



**United Policyholders**  
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March 22, 2011

Assemblymember Dave Jones  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249-0009

Re: Assembly Bill 2066 (Jones, re: Annuity sales to Seniors) – SUPPORT

**Board of Directors**

**Amy Bach**  
Executive Director

**Alice J. Wolfson**  
Chair, Board of Directors

**Hon. Stanley G. Feldman**  
Chief Justice (RET)  
Arizona Supreme Court

**Larry P. Ginsburg, CFP®**  
Ginsburg Financial Advisors, Inc.

**William H. Hedden**  
Consolidated Adjusting, Inc.

**Jim Jones**  
Scale Venture Partners

**E. Gerard Mannion**  
Mannion & Lowe

**Shirley Roberson**  
Non-Profit Consultant

**Deborah Senn**  
Insurance Commissioner (1993-2001)  
Washington State

**William M. Shernoff**  
Shernoff, Bidart, Darras & Echeverria LLP

Dear Assemblyman Jones,

We are writing to express our strong support of AB 2066. This bill would strengthen legal protections for California senior citizens with regard to sales of annuity products. Annuity sales fraud on seniors has been rampant in recent years. The products are complicated and sales representatives take advantage of aging consumers who chronically worry about having sufficient assets to cover their future living expenses. AB2066 makes straightforward, pragmatic improvements to California law that should decrease the number of unsuitable annuity products sold to seniors and make it easier for seniors to understand the terms of annuities.

United Policyholders, (“UP”) is a non-profit 501(c)(3) organization founded in 1991 that helps solve insurance problems and advocates for fairness in insurance transactions. UP’s work is funded by donations and grants from individuals, businesses and foundations. UP participates in the proceedings of the National Association of Insurance Commissioners as an official representative of consumer interests. Regulators throughout the U.S. have been working to stop deceptive sales practices related to seniors and annuity products. At an upcoming Washington D.C. hearing in May, regulators will hear testimony on how current laws need to be updated to prosecute “stranger originated/owned” annuities (the suspect practice of targeting seniors and terminally ill patients by inducing them to purchase an annuity largely for the benefit of investors or intermediaries).

Assembly Bill No. 2066 will keep California in the forefront of consumer protection.

Sincerely,

Amy Bach, Esq.  
Executive Director