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STATE FARM GENERAL INSURANCE COMPANY

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

In the Matter of the Rate Applications of  
  
STATE FARM GENERAL INSURANCE  
COMPANY,  
  
Applicant.

File Nos. PA-2024-00011, PA-2024-00012,  
PA-2024-00013

**STATE FARM GENERAL'S BRIEF IN  
OPPOSITION TO CONSUMER  
WATCHDOG'S MOTION FOR ORDER  
SHORTENING TIME FOR STATE  
FARM GENERAL TO RESPOND TO  
DISCOVERY REQUESTS FOR APRIL 8,  
2025 HEARING**

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1 ground for objecting to the rate stipulated to between CDI and State Farm General, not on the  
2 merits of State Farm General’s non-interim rate application—and certainly not the yet-to-be filed  
3 updated rate application. Given the narrow focus of the Interim Rate Hearing, the broad discovery  
4 sought by CW is not necessary for or relevant to the limited set of issues to be addressed at the  
5 Interim Rate Hearing.

6 Moreover, the Administrative Law Judge (“ALJ”) set the hearing for April 8, 2025, on  
7 March 25, 2025, with only a few weeks’ notice. This expedited schedule—which is entirely  
8 appropriate and necessary in State Farm General’s view—implicitly recognized the narrow issues  
9 to be addressed at the hearing and did not leave time for the parties to conduct discovery. This  
10 approach makes sense because, as noted, broad discovery is not needed for the Interim Rate  
11 Hearing.

12 In sum, CW does not need the discovery it seeks for the Interim Rate Hearing and the  
13 schedule set by the ALJ does not allow sufficient time for discovery to occur. For these reasons  
14 alone, CW’s Motion should be denied.

15 **B. CW’s Discovery Is Improper and Overbroad, Even For Discovery In Connection**  
16 **With The Upcoming Hearing on State Farm General’s Actual (Non-Interim) Rate**  
17 **Application.**

18 The discovery propounded by CW is extraordinarily broad. For example, the definition of  
19 a discoverable document contained in paragraph 2 of the Requests’ definition purports to require  
20 State Farm General to search for and produce all responsive electronic documents in the  
21 company’s possession, custody, or control. Thus, the Requests appear to contemplate the very  
22 same type of electronic document discovery that often occurs in state and federal court litigation—  
23 discovery that can take many months and cost many hundreds of thousands of dollars. Indeed,  
24 even agreeing upon a protocol for such discovery takes significantly longer than the ten-day period  
25 State Farm General would have to respond to CW’s requests. In addition, the Requests contain  
26 very broad request related to State Farm’s financial status, such as (i) documents relating to State  
27 Farm General’s NAIC IRIS ratios and the calculation of those ratios, (*see e.g.*, Requests 10–14),  
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(ii) documents establishing State Farm General's Risk Based Capital Report and calculation, (*see e.g.*, Requests 15–16), and fully updated rate templates related to State Farm General's non-interim rate application to be addressed at the upcoming rate hearing currently set for June. (*See e.g.*, Request 20.) State Farm General also expects to object to many of the requests based on statutory confidentiality protections and trade secret protections—objections that would require time to resolve. (*See, e.g.*, CIC §§ 935.8, 1215.8, 739.8, 923.6; Cal. Civ. Code §§ 3426–3426.11; Cal. Evid. Code § 1060; Cal. Gov. Code § 11513(e); 215 ILCS §§ 5/129.8, 5/131.22, 5/35A-50, 5/136, 5/404; 765 ILCS §§ 1065/1–1065/9.)

This broad litigation-style discovery is not consistent with the scope of discovery contemplated by the APA. As the ALJ knows, the time periods for parties to respond to discovery under the APA are very short, and electronic discovery in its current form did not exist when the APA was passed. Electronic discovery of the kind sought by CW's request would require the parties to agree upon a protocol for the collection and review of electronic information, followed by State Farm General's collection of the information through an e-discovery vendor, followed again by the review of the information and the production of any responsive material. This type of discovery cannot be accomplished under the framework of the APA or under the schedule set by the ALJ for the Interim Rate Hearing on April 8, 2025, or the main rate hearing currently scheduled for June 2025.

