

AMENDED IN ASSEMBLY APRIL 6, 1995  
AMENDED IN ASSEMBLY MARCH 29, 1995

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1150**

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**Introduced by Assembly Member Morrissey**

February 23, 1995

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An act to add Section 12935 to the Insurance Code, relating to insurance.

LEGISLATIVE COUNSEL'S DIGEST

AB 1150, as amended, Morrissey. Insurance: informational sheets.

Under existing law there is an Insurance Commissioner with specified duties.

This bill would authorize the commissioner to develop informational sheets in non-English languages regarding the terms used in insurance policies, as specified.

This bill would further provide that the development of informational sheets or the use of these informational sheets by insureds, insurers, agents, brokers, or the state shall not be interpreted as creating a duty or obligation to provide additional information or insurance policies in a non-English language.

*The bill would also specify that in the case of a dispute, the insurance policy is controlling.*

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

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

1 SECTION 1. It is the intent of the Legislature that the  
2 Insurance Commissioner, at a time to be determined by  
3 the commissioner, develop informational sheets in  
4 non-English languages that provide a general explanation  
5 in those languages of the terms most commonly used in  
6 insurance policies.

7 It is the further intent of the Legislature that these  
8 informational sheets are for informational purposes only,  
9 and do not create a right, duty, or obligation on the part  
10 of the insured, the insurer, the agent, the broker, or the  
11 state.

12 SEC. 2. Section 12935 is added to the Insurance Code,  
13 to read:

14 12935. (a) The commissioner, at a time to be  
15 determined solely by the commissioner, may develop and  
16 make available to the general public, in the two most  
17 common non-English languages spoken in the state,  
18 which are Spanish and Vietnamese, informational sheets  
19 that provide a general explanation in those languages, of  
20 the terms most commonly used in passenger automobile  
21 and pickup truck liability insurance policies.

22 (b) These informational sheets are intended to  
23 provide only the general explanation of these insurance  
24 terms, and in the case of a dispute between an insurer and  
25 an insured, the policy as written in English will prevail.  
26 The development of informational sheets or the use of  
27 these informational sheets by insureds, insurers, agents,  
28 brokers, or the state shall not be interpreted as creating  
29 a duty or obligation to provide additional information or  
30 insurance policies in a non-English language.

31 (c) An informational sheet developed by the  
32 commissioner shall include a disclaimer, prominently  
33 displayed in 24-point type print at the beginning of the  
34 informational sheet, in the non-English language, that  
35 contains all of the following information:

36 (1) The informational sheet is for informational  
37 purposes only.



1 (2) The actual terms of an insurance policy prevail  
2 over the information provided in the informational sheet.

3 (3) In the case of a dispute, *the insurance policy is*  
4 *controlling and* a court will rely on the policy as it is  
5 written in English to resolve the dispute.

6 (4) The policy is the sole source of rights and  
7 obligations of the insurer and the insured.

8 (5) The information contained in the informational  
9 sheets does not create rights or obligations on the part of  
10 the insured, the insurer, the agent, the broker, or the  
11 state.

12 (6) The informational sheet is not intended to be a  
13 substitute for the actual policy written in English.

14 (d) The commissioner may develop informational  
15 sheets regarding other forms of insurance.

16 (e) The commissioner may develop informational  
17 sheets in foreign languages, other than Spanish and  
18 Vietnamese, as needed.

19 (f) Once developed by the commissioner, he or she  
20 may produce public service announcements concerning  
21 the availability of these informational sheets, to be  
22 utilized in those communities that the commissioner  
23 deems would benefit from the information.

24 (g) *Nothing in this section shall prevent an insurer*  
25 *from advertising insurance policies in a language other*  
26 *than English. However, in the case of a dispute, the*  
27 *insurance policy is controlling and any of those*  
28 *advertisements shall not be construed to modify or*  
29 *change the insurance policy.*

