



# DEBRA BOWEN

## CALIFORNIA SECRETARY OF STATE

### NEWS RELEASE

DB10:041

FOR IMMEDIATE RELEASE

March 26, 2010

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## Auto Insurance Initiative Enters Circulation

*Repeals Laws that Require Every Driver to Maintain Automobile Liability Insurance. Initiative Statute.*

**SACRAMENTO** – Secretary of State Debra Bowen today announced that the proponent of a new initiative may begin collecting petition signatures for his measure.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

**REPEALS LAWS THAT REQUIRE EVERY DRIVER TO MAINTAIN AUTOMOBILE LIABILITY INSURANCE. INITIATIVE STATUTE.**

Repeals laws that require drivers to maintain automobile liability insurance and to carry proof of that insurance. Maintains mandatory liability insurance requirements for drivers of commercial vehicles and drivers who have been convicted of certain vehicular crimes. Repeals laws requiring insurance companies to electronically report vehicle liability insurance information to DMV. Repeal laws providing for the imposition of fines and suspension of driving privileges for drivers who fail to provide proof of insurance at an accident. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Annual state savings, probably about \$25 million, due to a reduction in costs to enforce financial responsibility requirements. A reduction in state and local revenues from fines and penalties related to violations of the financial responsibility law, probably in the couple of hundreds of millions of dollars. Unknown reduction in state premium tax revenues, offset to an unknown extent by increased sales tax revenues.** (10-0006.)

The Secretary of State's tracking number for this measure is 1462 and the Attorney General's tracking number is 10-0006.

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The proponent for this measure, Michael Lee Madsen, Sr., must collect signatures of 433,971 registered voters – the number equal to five percent of the total votes cast for governor in the 2006 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for this measure, meaning the signatures must be collected by August 23, 2010.

The initiative proponent can be reached at [foramericanow@aol.com](mailto:foramericanow@aol.com). No phone number was provided.

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