

Why buy car insurance?

- The law requires it.
- Without it, **you pay**, from your own pocket, for injuries and property damage that you cause to others.
- The odds are, you will need it. The *National Highway Loss Data Institute* says:
 - The risk of an accident per mile driven among 16 to 19 year olds is four times the risk of older drivers.
 - Risk is highest at age 16, with the crash rate per mile driven almost three times as high as the risk among 18-19 year-olds.
 - Car accidents are the number one cause of death among 16-19 year olds.



If you get into an accident...

Exchange information with the other driver involved:

- ✓ Other driver's name
- ✓ Address and phone number
- ✓ Driver license number and state
- ✓ Insurance company name (look at their insurance card)
- ✓ Policy number
- ✓ Agent name and phone number

When it's time to shop for auto insurance...

Contact the Arizona Department of Insurance for an *Auto Insurance Premium Comparison* and other auto insurance resources ~

(602) 364-2499

(800) 325-2548

www.id.state.az.us

TEEN DRIVER'S GUIDE TO AUTO INSURANCE

Important Questions and Answers About Auto Insurance

Every time you get behind the wheel, you are taking a risk...the risk of an auto accident. Be prepared!



State of Arizona Department of Insurance



2910 N. 44th Street, Ste. 210
Phoenix, AZ 85018

(602) 364-2499 or (800)

325-2548 www.azinsurance.gov

What if I choose not to get car insurance?

It might cost you more in the long run!

- You could be ticketed and fined between \$500 and \$1,000.
- Your vehicle registration could be suspended.
- Your driver's license could be suspended.
- Your vehicle could be impounded.
- If you cause an accident, you or your parents could be sued.
- When you finally want coverage, you'll find most insurers charge higher rates for previously uninsured drivers.

How much insurance do I need to drive?

If you just want to meet legal requirements, you need to buy **minimum liability** coverage—"15/30/10". If you cause or contribute to an accident, the *most* this coverage will pay per accident is:

- \$15,000 for medical expenses per person injured;
- \$30,000 maximum for medical expenses of *all* those you injure in any one accident; and
- \$10,000 toward fixing the damage you cause to someone else's vehicle or personal property (fence, signs, etc.).

Be aware that **minimum liability** limits may not be enough to repay someone you injure, or whose property you damage, in

an accident and you could be obligated to make up the difference.

What's missing?

The law does *not* require you to buy insurance to cover damage to or theft of your own vehicle (however, if you owe money on a car loan, the bank or lienholder might require it). If you want coverage for your own vehicle, you need to buy:

Collision and **Comprehensive** coverages.

If your car is stolen, or damaged in an accident that is your fault (or if the at-fault driver is *uninsured*), this insurance coverage will help you repair or replace your vehicle.

For more information on *all* the types of auto insurance coverage you can buy, contact the Department of Insurance for a free brochure, or ask an insurance representative.

How can I lower the cost of auto insurance?

- **Drive safely!** Avoid tickets and accidents. Your driving record has a huge impact on what you pay for insurance.
- Drive a safe, reliable vehicle. Sports cars and high profile vehicles contribute to increased injuries, which means they cost more to insure.

- Get good grades! Many insurers offer a *good student discount* for a "B" or better grade average.
- Ask your insurance representative about a higher **deductible** (if you buy Comprehensive and Collision coverage). Your deductible is how much you pay *out of pocket* for a claim for damage to your car.
- Ask about **discounts** for driver education classes.
- **Shop around!** There are lots of insurance companies and there's a *wide* range in what each charges for insurance.
- **Don't drink and drive.**

What if I have a problem with my insurance company or agent?

To ask insurance questions, request pamphlets, or file a complaint, contact:

State of Arizona
Department of Insurance

2910 N. 44th Street, Ste. 210

Phoenix, AZ 85018

(602) 364-2499

(800) 325-2548

www.id.state.az.us