



NEIL ABERCROMBIE
GOVERNOR

SHAN S. TSUTSUI
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

KEALI'I S. LOPEZ
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEES ON CONSUMER PROTECTION & COMMERCE
AND JUDICIARY

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Wednesday, February 20, 2013
2 p.m.

**TESTIMONY ON HOUSE BILL NO. 690, H.D. 1 – RELATING TO MOTOR VEHICLE
INSURANCE.**

TO THE HONORABLE ANGUS L.K. MCKELVEY AND KARL RHOADS, CHAIRS, AND
MEMBERS OF THE COMMITTEES:

My name is Gordon Ito, State Insurance Commissioner (“Commissioner”),
testifying on behalf of the Department of Commerce and Consumer Affairs
(“Department”). The Department takes no position on this bill and offers the following
comments.

This purpose of this bill is to amend Hawaii Revised Statutes (“HRS”) § 431:10C-
301(b)(1) by increasing the minimum liability coverage from \$20,000 to \$35,000 per
person.

Increasing the minimum liability insurance coverage will result in a higher
premium to consumers who purchase only the minimum coverage and may make motor
vehicle insurance unaffordable for some consumers. This may result in a higher
number of uninsured motorists, which may also impact the assigned claims program.

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



- Government Employees Insurance Company
- GEICO General Insurance Company
- GEICO Indemnity Company
- GEICO Casualty Company

TIMOTHY M. DAYTON, CPCU, GENERAL MANAGER

711 Kapiolani Blvd., Suite 300 ■ Honolulu, HI 96813-5238

Direct: (808) 593-1875

■ FAX (808) 593-1876

■ Email: tdayton@geico.com

■ Cell: (808) 341-9252

February 19, 2013

House Committees on Consumer Protection and Judiciary

Conference Room 325, State Capitol

Wednesday, February 20, 2013, 2:00 p.m.

House Bill Number 690; RELATING TO MOTOR VEHICLE INSURANCE

Chairs Angus McKelvey, and Karl Rhoads and Vice Chairs Derek Kawakami, Sharon Har, and Members of the Committee:

My name is Timothy Dayton, Branch Manager of the Hawaii GEICO office. GEICO provides jobs for 170 associates at its Hawaii Branch office. **GEICO opposes House Bill Number 690.**

This measure would increase the minimum financial responsibility limits of personal automobile insurance from \$20,000 per person to \$50,000 per person, with an aggregate limit of \$40,000 to \$100,000.

GEICO opposes this bill because Hawaii consumers want and need affordable automobile insurance. This proposal would increase the costs to comply with the law to have personal automobile coverage. GEICO believes that the primary reason that the number of uninsured motorists in Hawaii is not higher is because the costs to comply with the law are relatively affordable. Having higher limits would increase the cost to comply, and would leave more people completely uninsured than exist today.

Further, a measure raising the financial responsibility limits should not be introduced without corresponding reforms that would offset the increase in premiums. Such reforms would include elimination of the profiteering of a small number of doctors and out-of-state drug repackagers who are placing stress upon the cost of Personal Injury Protection coverage (PIP), an equitable limitation on unlimited charges for emergency services under PIP coverage, and reform of the current law regarding stacking of coverages from different policies to eliminate the practice of stacking recoverable limits or to eliminate the mandatory nature of Uninsured and Underinsured Motorists coverage, and replace it with a completely optional coverage with right of rejection.

GEICO recommends that the bill and any possible reforms be studied in the interim, and would be happy to serve on an interim study committee.

This measure is bad for Hawaiians who carry insurance, and would make it more difficult for Hawaiian insurance consumers who can barely afford insurance coverage to continue coverage.

GEICO respectfully urges the committee to hold House Bill 690 and to study the issues in an interim committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Timothy M. Dayton", with a long horizontal flourish extending to the right.

Timothy M. Dayton, CPCU

**HOUSE COMMITTEE ON
CONSUMER PROTECTION AND COMMERCE**

AND

HOUSE COMMITTEE ON JUDICIARY

February 20, 2013

House Bill 690, HD 1 Relating to Motor Vehicle Insurance

Chair McKelvey, Chair Rhoads, members of the House Committee on Consumer Protection and Commerce, and members of the House Committee on Judiciary, I am Rick Tsujimura, representing State Farm Mutual Automobile Insurance Company (State Farm). State Farm opposes House Bill 690, HD 1 Relating to Motor Vehicle Insurance which increases the coverage for bodily injury.

While Hawaii has seen some modest improvement in its economy, the unilateral increase of bodily injury limits we believe is untimely. Indeed, any increase at this current time would be counter-productive, as it would force those who are already struggling to balance a smaller income to choose between obtaining insurance and going bare. We believe this Hobson's choice should not be placed on Hawaii's citizens. Should this measure be passed you can be assured that some portion of an already stressed citizenry will decide to drive uninsured. This is a situation which no one desires. Although this increase is relatively modest, we believe that the consequences may have a negative impact on citizens.

For these reasons we oppose House Bill 690, HD 1 and ask that it be held.

Thank you for the opportunity to present this testimony.

Hawai'i State Legislature
House Committee on Commerce and Consumer Protection
and House Committee on Judiciary
Hawai'i State Capitol
415 South Beretania Street
Honolulu, HI 96813

2/19/13

Filed via electronic testimony submission system

**RE: HB 690 HD 1, Motor Vehicle Insurance: Minimum Liability Coverage - NAMIC's
Written Testimony for Committee Hearing**

NAMIC's position on HB 690 HD1 – Opposed

Dear Representative Angus L.K. McKelvey, Chair; Representative Derek S.K. Kawakami, Vice Chair; and members of the House Committee on Commerce and Consumer Protection; and Representative Karl Rhoads, Chair; Representative Sharon E. Har, Vice Chair; and members of the House Committee on the Judiciary:

Thank you for providing the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committees for the February 20, 2013, public hearing. Unfortunately, I will not be able to attend the public hearing.

NAMIC is the largest and most diverse property/casualty trade association in the country, with 1,400 regional and local mutual insurance member companies serving more than 135 million auto, home, and business policyholders and writing in excess of \$196 billion in annual premiums that account for 50 percent of the automobile/ homeowners market and 31 percent of the business insurance market. More than 200,000 people are employed by NAMIC member companies. NAMIC has 69 members who write P. & C. Insurance in the State of Hawai'i, which represents 30% of the marketplace.

