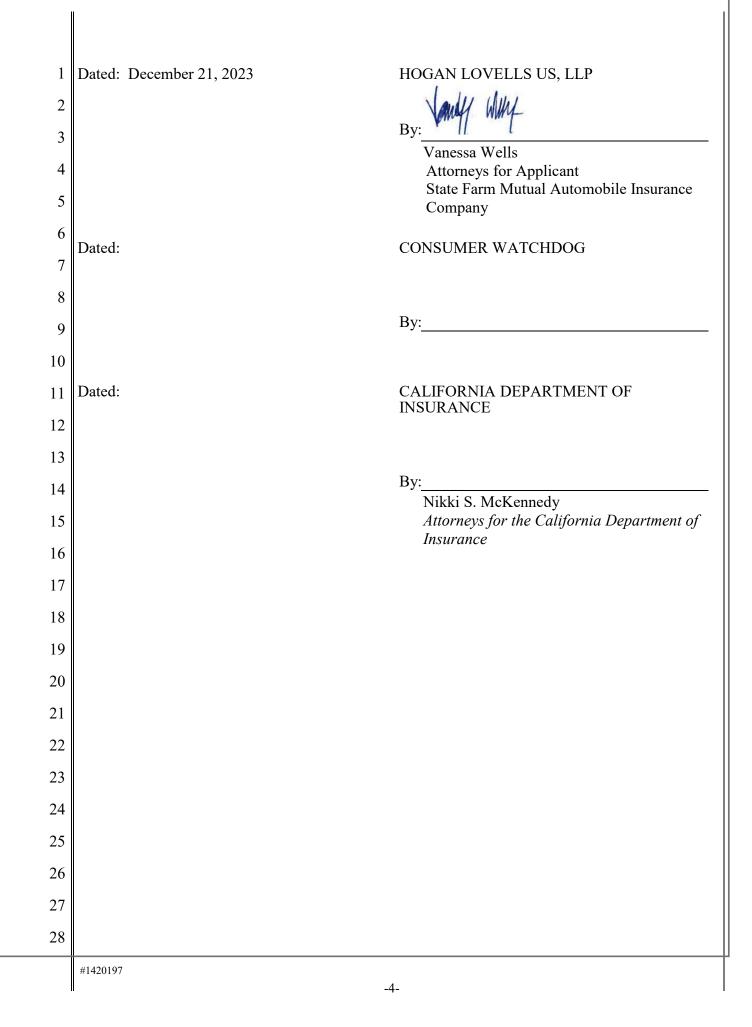
1	NIKKI MCKENNEDY (SBN 184269) SARA AHN (SBN 292206)				
2	CALIFORNIA DEPARTMENT OF INSURANCE				
3	1901 Harrison Street, 6th Floor Oakland, CA 94612				
4	Tel: (415) 538-4162 E-mail: <u>Nikki.McKennedy@insurance.ca.gov</u>				
5	Sara.Ahn@insurance.ca.gov				
6	Atternation for the California Department of Learning				
7	Attorneys for the California Department of Insurance				
8	BEFORE THE INSURANCE COMMISSIONER				
9	OF THE STATE OF CALIFORNIA				
10					
11	In the Matter of the Rate Application of	File No. PA-2023-00012			
12					
13	3 STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY, SETTLEMENT STIPULATION				
14	Applicant.				
15					
16	Applicant STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY				
17	("Applicant"), Intervenor CONSUMER WATCHDOG ("Petitioner"), and the Department of				
18	Insurance ("Department"; collectively, "Parties") stipulate as follows:				
19	REC	CITALS			
20	A. The Applicant is licensed by the	e Department to conduct insurance business in			
21	California.				
22	B. On March 31, 2023, Applicant filed a Rate Application with the Department				
23	seeking approval of an overall 24.6 percent rate increase to its Private Passenger Auto line of				
24	insurance (File No. 23-890 ["Application"]).				
25	C. On May 26, 2023, the Department notified the public of the Application pursuant				
26	to Insurance Code section 1861.05, subdivision (c).				
27	D. On July 10, 2023, Petitioner submitted a timely Petition for Hearing, Petition to				
28	Intervene, and Notice of Intent to Seek Compensation regarding the Application (collectively,				
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1	"Petition").		
2	E. On July 27, 2023, Applicant responded to the Petition.		
3	F. On August 7, 2023, the Commissioner granted the Petition to Intervene.		
4	G. The Parties have engaged in discussions regarding the Application and additional		
5	information and analysis the Parties have provided.		
