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PCI Supports Legislation before the Governor allowing Hawaii Drivers to use Smartphones to Show Proof of Insurance

HONOLULU — The Hawaii Legislature has given the thumbs up to a bill that will enable Hawaii drivers to show proof of insurance with their cell phone in a traffic stop, according to the Property Casualty Insurers Association of America (PCI). House Bill 1705 will give consumers the choice to use a paper insurance card or use their smartphone to show proof of coverage.

“Today, people are using their smartphones to do more and more things electronically and this bill gives them the convenience of being able to use them to display their insurance card,” said Mark Sektnan, PCI vice president. “They shop, bank and pay bills from their phone. They even use them to board airplanes. Yet in Hawaii, motorists are still required to carry a physical insurance identification card with them. The vast majority of states give motorists the choice to carry a paper identification card or use the electronic format and we are urging the governor to sign HB 1705, so drivers here will have that option.”

House Bill 1705 is permissive, meaning it does not require anyone to use a particular format. Additionally, insurers are also not mandated to provide electronic proof of coverage. Under HB 1705, state officials viewing someone’s smartphone are prohibited from viewing any other information on the phone. This means a motorist does not give up his or her privacy simply by showing someone they have insurance.

“All stakeholders benefit from HB 1705,” said Sektnan. “Insured motorists are spared the hassle of having to go to court just to prove they have insurance, courts have less ticket cases to hear, and insurance companies benefit because they don’t have to print and mail insurance cards to those motorists who prefer to display proof on their smartphones.”

If HB 1705 is signed by the governor, Hawaii will become the 46th state to enact legislation or regulations allowing electronic proof of coverage.

PCI promotes and protects the viability of a competitive private insurance market for the benefit of consumers and insurers. PCI is composed of nearly 1,000 member companies, representing the broadest cross section of insurers of any national trade association. PCI members write more than \$195 billion in annual premium, 35 percent of the nation's property casualty insurance. Member companies write 42 percent of the U.S. automobile insurance market, 28 percent of the homeowners market, 33 percent of the commercial property and liability market and 35 percent of the private workers compensation market.

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