To start with, NAMIC appreciates the fact that the House Committee on Transportation listened to some of the auto insurance industry's concerns about the bill and reduced the proposed auto insurance minimum liability coverage limits from \$50,000 to \$35,000 per person and removed the proposed auto insurance minimum liability coverage increase from the current \$40,000 per accident to \$100,000 per accident.

However, NAMIC is still concerned about the proposed increase in mandatory auto insurance liability coverage limits for the following reasons:

1) **The proposed legislation is unnecessary** - There is no evidence to support the contention that auto insurance consumers or the general public are not being adequately protected by the current mandatory auto insurance liability coverage limits. The vast majority of auto insurance liability claims have damages that are below the current \$20,000 mandated liability coverage limit. Therefore, one has to question the necessity and even reasonableness of any increase to the mandated liability coverage limits, let alone almost doubling the per person liability limit from \$20,000 to \$35,000.

2) **HB 690 HD 1 will needlessly drive-up the cost of insurance for consumers** - It is an unavoidable principle of economic that increased coverage means increased cost to the consumer. Therefore, the proposed legislation begs the question – What is the public policy rationale and consumer protection benefit that justifies passing a law that will create a new insurance rate cost-driver?

3) **The proposed legislation will adversely and disproportionately impact lower income consumers** – Auto insurance consumers currently have the option to purchase a range of liability coverage limits, up to several million dollars in coverage, so consumers who have the financial resources to purchase a higher level of asset protection can do so now, so the real impact of the proposed legislation will be on those well-intended consumers, who want to purchase auto insurance liability coverage, but who won't be able to afford the new mandated coverage limits. These consumers will have no financial choice, but to break the law and operate a motor vehicle without mandatory automobile liability insurance coverage. Not only does this create new criminal liability concerns for these lower income consumers, but it also creates greater civil liability exposure for these consumers, because now they won't even have the currently mandated \$20,000 liability coverage protection.

4) **HB 690 HD 1 is anti-consumer choice** – Since there is credible and reliable data to support the fact that most auto insurance claims have damages below the current \$20,000 mandatory liability limit, requiring consumers to purchase asset protection (liability coverage) that they may not want or need is inconsistent with basic consumer choice. Everyone has his/her own financial risk tolerance, so consumers should be allowed the freedom to decide how much of their financial resources they want to use to insurer against the probability of an auto accident liability claim with high civil damages.

5) **The proposed legislation is rife with unintended adverse social and economic consequences** – Since HB 690 HD 1 is likely to increase the number of uninsured motorists in the state, there is likely to be more first-party property damage and uninsured motorist insurance coverage claims. These claims will drive-up the cost of these standard auto insurance coverages, which could have a chilling effect upon personal and business financial decisions relating to the purchasing of new or additional vehicles. For example, if you are a small business, an increase in the state mandated auto insurance liability coverage requirements could prevent you from being able to afford a vehicle for your business, or could

prevent the consumer from being able to purchase and insurer a second vehicle for the family, etc.

For the aforementioned reasons, NAMIC respectfully requests that you **VOTE NO on HB 690 HD 1** and help keep auto insurance affordable for consumers.

Thank you for your time and consideration of NAMIC's written testimony. Please feel free to contact me at 303.907.0587 or at crataj@namic.org, if you have any questions pertaining to my written testimony.

Respectfully,

A handwritten signature in cursive script, appearing to read "Christian J. Rataj".

Christian J. Rataj, Esq.
NAMIC's Western State Affairs Manager

**TESTIMONY OF ROBERT TOYOFUKU ON BEHALF OF THE HAWAII
ASSOCIATION FOR JUSTICE (HAJ) IN SUPPORT OF H.B. NO. 690, HD1**

Date: Wednesday, February 20, 2013
Time: 2:00 pm

To: Chairmen Angus McKelvey and Karl Rhoads and Members of the House Committee
on Consumer Protection & Commerce and Members of the House Committee on
Judiciary:

My name is Bob Toyofuku and I am presenting this testimony on behalf of the
Hawaii Association for Justice (HAJ) in support of H.B. No. 690, H.D. 1 relating to
motor vehicle insurance.

This amended measure increases the minimum automobile insurance coverage for
bodily injury liability from \$20,000 to \$35,000 per person. The maximum limit for an
accident was not correspondingly increased in this House Draft 1 from \$40,000 to any
higher amount and HAJ requests that a higher amount be considered by this joint
committee. Bodily injury liability coverage provides benefits to those who are injured or
killed by careless drivers in traffic accidents.

The minimum insurance requirement for bodily injury liability has actually
decreased over the years despite increases in the cost of living. The minimum
requirement was \$35,000 per person with no maximum per accident until 1992. In 1992
it was reduced to \$25,000 with no maximum per accident. It remained at \$25,000 until it
was reduced again in 1997 to \$20,000 per person with a \$40,000 maximum per accident.
During that same time the Consumer Price Index for Hawaii increased more than 50%. It

is time to raise the minimum requirement to more fairly reflect the changes in the cost of living and provide realistic minimum levels of protection for the public.

The lowering of minimum coverage was driven by premiums that had skyrocketed to unaffordable levels with consumers reporting annual premiums of up to \$2,000 for basic coverages. It is in this context that minimum requirements were reduced in order to bring the cost of insurance to affordable levels for the driving public. It was a cost issue and not a public protection issue. Today, and for the past 15 years, the cost of automobile insurance has dropped to historic lows and is now very affordable.

The Insurance Division publishes premium rates for automobile insurance annually. Its current publication (Dec. 2012) lists major insurers offering full coverage, including bodily injury liability, property damage liability, PIP-No Fault, Uninsured Motorist and Underinsured Motorist benefits, starting under \$300 per year. GEICO, one of the largest market share leaders, sells full coverage policies (including bodily injury liability, property damage, PIP medical, uninsured motorist and underinsured motorist) with annual premiums of \$204 for Kauai, \$267 for Maui, \$270 and \$281 for the Big Island. Allstate, Liberty Mutual and USAA similarly provide full coverage policies in Hawaii starting under \$300 annually. Farmers and State Farm policies start at \$314 and \$356. Major mainland insurers with smaller market shares, such as Fireman's Fund, offer full coverage policies for as little as \$137 per year. The December 2012 rates published by the Insurance Division are attached.

