

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name:

STATE FARM INSURANCE

2. Address:

ONE STATE FARM PLAZA, BLOOMINGTON, IL 61710

3. Principal place of business (if different from line 2):

4. Contact Name: HERMAN BRANDAU

Telephone: 309-766-2720

E-mail (optional): herman.brandau.ach6@statefarm.com

Senate ID #: 36537-12

House ID #: 31426000

7. Client Name: Self

TYPE OF REPORT

8. Year 2001 Midyear (January 1 - June 30): **OR** Year End (July 1 - December 31):

9. Check if this filing amends a previously filed version of this report:

10. Check if this is a Termination Report: => Termination Date: _____ 11. No Lobbying Activity:

INCOME OR EXPENSES

Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than \$10,000:

\$10,000 or more: => Income (nearest \$20,000): _____

Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this reporting period were:

Less than \$10,000:

\$10,000 or more: => Expenses (nearest \$20,000): 960,000.00

14. Reporting Method.

Check box to indicate expense accounting method. See instructions for description of options.

- Method A.** Reporting amounts using LDA definitions only
 Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code
 Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Registrant Name: STATE FARM INSURANCE Client Name: Self

LOBBYING ACTIVITY.

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: BAN (one per page)

16. Specific lobbying issues:

17. House(s) of Congress and Federal agencies contacted: **None**

18. Name of each individual who acted as a lobbyist in this issue area:

19. Interest of each foreign entity in the specific issues listed on line 16 above: **None**

Registrant Name: STATE FARM INSURANCE Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: CSP (one per page)

16. Specific lobbying issues:

H.R. 1704, Auto Choice Reform Act of 2001 - allows motorists to have a choice between the traditional tort system and personal injury protection insurance and provides more adequate and timely compensation for accident claimants.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN

Covered Official Position (if applicable): N/A

Name: DILLARD, REGINA K.

Covered Official Position (if applicable): N/A

Name: MANESS, ALAN D.

Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: STATE FARM INSURANCE Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: DIS (one per page)

16. Specific lobbying issues:

H.R. 785, Policyholder Disaster Protection Act - encourages property and casualty insurance companies to direct some policyholder premiums to reserve funds devoted to covering claims associated with catastrophic losses. S.424, Earthquake Loss Reduction Act of 2001 - encourages earthquake mitigation efforts by providing a specified credit against federal income taxes, allowing businesses to depreciate the cost of seismic retrofit over 5 years and authorizing a \$1 billion Loss Reduction Trust Fund.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
HOUSE OF REPRESENTATIVES
SENATE
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN
Covered Official Position (if applicable): N/A
Name: BRANDAU, HERMAN
Covered Official Position (if applicable): N/A
Name: DILLARD, REGINA K.
Covered Official Position (if applicable): N/A
Name: DILLARD, REGINA K.
Covered Official Position (if applicable): N/A
Name: MANESS, ALAN D.
Covered Official Position (if applicable): N/A
Name: MANESS, ALAN D.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: STATE FARM INSURANCE Client Name: Self

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15. General issue area code: DIS (one per page)

16. Specific lobbying issues:

S.797 and H.R. 1789 - both bills would provide a federal income tax exemption to state property and casualty organizations created to provide insurance for property for which such coverage is not otherwise available.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
HOUSE OF REPRESENTATIVES
SENATE
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN
Covered Official Position (if applicable): N/A
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Covered Official Position (if applicable): N/A
Name: DILLARD, REGINA K.
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Covered Official Position (if applicable): N/A
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Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: EDU (one per page)

16. Specific lobbying issues:

H.R.1, No Child Left Behind Act of 2001, and S.1, Better Education for Students and Teachers Act - raises school standards, requires annual testing in reading and math in third through eighth grades, and includes accountability provisions.

17. House(s) of Congress and Federal agencies contacted:

Education, Dept of
Executive Office of the President
HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN
Covered Official Position (if applicable): N/A
Name: DILLARD, REGINA K.
Covered Official Position (if applicable): N/A
Name: MANESS, ALAN D.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: GOV (one per page)

16. Specific lobbying issues:

S.848, Social Security Number Misuse Prevention Act of 2001 - would prevent the sale, display and purchase of a social security number without an individual's consent and assess civil penalties of \$10,000 for individuals and \$100,000 for others violating the act. S.630, Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2001 - would prohibit disguising the source of unsolicited commercial email (spam) and allow consumers to opt-out of receiving spam.

