



NEIL ABERCROMBIE  
GOVERNOR

BRIAN SCHATZ  
LT. GOVERNOR

STATE OF HAWAII  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

335 MERCHANT STREET, ROOM 310

P.O. Box 541

HONOLULU, HAWAII 96809

Phone Number: 586-2850

Fax Number: 586-2856

[www.hawaii.gov/dcca](http://www.hawaii.gov/dcca)

KEALI S. LOPEZ  
DIRECTOR

TO THE HOUSE COMMITTEE ON TRANSPORTATION

TWENTY-SIXTH LEGISLATURE  
Regular Session of 2012

Monday, April 16, 2012  
10 a.m.

**TESTIMONY ON SENATE CONCURRENT RESOLUTION NO. 97, S.D. 1 –  
REQUESTING THE INSURANCE COMMISSIONER TO CONVENE A WORKING  
GROUP TO EXPLORE THE CREATION OF A WEB SERVICES-BASED DATABASE  
PROGRAM TO TRACK UNINSURED MOTORISTS.**

**WRITTEN TESTIMONY ONLY**

TO THE HONORABLE JOSEPH M. SOUKI, CHAIR, AND MEMBERS OF THE  
COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner ("Commissioner"),  
testifying on behalf of the Department of Commerce and Consumer Affairs  
("Department"). The Department supports the intent of this concurrent resolution.

The purpose of this concurrent resolution is to request the Insurance  
Commissioner to convene a working group to explore the creation of a web services-  
based database program to track uninsured motorists.

As motor vehicle registration in Hawaii is managed by the counties, there is no  
statewide motor vehicle registration database and no agency in the State currently  
monitors uninsured motorists. We agree that it would be beneficial to study the  
feasibility of a program to track uninsured motorists and enforce penalties or sanctions  
against violators.

We thank this Committee for the opportunity to present testimony on this matter.

DEPARTMENT OF CUSTOMER SERVICES  
**CITY & COUNTY OF HONOLULU**  
DIVISION OF MOTOR VEHICLE, LICENSING AND PERMITS  
ADMINISTRATION  
P.O. BOX 30300  
HONOLULU, HAWAII 96820-0300

PETER B. CARLISLE  
MAYOR



GAIL Y. HARAGUCHI  
DIRECTOR

DENNIS A. KAMIMURA  
LICENSING ADMINISTRATOR

April 13, 2012

The Honorable Joseph M. Souki, Chair  
and Committee Members  
Committee on Transportation  
House of Representatives  
State of Hawaii  
State Capitol, Room 426  
Honolulu, Hawaii 96813

Dear Chair Souki and Committee Members:

Subject: SCR 97, Requesting The Insurance Commissioner To Convene A Working  
Group To Explore The Creation Of A Web Services-Based Database Program  
To Track Uninsured Motorists

I have no objections to SCR 97, SD1 which would explore the creation of an motor  
vehicle insurance database.

I believe that a very cost effective database consisting of Vehicle Identification Numbers (VINs) of vehicles that are insured could be established. All authorized insurers would be granted access to enter only the VINs of all their insured vehicles and be required to delete the VINs of those vehicles that they have determined are not insured by their respective companies. Inquiry by the county motor vehicle offices would be automatically made to determine if the VIN exists on the database and whether a motor vehicle transaction would be processed; inquiry by the county police department would determine whether a citation should be issued and vehicle towed if the VIN does not exist on the database; and inquiry by the Traffic Violations Bureau would determine whether the violation had been corrected and whether a clearance would be issued to allow the registered owner to pay the towing and storage charges to retrieve the vehicle.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis A. Kamimura".

Dennis A. Kamimura  
Licensing Administrator

**HOUSE COMMITTEE ON  
TRANSPORTATION**

April 16, 2012

SCR 97, SD 1 Requesting the Insurance Division to Convene a Working Group to Explore the  
Creation of a Web Services-Based Database Program to Track Uninsured Motorists

Chair Souki and members of the House Committee on Transportation, I am Rick Tsujimura, representing State Farm Insurance Companies, a mutual company owned by its policyholders.

