



**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I  
OFFICE OF THE DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
Senate Committee on Transportation and Culture and the Arts  
Tuesday, January 31, 2023  
3:00 p.m.  
State Capitol, Conference Room 224 and Via Videoconference**

**On the following measure:  
S.B. 341, RELATING TO MOTOR VEHICLE INSURANCE**

Chair Lee and Members of the Committee:

My name is Gordon I. Ito, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department offers comments on this bill.

The purpose of this bill is to increase the minimum amounts of liability insurance coverage required for motor vehicle insurance policies.

The Department notes that increasing these minimums may put upwards pressure on the premiums consumers pay for motor vehicle insurance.

Thank you for the opportunity to testify.



1003 Bishop Street  
Honolulu, Hawaii 96813  
Telephone (808) 525-5877

**Alison H. Ueoka**  
President

## TESTIMONY OF ALISON UEOKA

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COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS  
Senator Chris Lee, Chair  
Senator Lorraine R. Inouye, Vice Chair

Tuesday, January 31, 2023  
3:00 p.m.

### **SB 341**

Chair Lee, Vice Chair Inouye, and members of the Committee on Transportation and Culture and the Arts, my name is Alison Ueoka, President for Hawaii Insurers Council. The 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 forty percent of all property and casualty insurance premiums in the state.

Hawaii Insurers Council submits comments on SB 341 which increases the minimum liability limits for bodily injury and property damage coverages in Section 431:10C-301. The proposed bodily injury limits would be \$25,000 per person and \$50,000 per accident and the property damage limit would be \$25,000. This will cause a direct increase in costs of these coverages to everyone who purchases a minimum limits policy and therefore, it is regressive. Other coverages which are related may also increase, namely uninsured motorists and underinsured motorists coverages. We note that higher limits are already available today to those who wish to purchase them.

If the Legislature decides to increase minimum statutory limits, we ask that language be inserted requiring the insurance commissioner to mandate a filing by motor vehicle insurers reflecting the increase so that insurers are allowed to charge the appropriate premium prior to the law change taking effect.

We ask that the following language be inserted, "The insurance commissioner shall issue a memo to solicit rate filings from motor vehicle insurers to reflect the law change no later than July 1, 2023. Rate filings shall be due no later than December 1, 2023 and the relevant rate changes shall be effective for new and renewal policies on or after July 1, 2024." The effective date of the bill should also be appropriately amended to reflect this language.

Thank you for the opportunity to testify.



To: Senator Chris Lee, Chair  
Senator Lorraine R. Inouye, Vice Chair  
Committee on Transportation and Culture and the Arts

From: Mark Sektnan, Vice President

Re: **SB 341 – Relating to Motor Vehicle Insurance**  
**APCIA Position: Oppose**

Date: Tuesday, January 31, 2023  
3:00 p.m., Conference Room 224 & Videoconference

Aloha Chair Lee, Vice Chair Inouye and Members of the Committee:

The American Property Casualty Insurance Association of America (APCIA) is opposed to **SB 341** which would increase the minimum financial liability limits for motor vehicle policies. Representing nearly 60 percent of the U.S. property casualty insurance market, the American Property Casualty Insurance Association (APCIA) promotes and protects the viability of private competition for the benefit of consumers and insurers. APCIA represents the broadest cross-section of home, auto, and business insurers of any national trade association. APCIA members represent all sizes, structures, and regions, which protect families, communities, and businesses in the U.S. and across the globe.

SB 341 is premised on helping lower income drivers in Hawaii obtain more insurance coverage. However, this coverage is already available to any driver that wishes to purchase it. Rather, SB 341 will force Hawaii drivers to purchase higher coverage, whether they want to or not. This bill increases the minimum financial responsibility (FR) limits in Hawaii from \$20,000 for a single injury, \$40,000 for multiple injuries, and \$10,000 for property damage to \$25,000/ \$50,000/ \$25,000, respectively.

At a time when the citizens of Hawaii are grappling with an economy still recovering from the COVID-19 pandemic, while confronting inflation rates not seen in the last forty years and record high gas prices at the pump, it is absolutely the wrong time to require drivers to spend more on auto insurance. Keeping costs down for consumers should be the most significant consideration for policymakers. This bill will clearly increase rates for low-income and young drivers who will be forced to buy more coverage, but it will also most likely increase the number of uninsured drivers in Hawaii. Higher numbers of uninsured drivers could also increase rates for drivers who are already carrying higher liability limits and commercial drivers who could pay more for uninsured motorist coverage.