Hawaii has been the nation's most profitable automobile insurance market in the United States for over 15 years. In the mid-1990s insurers claimed that high premiums were caused by excessive claim payments, however, an August 1996 Star Bulletin article

revealed that auto insurers were actually making record profits instead. Insurance Commissioner Grauly confirmed: “We have the highest profits of any state in the last decade.” Indeed, net profits in 1996 were a staggering 27.5%, up from an already impressive 22% in 1995. Hawaii has lead the nation with the highest profits (by a wide margin) ever since.

Insurers make profits in Hawaii that are currently more than 6 times higher than the national average. The National Association of Insurance Commissioners (NAIC) annually publishes profit/loss data for automobile insurance countrywide. In its most recent report issued in Dec 2012, NAIC data reveals that private automobile insurance underwriting profits in Hawaii for 2011 was 17.7% with a 17% return on net worth. The national average underwriting profit was -3.9% with a 2.6% return on net worth. Automobile insurers reaped profits in Hawaii that were more than 6 times the rest of the nation. The NAIC data is attached.

Hawaii has consistently been the most profitable state for automobile insurers for over 15 years with profits as high as nine (9) times the national average. NAIC data shows net returns for Hawaii auto insurance of 17.0%, 19.8%, 21.5%, 20.1% and 19.9% for the past five years for an annual average of 19.7%. Not bad at all during a very difficult economy. The five year national average is 5.4% or just 27% of Hawaii’s profits. Hawaii insurers averaged almost quadruple profits compared to the rest of the nation. It is time to re-balance consumer benefits with insurer profits to give consumers more benefits and insurers normal (not exorbitant) profits. There is ample room for insurers to provide additional benefits to Hawaii consumers without raising premiums or at nominal increase.

Hawaii is among only 15 states that require \$20,000 or less. Twenty nine states require \$25,000. Four states require \$30,000 and two states require \$50,000. An increase in Hawaii's minimum requirement is appropriate given our high cost of living, affordable insurance rates and civic obligation to provide adequate levels of benefits in exchange for the privilege of driving.

Testimony from industry representatives last year claimed that a statutory increase would lead to large premium increases of as much as \$200 for consumers. As a result, we have collected data from major Hawaii insurers to examine the actual cost of liability insurance in Hawaii. The actual cost of the increase proposed in this measure is minimal.

Actual quotes were obtained from GEICO, one of Hawaii's largest auto insurers, whose rates are on the lower end. The increase in premiums for \$50,000/\$100,000 was \$9.90 semi-annually (\$19.80 per year). The increase to \$25,000/\$50,000 was \$2.60 semi-annually. The increase to \$100,000/\$300,000 was \$17.20 semi-annually. The quotes are attached.

State Farm, another market leader in Hawaii, has rates that fall in the mid-range. Actual existing policies are attached to show the cost of the increase for State Farm policies. A State Farm policy currently in effect to June 2013 contains minimum \$20,000/\$40,000 bodily injury plus \$10,000 property damage liability coverages for \$89.36 semi-annually. The same person has another car insured by State Farm with \$250,000/\$500,000 bodily injury and \$100,000 property damage coverage with a premium of \$106.34. The additional \$230,000 per person/\$460,000 per accident bodily injury, plus additional \$90,000 property damage cost only \$16.98. The two policy premium pages from State Farm's website are attached.

On another actual policy, State Farm quoted an increase of \$13.16 semi-annually for the increase from \$20,000/\$40,000 to \$50,000/\$100,000. An increase to \$100,000/\$300,000 cost just \$22.81 semi-annually more than the minimum limits. The optional coverage premium page for this policy is attached.

DTRIC has a smaller but growing market share with increased television and print advertising in recent years. The additional cost of \$50,000/\$100,000 at DTRIC is \$6 semi-annually. \$100,000/300,000 costs just \$11 more than \$20,000/\$40,000. These are current rates received on an actual policy renewal this month. The DTRIC premium sheet is attached.

Some insurers quote premiums as percentage increases rather than in dollars. The popular AARP Hartford policy quotes the increase to \$50,000/\$100,000 at 15% more than the current minimum \$20,000/\$40,000. Although benefits are increased two and half times premiums are increased by only 15%. Attached in an AARP Hartford premium sheet from an actual policy in effect from December 2012 to December 2013.

In the past, industry representatives have indicated that around half of all policies already carry higher limits. This means that about half of auto policies will see no effect from an increase since they already carry increased limits.

Those carrying minimum limits may be assessed rates different from those quoted above. Someone with DUI or speeding tickets and multiple accidents will pay more. Someone with a high performance sports car may pay more. Someone with both auto and homeowners insurance with the same company may pay less due to discounts. Someone with an accident free record may pay less. So, yes any given policy may be charged more or less. But the consistency of the low rates for \$50,000/\$100,000 by major

auto insurers demonstrates that the actuarial cost of additional coverage for responsible drivers is small for a substantial increase in benefits.

Driving is a privilege that carries a potential for causing serious injuries. Hawaii was once a leader in providing adequate levels of minimum protection for its citizens. Exorbitant premiums in the 1990s forced multiple reductions in benefits. With insurance now relatively cheap and readily available for the past 15 years, it is time to revisit raising minimum levels to more adequately reflect the dangers associated with cars.

Thank you very much for allowing me to testify in Support of this measure. Please feel free to contact me should you have any questions or desire additional information.



**STATE OF HAWAII SAMPLE ANNUAL MOTOR VEHICLE INSURANCE PREMIUMS
MAJOR INSURERS BY COUNTY - PREMIUMS FROM LOWEST TO HIGHEST FOR CLEAN RISK**

**These sample premiums are for licensed insurance companies that transact more than 95%
of the private passenger auto insurance market in Hawaii.**

COVERAGES:

- \$20,000/40,000 Bodily Injury Liability
- \$10,000 Property Damage Liability
- \$10,000 Personal Injury Protection
- \$20,000/40,000 Uninsured Motorist Stacked
- \$20,000/40,000 Underinsured Motorist Stacked

ANNUAL PREMIUMS: Rates in effect **December 1, 2012**

VEHICLE: 2011 Honda Accord, LX, 4-door sedan

CLEAN RISK: Driver with clear driving record (no accidents and no traffic convictions)

Usage: Pleasure

ONE SPEEDING CONVICTION: Driver with one speeding conviction (no accidents)

