

**DEPARTMENT OF INSURANCE****Legal Division, Office of the Commissioner**

45 Fremont Street, 23rd Floor

San Francisco, CA 94105



Gary M. Cohen  
General Counsel  
TEL: 415-538-4375  
FAX: 415-904-5889  
E-Mail: [coheng@insurance.ca.gov](mailto:coheng@insurance.ca.gov)  
[www.insurance.ca.gov](http://www.insurance.ca.gov)

June 13, 2007

Gene Crozat  
G & C Autobody  
251 Bellevue Avenue  
Santa Rosa, CA 95407

**SUBJECT: Labor Rate Surveys**

Dear Gene:

Pursuant to your request, the following is an outline of the procedure followed by the California Department of Insurance upon receipt of a labor rate survey submitted under Insurance Code Section 758(c).

When the Department receives a labor rate survey submitted under Section 758(c), the Department's Custodian of Records maintains the survey on file so that it is made available to the public upon its request through a Public Records Act Request.

In addition, a copy of the survey is sent to our Consumer Services staff, which reviews the survey in order to verify that the survey complies with the standards set forth in CIC Section 758(c) and the associated regulations, CCR Title 10 Chapter 5, Subchapter 9, Article 7, Section 2698.91 et seq titled Auto Body Repair Labor Rate Surveys. For example, the Department will review whether the insurer's survey includes:

- (1) The name of each auto body repair shop surveyed in the labor rate survey.
- (2) The address of each auto body repair shop surveyed in the labor rate survey;
- (3) The total number of shops surveyed in the labor rate survey;
- (4) The prevailing rate established by the insurer for each geographic area surveyed;
- (5) A description of the specific geographic area covered by the prevailing labor rate reported.
- (6) A description of the formula or method the insurer used to calculate or determine the specific prevailing auto body rate reported for each specific geographic area.

If the survey is deficient in one of these areas, the Department will send the insurer a letter asking them to bring the survey into compliance.