SB 341 would also become effective upon signature of the Governor which would have the effect of making all existing minimum limit policies illegal since they would not meet the new state mandated limits. The bill should be amended to delay implementation to allow companies to develop new rate structures to reflect the higher limits and file the new rates with the Hawaii Department of Insurance. The effective date should also be for “policies incepting on or after” the effective date. If this language is not included, existing minimum limit policies which are mid-term will be out of compliance when the law changes. This will result in consumer confusion and challenges for the insurers.

For these reasons, APCIA asks the committee to **hold** this bill in committee.



**SanHi**

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: January 31, 2023

TO: Senator Chris Lee  
Chair, Committee on Transportation and Culture, and the Arts  
*Submitted Via Capitol Website*

FROM: Matt Tsujimura

RE: **S.B. 341 – Relating to Motor Vehicle Insurance**  
**Hearing Date: Tuesday, January 31, 2023 at 3:00PM**  
**Conference Room: 224**

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Dear Chair Lee, Vice Chair Inouye, and Members of the Committee on Transportation and Culture, and the Arts:

I am Matt Tsujimura, representing State Farm Mutual Automobile Insurance Company (State Farm). State Farm offers this testimony **in opposition** to S.B. 341, Relating to Motor Vehicle Insurance.

S.B. 341 would increase the minimum required liability coverage limits for motor vehicle insurance policies. While State Farm understands the intent of increasing coverage limits is to ensure protection, higher coverage limits can be counterproductive to this goal, and may lead to an affordability problem for consumers, which in turn can often lead to more uninsured drivers. Moreover, uninsured and underinsured motorist coverage limits must be equal to the bodily injury coverage limits, and an additional increase in these limits may result in an increase in premiums.

Increasing coverage limits will have a lasting negative impact on insurance costs. Higher limits lead to a newer and higher floor for recovery; which leads to increased litigation and claims costs; which ultimately results in increased insurance costs.

If this bill passes, State Farm needs additional time to develop and update rates based on the limit increase; create new selection and rejection forms for uninsured and underinsured coverage; prepare and send notice to all policyholders advising of the increased limits and premium changes; and update all systems, forms, and applications.

These changes, which would be necessary should this bill pass, will take time to create, implement, and onboard for all new and current customers. For these reasons, if the committee feels this bill must be passed, we ask that *the effective date of the bill be pushed out to at least January 2025.*

Thank you for the opportunity to present this testimony.

**TESTIMONY OF EVAN OUE ON BEHALF OF THE HAWAII ASSOCIATION FOR JUSTICE (HAJ) REGARDING OF S.B. NO. 341**

Date: Tuesday, January 31, 2023

Time: 3:00 PM

Aloha Chair Lee and Members of the Senate Committee on Transportation,

My name is Evan Oue and I am presenting this testimony on behalf of the Hawaii Association for Justice (HAJ) regarding S.B. No. 341 relating to Motor Vehicle Insurance.

This measure increases the minimum automobile insurance coverage for bodily injury liability from \$20,000 to \$25,000 per person. The maximum limit for an accident is correspondingly increased from \$40,000 to \$50,000. Bodily injury liability coverage provides benefits to those who are injured or killed by careless drivers in traffic accidents. Further, the measure increases the minimum insurance for all property damage or destruction including motor vehicles from \$10,000 to \$25,000.

Although HAJ appreciates the increases proposed in S.B. 341, we respectfully recommend adoption of the higher increases proposed in S.Bs 920 and 976. The required insurance of liability coverage per person should be increased to a minimum of at least \$50,000 per person with an aggregate of \$100,000. These levels of insurance minimums would more accurately reflect the current high costs associated with motor vehicle accidents.

**Motor vehicle insurance minimum required policy limits have not been raised in 25 years since the enactment of Act 27, session laws of 1998, which has resulted in more than 50% reduction in consumer protection.** In fact, the minimum insurance requirement for bodily injury liability has decreased over the years despite increases in the cost of living.