Usage: Pleasure

OAHU MAJOR INSURERS			MAUI MAJOR INSURERS		
Insurance Company	clean risk	one speeding conviction	Insurance Company	clean risk	one speeding conviction
Government Employees Ins. Co. (GEICO)	270	270	Government Employees Ins. Co. (GEICO)	267	267
United Services Automobile Association (USAA)**	379	397	United Services Automobile Association (USAA)**	338	354
GEICO Indemnity Co.	390	422	GEICO Indemnity Co.	362	391
Liberty Mutual Fire Ins. Co.**	398	630	Allstate Ins. Co.	383	520
DTRIC Ins. Co., Ltd. **	406	406	Farmers Ins. Hawaii, Inc.**	385	512
Tradewind Ins. Co., Ltd.	407	442	DTRIC Ins. Co., Ltd. **	394	394
Farmers Ins. Hawaii, Inc.**	408	547	Liberty Mutual Fire Ins. Co.**	404	639
Allstate Ins. Co.	412	560	North River Ins. Co.	441	526
Interinsurance Exchange of the Automobile Club	428	552	Liberty Mutual Fire Ins. Co.	448	710
Liberty Mutual Fire Ins. Co.	443	700	USAA Casualty Ins. Co.**	468	489
Hartford Underwriters Ins. Co.**	479	563	State Farm Mutual Automobile Ins. Co.	470	564
State Farm Mutual Automobile Ins. Co.	491	590	First Security Ins. of Hawaii, Inc.	478	526
USAA Casualty Ins. Co.**	521	545	Hartford Underwriters Ins. Co.**	490	577
State Farm Fire & Casualty Co.	586	718	State Farm Fire & Casualty Co.	560	687
First Fire & Casualty Ins. of Hawaii, Inc.	664	730	First Fire & Casualty Ins. of Hawaii, Inc.	581	639
Progressive Casualty Ins. Co.	665	881	Progressive Casualty Ins. Co.	616	817
USAA General Indemnity Co. **	676	740	Progressive Direct Ins. Co.	550	734
Progressive Direct Ins. Co.	595	792	First Ins. Co. of Hawaii, Ltd.	683	751
DTRIC Ins. Co., Ltd.	784	784	First Indemnity Ins. of Hawaii, Inc.	730	803
GEICO Casualty Co.	791	837	Farmers Ins. Hawaii, Inc.	758	1,059
Farmers Ins. Hawaii, Inc.	814	1,141	DTRIC Ins. Co., Ltd.	794	794
First Indemnity Ins. of Hawaii, Inc.	857	943	GEICO Casualty Co.	798	844

KAUAI MAJOR INSURERS			HAWAII MAJOR INSURERS		
Insurance Company	clean risk	one speeding conviction	Insurance Company	clean risk	one speeding conviction
Government Employees Ins. Co. (GEICO)	204	204	Government Employees Ins. Co. (GEICO)	281	281
United Services Automobile Association (USAA)**	271	283	Island Premier Ins. Co.	332	332
GEICO Indemnity Co.	285	306	GEICO Indemnity Co.	370	400
Allstate Ins. Co.	287	382	United Services Automobile Association (USAA)**	375	393
Liberty Mutual Fire Ins. Co.**	294	450	Liberty Mutual Fire Ins. Co.**	381	601
Tradewind Ins. Co., Ltd.	309	336	Tradewind Ins. Co., Ltd.	387	421
Farmers Ins. Hawaii, Inc.**	314	408	Allstate Ins. Co.	413	563
Hartford Underwriters Ins. Co.**	323	377	Farmers Ins. Hawaii, Inc.**	419	561
Liberty Mutual Fire Ins. Co.	326	500	Liberty Mutual Fire Ins. Co.	423	668
State Farm Mutual Automobile Ins. Co.	356	425	Interinsurance Exchange of the Automobile Club	424	544
DTRIC Ins. Co., Ltd. **	359	359	DTRIC Ins. Co., Ltd. **	435	435
North River Ins. Co.	370	438	State Farm Mutual Automobile Ins. Co.	455	546
USAA Casualty Ins. Co.**	380	397	Hartford Underwriters Ins. Co.**	489	575
Dongbu Ins. Co., Ltd. (US Branch)	397	433	North River Ins. Co.	507	607
State Farm Fire & Casualty Co.	424	521	USAA Casualty Ins. Co.**	521	544
Progressive Casualty Ins. Co.	497	649	State Farm Fire & Casualty Co.	542	665
First Fire & Casualty Ins. of Hawaii, Inc.	529	582	Progressive Casualty Ins. Co.	668	884
Allstate Indemnity Co.	550	585	First Fire & Casualty Ins. of Hawaii, Inc.	707	778
Progressive Direct Ins. Co.	475	630	Progressive Direct Ins. Co.	618	811
Farmers Ins. Hawaii, Inc.	590	812	DTRIC Ins. Co., Ltd.	763	763
First Ins. Co. of Hawaii, Ltd.	622	684	GEICO Casualty Co.	778	822
GEICO Casualty Co.	624	657	First Ins. Co. of Hawaii, Ltd.	832	915
DTRIC Ins. Co., Ltd.	648	648	Farmers Ins. Hawaii, Inc.	838	1,177
First Indemnity Ins. of Hawaii, Inc.	662	728	First Indemnity Ins. of Hawaii, Inc.	902	992

Notes: Your actual premium may vary from the sample premiums shown in this list. Premiums may vary among insurance companies and among risk classification within each company.

