

January 21, 2026

**BOARD OF GOVERNORS
HAWAII JOINT UNDERWRITING PLAN**

Queen Liliuokalani Conference Room
King Kalakaua Building, 1st Floor
335 Merchant Street
Honolulu, HI 96813

and

Videoconference via Zoom Meeting Application

I. Call to Order (00:0:01)

Ms. Chenise Morrow-Blalock called the meeting to order at 9:01 a.m.

Members Present:

Todd Feltman (State Farm)

Reid Higashi (Business Insurance Services, Inc.)

Chenise Morrow-Blalock (Hawaii Independent Insurance Agents Association)

Kim Sato (Farmers Hawaii)

Lance Kawano (First Insurance Company of Hawaii)

Lane Nishioka (Island Insurance)

Others Present:

Jerry Bump (DCCA/Insurance Division)

Rae Oda (DCCA/Insurance Division)

Mio Shimamura (DCCA/Insurance Division)

Grant Shintaku (DCCA/Insurance Division)

Thomas Assad (AIPSO)

Natalie Benkovich (AIPSO)

Jim Chrones (AIPSO)

Victoria Ivanov (AIPSO)

Caren Kerman (AIPSO)

Andrea Olson (AIPSO)

Tracy Walsh (AIPSO)

Members Absent:

None

II. Reading of Antitrust Statement (00:00:09)

The antitrust statement was read by Ms. Morrow-Blalock as follows:

“As members of this organization or participants in this meeting, we need to be mindful of the constraints of the antitrust laws. There shall be no discussions of agreements or concerted actions that may restrain competition. This prohibition includes the exchange of information concerning individual company rates, coverages, market practices, claims settlement practices or any other competitive aspect of an individual company’s operation. Each member or participant is obligated to speak up immediately for the purpose of preventing any discussion falling outside the bounds indicated.”

III. Approval of Minutes (00:06:02)

Mr. Todd Feltman moved to approve the meeting minutes from October 15, 2025. Mr. Lane Nishioka seconded the motion. With no members objecting, the motion passed unanimously.

IV. Financial Reports from the Hawaii Joint Underwriting Plan (00:07:05)

Mr. Jerry Bump presented the cash flow projection, noting that the projected balance at the end of September is \$3 million. However, the expected ending balance for 2025 is projected to be \$1.6 million due to large claims from Island Insurance and First Insurance. A discussion was held on the need to incorporate the increased fees from AIPSO taking over commercial servicing into future cash flow projections.

V. Discussion on Need for Assessment (00:13:43)

Mr. Bump initiated a discussion on the need for an assessment, noting the last one was for \$1.6 million approximately two years ago. Given the projected cash outflow of approximately \$800,000-\$900,000 per year and increased servicing agreement costs, an assessment is needed. Mr. Feltman moved to recommend to the commissioner an assessment of \$1.6 million to be conducted with the annual true-up in April. Mr. Nishioka seconded the motion. The motion passed unanimously.

VI. Service Provider Update (00:17:53)

Ms. Tracy Walsh reported that personal lines operations are running smoothly. As of December 31, there were 956 policies in force for CPAI and 13 policies for regular personal lines (11 high-risk and 2 other-than-high-risk).

Ms. Caren Kerman provided an update on commercial lines, which AIPSO began servicing three weeks prior. To date, five applications have been received and two

policies have been issued, for a total written premium of \$14,465. The average processing time from receiving a digital assignment to mailing the policy is 12 calendar days.

Mr. Todd Feltman announced that he is retiring from State Farm at the end of February and that this would be his final HJUP board meeting. State Farm intends to identify a replacement for the committee.

VII. Next Meeting (00:33:22)

The next meeting is scheduled for April 15, 2026, at 9:00 a.m.

VIII. Adjournment (00:33:49)

The meeting was adjourned at 9:35 a.m.