

Statement of Harvey Rosenfield  
“Why I Support Steve Poizner for California Insurance Commissioner”  
Los Angeles, California  
October 5, 2006

Today I am announcing my support for Steve Poizner for Insurance Commissioner.

Making the office of insurance commissioner an elected post was one of the key public policy decisions made by the voters when they enacted Proposition 103 in 1988. The Insurance Commissioner oversees a \$116 billion insurance marketplace. The Commissioner’s actions affect every motorist, homeowner, renter, small and large business, non-profit organization and governmental entity in the state of California. In short, the Insurance Commissioner is a crucial public office, and the people of California need and deserve a commissioner who takes the job seriously and who will faithfully enforce the consumer protections contained in Proposition 103.

That is why I support Steve Poizner for Insurance Commissioner. I believe Mr. Poizner is the best candidate for the job this November for three reasons.

First, he has made a commitment to the public to fully and properly enforce Proposition 103. Mr. Poizner has stated that he supports the new regulations that require auto insurance premiums be based primarily upon on a motorist’s driving safety record. He has also pledged to enforce the regulations under which insurers’ applications for rate changes are reviewed as mandated by Proposition 103. And he has embraced the public’s right to participate in the enforcement process.

Second, Mr. Poizner has promised to stop the unfair practice of canceling or surcharging a policyholder just because they file a legitimate claim or even call to inquire about a claim – the infamous “use it and lose it” system.

Third, Mr. Poizner has, from day one, pledged not to accept campaign contributions from the insurance industry for his campaign for commissioner, and he has developed an elaborate screening system in order to keep that promise. Moreover, Mr. Poizner has pledged not to accept industry money *while* he is commissioner. The significance of this pledge is enormous. The integrity of the office of insurance commissioner is severely compromised, and the public’s confidence in the actions of the commissioner is lost, when the official who

\* It is important to emphasize that I am making this announcement strictly in my personal capacity. The non-profit organizations I am associated with are non-partisan, and do not take positions on candidates for elective office.

regulates the insurance industry also accepts money from the industry they regulate. Mr. Poizner's pledge to reject industry money means that he will make decisions based on his view of what is best for Californians – not what is best for the insurance industry. All of us, including the insurance companies, benefit when the office of insurance commissioner is beyond reproach.<sup>1</sup>

On these crucial principles, Mr. Poizner's opponent, Lt. Gov. Cruz Bustamante, does not inspire confidence or trust. Ten years ago, as a member of the legislature, then Assembly Member Bustamante aggressively advocated for legislation, sponsored by an insurance company, to *repeal* the good driver reform of Proposition 103 that is now taking effect. Mr. Bustamante has yet to offer a satisfactory explanation for his conduct, or how his advocacy of such anti-consumer legislation can be squared with the duties of the office he now seeks. Instead, Mr. Bustamante has made only the most general pronouncements with respect to the enforcement of Proposition 103 or any other public policy matter. Platitudes are no substitute for specifics when it comes to reassuring voters that a candidate will enforce the law exactly as the public enacted it. Instead of focusing on the many issues before the next commissioner, Mr. Bustamante's campaign for insurance commissioner has largely centered on his personal weight loss program, an approach that can only be described as disrespectful of the voters. In contrast to his public invisibility, however, Mr. Bustamante has found the time to meet privately with industry officials, aggressively soliciting and accepting at least \$150,000 in industry donations for his candidacy, and returning them only after the donations became public and led to criticism. In my view, the people of California deserve better.

I have disagreed with every Insurance Commissioner on some issues at some time, so I imagine that will be true with Mr. Poizner. But when it comes to enforcing the law, he has promised that he will vigorously enforce the law as the voters intended. And over the course of the last eight months, as I have discussed with him the many issues a commissioner must confront – and those he plans to reach out to address – I have come to the conclusion that as commissioner Mr. Poizner will be fair, seek out and listen carefully to all sides before making a decision.

Like many Californians, I don't pay attention to partisan labels. I look to vote for the best candidate for the job. For Insurance Commissioner this November, I believe that is Steve Poizner.

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<sup>1</sup> Mr. Poizner's positions can be found at his web site <http://www.joinsteve.com/issues> by clicking the link on each topic. Selected pages are attached.

