

SB 2685

RELATING TO MOTOR
VEHICLE INSURANCE

LATE TESTIMONY



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February 16, 2016

To: Hon. Lorraine Inouye, Chair
Hon. Mike Gabbard, Vice Chair
Members
Senate Committee on Transportation and Energy

From: Steven Suchil, Assistant Vice President/Counsel

Subject: SB 2685 - Electronic Proof of Insurance
Hearing Date: Tuesday, February 16, 2016
2:55 p.m., Room 229

The American Insurance Association (AIA) supports SB 2685 and respectfully requests that the bill pass out of Committee. This measure would authorize drivers' use of electronic proof of insurance.

AIA is the leading property-casualty insurance trade organization, representing approximately 325 insurers that write more than \$127 billion in premiums each year. AIA member companies offer all types of property-casualty insurance, including personal and commercial auto insurance, commercial property and liability coverage for small businesses, workers' compensation, homeowners' insurance, medical malpractice coverage, and product liability insurance. In Hawaii AIA member company property-casualty insurance market share is about 22 percent, with nearly \$500 million in premiums.

SB 2685 would simplify showing proof of automobile insurance and reflect the increasing use of cell phones in replacing or supplementing paper documents in everyday life. Individuals use cell phones and other handheld devices to pay bills, check appointments, store air travel boarding passes and pay via credit card accounts, among other things. Over 40 states authorize use of electronic means to show proof of automobile insurance.

Also, SB 2685 provides that state officials are prohibited from viewing other information on a cell phone when looking at proof of insurance. This will serve to protect the privacy of motorists.

For the foregoing reasons AIA respectfully requests passage of SB 2685.