In 1985, the minimum requirement was \$35,000 per person, which in today's dollars would be equal \$98,463. In 1992, it was reduced to \$25,000 with no maximum per accident. It remained at \$25,000 until it was reduced again in 1998 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%.

During the current high inflation that we are experiencing nationwide, now 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. For instance, medical inflation has dramatically increased over the past 25 years while insurance premiums have remained the same. **Ultimately, accident victims and health care providers pay the price for Hawaii's unreasonably low minimum policy limits.** Failing to increase the insurance minimums operates as a tax on tort victims who's medical expenses substantially outweigh the current insurance minimums.

The Insurance Division publishes premium rates for automobile insurance annually. Its current publication lists major insurers offering full coverage, including bodily injury liability, property damage liability, PIP-No Fault, Uninsured Motorist and Underinsured Motorist benefits, ranging from under \$300 to \$1,000 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 \$309 for Kauai, \$383 for Maui, \$373 for the Big Island. Allstate, Liberty Mutual and USAA similarly provide full coverage policies in Hawaii starting at under \$300 annually. Farmers and State Farm policies start at \$334 and \$440. The December 2022 rates published by the Insurance Division are attached.

Furthermore, Hawaii has been the nation's most profitable automobile insurance market in the United States for over 25 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. Net profits in 1996 were a staggering 27.5%, up from an already impressive 22% in 1995.

Insurers have made profits in Hawaii that are higher than the national average. The National Association of Insurance Commissioners (NAIC) annually publishes profit/loss data for automobile insurance countrywide. In its report issued in 2021, NAIC data reveals that private automobile insurance underwriting profits in Hawaii for 2020 was 19.6% with a 20.4% return on net worth. In comparison, the national average for underwriting profit was 7.6% with a 10.5% return on net worth. Automobile insurers in Hawaii doubled the national average of underwriting profit and the national average of return.

Hawaii has consistently been the most profitable state for automobile insurers for over 25 years. NAIC data shows net returns on worth for Hawaii auto insurance between 2018-2020 as 16.4%, 11.7%, and 20.4% for an average of 16.6%. In comparison, during the same time period, the nationwide net returns were 7.6%, 6.9% and 10.2% for an average of 8.2%. Thus, over the course of that recent three-year span, Hawaii has nearly doubled the national averages. 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 six states that require \$20,000 or less. A substantial amount of states require \$25,000 or more with some states requiring \$30,000 and \$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. Our state has experienced the harsh impacts of inflation after the pandemic and costs of good, property and medical services has gone up substantial in the past couple of years.

Specifically, medical bills for accidents of moderate severity routinely exceed \$20,000 and often exceed \$50,000 for an emergency that involves a trauma designation. The current \$20,000 insurance policy limits all too often pays for just a fraction of the damages caused and leaves the victim and sometimes their health care providers responsible for the remaining costs.

Furthermore, recently other jurisdictions have increased their minimum insurance coverage requirements. For example, California has passed legislation commencing in 2025 to increase the amount of liability insurance coverage an owner or operator of a motor vehicle is required to maintain to \$30,000 for bodily injury or death of one person, \$60,000 for bodily injury or death of all persons, and \$15,000 for damage to the property of others as a result of any one accident. The measure further increases the required insurance minimums in 2035 to \$50,000 for bodily injury, \$100,000 for bodily injury or death of all persons, and \$25,000 for property damage in order to accommodate rising costs of goods and medical expenses.

Additionally, Virginia passed a bill increasing the coverage from \$25,000 to \$50,000 for bodily injury or death of one person in any one accident, \$50,000 to \$100,000 because of bodily injury or death of two or more persons in any one accident, and \$20,000 to \$40,000 for property damage.

Lastly, Arizona also passed a measure which increased the coverage from \$15,000 to \$25,000 for bodily injury or death of one person in any one accident, \$30,000 to \$50,000 because of bodily injury or death of two or more persons in any one accident, and \$10,000 to \$15,000 for property damage.

Moreover, data we have collected from other jurisdictions to provide insight on the potential minimal cost increase associated with an increase in the insurance minimums. Since, 2007 nine other states increased their insurance premiums. Of those nine states, five states that

increased their minimum insurance requirements saw slight decreases in their insurance premiums the year following the change. For example, in 2013, Ohio increased its insurance from \$12,500 to \$25,000 for personal liability and saw a slight increase the year of the increase but a subsequent decrease in the year following.

