

Now that they gave you the



to the car, what about insurance?

Teenagers and Auto Insurance

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One of the major events in many people's lives is earning the privilege of driving a motor vehicle. Everyone who drives an automobile has the responsibility not only for operating a safe vehicle in a safe manner, but also for being able to pay for injuries or damages you might cause.

Financial Responsibility Law

Wisconsin has a financial responsibility law. The law is designed to make sure that any person licensed to drive in Wisconsin has enough insurance or enough money to pay for damages to others that may be caused by a motor vehicle. You can meet these requirements through a car insurance policy, a surety bond, or self-insurance.

Purchasing Car Insurance

Car insurance protects you if anything happens to you, your car, someone else, or someone else's car because of you. If you buy insurance, your insurance policy must provide the following minimum liability coverage:

- \$25,000 for death or injury of one person;
- \$50,000 for death or injury of two or more persons;
- \$10,000 for property damage.

The law also requires uninsured motorist coverage of \$25,000/\$50,000 for bodily injury only.

Other Coverages to Consider

Medical expense coverage pays medical expenses for you and your passengers.

Underinsured motorist coverage (UIM) pays if another insured driver causes the accident but has lower injury limits than your UIM limits, your policy will pay the difference between the limits.

Collision coverage pays if your own car is damaged in a collision.

Comprehensive coverage pays for damage to your car, from almost all other causes, such as theft, vandalism, hitting a deer, etc.

\$\$\$\$\$ Saving Money \$\$\$\$\$

You can lower your premiums by . . .

- ☞ keeping a clean driving record (no accidents or tickets)
- ☞ keeping a clear claims history
- ☞ maintaining a good credit history
- ☞ asking your agent about discounts
- ☞ checking the premium rates before you buy a car

Can my company charge me more just because I have a couple of tickets or was in an accident or two?

Your driving record is one of the main things that your insurance company looks at when deciding how much to charge you for insurance. Your insurance company has the right to charge you extra even if you've only gotten one moving violation or were involved in just one accident in which you were considered more than 50% at fault.

Okay, I can understand that, but now they're trying to cancel my policy. Can they do that?

Yes. Your insurance company may elect to nonrenew your policy as it expires if your accident record or moving violations exceed your company's standards. Tickets and "at fault" accidents can seriously affect your policy. More importantly, your driving record may affect the insurance policies of your parents and siblings too. Even if they are on a different policy, their policies may be cancelled because of your driving record.

If I let my friend drive my car and he has an accident, will he be covered?

As long as your friend has the owner's permission to drive the car, he is covered under the owner's policy. If you drive your parent's car, your friend must have their permission before he drives the car. **Your permission is not good enough.**

What do I do if I have an accident?

- Call the police.
- Make sure you get the following information from the other driver:
 - ✓ name
 - ✓ address
 - ✓ telephone number
 - ✓ license plate number
 - ✓ driver's license number
 - ✓ insurance information
- Give the other driver the same information about you.
- Notify your insurance agent as soon as possible.

Alcohol and Safety Laws

Wisconsin has an Absolute Sobriety or “Not a Drop” law. This means that drivers under 21 may not have a drop of alcohol in their systems when operating a motor vehicle.

Using seat belts is required in Wisconsin. Protect yourself by buckling up every time you get into a vehicle, whether you are the driver or a passenger.

Suspension vs. Revocation

A revocation or suspension have basically the same affect on the privilege to drive in Wisconsin. The real differences between the two are the penalties for being convicted of driving while suspended or revoked and the requirements for reinstatement.

A first offense of driving after revocation can be either a criminal or civil offense, depending on the reason the operating privilege is revoked. Second and subsequent charges of driving after revocation are criminal charges. Penalties for convictions of criminal charges can include jail time. Driving while suspended is a civil charge. Penalties for convictions of civil charges do not include jail time.

To reinstate a suspended Wisconsin driving privilege, filing proof of insurance is not required **except** for suspensions under the safety responsibility and damage judgment laws.

To reinstate a revoked Wisconsin driving privilege, a person must file proof of insurance (SR22 form) in all cases, except for the first offense of operating while intoxicated and for all noncompliance (interview/arrest/driver safety plan) revocations.

To find out if you are required to file proof of insurance, how long you are required to file, and whether or not we have acceptable insurance on file, call (608)261-2564 between 6AM and 12midnight, seven days a week. At the prompt, you will need to enter your social security number and full date of birth.

Information about proof of insurance is also available on the Wisconsin Department of Transportation's Web site at <http://www.dot.wisconsin.gov/drivers/drivers/apply/doc/proof-of-ins.htm>.

Underage Drinking and your Insurance Premiums

Auto insurance premiums may be tripled or nonrenewed for your parents if you receive an operating while intoxicated (OWI) citation.

If you are cited for underage drinking where the violation involved the operation or use of a motor vehicle, your insurance company might nonrenew your parent's insurance policy or increase the premium which would remain at the higher level for a number of years or until you leave your parent's household.

If you are cited for underage drinking involving a motor vehicle, your parent's insurance rate may be affected for a minimum of three years or until you no longer are a member of the household or no longer on the policy.

If you receive a citation for driving related violations, including an OWI, those violations can also affect other policies held by your parents. It

could affect their umbrella policy, and the rates for other nonauto motor vehicles, such as boats, or snowmobiles.

Wisconsin's Graduated Driver Licensing (GDL) System

Wisconsin's young drivers are more likely to be in a crash than any other age group. For two out of every three teen drivers killed in a crash, it's their first and last crash. More than one teen driver dies in a crash each week. Teen drivers experience more crashes involving driving errors such as inattentive driving, and driving at inappropriate speeds than any other segments of the population.

Wisconsin's GDL system can help reduce crashes involving young inexperienced drivers. The law gives novice drivers an opportunity to gain knowledge and driving time under the supervision of an experienced mentor. They now need 30 hours of driving practice including 10 hours of night driving.

Other provisions of the law include:

- ⇒ Points doubled for all violations after the first one while holding a probationary license;
- ⇒ Restrictions on the number and age of passengers allowed for the first nine months;
- ⇒ No driving from midnight to five a.m., except under certain specific situations for the first nine months.

For more information on auto insurance visit the Office of the Commissioner of Insurance's Web site at:

http://oci.wi.gov/oci_home.htm
or call
1-800-236-8517

For more information on Wisconsin's Graduated Driver Licensing System visit the Department of Transportation's Web site at:

<http://www.dot.wisconsin.gov>