**Mass merchandising or restricted group rates

2011 Profitability Report Private Passenger Auto Total

State	Percent of Direct Premiums Earned												Percent of Net Worth				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8A)	(8B)	(8C)	(9)	(10)	(11)	(12)		
	Direct Premiums Earned (000s)	Losses Incurred	Loss Adjust Expense	General Expense	Selling Expense	Taxes	License Fees	Divs To Policyholder	Underwriting Profit	Invest Gain On Ins	Tax On Ins	Profit On Ins	Earned Prem To Net Worth	Inv Gain On Net Worth	Tax On Inv Gain On Net Worth	Return On Net Worth	
Alabama	2,278,143	68.1	11.0	5.5	16.5	3.2	0.3	(4.2)	0.7	(1.3)	(2.2)	116.9	4.6	1.2	0.8		
Alaska	419,165	55.6	9.0	5.5	14.8	2.9	0.5	12.1	1.9	4.7	9.2	104.1	4.5	1.2	13.0		
Arizona	3,282,058	62.8	10.3	5.5	16.5	2.6	0.3	2.2	1.3	1.1	2.4	109.2	4.6	1.2	6.0		
Arkansas	1,450,812	65.8	10.2	5.5	17.2	2.9	0.2	(1.5)	0.7	(0.3)	(0.4)	117.1	4.6	1.2	2.9		
California	18,836,054	61.4	10.8	5.5	17.5	2.5	1.1	1.6	1.1	0.8	1.9	109.2	4.6	1.2	5.5		
Colorado	2,757,339	66.5	11.2	5.5	16.6	1.4	0.4	(1.4)	1.7	(0.0)	0.4	104.4	4.5	1.2	3.8		
Connecticut	2,361,444	64.3	11.1	5.5	16.6	2.1	0.6	0.2	2.7	0.8	2.1	92.9	4.5	1.2	5.4		
Delaware	648,505	66.2	11.8	5.5	15.5	2.3	0.2	(1.2)	2.6	0.2	1.1	95.8	4.5	1.2	4.5		
District of Columbia	265,379	58.2	9.9	5.5	13.0	2.3	0.5	(1.2)	2.6	0.2	1.1	110.1	4.5	1.1	12.2		
Florida	12,802,402	68.7	13.4	5.5	16.1	1.3	0.3	(5.0)	1.3	4.2	8.1	110.1	4.5	1.2	1.7		
Georgia	5,286,238	64.7	10.5	5.5	17.2	4.1	0.3	(2.0)	2.1	(1.2)	(1.7)	101.9	4.5	1.2	1.7		
Hawaii	627,378	50.7	8.9	5.5	13.2	3.8	0.5	17.7	0.9	(0.5)	(0.7)	114.3	4.6	1.2	2.7		
Idaho	661,496	54.1	9.1	5.5	17.6	1.7	0.2	12.1	1.4	6.6	12.6	108.1	4.5	1.2	17.0		
Illinois	5,785,880	60.6	10.6	5.5	18.6	1.2	0.1	3.8	1.2	1.8	8.8	109.2	4.6	1.2	13.0		
Indiana	2,784,042	58.6	10.2	5.5	18.2	1.3	0.1	6.5	1.8	1.8	3.8	103.4	4.6	1.2	7.4		
Iowa	1,342,762	63.5	10.1	5.4	18.9	1.2	0.1	1.1	1.5	2.7	5.4	106.2	4.6	1.2	9.1		
Kansas	1,429,682	67.5	10.3	5.4	17.8	1.7	0.2	(2.6)	0.8	0.6	1.3	114.3	4.6	1.2	4.8		
Kentucky	2,265,854	67.8	11.2	5.5	17.4	2.3	0.1	(4.1)	0.6	(0.8)	(1.3)	117.6	4.6	1.2	1.9		
Louisiana	3,275,724	64.1	11.8	5.5	17.4	2.3	0.2	(1.7)	1.5	(1.0)	(1.5)	107.6	4.6	1.2	1.8		
Maine	591,390	56.2	8.4	5.5	18.6	2.2	0.3	9.1	1.1	(0.3)	(0.3)	111.9	4.6	1.2	3.1		
Maryland	3,711,226	66.5	10.7	5.5	15.4	2.2	0.4	(0.3)	1.6	3.6	7.1	103.3	4.6	1.2	10.8		
Massachusetts	3,832,055	64.0	10.3	5.5	19.4	2.6	0.1	(1.6)	1.5	0.3	0.9	107.2	4.5	1.2	4.4		
Michigan*	6,058,363	143.9	25.3	5.5	16.6	2.1	0.1	(93.2)	1.6	(0.2)	0.1	98.9	4.6	1.2	3.6		
Minnesota	2,694,805	60.3	10.9	5.5	17.9	2.1	0.1	3.5	1.4	1.6	3.4	107.1	4.5	1.2	(13.9)		
Mississippi	1,373,637	63.3	10.4	5.5	17.1	2.7	0.2	(1.4)	0.9	0.7	1.5	114.7	4.6	1.2	7.0		
Missouri	2,879,410	66.5	10.7	5.5	17.3	1.6	0.1	(1.4)	1.0	(0.2)	(0.1)	112.7	4.6	1.2	5.1		
Montana	535,580	58.9	9.8	5.5	17.9	2.9	0.3	5.1	1.4	2.1	4.4	106.3	4.6	1.2	3.2		
Nebraska	899,722	71.7	11.0	5.5	18.3	1.4	0.2	(7.7)	1.2	(2.4)	(4.1)	109.5	4.6	1.2	8.1		