6	H. As a result of the Parties' discussions and negotiations, Applicant has updated the		
7	Application per the Parties' agreement.		
8	STIPULATION		
9	1. This Stipulation, together with the updated Application and the Commissioner's		
10	approval in SERFF, represents the complete and final settlement resolving all issues between the		
11	Parties regarding the Application.		
12	2. Based upon the Application and additional information provided by the Parties,		
13	the Parties agree that an overall rate increase of 21.0 percent to Applicant's California Private		
14	Passenger Auto line of insurance (by coverage 22.2 percent for bodily injury/property damage,		
15	22.2 percent for medical payments, 15 percent for uninsured motorist, 26.6 percent for		
16	comprehensive, 19 percent for collision, 21.3 percent for miscellaneous damage, and -9.6 percent		
17	for miscellaneous liability) complies with the applicable laws and regulations, and results in rates		
18	that are not excessive, not inadequate, and not unfairly discriminatory. Applicant has made		
19	appropriate updated filings in SERFF to reflect the overall rate change. Approval of the		
20	Application described in this Stipulation will only be effective when approved by the		
21	Commissioner in SERFF. Applicant will implement this rate change with an effective date of		
22	February 26, 2024 in accordance with this Stipulation, the updated Application, and the		
23	Commissioner's approval in SERFF.		
24	3. In the event that Applicant submits a new rate increase application for its Private		
25	Passenger Auto line, it agrees that the effective date for such application will be no earlier than		
26	August 26, 2024. As used herein, "effective date" means the first date on which premiums		
27	calculated at a new, approved rate are due.		
28	4. Applicant agrees that it will reactivate its quote system for California available		
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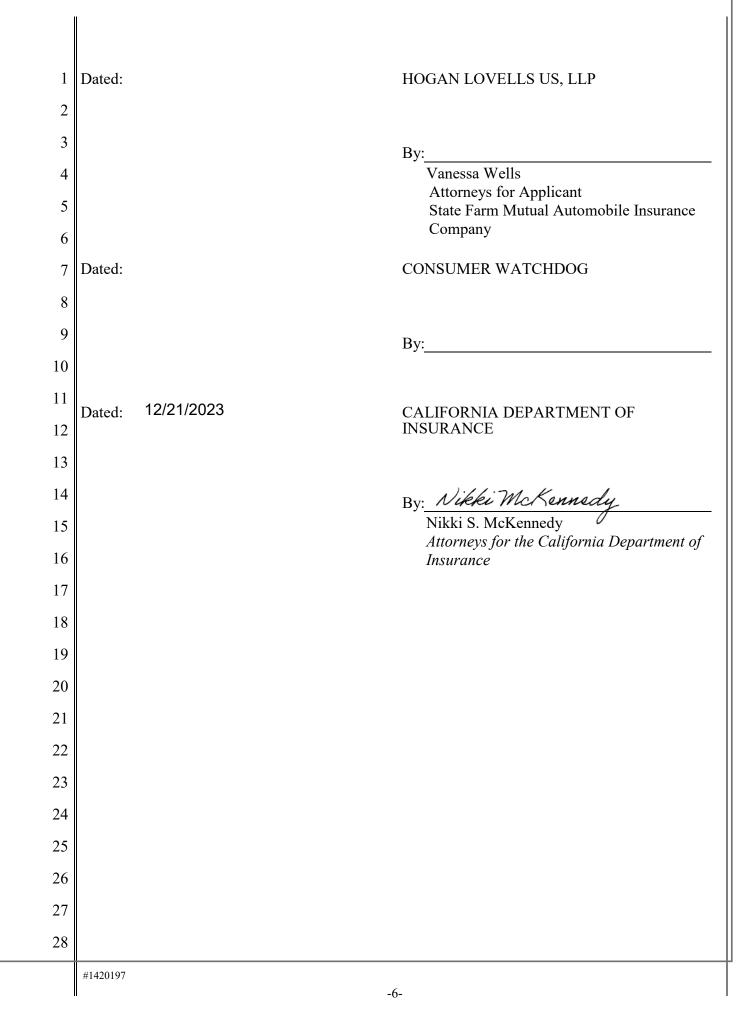
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through the internet, as it operated in California as of November 21, 2022. The system will be
 reactivated on or before February 26, 2024.

