

Are You Ready to Drive?

If you are like me you can't wait to drive. Before I got my license it was all I could think about. I was excited about what car I was going to buy, what my friends would say when I drove up in my new ride, you know the usual stuff.



But I also thought about other things. I was really worried about having an accident. All my friends who drove said "don't worry about it, that's what you have insurance for." Right, but how did this insurance thing work anyway? Did I have to have it? How much would it cost? Would I still have to pay for an accident? What if it was my fault?



So Many Questions

Man, I was so confused! Just think about it - an accident could include damage to cars and other property, as well as injuries to me, my passengers and others. Could I afford to pay for these damages on my own? Could you? I knew that automobile insurance decreases out-of-pocket expenses by helping to pay for the losses resulting from an accident. But what kind did I need?

I asked my driver's education teacher and he had me do a little research on the subject. With a little digging I was able to find the answers to these questions and more. So, to make it easier for you, I am sharing my information. I hope you appreciate it!

Insurance is Mandatory

First off, I learned that Massachusetts law says that I can't drive without insurance. It can be covered by my parents' policy or I might get my own, but driving without insurance is against the law and could cost me my license.

Being required to carry insurance before we drive not only protects us, it protects everyone else on the road. We are required to carry a certain minimum level of liability insurance before we get behind the wheel, but there is a good chance that those minimum levels won't be enough to cover us in a real world accident. That is why there are optional or extra levels that we can buy for added protection. I broke things down to make it easier to see the difference:

Minimum Coverage

Bodily Injury

Pays for injuries to other people like pedestrians or passengers in another car, but it only covers \$20,000 per person and \$40,000 per accident.

Property Damage

Pays for damage to someone else's car or property - like a fence or building, but the minimum coverage is only \$5,000.

Personal Injury Protection (PIP)

Pays for up to \$8,000 in medical expenses for you and anyone else riding in your car, regardless of who caused the accident.

Uninsured Motorists

Pays for injuries to me or my passengers if I am hurt by someone who does not have auto insurance or a hit & run driver.

Optional Coverage

Bodily Injury and Property Damage

I can buy higher coverage limits for these sections above the minimum levels.

Underinsured Motorists

Some drivers don't have enough insurance to pay for my medical costs in an accident. This pays for costs above the other driver's insurance gap up to limits I choose.

Comprehensive

Pays for damage to my car caused by things like theft or from a crack in my windshield - anything but a car accident.

Collision

Pays for damage to your car caused by an accident, such as backing into the garage.

Most people buy insurance with a deductible of say \$500 or \$1000 in order to save money. This means the insurance kicks in for any damage that costs more than the deductible. There are plenty of other features you can add to your policy. Generally, your insurance costs can double if you add all these options to your insurance.

Insurance Can Be Expensive

So you're probably wondering right now, how much is this going to cost me? Insurance companies set the price - or premium - for your auto insurance using several factors, such as your years of driving experience; your accident and violation history; and, the location where your car is usually garaged or parked.

If you purchase collision or comprehensive coverage, the age and cost of the car is also a factor in determining your premium.



Why Does Insurance Cost So Much?

Until you get enough years of driving experience under your belt, your insurance cost will be fairly high because inexperienced drivers get into more accidents than experienced drivers.

Be aware that the Massachusetts Registry of Motor Vehicles keeps records of your accidents and driving tickets and insurance companies can significantly increase your premium for any new ones added to your record.

Softening the Blow

You may want to delay owning your car. Borrowing your parent's car instead of owning your own gives you the opportunity to gain experience, and reduces the cost of your insurance considerably.

Junior Operator Restriction

What the heck is the Junior Operator Restriction?

When I was just about to get my license I was surprised to find out that all my fantasies about impressing my friends with my driving ability wouldn't be possible. Well at least not for six months anyway.

Massachusetts law states that for the first six months with a license, new drivers under 18 may not drive a car with any passenger under 18 unless the new driver is accompanied by a person who is 21 who:

- Has at least one year of driving experience
- Holds a valid driver's license
- Sits in the seat beside the driver

There is an exception to the law for immediate family members so that you can drive with your siblings.



The purpose of the restriction is to allow you to be a better driver before you have to deal with a friends blathering on about their most recent romantic mix-up. Do you really want to listen to this anyway? Consider this period the states gift to your sanity. Maybe it doesn't sound like a lot of fun, but considering that a Johns Hopkins study concluded that teenage drivers are more likely to be killed in an accident if there are teenagers or young adult passengers with them, it makes a lot of sense.

Saving Money

Driver Training

You can probably get a discount on your policy if you complete an approved driver training course, so you should complete one as soon as possible.

Keep Those Grades Up!

Many insurers give you a discount for maintaining an overall B average or better.

Shop Around

Have your parents begin getting quotes at least six weeks before you'll be added to their auto insurance policy. Check not only with your parent's current carrier, but compare quotes, service and stability with other agents and companies. If you have your own car and you do not qualify for a good student or other discounts, compare the cost of a separate auto policy for you.

Choose Your Car Wisely

If you are planning to buy a car, avoid high-performance or sporty models because these cars are more expensive to repair and insurance will cost you more. Consider the cost of insurance before you make that down payment.

Staying Safe

Some Rules are OK

Work with your parents to set up guidelines and terms you both can live with for using the car.

Set a Good Example

Always buckle up, it's the law! Avoid excessive speeding and don't accept dares when you're behind the wheel.

Don't Be a Chauffeur

Studies conducted by the Insurance Institute for Highway Safety have shown that one passenger doubles the risk of a crash among teen drivers, two passengers triple the risk, and three or more passengers increase the risk by more than six.



TIPS FOR TEEN DRIVERS



**Massachusetts
Division of
Insurance**

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