. Instead, the originally proposed text contained language allowing for abbreviated words. The sentence structure could create confusion. The amended text adopts references to subsections (A) through (E) as they when referencing approved document titles.
- Subsection (b)(12) is also amended to add a reference to subsection (b)(12) when allowing for abbreviated words. As originally proposed a reader could assume that abbreviated words could be used for any provision throughout subsection (b). Citing subsection (b)(12) makes it clear that abbreviated words can only be used in the titles of the insurance document.
- A non-substantive amendment is added to the Note section by adding a period mark prior to the Reference citation.

2) Imposition of Mandate on Local Agencies or School Districts

The department’s regulatory action amending Section 82.00 in Article 2.3, Chapter 1, Division 1, of Title 13, does not impose any mandate on local agencies or school districts and imposes (1) no cost or savings to any state agency, (2) no cost to any local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code, (3) no other discretionary cost or savings to local agencies, and (4) no cost or savings in federal funding to the state. No studies or data were relied upon to make this determination.

3) Summary of Comments Received and Department Response

The proposal was noticed on April 26, 2024, and made available to the public from April 26, 2024 through June 10, 2024. The department received one written comment during the 45-day comment period from Seren Taylor, Vice President of the Personal Insurance Federation of California.

In his letter, Mr. Taylor expressed support of the department’s proposed regulatory changes but requested the language be amended to be effective for policies issued or renewed six months after the final regulations are approved by the Office of Administrative Law.

Department’s Response: The department thanks the PIFC for their comment, however, the department has determined that additional amendments to the regulatory text are unnecessary. While the department recognizes that insurance carriers will need additional time to make the necessary updates, the department is not persuaded that six months is necessary.

4) Determination of Alternatives

All drivers, including fleet and commercial vehicle drivers, are required to have proof of insurance when operating a motor vehicle. Vehicle Code sections 4000.37 and 16020 identify the information required on an insurance card. This regulation consolidates the information required on an insurance card regardless of whether the coverage is for a passenger vehicle, commercial vehicle, or fleet vehicle.

The department has determined that no reasonable alternative considered by the department or that has otherwise been identified and brought to the attention of the department would be more effective in carrying out the purpose for which the action is proposed, or would be effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.