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LATINO LEADERS OPPOSE SB 1648

-- Legislation Would Hurt California Business and Consumers --

Washington, DC – The Board of Directors of The Latino Coalition (TLC) and the Hispanic Business Roundtable (HBR) today joined the California Chamber of Commerce in its opposition of SB 1648 currently being considered in the California legislature.

SB 1648 prohibits companies from making strategic investments in industries that directly affect their business. In addition, this bill limits consumer choice in a marketplace that needs more choice. It denies consumers the option of choosing an auto body shop with heightened levels of service and it maintains the status quo in a marketplace replete with fraud.

“In an effort to score quick political points at the expense of good public policy, state legislators will directly hurt those they say they intend to protect,” said TLC President Robert Deposada. “SB 1648 is simply bad policy for California businesses, and more importantly, it will hurt for California consumers, particularly in the Latino communities.”

This bill would also directly bar companies like Allstate Insurance Company from expanding its operations into California. This could have a chilling effect on corporate investment in California by financial service companies, manufacturers or any business that has ownership positions in any company in their supply or service chain.

“Proponents of this legislation say they are protecting small auto body businesses with this initiative,” said HBR President Mario Rodriguez. “However, a quick analysis of Allstate’s Sterling Auto Body Centers in other states, shows that not a single existing auto body company closed its doors due to this competition. A competition which will directly benefited consumers with a reduction in cost and fraud.”

“On behalf of our Board of Directors and our members, we urge California State legislators to oppose SB 1648,” Deposada added. “Let’s push aside political rhetoric and find common-sense solutions to promote solid public policy that will protect small businesses as well as consumers.”

The Latino Coalition and the Hispanic Business Roundtable are non-profit, non-partisan organizations based in Washington, D.C. They were established to address policy issues that directly affect the well-being of Hispanics in the United States. Their agenda is to develop and promote policies that will enhance overall business, economic and social development of Hispanics. For more information, please visit their websites at www.TheLatinoCoalition.com and www.hbrt.org.

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