Additionally, the remaining states saw minimal increases in premiums the year of the increases and the subsequent year. For example, in 2011, Ohio increased its personal liability requirements from \$20,000 to \$30,000 and saw an increase of approximately \$7 for the year of the increase and the subsequent year.

Therefore, actual cost of the increase proposed in this measure is minimal in comparison to the substantial public benefit including greater protection and recovery of victims of motor vehicle accidents. Protection of the public should be given greater consideration especially as we are experiencing dramatic increases medical costs during as inflation continues.

Those carrying minimum limits may be assessed rates different. 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 slight rate increases or even potential decreases in rates in other jurisdictions by auto insurers demonstrates that the actual 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 25 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 on of this measure. HAJ looks forward to working with the legislature on this issue for our state. Please feel free to contact me should you have any questions or desire additional information.



## WHAT YOU NEED TO KNOW ABOUT AUTO INSURANCE IN HAWAII

You can buy your motor vehicle insurance policy from a company licensed to do business in Hawaii or an insurance agency licensed to sell policies for the insurance company. The sales agent will answer your questions and help you determine how much insurance you may need.

Most insurance companies are listed in the telephone directory and can direct you to one or more of their licensed sales agents. Insurance companies that are not listed in the directory, generally transact business through one or more insurance agencies that may advertise their auto insurance services in the telephone directory or online.

### SAMPLE PREMIUMS VERSUS YOUR PREMIUMS

The cost of your motor vehicle insurance policy will depend on several factors: your driving record (at fault accidents and convictions); the use of the vehicle (to and from work may increase premiums 15-25% over pleasure usage); annual mileage driven; your selected coverages; your selected limits and deductibles; and any possible discounts (many companies offer 3-5 year renewal discounts) that may apply.

You may reduce your premiums by declining in writing uninsured and underinsured motorist coverages. If you purchase physical damage coverages, your premiums will be significantly higher. Also, the make and model of your vehicle and its reparability affect physical damage premiums. You may reduce physical damage premiums by requesting higher deductibles.

### WHAT IF YOU HAVE TROUBLE FINDING INSURANCE?

Companies may choose the people they wish to insure. However, they may not refuse to insure you on the basis of your race, creed, ethnic extraction, age, sex, length of driving experience, credit bureau rating, marital status, residence or physical handicap.

Some companies specialize in low risk classes; other companies specialize in high risk classes; and some companies will only insure members of a group contracting for group insurance. The premium charged will vary accordingly. If you are turned down by one company, the sales agent must offer to place you in the Hawaii Joint Underwriting Plan (HJUP), or you can check with other insurance companies.

### ASK ABOUT THE HAWAII JOINT UNDERWRITING PLAN (HJUP)

If you try several companies and cannot find coverage, you can be insured through the Hawaii Joint Underwriting Plan. This is a risk-pooling arrangement in which all motor vehicle insurers must participate. The HJUP insures those drivers who are unable to secure insurance from a licensed company or have multiple accidents or traffic convictions. You may apply through any sales agent of an insurance company licensed to sell motor vehicle insurance in this State.

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The Insurance Division of the State of Hawaii Department of Commerce and Consumer Affairs provides the following sample premiums of licensed insurance companies transacting Motor Vehicle insurance in Hawaii as part of our continuing effort to assist and educate consumers. Having motor vehicle insurance is essential to owning a motor vehicle in Hawaii. Hawaii State law requires that your vehicle be insured throughout the motor vehicle registration period and that you have a valid Hawaii motor vehicle insurance identification card in your motor vehicle at all times.

For the latest update, visit our website at <http://cca.hawaii.gov/ins>. For further information, contact the Insurance Division, P.O. Box 3614, Honolulu, Hawaii 96811, or call (808) 586-2790.