17. House(s) of Congress and Federal agencies contacted:

SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN

Covered Official Position (if applicable): N/A

Name: DILLARD, REGINA K.

Covered Official Position (if applicable): N/A

Name: MANESS, ALAN D.

Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: STATE FARM INSURANCE Client Name: Self

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15. General issue area code: HCR (one per page)

16. Specific lobbying issues:

17. House(s) of Congress and Federal agencies contacted: **None**

18. Name of each individual who acted as a lobbyist in this issue area:

19. Interest of each foreign entity in the specific issues listed on line 16 above: **None**

Registrant Name: STATE FARM INSURANCE Client Name: Self

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15. General issue area code: INS (one per page)

16. Specific lobbying issues:

Improving the system of state-based insurance regulation.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN

Covered Official Position (if applicable): N/A

Name: DILLARD, REGINA K.

Covered Official Position (if applicable): N/A

Name: MANESS, ALAN D.

Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: TAX (one per page)

16. Specific lobbying issues:

S.627, Long-Term Care and Retirement Security Act of 2001 - would amend IRS Code to allow deduction of qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term needs.

17. House(s) of Congress and Federal agencies contacted:
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN

Covered Official Position (if applicable): N/A

Name: DILLARD, REGINA K.

Covered Official Position (if applicable): N/A

Name: MANESS, ALAN D.

Covered Official Position (if applicable): N/A

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15. General issue area code: TOR (one per page)

16. Specific lobbying issues:

H.R. 2341, Class Action Fairness Act of 2001 - would allow the removal of multi-state class action lawsuits from state courts to federal courts. S. 865 and H.R. 1805, Small Business Liability Reform Act of 2001 - provides small businesses certain protections from litigation excesses and limits the product liability of nonmanufacturer product sellers.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES

SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN

Covered Official Position (if applicable): N/A

Name: DILLARD, REGINA K.

Covered Official Position (if applicable): N/A

Name: MANESS, ALAN D.

Covered Official Position (if applicable): N/A

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15. General issue area code: TRA (one per page)

16. Specific lobbying issues:

Work with the Air Bag & Seat Belt Safety Campaign to promote enactment and enforcement of strong seat belt and child restraint laws and educate the public about the need for proper seat belt and restraint use. Work with Advocates for Highway and Auto Safety to promote the funding and enactment of safety programs of the National Highway Traffic Safety Administration and the Motor Carrier Safety Administration.

17. House(s) of Congress and Federal agencies contacted:

HOUSE OF REPRESENTATIVES

SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRANDAU, HERMAN

Covered Official Position (if applicable): N/A

Name: DILLARD, REGINA K.

Covered Official Position (if applicable): N/A

Name: MANESS, ALAN D.

Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

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15. General issue area code: TRU (one per page)

16. Specific lobbying issues:

17. House(s) of Congress and Federal agencies contacted: **None**

18. Name of each individual who acted as a lobbyist in this issue area:

19. Interest of each foreign entity in the specific issues listed on line 16 above: **None**

Signature: ON FILE Date: Aug 14, 2001

Printed Name and Title: HERMAN BRANDAU - ASSOCIATE GENERAL COUNSEL

Information Update Page:

Complete ONLY where registration information has changed.

LOBBYIST UPDATE

23. Name of each previously reported individual who is NO LONGER expected to act as a lobbyist for the client

ISSUE UPDATE

24. General lobbying issues previously reported that NO LONGER pertain

B&N HCR TRU

AFFILIATED ORGANIZATIONS

25. Add the following organization(s)

26. Name of each previously reported organization that is NO LONGER affiliated with the registrant or client

FOREIGN ENTITIES

27. Add the following foreign entities

28. Name of each previously reported foreign entity the NO LONGER owns, OR controls, OR is affiliated with the registrant, client or affiliated organization

Signature: ON FILE Date: Aug 14, 2001

Printed Name and Title: HERMAN BRANDAU - Associate General Counsel