

Rosenfield Seeks Initiative to Prohibit Broker and Installment Fees

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On September 4, 2009, [Harvey Rosenfield](#) submitted the [Stop Insurance Overcharges Act](#) (pdf), a proposed state-wide ballot measure, to [Attorney General Jerry Brown](#).

The initiative would:

- limit all insurance broker fees charged if brokers also receive a commission;
- preclude all other fees including installment fees billable to a policyholder;
- seek to eliminate the absence of prior insurance as a criteria for automobile and homeowner rates or insurability;
- preclude use of claims experience in calculating discounts or surcharges for automobile insurance.

We anticipate that insurers, managing general agents, brokers and trade associations will be establishing a strategy to contest the proposed initiative.

I look forward to your comments and/or thoughts regarding this significant issue as I will be coordinating our efforts to defeat this initiative. Please contact [Robert W. Hogeboom](#) at rhogeboom@bargerwolen.com and/or (213) 614-7304.