## STATE OF HAWAII SAMPLE ANNUAL MOTOR VEHICLE INSURANCE PREMIUMS

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

**COVERAGES:** The sample premiums are based on the following minimum 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, 2022**

**VEHICLE:** 2021 Honda Accord, LX, 4-door sedan

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

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

Usage: Pleasure

Usage: Pleasure

**NOTE:** 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.

Insurance Company (Alphabetical Order)	OAHU		MAUI		KAUAI		HAWAII	
	clean risk	1 speeding conviction	clean risk	1 speeding conviction	clean risk	1 speeding conviction	clean risk	1 speeding conviction
21st Century Centennial Insurance Company	\$ 569	\$ 793	\$ 544	\$ 760	\$ 426	\$ 610	\$ 546	\$ 764
21st Century Centennial Insurance Company**	561	783	537	751	421	603	540	755
Allstate Indemnity Company	739	791	727	775	555	589	782	835
Allstate Insurance Company	459	628	453	617	337	454	485	665
American Family Connect Property and Casualty Ins. Co.	668	870	590	870	393	870	544	870
Bankers Standard Insurance Company	363	399	324	356	271	298	374	412
Cincinnati Insurance Company	839	1,222	825	1,201	593	854	897	1,308
Crestbrook Insurance Company	697	810	679	783	496	571	739	857
Crum & Forster Indemnity Company	756	1,265	619	1,014	519	835	718	1,190
DB Insurance Company, Ltd.	676	738	516	562	468	512	635	693
DTRIC Insurance Company, Ltd.*	646	833	642	819	510	648	579	743
DTRIC Insurance Company, Ltd.* **	577	850	549	808	485	711	594	875
DTRIC Insurance Underwriters, Ltd.	538	585	510	555	423	459	527	573
Farmers Property and Casualty Insurance Co. **	334	334	297	297	232	232	311	311
Federal Insurance Company	281	384	261	356	224	304	282	386
First Indemnity Insurance of Hawaii, Inc.	1,001	1,186	867	1,022	840	989	1,034	1,227
Garrison Property & Casualty Insurance Co.	475	497	430	449	355	371	476	498
GEICO Casualty Company	828	876	844	893	678	715	787	832
GEICO Indemnity Company	408	443	383	415	309	334	373	405
Government Employees Ins. Co. (GEICO)	291	291	274	274	222	222	280	281
Hartford Underwriters Insurance Company**	479	563	490	577	323	377	489	575
Insurance Company of the State of Pennsylvania	577	1,014	537	938	420	716	593	1,045
Interinsurance Exchange of the Automobile Club**	510	662	492	640	352	446	480	620
Island Premier Insurance Company, Ltd.	481	481	430	430	341	341	422	422
Liberty Insurance Corporation	808	1,289	820	1,311	588	912	769	1,226
Liberty Insurance Corporation**	727	1,161	738	1,180	529	821	692	1,104
Liberty Mutual Fire Insurance Company	537	858	546	873	391	608	511	816
Liberty Mutual Fire Insurance Company**	484	772	491	786	352	547	460	734
Midvale Indemnity Company	838	1,038	806	987	697	847	865	1,068
North River Insurance Company	517	875	421	700	351	575	492	826
Pacific Indemnity Company	281	384	261	356	224	304	282	386
Permanent General Assurance Corp.	1,161	1,413	1,086	1,320	637	1,118	1,186	1,456
Phoenix Insurance Company*	304	405	300	401	224	295	308	412
Privilege Underwriters Reciprocal Exchange	507	1,080	476	1,005	373	759	525	1,117
Progressive Advanced Insurance Company	547	646	513	602	464	542	535	629
Progressive Preferred Insurance Company	417	526	369	463	325	409	381	476
State Farm Fire and Casualty Company	604	741	571	548	446	698	569	698
State Farm Mutual Automobile Insurance Co.	490	585	463	552	361	428	438	549
Tradewind Insurance Company, Ltd.	447	486	397	433	352	384	408	444
Travelers Indemnity Company of America*	304	405	300	401	224	295	308	412
United Services Automobile Association (USAA)	339	355	305	319	249	260	337	353
United States Fire Insurance Company	657	1,100	536	879	450	725	624	1,035
USAA Casualty Insurance Company	475	497	430	449	355	371	476	498
USAA General Indemnity Company	579	633	516	564	411	450	573	627

\*Closed book of business/renewals only

\*\*Mass merchandising or restricted group rates



**STATE OF HAWAII SAMPLE ANNUAL MOTOR VEHICLE INSURANCE PREMIUMS  
MAJOR INSURERS BY COUNTY - IN ALPHABETICAL ORDER**

**These sample premiums are for licensed insurance companies that transact 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, 2022**