We support the intent of SCR 97, SD 1 and have the following comments:

1. State Farm would like to be a part of the working group as currently drafted;
2. We believe that the funding of any program should be other than insured drivers or insurers since this will only increase costs for law abiding citizens. We believe the entire cost should be born by the scofflaws.
3. We believe that the identification of uninsured motorists without addressing the ability to drive the uninsured vehicle is only adding cost and not remedying the seminal issues: getting uninsured cars off the road. Therefore, we believe attention must be paid to impoundment of uninsured vehicles whether identified on the road or otherwise.
4. Finally, we believe that other solutions like California's no cost "No Pay, No Play" law also be considered in the comparative solution analysis.

Thank you for the opportunity to present this testimony.

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TIMOTHY M. DAYTON, CPCU, GENERAL MANAGER ALASKA & HAWAII  
711 Kapiolani Blvd., Suite 300 ■ Honolulu, HI 96813-5238 ■ Email: [tdayton@geico.com](mailto:tdayton@geico.com)  
Direct: (808) 593-1875 ■ FAX (808) 593-1876 ■ Cell: (808) 341-9252

**House Committee on Transportation**  
Conference Room 225 State Capitol  
Monday, April 16, 2012, 10:00 a.m.  
SCR 97, SD1 Related to Uninsured Motorists

Chair Souki, Vice Chair Ichiyama, Members of the Transportation Committee:

My name is Timothy Dayton and I am General Manager for GEICO, Hawaii's largest motor vehicle insurer. GEICO has over 134,000 Hawaii motor vehicle policies in force insuring over 200,000 vehicles and over 200,000 drivers.

GEICO supports SCR 97 SD1.

GEICO is concerned that the study consider all costs associated with this program for government, insurers and our customers and come up with a solution to the continuing problem of uninsured motorists where the costs do not outweigh the benefits to the insured drivers.

I personally volunteer to participate in the study. I have 39 years of GEICO experience including 24 years managing Hawaii. GEICO is a national carrier writing auto insurance in all states; therefore I would have easy access to first-hand experiences in those states with similar programs.

Thank you for the opportunity to submit this testimony.



Timothy M. Dayton, CPCU

SECTION 1. The legislature finds that regulating markups of repackaged prescription drugs and compound medications will help to contain unreasonable increases of prescription drug costs in Hawaii's workers' compensation insurance and motor vehicle insurance systems as repackagers expand into states, including Hawaii, where costs of repackaged drugs and compound medications are not regulated.

The legislature further finds that Hawaii's current reimbursement rate for pharmaceuticals is the highest in the nation for both brand and generic products.

The purpose of this Act is to close a loophole in Hawaii's workers' compensation insurance and motor vehicle insurance laws to reasonably restrict markups of repackaged prescription drugs and compound medications to what is currently authorized for retail pharmacies under state law.

**ichiyama1 - Curi**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, April 15, 2012 9:01 AM  
**To:** TRNtestimony  
**Cc:** apohi21@gmail.com  
**Subject:** Testimony for SCR97 on 4/16/2012 10:00:00 AM

Testimony for TRN 4/16/2012 10:00:00 AM SCR97

Conference room: 225  
Testifier position: Oppose  
Testifier will be present: No  
Submitted by: Bill Brown  
Organization: Aupuni O Hawai'i  
E-mail: [apohi21@gmail.com](mailto:apohi21@gmail.com)  
Submitted on: 4/15/2012

**Comments:**

Aloha,

We are continually perplexed by the notion of taxation of \$1,500.00 dollars for the price of a \$20.00 dollar permit.

E Hawai'i au

Bill Brown

Aupuni O Hawai'i

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, April 15, 2012 8:43 AM  
**To:** TRNtestimony  
**Cc:** apohi21@gmail.com  
**Subject:** Testimony for SCR97 on 4/16/2012 10:00:00 AM

Testimony for TRN 4/16/2012 10:00:00 AM SCR97

Conference room: 225  
Testifier position: Comments Only  
Testifier will be present: No  
Submitted by: SAMSON BROWN  
Organization: Aupuni O Hawai'i  
E-mail: [apohi21@gmail.com](mailto:apohi21@gmail.com)  
Submitted on: 4/15/2012

Comments:

Aloha

We'll await for the full disclosure of amendments to this travesty of encumbrance on unsuspecting native Hawaiians and Nationals. Thank you for the opportunity in testifying.

E Hawai'i au

Samson Brown

Aupuni O Hawaii

President