2011 Profitability Report Private Passenger Auto Total

State	Direct Premiums Earned (000s)	Losses Incurred	Expense	Adjust Expense	General Expense	Selling Expense	Percent of Direct Premiums Earned					Percent of Net Worth				
							Taxes	License Fees	Divs To Pchldr	Under-Gain On Invest	Tax On Profit	Premin To Net Worth	Inv Gain On Net Worth	Inv Gain On Net Worth	Tax On Return	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8A)	(8B)	(8C)	(9)	(10)	(11)	(12)	
Nevada	1,619,108	62.3	11.6	5.5	16.9	3.6	0.3	0.1	1.9	0.5	1.5	102.7	4.6	1.2	4.9	
New Hampshire	655,185	60.2	9.1	5.5	16.8	2.1	0.7	5.9	1.6	2.5	5.1	101.4	4.6	1.2	8.5	
New Jersey*	6,298,021	65.0	13.9	5.5	14.0	2.1	1.2	(1.3)	5.2	0.9	3.0	75.9	4.5	1.2	5.7	
New Mexico	1,066,047	64.8	10.7	5.5	16.4	3.2	0.4	(0.6)	1.6	0.2	0.7	106.7	4.6	1.2	4.2	
New York	10,297,995	66.5	13.9	5.5	16.0	2.6	0.2	(4.4)	3.1	(0.7)	(0.5)	90.7	4.5	1.2	2.9	
North Carolina	4,389,649	68.1	10.2	5.5	17.6	2.4	0.2	(3.6)	1.1	(1.0)	(1.6)	112.1	4.6	1.2	1.6	
North Dakota	3,472,202	58.2	9.0	5.4	18.5	1.9	0.1	7.1	0.7	2.7	5.1	114.9	4.6	1.2	9.3	
Ohio	5,033,950	62.4	10.0	5.5	18.8	1.7	0.1	1.8	1.1	0.9	2.0	110.1	4.6	1.2	5.6	
Oklahoma	1,995,125	64.6	10.5	5.5	17.7	2.1	0.2	(0.4)	0.9	0.1	0.5	113.8	4.6	1.2	3.9	
Oregon	1,996,698	63.3	10.8	5.5	17.0	0.7	0.2	2.7	1.6	1.4	3.0	106.3	4.5	1.2	6.6	
Pennsylvania	7,030,538	63.1	10.9	5.5	18.0	2.2	0.2	2.7	2.9	0.9	2.4	91.8	4.6	1.2	5.6	
Rhode Island	672,229	70.2	11.7	5.5	16.0	2.3	1.5	(6.9)	2.6	(1.8)	(2.6)	95.1	4.5	1.2	1.0	
South Carolina	2,558,983	70.0	10.9	5.5	17.3	2.9	0.3	(6.7)	1.1	(2.1)	(3.5)	111.6	4.6	1.2	(0.5)	
South Dakota	381,317	71.9	11.3	5.4	18.6	2.7	0.2	(9.8)	1.1	(3.1)	(5.5)	110.2	4.6	1.2	(2.7)	
Tennessee	2,848,121	82.0	13.5	5.5	16.8	2.2	0.2	(19.9)	1.1	(6.7)	(12.1)	112.0	4.6	1.2	(10.2)	
Texas	13,481,405	63.4	10.4	5.5	17.9	1.9	0.3	0.8	0.5	0.4	0.9	120.1	4.6	1.2	4.4	
Utah	1,292,168	59.2	9.7	5.5	18.1	2.3	0.2	5.4	1.4	2.2	4.6	107.4	4.6	1.2	8.3	
Vermont	304,922	61.2	9.4	5.4	17.7	2.4	0.3	3.8	1.5	1.7	3.6	103.8	4.6	1.2	5.2	
Virginia	4,164,607	64.2	10.6	5.5	15.5	2.7	0.7	1.1	1.3	0.7	1.6	109.6	4.5	1.2	7.6	
Washington	3,737,695	60.8	11.0	5.5	16.7	2.1	0.4	3.9	2.3	1.9	4.2	98.6	4.6	1.2	5.2	
West Virginia	1,106,472	56.9	9.8	5.5	17.7	4.1	0.1	6.3	1.4	2.6	5.2	106.1	4.6	1.2	8.9	
Wisconsin	2,437,117	64.4	9.9	5.5	18.0	0.9	0.1	1.6	1.9	1.0	2.4	101.8	4.6	1.2	5.9	
Wyoming	317,483	76.5	11.9	5.4	17.1	1.6	0.2	(12.4)	1.2	(4.0)	(7.2)	109.5	4.6	1.2	(4.5)	
Guam	37,626	48.7	11.4	5.4	22.8	1.9	0.6	9.6	0.8	3.6	6.9	104.6	4.7	1.2	10.7	
Puerto Rico	315,702	62.5	9.2	5.5	24.5	(0.1)	0.1	(1.3)	0.2	(0.4)	(0.7)	109.1	4.7	1.2	2.8	
U.S. Virgin Islands	15,950	58.1	11.1	5.5	16.8	4.2	0.6	4.0	1.7	1.8	3.9	97.9	4.6	1.2	7.2	
N Mariana Islands	1,168	33.2	10.7	5.5	19.0	1.3	0.2	30.4	1.1	10.9	20.6	106.1	4.6	1.2	25.3	
Countrywide - Direct	165,539,030	67.3	11.7	5.5	17.1	2.2	0.4	(3.9)	2.3	(0.8)	(0.8)	98.0	4.6	1.2	2.6	

State Farm®

Providing Insurance and Financial Services

PO Box 5000

Dupont WA 98327-5000



REQUIRED AND OPTIONAL ADDITIONAL COVERAGE

All premiums on this form are figured SEMIANNUALLY.

Hawaii auto insurance law allows you to make choices regarding coverages that affect how much coverage you have and the cost of your insurance. Please refer to your policy/declarations page or renewal billing notice for the coverages you currently have. Then read the following list of coverages available to you. Some of the coverages are required and others are optional. If you want to change your coverage or need further explanation of the coverages, please contact your State Farm agent.

Required Coverages

Personal Injury Protection (PIP) Benefits Limits (per person)	Premium	PIP Deductibles	Premium
\$ 10,000	\$ 49.13	\$ 100	\$ 44.21
		\$ 300	\$ 41.77
		\$ 500	\$ 36.84
		\$ 1,000	\$ 34.38
		Bodily Injury Liability Limits (per person/per accident/limits)	Premium
		\$ 20,000/40,000/10,000 (basic)	\$ 80.69
		\$ 25,000/50,000/25,000	\$ 87.72
		\$ 35,000/100,000/25,000	\$ 92.10
		\$ 50,000/100,000/25,000	\$ 93.85
		\$ 100,000/300,000/50,000	\$ 103.50

Optional Coverages

Uninsured Motor Vehicle Coverage (per person/per accident)			Underinsured Motor Vehicle Coverage (per person/per accident)		
Non-Stacking and Stacking	Non-Stacking Premium	Stacking Premium	Non-Stacking and Stacking	Non-Stacking Premium	Stacking Premium
\$ 20,000/40,000 (basic)	\$ 9.60	\$ 11.20	\$ 20,000/40,000 (basic)	\$ 8.00	\$ 12.80
\$ 25,000/50,000	\$ 10.08	\$ 11.87	\$ 25,000/50,000	\$ 9.36	\$ 14.98
\$ 35,000/100,000	\$ 11.52	\$ 13.44	\$ 35,000/100,000	\$ 13.04	\$ 21.50
\$ 50,000/100,000	\$ 11.81	\$ 13.89	\$ 50,000/100,000	\$ 14.88	\$ 25.30
\$ 100,000/300,000	\$ 13.63	\$ 16.02	\$ 100,000/300,000	\$ 28.08	\$ 46.50
Wage Loss Coverage (Maximum Benefit per Month)			Death Benefits Coverage		
	Premium			Premium	
\$ 500/3,000	\$ 10.00		\$ 25,000	\$ 4.00	
\$ 1,000/6,000	\$ 20.00		\$ 50,000	\$ 8.00	
\$ 1,500/9,000	\$ 30.00		\$ 75,000	\$ 12.00	
\$ 2,000/12,000	\$ 40.00		\$ 100,000	\$ 16.00	
			Funeral Benefits Coverage		
			\$ 2,000	\$ 0.80	
			Alternative Care Coverage Limits		
			Max. \$75/visit for up to 30 visits.	\$ 29.39	



DTRIC Insurance Company, Limited
 DTRIC Insurance Underwriters, Limited
 1600 Kapiolani Boulevard, Suite 1520
 Honolulu, Hawaii 96814-3801
 (808) 951-1700

REQUIRED & OPTIONAL ADDITIONAL COVERAGES

Today's Date: **01/15/13**

POLICY NUMBER	POLICY PERIOD		CFN #	TERM
	FROM	TO		
NAMED INSURED AND ADDRESS			AGENT	

Hawaii Statutes require disclosure of the availability of required and optional coverages and deductibles. Refer to your policy declaration page(s) for your current coverages and both sides of this document for available coverages. If you want to change your coverage(s) or need further explanation please contact your DTRIC agent listed above.