**VEHICLE:** 2021 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	1 speeding conviction	Insurance Company	clean risk	1 speeding conviction
21st Century Centennial Insurance Company	\$ 569	\$ 793	21st Century Centennial Insurance Company	\$ 544	\$ 760
21st Century Centennial Insurance Company**	561	783	21st Century Centennial Insurance Company**	537	751
Allstate Insurance Company	459	628	Allstate Insurance Company	453	617
DTRIC Insurance Company, Ltd.*	646	833	DTRIC Insurance Company, Ltd.*	642	819
DTRIC Insurance Company, Ltd.* **	577	850	DTRIC Insurance Company, Ltd.* **	549	808
First Indemnity Insurance of Hawaii, Inc.	1,001	1,186	First Indemnity Insurance of Hawaii, Inc.	867	1,022
GEICO Casualty Company	828	876	Garrison Property & Casualty Insurance Co.	430	449
GEICO Indemnity Company	408	443	GEICO Indemnity Company	383	415
Government Employees Ins. Co. (GEICO)	291	291	Government Employees Ins. Co. (GEICO)	274	274
Interinsurance Exchange of the Automobile Club**	510	662	Hartford Underwriters Insurance Company**	490	577
Island Premier Insurance Company, Ltd.	481	481	Interinsurance Exchange of the Automobile Club**	492	640
Liberty Mutual Fire Insurance Company	537	858	Island Premier Insurance Company, Ltd.	430	430
Liberty Mutual Fire Insurance Company**	484	772	Liberty Mutual Fire Insurance Company	546	873
Progressive Advanced Insurance Company	547	646	Liberty Mutual Fire Insurance Company**	491	786
Progressive Preferred Insurance Company	417	526	Progressive Advanced Insurance Company	513	602
State Farm Fire and Casualty Company	604	741	Progressive Preferred Insurance Company	369	463
State Farm Mutual Automobile Insurance Co.	490	585	State Farm Fire and Casualty Company	571	548
Tradewind Insurance Company, Ltd.	447	486	State Farm Mutual Automobile Insurance Co.	463	552
United Services Automobile Association (USAA)	339	355	United Services Automobile Association (USAA)	305	319
USAA Casualty Insurance Company	475	497	USAA Casualty Insurance Company	430	449
USAA General Indemnity Company	579	633	USAA General Indemnity Company	516	564

KAUAI MAJOR INSURERS			HAWAII MAJOR INSURERS		
Insurance Company	clean risk	1 speeding conviction	Insurance Company	clean risk	1 speeding conviction
21st Century Centennial Insurance Company	\$ 426	\$ 610	21st Century Centennial Insurance Company	\$ 546	\$ 764
21st Century Centennial Insurance Company**	421	603	21st Century Centennial Insurance Company**	540	755
Allstate Insurance Company	337	454	Allstate Insurance Company	485	665
DB Insurance Company, Ltd.	468	512	American Family Connect Property and Casualty Ins	544	870
DTRIC Insurance Company, Ltd.*	510	648	DB Insurance Company, Ltd.	635	693
DTRIC Insurance Company, Ltd.* **	485	711	DTRIC Insurance Company, Ltd.*	579	743
DTRIC Insurance Underwriters, Ltd.	423	459	DTRIC Insurance Company, Ltd.* **	594	875
First Indemnity Insurance of Hawaii, Inc.	840	989	DTRIC Insurance Underwriters, Ltd.	527	573
GEICO Indemnity Company	309	334	First Indemnity Insurance of Hawaii, Inc.	1,034	1,227
Government Employees Ins. Co. (GEICO)	222	222	GEICO Indemnity Company	373	405
Hartford Underwriters Insurance Company**	323	377	Government Employees Ins. Co. (GEICO)	280	281
Interinsurance Exchange of the Automobile Club**	352	446	Hartford Underwriters Insurance Company**	489	575
Island Premier Insurance Company, Ltd.	341	341	Interinsurance Exchange of the Automobile Club**	480	620
Liberty Mutual Fire Insurance Company	391	608	Island Premier Insurance Company, Ltd.	422	422
Liberty Mutual Fire Insurance Company**	352	547	Liberty Mutual Fire Insurance Company	511	816
North River Insurance Company	351	575	Liberty Mutual Fire Insurance Company**	460	734
Progressive Advanced Insurance Company	464	542	Progressive Advanced Insurance Company	535	629
Progressive Preferred Insurance Company	325	409	Progressive Preferred Insurance Company	381	476
State Farm Fire and Casualty Company	446	698	State Farm Fire and Casualty Company	569	698
State Farm Mutual Automobile Insurance Co.	361	428	State Farm Mutual Automobile Insurance Co.	438	549
United Services Automobile Association (USAA)	249	260	United Services Automobile Association (USAA)	337	353
USAA Casualty Insurance Company	355	371	USAA Casualty Insurance Company	476	498
USAA General Indemnity Company	411	450	USAA General Indemnity Company	573	627

