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**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA**

<p>In the Matter of the Petition to Intervene of:</p> <p style="text-align: center;">CONSUMER WATCHDOG,</p> <p style="text-align: right;">Petitioner.</p>	<p>File # IP-2024-00011</p> <p>AMENDED ORDER DENYING CONSUMER WATCHDOG’S PETITION TO INTERVENE</p> <p>Application of State Farm Mutual Automobile Insurance Company</p> <p>Rule File No.: 24-788</p>
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As set forth below, California Insurance Commissioner Ricardo Lara (Commissioner) denies Petitioner Consumer Watchdog’s (Petitioner) Petition to Intervene and Notice of Intent to Seek Compensation (Petition) in the above proceeding regarding the application of State Farm Mutual Automobile Insurance Company (Applicant).

I. APPLICABLE LAW

In November 1988, California voters approved Proposition 103, which made changes in the regulation of automobile insurance, as well as the approval of premium rates for property and casualty lines of insurance in California. (Ins. Code §§ 1861.01, et seq.) Proposition 103 also allows for public participation through consumer intervention. (Ins. Code § 1861.10.) The Commissioner has implemented Proposition 103’s statutory provisions concerning consumer participation through regulations. (California Code of Regulations, Title 10 (“10 CCR”) §§ 2661.1, et seq.)

10 CCR 2661.3(c) requires that hourly rates contained in an estimated budget shall not exceed market rates. Market rates are defined in 10 CCR 2661.1.

1 10 CCR 2662.3(d) states that Petitioners shall file amended budgets when the total
2 estimated budget amount increases by \$10,000 or more.

3 **II. BRIEF SUMMARY OF PETITION**

4 On June 3, 2024, Petitioner submitted its verified Petition for Hearing, Petition to
5 Intervene, and Notice of Intent to Seek Compensation which included an estimated budget
6 totaling \$227,175.00.

7 The hourly rates for attorney advocates range from a low of \$350 per hour to a high of
8 \$695 per hour. The hourly rates for expert witnesses range from a low of \$425 per hour to a high
9 of \$915 per hour.

10 The estimated budget was not supported by any documentation, exhibits, an attestation or
11 even a mere statement that the hourly rates it contained did not exceed market rates. The burden
12 is on the Petitioner to demonstrate, per the requirements of the regulations, that the hourly rates it
13 seeks do not exceed the market rate.

14 The Petition states in the last paragraph that Petitioner will amend its budget as soon as
15 practicable after learning that it needs to amend its budget. The regulations require the filing of an
16 amended budget when the estimated budget exceeds \$10,000, not at the convenience of the
17 Petitioner. This statement by Petitioners contradicts 10 CCR 2661.3(d).

18 **III. FINDINGS**

19 1. The Petition does not satisfy the requirements of 10 CCR 2661.3(c).

20 2. The Petition does not satisfy the requirements of 10 CCR 2661.3(d).

21 **IV. ORDER**

22 1. For the foregoing reason, Petitioners Petition is DENIED.

23 2. This Order does not preclude the Petitioner from filing a new Petition that
24 addresses the deficiencies identified.

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2 Dated: June 25, 2024

RICARDO LARA
California Insurance Commissioner

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By 
LUCY F. WANG
Deputy Commissioner and Special Counsel

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PROOF OF SERVICE
In the Matter of the Petition to Intervene of: CONSUMER WATCHDOG, Petitioner.
Case No. IP-2024-00011

I am over the age of eighteen years and am not a party to the within action. I am an employee of the Department of Insurance, State of California, employed at 1901 Harrison Street, 4th Floor, Oakland, California 94612. On June 25, 2024, I served the following document(s):

**AMENDED ORDER DENYING CONSUMER WATCHDOG'S PETITION
TO INTERVENE - Application of State Farm Mutual Automobile Insurance
Company – Rule File No. 24-788**

on all persons named on the attached Service List, by the method of service indicated, as follows:

If **U.S. MAIL** is indicated, by placing on this date, true copies in sealed envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items to be sent by mail, pursuant to Code of Civil Procedure Section 1013. I am familiar with this office's practice of collecting and processing documents placed for mailing by U.S. Mail. Under that practice, outgoing items are deposited, in the ordinary course of business, with the U.S. Postal Service on that same day, with postage fully prepaid, in the city of Oakland and the county of Alameda, California.

If **OVERNIGHT SERVICE** is indicated, by placing on this date, true copies in sealed envelopes, addressed to each person indicated, in this office's facility for collection of outgoing items for overnight delivery, pursuant to Code of Civil Procedure Section 1013. I am familiar with this office's practice of collecting and processing documents placed for overnight delivery. Under that practice, outgoing items are deposited, in the ordinary course of business, with an authorized courier or a facility regularly maintained by one of the following overnight services in the city of Oakland and the county of Alameda, California: Express Mail, UPS, Federal Express, or Golden State overnight service, with an active account number shown for payment.

If **FAX SERVICE** is indicated, by facsimile transmission this date to fax number stated for the person(s) so marked.

If **PERSONAL SERVICE** is indicated, by hand delivery this date.

If **INTRA-AGENCY MAIL** is indicated, by placing this date in a place designated for collection for delivery by Department of Insurance intra-agency mail.

If **EMAIL** is indicated, by electronic mail transmission this date to the email address(es) listed.

Executed this date at Oakland, California. I declare under penalty of perjury under the laws of the State of California that the above is true and correct.


Christine Warren

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**PROOF OF SERVICE
SERVICE LIST**

**In the Matter of the Petition to Intervene of: CONSUMER WATCHDOG Petitioner.
Case No. IP-2024-00011**

<u>Name/Address</u>	<u>Phone/Fax Numbers</u>	<u>Method of Service</u>
Harvey Rosenfield Pamela Pressley Ryan Mellino CONSUMER WATCHDOG 6330 San Vicente Blvd., Suite 250 Los Angeles, CA 90048 harvey@consumerwatchdog.org pam@consumerwatchdog.org ryan@consumerwatchdog.org	Tel: (310) 392-0522 Fax: (310) 392-8874	Via EMAIL
Laura Campbell Pricing Manager STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY One State Farm Plaza Bloomington, IL 61710 laura.campbell.r20d@statefarm.com	Tel: (309) 763-6082 Fax: N/A	Via EMAIL
Melissa Wurster Daniel Wade Rate Enforcement Bureau Legal Division CALIFORNIA DEPARTMENT OF INSURANCE 1901 Harrison Street, 4 th Floor Oakland, CA 94612 Melissa.Wurster@insurance.ca.gov Daniel.Wade@insurance.ca.gov	Tel: (415) 538-4500 Fax: (510) 238-7830	Via EMAIL