

Hawaii State Legislature
House Committee on Transportation

February 7, 2017

Filed via electronic testimony submission system

RE: HB 895, Motor Vehicle Insurance; Claims Service; Sales - NAMIC's Written Testimony IN SUPPORT

Dear Representative Henry J.C. Aquino, Chair; Representative Sean Quinlan, Vice-Chair; and honorable committee members:

Thank you for providing the National Association of Mutual Insurance Companies (NAMIC) an opportunity to submit written testimony to your committee for the February 8, 2017, public hearing. Unfortunately, I will not be able to attend the public hearing, because of a previously scheduled professional obligation. NAMIC's written comments need not be read into the record, so long as they are referenced as a formal submission and are provided to the committee for consideration.

The National Association of Mutual Insurance Companies (NAMIC) is the largest property/casualty insurance trade association in the country, with more than 1,400 member companies. NAMIC supports regional and local mutual insurance companies on main streets across America and many of the country's largest national insurers. NAMIC members represent 40 percent of the total property/casualty insurance market, serve more than 170 million policyholders, and write nearly \$225 billion in annual premiums. NAMIC has 84 members who write property/casualty/workers' compensation in the State of Hawaii, which represents 28% of the insurance marketplace.

NAMIC is pleased to support this reasonable and appropriate business modernization bill. The insurance industry, like the rest of the business world, has embraced modern technology, and consumers' desire to engage in online business.

In recent years, the Hawaii State Legislature has passed bills to allow for electronic communications between insurers and their policyholders, and has allowed insurance consumers to provide proof of compliance with the motor vehicle financial responsibility law, via mobile device displayed proof of insurance.

HB 895 is just the next logical step down the path of unavoidable modernity. The proposed legislation merely recognizes the fact that the business community, including the insurance industry, needs flexibility to address consumer online business transaction needs in a consumer-

friendly, technology-friendly, and green-friendly manner. HB 895 will allow insurers to use modern technology to provide valuable consumer services to members of the community without the overhead cost of unnecessary physical office premises around every corner.

The proposed legislation also specifically continues the Commissioner of Insurance's broad discretion to regulate how insurance companies engage in automobile insurance sales and claims adjusting practices in the state.

Thank you for your time and consideration. Please feel free to contact me at 303.907.0587 or at crataj@namic.org, if you would like to discuss NAMIC's written testimony.

Respectfully,

A handwritten signature in black ink, appearing to read "Christian John Rataj". The signature is fluid and cursive, with the first name "Christian" and last name "Rataj" being the most prominent parts.

Christian John Rataj, Esq.
NAMIC Senior Director – State Affairs, Western Region