**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.

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\*\*Mass merchandising or restricted group rates



**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 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, 2022**

**VEHICLE:** 2021 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	1 speeding conviction	Insurance Company	clean risk	1 speeding conviction
Government Employees Ins. Co. (GEICO)	\$ 291	\$ 291	Government Employees Ins. Co. (GEICO)	\$ 274	\$ 274
United Services Automobile Association (USAA)	339	355	United Services Automobile Association (USAA)	305	319
GEICO Indemnity Company	408	443	Progressive Preferred Insurance Company	369	463
Progressive Preferred Insurance Company	417	526	GEICO Indemnity Company	383	415
Tradewind Insurance Company, Ltd.	447	486	Garrison Property & Casualty Insurance Co.	430	449
Allstate Insurance Company	459	628	Island Premier Insurance Company, Ltd.	430	430
USAA Casualty Insurance Company	475	497	USAA Casualty Insurance Company	430	449
Island Premier Insurance Company, Ltd.	481	481	Allstate Insurance Company	453	617
Liberty Mutual Fire Insurance Company**	484	772	State Farm Mutual Automobile Insurance Co.	463	552
State Farm Mutual Automobile Insurance Co.	490	585	Hartford Underwriters Insurance Company**	490	577
Interinsurance Exchange of the Automobile Club**	510	662	Liberty Mutual Fire Insurance Company**	491	786
Liberty Mutual Fire Insurance Company	537	858	Interinsurance Exchange of the Automobile Club**	492	640
Progressive Advanced Insurance Company	547	646	Progressive Advanced Insurance Company	513	602
21st Century Centennial Insurance Company**	561	783	USAA General Indemnity Company	516	564
21st Century Centennial Insurance Company	569	793	21st Century Centennial Insurance Company**	537	751
DTRIC Insurance Company, Ltd.* **	577	850	21st Century Centennial Insurance Company	544	760
USAA General Indemnity Company	579	633	Liberty Mutual Fire Insurance Company	546	873
State Farm Fire and Casualty Company	604	741	DTRIC Insurance Company, Ltd.* **	549	808
DTRIC Insurance Company, Ltd.*	646	833	State Farm Fire and Casualty Company	571	548
GEICO Casualty Company	828	876	DTRIC Insurance Company, Ltd.*	642	819
First Indemnity Insurance of Hawaii, Inc.	1,001	1,186	First Indemnity Insurance of Hawaii, Inc.	867	1,022

