

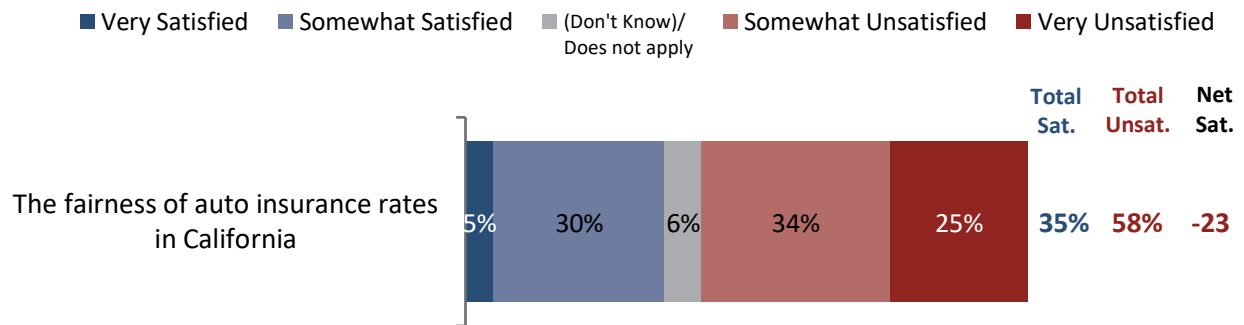


**TO:** Interested Parties  
**FROM:** Ruth Bernstein and Tom Patras, EMC Research  
**RE:** California Statewide Survey Results Overview  
**DATE:** December 7, 2020

EMC Research recently conducted a statewide survey of California voters on topics related to auto insurance. Key findings are outlined below.

**A majority of California voters feel auto insurance rates are unfair**

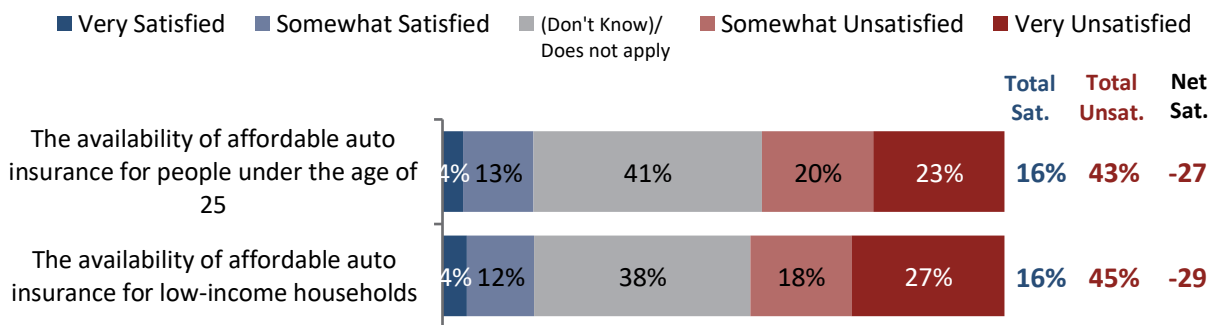
Nearly six-in-ten (58%) of California voters indicate they are unsatisfied with “the fairness of auto insurance rates in California,” with one-quarter (25%) indicating they are very unsatisfied. Meanwhile, only 5% of California voters say they are very satisfied with auto insurance rate fairness in the state.



This level of dissatisfaction is much higher among key demographic groups, with 70% of lower-income voters saying they are unsatisfied with the fairness of rates, 64% of Latino voters, 61% of Asian/PI voters, and 61% of Democrats.

**Many voters feel there is a lack of affordable auto insurance options**

Satisfaction ratings were low with regard to the availability of affordable auto insurance for two key populations – low income households and people under the age of 25. In each case, unsatisfied ratings more than doubled satisfaction ratings.

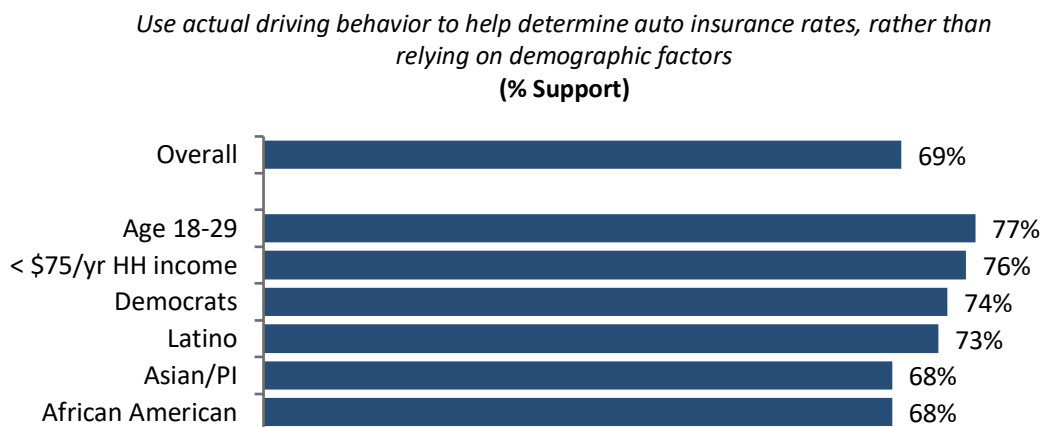


**Many voters believe auto insurance rates are discriminatory, particularly African Americans and Latinos**

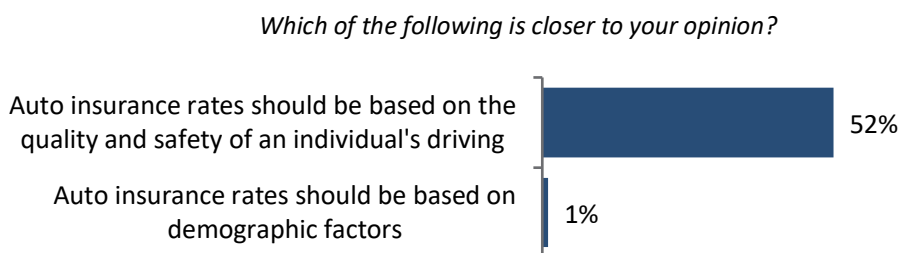
A majority (50%) of voters agree with the statement: The current way auto insurance rates are determined in California is discriminatory. Agreement is higher among Latino and African American voters at 58%.

### California voters support using actual driving behaviors to determine auto insurance rates

Voters support using actual driving behavior to help determine auto insurance rates by a wide margin (69% support – 17% oppose). The levels of support are even higher among several key constituencies, including younger voters, lower-income voters, Democrats, and voters of color.



Additionally, when asked to choose whether rates should be determined based on how someone drives v. their demographic makeup, voters overwhelmingly choose the former, with a majority saying that the quality and safety of someone’s driving should be the greatest determinate of their auto insurance rate and not driver demographics (52% quality and safety – 1% demographics – 47% both/neither/don’t know).



### Conclusion

California voters are clearly ready for changes in the state’s auto insurance market. The vast majority (81%) believe new companies should be allowed to operate in the state to provide additional competition and options for consumers. Dissatisfaction with auto insurance rates and other important factors is very high, with many California voters feeling that the current system is inherently unfair. In particular, key constituencies who could benefit the most from insurance market changes are among the most dissatisfied with the status quo and are the most supportive of important changes. These groups include young people, people of color, and those with lower incomes.

### Methodology

*This memo is based on findings from a survey of 1,000 registered voters in California. The survey was conducted online, and respondents were invited to participate by email and SMS messages. The survey was conducted by EMC Research between November 16 – 24, 2020. The overall results have a margin of error of ±3.1 percentage points at the 95% confidence level; margins of error for demographic subgroups (particularly African American voter) are much larger.*