REQUIRED COVERAGES

BODILY INJURY (BI)	LIMITS	PREMIUM	PROPERTY DAMAGE (PD)	LIMITS	PREMIUM
		\$20,000/\$40,000		\$42	
	\$25,000/\$50,000	\$46		\$15,000	\$67
	\$35,000/\$70,000	\$47		\$20,000	\$68
	\$50,000/\$100,000	\$48		\$30,000	\$69
	\$100,000/\$300,000	\$53		\$50,000	\$72

PERSONAL INJURY PROTECTION (PIP)	LIMITS	Deductible					
		No Deductible	\$100	\$300	\$500	\$1,000	\$2,000
	\$10,000	\$46	\$42	\$37	\$33	\$29	\$24

OR	LIMITS	Co-Payment		
		10%	20%	30%
	\$10,000	\$42	\$37	\$32

OPTIONAL COVERAGES

UNINSURED MOTORISTS (UM)	LIMITS	STACKED Premium	NON-STACKED Premium
		\$20,000/\$40,000	\$14
	\$25,000/\$50,000	\$16	\$16
	\$35,000/\$70,000	\$18	\$18
	\$50,000/\$100,000	\$29	\$29
	\$100,000/\$300,000	\$35	\$35

UNDERINSURED MOTORISTS (UIM)	LIMITS	STACKED Premium	NON-STACKED Premium
		\$20,000/\$40,000	\$2
	\$25,000/\$50,000	\$3	\$3
	\$35,000/\$70,000	\$4	\$4
	\$50,000/\$100,000	\$11	\$11
	\$100,000/\$300,000	\$16	\$16



Customer Vehicles Drivers Discounts Quote

- Lowest Limits*
\$2775/mo.
- Most Popular
\$2865/mo.
- Lowest Limits Plus Comprehensive Coverage
\$3110/mo.
- Build Your Own Quote
\$2940/mo.

Our licensed agents can help you 24 hours a day, every day of the year.

[Continue to Purchase](#)

Start Your Policy Today for

\$29.40
plus 5 monthly payments
of only \$29.40 each
6 month total policy premium: \$146.40

Coverage	Limits	Premium
<u>Bodily Injury Liability(BI)</u>	\$50,000/\$100,000	\$43.30
<u>Property Damage Liability(PD)</u>	\$10,000	\$50.70
<u>Personal Injury Protection Coverage</u>		\$25.10
<u>Personal Injury Protection(PIP)</u>	\$10,000/\$1,000 deductible	
<u>Additional Personal Injury Protection Coverage</u>		N/A
<u>Additional Personal Injury Protection(APIP)</u>	<input type="text" value="I decline"/>	
<u>Uninsured Motorist Coverage</u>		
Cannot be higher than your Bodily Injury (BI) limit		
<u>Stacked</u>	\$20,000/\$40,000	\$11.40
<u>Underinsured Motorist Coverage</u>		
Cannot be higher than your Bodily Injury (BI) limit		
<u>Stacked</u>	\$20,000/\$40,000	\$15.90
<u>Funeral Expense and Death Benefit</u>	<input type="text" value="I decline"/>	N/A
<u>Wage Loss Benefits</u>	<input type="text" value="I decline"/>	N/A
<u>Comprehensive(COMP)</u>		
2001 HONDA ACCORD EX	<input type="text" value="I decline"/>	N/A
<u>Collision(COLL)</u>		
2001 HONDA ACCORD EX	<input type="text" value="I decline"/>	N/A
<u>Emergency Road Service(ERS)</u>		
Requires Comprehensive or Collision		
2001 HONDA ACCORD EX	<input type="text" value="I decline"/>	N/A
<u>Rental Reimbursement(RR)</u>		
Requires Comprehensive		
2001 HONDA ACCORD EX	<input type="text" value="I decline"/>	N/A

Click for Call

[Continue to Purchase](#)

It's easy to buy this quote online!



Customer Vehicles Drivers Discounts Quote

- Lowest Limits*
\$2775/mo.
- Most Popular
\$2865/mo.
- Lowest Limits Plus Comprehensive Coverage
\$3110/mo.
- Build Your Own Quote
\$?/mo.

Our licensed agents can help you 24 hours a day, every day of the year.

[Continue to Purchase](#)

Start Your Policy Today for

\$27.75
plus 5 monthly payments
of only \$27.75 each
6 month total policy premium: \$136.50

[Click for Call](#)

Coverage	Limits	Premium
<u>Bodily Injury Liability (BI)</u>	\$20,000/\$40,000	\$33.40
<u>Property Damage Liability (PD)</u>	\$10,000	\$50.70
<u>Personal Injury Protection Coverage</u>		\$25.10
<u>Personal Injury Protection (PIP)</u>	\$10,000/\$1,000 deductible	
<u>Additional Personal Injury Protection Coverage</u>		N/A
<u>Additional Personal Injury Protection (APIP)</u>	I decline	
<u>Uninsured Motorist Coverage</u>		
Cannot be higher than your Bodily Injury (BI) limit		
<u>Stacked</u>	\$20,000/\$40,000	\$11.40
<u>Underinsured Motorist Coverage</u>		
Cannot be higher than your Bodily Injury (BI) limit		
<u>Stacked</u>	\$20,000/\$40,000	\$15.90
<u>Funeral Expense and Death Benefit</u>	I decline	N/A
<u>Wage Loss Benefits</u>	I decline	N/A
<u>Comprehensive (COMP)</u>		
2001 HONDA ACCORD EX	I decline	N/A
<u>Collision (COLL)</u>		
2001 HONDA ACCORD EX	I decline	N/A
<u>Emergency Road Service (ERS)</u>		
Requires Comprehensive or Collision		
2001 HONDA ACCORD EX	I decline	N/A
<u>Rental Reimbursement (RR)</u>		
Requires Comprehensive		
2001 HONDA ACCORD EX	I decline	N/A

[Continue to Purchase](#)

It's easy to buy this quote online!
You can also call 1-800-841-5660 or visit a [local office](#).

