

ASSEMBLY BILL

No. 2342

Introduced by Assembly Member Dababneh

February 21, 2014

An act to amend Section 671 of the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 2342, as introduced, Dababneh. Insurance: automobile insurance.

Under existing law, an insurer that issues an automobile collision policy or a policy for comprehensive coverage for an automobile is prohibited from refusing to issue the policy of insurance, or the policy in combination with other coverages, when the refusal is based solely on the age of the automobile to be insured, if the market value of that automobile exceeds \$2,500.

This bill would increase that market value threshold to \$5,000.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 671 of the Insurance Code is amended
2 to read:
3 671. ~~No~~An insurer issuing an automobile collision policy, as
4 defined in Section 660, or a policy for comprehensive coverage
5 for an automobile, as defined in Section 11580.07, shall *not* refuse
6 to issue the policy of insurance, or the policy in combination with
7 other coverages, when the refusal is based solely on the age of the
8 automobile to be insured, if the market value of the automobile

1 exceeds ~~two thousand five hundred dollars (\$2,500)~~ *five thousand*
2 *dollars (\$5,000)*.

3 This section does not apply to any policy which includes
4 coverage for losses resulting from wear and tear or from normal
5 deterioration of an automobile or its component parts, nor to any
6 policy which provides coverage for an antique or classic
7 automobile.

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