3 5. This Stipulation does not constitute an endorsement or approval of models 4 generally, or any specific model, eligibility or nonrenewal criteria, or rating methodology. 5 6. Consistent with Title 10 of the California Code of Regulations ("10 CCR") sections 2656.1(b) and 2662.3(c), no agreement regarding Petitioner's compensation has been 6 7 made. However, the Parties agree that the Commissioner's approval of the Application, 8 consistent with this Stipulation, will be a decision or order within the meaning of Insurance Code 9 section 1861.10, subdivision (b). Petitioner agrees to submit any request for compensation to the 10 Public Advisor within 30 days after notice of the Commissioner's approval in SERFF. 11 7. Petitioner will withdraw its Petition for Hearing within 10 days after notice of the 12 Commissioner's approval in SERFF. 8. 13 This Stipulation is made solely to reach a compromise among the Parties. All 14 Parties expressly reserve the right to raise any of their arguments or positions in future matters. 15 9. The Commissioner retains jurisdiction to ensure that the Parties comply with this 16 Stipulation and the updated Application and the Commissioner's approval in SERFF. 17 10. This Stipulation may be executed in counterparts. 18 19 [SIGNATURES ON NEXT PAGE] 20 //// 21 //// 22 //// 23 //// 24 //// 25 //// 26 27 28 #1420197



1	Dated:	HOGAN LOVELLS US, LLP
2		
3		By:
4		Vanessa Wells
5		Attorneys for Applicant State Farm Mutual Automobile Insurance
6		Company
7	Dated: 12/21/23	CONSUMER WATCHDOG
8		T = 1
9		By: Sur and
10		Benjamin Powell Consumer Watchdog
11	Dated:	CALIFORNIA DEPARTMENT OF
12	Duca	INSURANCE
13		
14		By:
15		Nikki S. McKennedy Attorneys for the California Department of
16		Insurance
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1 2 3	PROOF OF SERVICE In the Matter of the Rate Application of Sate Farm Mutual Automobile Insurance Company, Applicant. CDI File No. PA-2023-00012 (RRB FILE No. 23-890)			
4 5	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, 4 th Floor, Oakland, CA 94612. On December 22, 2023, I served the following document(s):			
6	SETTLEMENT STIPULATION			
7	on all persons named on the attached Service List, by the method of service indicated, as follows:			
8 9 10	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 and county of San Francisco, California.			
 11 12 13 14 15 	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 and county of San Francisco, California: Express Mail, UPS, Federal Express, or Golden State overnight service, with an active account number shown for payment.			
16 17	If FAX SERVICE is indicated, by facsimile transmission this date to fax number stated for the person(s) so marked.			
17	If PERSONAL SERVICE is indicated, by hand delivery this date.			
19	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.			
20	If EMAIL is indicated, by electronic mail transmission this date to the email address(es) listed.			
21	Executed this date at San Francisco, California. I declare under penalty of perjury under the laws of the State of California that the above is true and correct.			
22				
23	Cecília Padua			
24	Cecilia Padua			
25				
26				
27				
28	#1424085.1			

1 2	2 Sate Farm Mutual Automobile Insurance Company, Applicant. 2 CDI File No. PA-2023-00012 (RRB FILE NO. 23-890)		
3			
4	Name/Address	Phone/Fax Numbers	Method of Service
5 6 7 8 9 10 11	Vanessa O. Wells, Esq. Victoria C. Brown, Esq. Attorney(s) for Applicant HOGAN LOVELLS US LLP 855 Main Street, Suite 200 Redwood City, CA 94063 <u>Vanessa.wells@hoganlovells.com</u> <u>Victoria.brown@hoganlovells.com</u> Laura Campbell Pricing Manager STATE FARM MUTUAL	Tel: (650) 463-4000 Fax: (650) 463-4199 Tel: (309) 763-6082 Fax: (309) 766-0225	Via EMAIL Via EMAIL
12 13 14	AUTOMOBILE INSURANCE CO. One State Farm Plaza Bloomington, IL 61710-0001 Laura.campbell.r20d@statefarm.com		
 15 16 17 18 19 20 21 22 23 	Harvey Rosenfield, Esq. Pamela Pressley, Esq. Daniel L. Sternberg, Esq. Ryan Mellino, Esq. Attorney(s) for Intervenor CONSUMER WATCHDOG 6330 San Vicente Blvd., Suite 250 Los Angeles, CA 90048 harvey@consumerwatchdog.org pam@consumerwatchdog.org danny@consumerwatchdog.org ryan@consumerwatchdog.org	Tel: (310) 392-0522 Fax: (310) 392-8874	Via EMAIL
24 25 26 27 28	Kenneth Allen Deputy Commissioner Rate Regulation Branch CALIFORNIA DEPARTMENT OF INSURANCE 300 South Spring Street, 14 th Floor Los Angeles, CA 90013 <u>ken.allen@insurance.ca.gov</u>	Tel: (213) 346-6783 Fax: (213) 897-9051	Via EMAIL

1	Jon Phenix, Esq. Staff Counsel III & Public Advisor	Tel: (916) 492-3705 Fax: (510) 238-7830	Via EMAIL
2	Office of the Special Counsel	1 ax. (510) 250-7050	
3	CALIFORNIA DEPARTMENT OF INSURANCE		
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5	Jon.phenix@insurance.ca.gov		
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