- [Compare Side-by-Side](#)
- [View Applicant Information](#)
- [Print Detailed Quote](#)
- [View All Quotes](#)

Applied Discounts!

Restraint	\$10.70
Partnership Organization	\$9.00
Five-year Accident free Good Driver	\$20.50
Total Discount	\$40.20

TESTIMONY OF ALISON POWERS

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Representative Angus L.K. McKelvey, Chair
Representative Derek S.K. Kawakami, Vice Chair

HOUSE COMMITTEE ON JUDICIARY

Representative Karl Rhoads, Chair
Representative Sharon E. Har, Vice Chair

Wednesday, February 20, 2013
2:00 p.m.

HB 690, HD1

Chair McKelvey, Chair Rhoads, Vice Chair Kawakami, Vice Chair Har and members of the Committees, my name is Alison Powers, Executive Director of the Hawaii Insurers Council. Hawaii Insurers Council is a non-profit trade association of property and casualty insurance companies licensed to do business in Hawaii. Member companies underwrite approximately 40% of all property and casualty insurance premiums in the state.

Hawaii Insurers Council presents comments on this bill. This bill increases the minimum bodily injury liability limits in Section 431:10C-301(b)(1) from \$20,000 per person and \$40,000 per accident to \$35,000 per person and \$100,000 per accident. Increasing the minimum bodily injury liability limits would also increase the minimum liability limits for uninsured motorist and underinsured motorist coverages. If mandated for all vehicle owners, this change would increase the cost of a minimum limits motor vehicle insurance policy.

Thank you for the opportunity to testify.

**Testimony of
Gary M. Slovin / Mihoko E. Ito
on behalf of
USAA**

DATE: February 19, 2013

TO: Representative Angus McKelvey
Chair, Committee on Consumer Protection

Representative Karl Rhoads
Chair, Committee on Judiciary
Submitted Via Email CPCtestimony@capitol.hawaii.gov

RE: **H.B. 690 HD1– Relating to Motor Vehicle Insurance**
Hearing Date: Wednesday, February 20, 2013 at 2:00 pm
Conference Room: 325

Dear Chair McKelvey, Chair Rhoads and Members of the Joint Committees:

We submit this testimony on behalf of USAA, a diversified financial services company, who is the leading provider of competitively priced financial planning, insurance, investments, and banking products to members of the U.S. military and their families. USAA has over 82,000 members in Hawaii, the vast majority of which are military-based members.

USAA **opposes** H.B. 690 HD1, which increases the minimum bodily injury motor vehicle insurance from \$20,000 to \$35,000 for bodily injury or death to one person.

While we appreciate that the original bill was amended to only increase the bodily injury limit and not the aggregate limit, this does not change the fact that increasing minimum limits for auto insurance coverage will increase premiums. This may price many Hawaii residents out of the market, and will only increase the uninsured motorist population. It also has the potential to be especially hard on the U.S. military members with their low salaries, which is the population that USAA serves.

Thank you for the opportunity to submit testimony on this measure.

Gary M. Slovin
Mihoko E. Ito
Tiffany N. Yajima
Nicole A. Velasco

1099 Alakea Street, Suite 1400
Honolulu, HI 96813
(808) 539-0840

**Testimony of
Gary M. Slovin / Mihoko E. Ito
on behalf of
EAN Holdings, LLC**

DATE: February 19, 2013

TO: Representative Angus McKelvey
Chair, Committee on Consumer Protection
Representative Karl Rhoads
Chair, Committee on Judiciary
Submitted Via Email CPCtestimony@capitol.hawaii.gov

RE: **H.B. 690 HD1– Relating to Motor Vehicle Insurance**
Hearing Date: Wednesday, February 20, 2013 at 2:00 pm
Conference Room: 325

Dear Chair McKelvey, Chair Rhoads and Members of the Joint Committees:

We submit this testimony on behalf of EAN Holdings, LLC, operating Enterprise Rent-A-Car, Alamo Rent-A-Car and National Car Rental in Hawaii (collectively referred to as “Enterprise”). Enterprise **opposes** H.B.690 HD1, which increases the minimum liability coverage from \$20,000 to \$35,000 per person.

While we appreciate that the original bill was amended to only increase the bodily injury limit and not the aggregate limit, the fact still remains that increasing the minimum limits will raise insurance premiums; thereby increasing the likelihood that insurance will become unaffordable for more drivers, and increasing the number of uninsured drivers on the road.

Enterprise is responsible for providing the minimum limits for a rental customer who has no insurance. If the rental customer is insured, but with insufficient limits, then Enterprise is responsible for the difference between the rental customer’s policy and the minimum limits.

Increasing the minimum limits increases Enterprise’s financial responsibilities in the case of an accident. A higher risk of financial exposure raises their operating costs, and

Gary M. Slovin
Mihoko E. Ito
Tiffany N. Yajima
Nicole A. Velasco

1099 Alakea Street, Suite 1400
Honolulu, HI 96813
(808) 539-0840

therefore their rental rates, to cover these costs accordingly. Raising the cost of a rental car would price many potential customers out of the market.

In the case of Enterprise, in addition to their airport locations, they have the largest number of neighborhood rental locations in the industry. These locations often serve the local communities they are located in. If rental rates were increased in order to cover these higher minimum limits, many residents who want to rent a car when they are doing business, who visit family and friends on another island, or who need a replacement vehicle for their own car in the shop, would be unable to afford the cost of a rental.

Thank you for the opportunity to submit testimony on this measure.

kawakami2 - Rise

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 15, 2013 10:35 AM
To: CPCtestimony
Cc: surferg@aloha.net
Subject: Submitted testimony for HB690 on Feb 20, 2013 14:00PM

HB690

Submitted on: 2/15/2013

Testimony for CPC/JUD on Feb 20, 2013 14:00PM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Cleon Bailey	Individual	Oppose	No

Comments: Given the cost of living in Hawaii, Residents with low income levels would be more apt to obtain the states minimum liability requirement set at the present level. It should be the right of the individual to increase his/her coverage as their income allows, and not forced by legislation.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov