

Coalition of Consumer and Senior Groups Urges Governor Newsom to Veto SB 263

Yahoo Finance

SB 263 Harms Consumers and Undermines Vital Regulations

Sacramento, California–(Newsfile Corp. – February 23, 2024) – A coalition of consumer and senior groups has sent a letter urging Governor Gavin Newsom to veto SB 263. Senator Bill Dodd’s (D – Napa) Senate Bill 263, sponsored by the California Department of Insurance (CDI), has passed in both the Assembly and Senate without the implementation of key amendments proposed by consumer protection and senior groups.

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As written, SB 263 is misleading and harmful for California consumers. The bill directly undermines an important Biden Administration policy recently announced by the President himself – protecting consumers of retirement products such as annuities by requiring agents that sell such products to act in the best interest of their customers, rather than maximizing their own financial interests.

Although SB 263 started out last year as a strong consumer protection bill – the March 7, 2023, version paralleled New York’s Regulation 187 as a model for how best to protect consumers of life insurance products from abusive sales practices – amendments pushed by the insurance industry weakened the SB 263 so much that the coalition has been forced to oppose the bill. The end result works one of the biggest frauds ever perpetrated on California consumers with the consent of their Legislature.

“The passing of SB 263 would be a tragedy for California consumers, specifically those in vulnerable positions trying to plan for their futures,” said Life Insurance Consumer Advocacy Center Executive Director Brian Brosnahan. “We urge Governor Newsom to veto SB 263 because our coalition believes that

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no bill at all would be better than SB 263 in its current form.”

The coalition of consumer and senior groups that signed the letter includes:

- The Life Insurance Consumer Advocacy Center
- United Policyholders
- Consumer Federation of California
- Consumer Federation of America
- Center for Economic Justice
- AARP California
- California Alliance of Retired Americans
- California Advocates for Nursing Home Reform

To read the full letter sent to Governor Newsom,

visit: <https://www.lifeinsuranceconsumeradvocacycenter.org/coalition-letter-veto-sb263/>.

Read stories from California consumers to learn more about the harm inflicted on them by abusive insurance sales

practices: <https://www.lifeinsuranceconsumeradvocacycenter.org/consumer-stories/>.

About the Life Insurance Consumer Advocacy Center: The Life Insurance Consumer Advocacy Center is a nonprofit social service organization that advocates for consumers of life insurance and works for passage of laws and regulations that protect life insurance consumers.

About the Consumer Federation of California: The Consumer Federation of California is a nonprofit advocacy organization that, since 1960, has been a powerful voice for consumer rights. CFC campaigns for laws and regulations that place consumer protection ahead of corporate profit.

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To view the source version of this press release, please

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