For these reasons, State Farm General intends to seek a protective order regarding CW's discovery if the parties are not able to reach agreement about an appropriate scope for that discovery following meet and confer discussions. But there is no sound basis in the APA or more general discovery principles for the ALJ to permit CW effectively to short-circuit the normal discovery process by lobbying in overbroad last minute discovery requests and then seeking to use the upcoming Interim Rate Hearing as a reason to force expedited responses to those improper requests.

**C. It Would Be Unfair and Prejudicial To Force State Farm General To Respond to CW's Request Before The Interim Rate Hearing.**

1 CW's attempt to compel State Farm General's expedited discovery responses also should  
2 be denied because it would be unfair and prejudicial to State Farm General to force it to respond to  
3 this discovery on the requested time frame in light of the upcoming Interim Rate Hearing. The  
4 Interim Rate Hearing is critical to State Farm General. State Farm General, as well as its legal  
5 teams, need to focus on preparing for that hearing. There is no need to address CW's overbroad  
6 requests now, particularly because many of those requests are improperly overbroad or seek  
7 discovery relevant to the upcoming rate hearing scheduled for June, not to the Interim Rate  
8 Hearing. The requests and responses can be addressed in the ordinary course and in the  
9 appropriate way. (As stated, State Farm General intends to seek a protective order if the parties  
10 cannot narrow the requests through discovery.) Creating a last-minute sideshow of discovery  
11 objections, responses, and disputes is unnecessary and will prejudice State Farm General's ability  
12 to prepare for the hearing.

13 Moreover, to the extent that CW actually needs specific information related to the Interim  
14 Rate Hearing, it should identify that particular information and make a showing that it is  
15 necessary, rather than fishing for information through overly broad discovery requests. For  
16 example, State Farm General anticipates that the parties mutually will identify the witnesses to be  
17 presented at the Interim Rate Hearing—no discovery request is needed to accomplish that.  
18 Similarly, if there is other specific information that CW needs, the parties can attempt to address  
19 that through pre-hearing conferrals or with the ALJ at the conference scheduled for April 4, 2025.

20 Finally, CW's Motion is based on the premise that State Farm General's responses are due  
21 on April 7, 2025, before the Interim Rate Hearing is scheduled to commence. By State Farm  
22 General's calculation, however, the responses actually ordinarily would be due on April 9, 2025,  
23 the day after the hearing is scheduled to proceed. The fact that the responses to CW's requests  
24 ordinarily would not even be due until after the Interim Rate Hearing occurs provides still another  
25 reason why the ALJ should not compel State Farm General to respond to these requests before the  
26 hearing, on an expedited basis.

1 **CONCLUSION**

2 For all the foregoing reasons, State Farm General respectfully requests that CW's Motion  
3 for an order shortening time be denied.

4  
5 Dated: April 2, 2025

6 Respectfully submitted,

7 **HOGAN LOVELLS US LLP**

8 /s/ Michael M. Maddigan

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**PROOF OF SERVICE**

I, Kristel Gelera, declare:


I am a citizen of the United States and employed in San Mateo County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is 855 Main Street, Redwood City, California 94063. On April 2, 2025, I served a copy of the within document(s):

**NOTICE OF DEFENSE**

- ☐ by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, the United States mail at Redwood City, California addressed as set forth below.
- ☐ by placing the document(s) listed above in a sealed Federal Express envelope and affixing a pre-paid air bill, and causing the envelope to be delivered to a Federal Express agent for delivery.
- ☐ by personally delivering the document(s) listed above to the person(s) at the address(es) set forth below.
- ☒ by transmitting via my electronic service address ([kristel.gelera@hoganlovells.com](mailto:kristel.gelera@hoganlovells.com)) the document(s) listed above to the person(s) at the e-mail address(es) set forth below.
- ☐ by electronically filing the document(s) with the Clerk of the Court by causing the documents to be sent to One Legal, the Court's Electronic Filing Services Provider for electronic filing and service. Electronic service will be effected by One Legal's case-filing system at the electronic mail addresses indicated on the attached Service List.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on April 2, 2025, at Redwood City, California.

  
Signature

**SERVICE LIST**  
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