KAUAI MAJOR INSURERS			HAWAII MAJOR INSURERS		
Insurance Company	clean risk	1 speeding conviction	Insurance Company	clean risk	1 speeding conviction
Government Employees Ins. Co. (GEICO)	\$ 222	\$ 222	Government Employees Ins. Co. (GEICO)	\$ 280	\$ 281
United Services Automobile Association (USAA)	249	260	United Services Automobile Association (USAA)	337	353
GEICO Indemnity Company	309	334	GEICO Indemnity Company	373	405
Hartford Underwriters Insurance Company**	323	377	Progressive Preferred Insurance Company	381	476
Progressive Preferred Insurance Company	325	409	Island Premier Insurance Company, Ltd.	422	422
Allstate Insurance Company	337	454	State Farm Mutual Automobile Insurance Co.	438	549
Island Premier Insurance Company, Ltd.	341	341	Liberty Mutual Fire Insurance Company**	460	734
North River Insurance Company	351	575	USAA Casualty Insurance Company	476	498
Interinsurance Exchange of the Automobile Club**	352	446	Interinsurance Exchange of the Automobile Club**	480	620
Liberty Mutual Fire Insurance Company**	352	547	Allstate Insurance Company	485	665
USAA Casualty Insurance Company	355	371	Hartford Underwriters Insurance Company**	489	575
State Farm Mutual Automobile Insurance Co.	361	428	Liberty Mutual Fire Insurance Company	511	816
Liberty Mutual Fire Insurance Company	391	608	DTRIC Insurance Underwriters, Ltd.	527	573
USAA General Indemnity Company	411	450	Progressive Advanced Insurance Company	535	629
21st Century Centennial Insurance Company**	421	603	21st Century Centennial Insurance Company**	540	755
DTRIC Insurance Underwriters, Ltd.	423	459	American Family Connect Property and Casualty Ins	544	870
21st Century Centennial Insurance Company	426	610	21st Century Centennial Insurance Company	546	764
State Farm Fire and Casualty Company	446	698	State Farm Fire and Casualty Company	569	698
Progressive Advanced Insurance Company	464	542	USAA General Indemnity Company	573	627
DB Insurance Company, Ltd.	468	512	DTRIC Insurance Company, Ltd.*	579	743
DTRIC Insurance Company, Ltd.* **	485	711	DTRIC Insurance Company, Ltd.* **	594	875
DTRIC Insurance Company, Ltd.*	510	648	DB Insurance Company, Ltd.	635	693
First Indemnity Insurance of Hawaii, Inc.	840	989	First Indemnity Insurance of Hawaii, Inc.	1,034	1,227

**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.

\*Closed book of business/renewals only

\*\*Mass merchandising or restricted group rates



LATE



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

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COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS

Senator Chris Lee, Chair  
Senator Lorraine R. Inouye, Vice Chair  
COMMITTEE ON JUDICIARY  
Senator Karl Rhoads, Chair  
Senator Jarrett Keohokalole, Vice Chair

HB 2162SB 341, HD2, Relating to Motor Vehicle InsuranceTowing  
Tuesday, ~~June 30, 2020, 9:46 am~~ January 31, 2023  
Room 224016

Chair LeeRhoads, Vice Chair InouyeKeohokalole and Members of the Senate Judiciary  
CommitteeTCA:

My name is Timothy M. Dayton, General Manager of GEICO. **GEICO is in support of**  
**HB 2162****opposes SB 341.** GEICO provides motor vehicle insurance for 1784,000 Hawaii households. The current minimum financial responsibility limits (\$20K/\$40K/\$10K) have benefited Hawaii drivers greatly by providing premium rates that have been very affordable. In fact, depending on who a consumer chooses to insure with, the premium rates in Hawaii are among the very lowest of all states. Today, many Hawaii residents are faced with a highly inflationary economic struggle. The very reasons advanced for increasing the mandatory insurance coverage limits and therefore the cost to comply with the Law are also reasons to maintain the status quo – affordable insurance that allows most to afford it. Although the current inflation is broad based, the primary costs for motor vehicle insurers are at the highest end: medical treatment and most notably the cost of vehicle repair and replacement. As a consequence, insurers are already raising rates in Hawaii and countrywide. Increasing the minimum limits will only exacerbate the challenge for many Hawaii drivers to continue to

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~~comply with mandatory insurance requirements. GEICO pays for thousands of tows from Hawaii accident scenes every year. Our extensive experience finds that the majority of Hawaii towing companies are fair and reasonable in what can be a challenging profession. However, we are also very familiar with the reality that a few tows can and will take advantage of consumers in a significant financial situation and there needs to be some structure to protect the public from such predatory practices. HB 2162 provides a well thought out balance to provide this structure. GEICO believes that this should benefit its policy holders, as well as members of the general public, who are confronted with towing situations.~~

~~There are other Bills proposing to raise the minimum limits higher than SB 341 proposes. GEICO is not characterizing the limits proposed (\$25K/\$50K/\$25K) as unreasonable. GEICO is advocating that any increase will have consequences, both good and bad. We are especially concerned that if this measure is advanced that it could be altered in subsequent committees to a level that we believe will clearly outweigh the good envisioned through higher minimum limits.~~

~~For this reason, GEICO recommends that the **Committee hold SB 341.**~~

~~Thank you for the opportunity to submit this testimony.~~

~~GEICO very much appreciates the opportunity to present our testimony. We~~  
**support**

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Sincerely,



Timothy M. Dayton, CPCU