

## Geico cutting auto insurance rates for some California customers

by AP-News

LOS ANGELES - Geico General Insurance Co. will cut auto insurance rates for California policyholders by an average of 10.8 percent to comply with state rules requiring rates to be primarily determined by driving records, state insurance officials said Tuesday.

The rate reductions by the Washington, D.C.-based insurer amount to \$65.8 million, the California Department of Insurance said.

The rate cuts will go into effect Aug. 30 and translate into an average savings of \$150 per policy, the state said.

"How a person drives is more important than where a person lives," state Insurance Commissioner Steve Poizner said in a statement.

The move by Geico comes a year ahead of a state deadline for auto insurers to place greater emphasis on policyholders' driving records, miles driven and experience than where they live.

Previously, insurers were free to take into account other factors, such as marital status, gender and location.

In addition to Geico, 22 other insurers have complied with the new rate-setting rules, said Molly DeFrank, a spokeswoman for the insurance department.

Poizner said all of Geico's 436,000 California customers will see rate cuts.

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By ALEX VEIGA, The Associated Press

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