

1 [California Department of Insurance]  
2 URGING THE CALIFORNIA INSURANCE COMMISSIONER TO REORGANIZE THE  
3 CALIFORNIA DEPARTMENT OF INSURANCE AND INCREASE ENFORCEMENT AGAINST  
4 DISHONEST INSURANCE AGENTS

5  
6 WHEREAS, A five-month investigation by the San Francisco Chronicle has revealed a  
7 variety of insurance scams in California including the sale of phony policies, stolen premiums,  
8 and the sale of unnecessary policies; and,

9 WHEREAS, Thousands of California policyholders have been swindled out of millions  
10 of dollars; and,

11 WHEREAS, Since 1994, disciplinary action against dishonest insurance agents has  
12 decreased while complaints of insurance agent misconduct have increased; and,

13 WHEREAS, During the past two years, only one out four dishonest agents who were  
14 caught and disciplined were fined; and,

15 WHEREAS, During the past two years, the average fine imposed by the California  
16 Department of Insurance was \$250; now, therefore, be it

17 RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
18 urges the California Insurance Commissioner to reorganize the California Department of  
19 Insurance and increase enforcement against dishonest insurance agents; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors urges the California Insurance  
21 Commissioner to increase agent licensing fees to cover the costs of enforcement, to require  
22 disciplined agents to reimburse the Department of Insurance for the costs of its investigations,  
23 and to increase the number and authority of investigators assigned to investigate dishonest  
24 agents.

25

SUPERVISOR, LENO, BIERMAN  
BOARD OF SUPERVISORS



City and County of San Francisco

Veterans Building  
401 Van Ness Avenue, Room 308  
San Francisco, CA 94102-4532

Tails  
Resolution

File Number: 981656

Date Passed:

Resolution urging the California Insurance Commissioner to reorganize the California Department of Insurance and increase enforcement against dishonest insurance agents.

October 13, 1998 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Bierman, Brown, Katz, Kaufman, Leno, Medina, Newsom, Teng, Yaki, Yee

File No. 981656

I hereby certify that the foregoing Resolution was ADOPTED on October 13, 1998 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young  
Clerk of the Board

OCT 23 1998

Date Approved

Mayor Willie L. Brown Jr.