



**Department of Business Regulation
Insurance Division
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Consumer Alert 2014-7

PARENTAL INVOLVEMENT MAY KEEP TEEN DRIVERS SAFER ON THE ROAD

National Teen Driving Safety Week is October 19-25th. The Rhode Island Insurance Division and The National Association of Insurance Commissioners offer tools and resources to help teens drive safe and save on insurance

While teen driving statistics are troubling, research shows teens whose parents set rules are half as likely to get in an accident. The National Association of Insurance Commissioners (NAIC) has compiled tips and resources including a Teen Driving Contract, for parents. Educating yourself and your new teen driver about the risks and insurance implications of unsafe driving can save lives and money.

The NAIC's Teen Driving Contract is a customizable Web interface for creating a formal agreement between parent and teenager that defines the rules and consequences associated with driving privileges. Users select from pre-written rules, such as always wearing a seatbelt and never texting while driving, and associated consequences, including loss of driving privileges. Users also can write in their own rules prior to creating a handy printout for signatures and easy reference.

“The ultimate goal when our kids start driving is to ensure their safety and the safety of others. That starts with establishing expectations,” said RI Superintendent of Insurance Joseph Torti III. “The good news is that by setting boundaries, we are making the roads safer for everyone, and fewer accidents is a goal we can all get behind.”

Setting Expectations

Inexperience, distracted driving, speeding and drug or alcohol use are major contributors to teen-related crashes. One way to help your teen become a safer driver is to talk openly about your expectations for when they're behind the wheel.

- Set a driving curfew. More than 40 percent of teen auto deaths occur between 9 p.m. and 6 a.m.
- Put a limit on the number of passengers allowed in your teen's car. For teenagers, the relative risk of a fatal crash increases as the number of passengers increases.

- Make the cell phone off limits while driving. Talking and texting on a cell phone can double the likelihood of an accident.
- Encourage your teen to exercise his or her rights as a passenger. Only 44 percent of teens say they would speak up if someone were driving in a way that scared them.

Tyler Presnell, founder of the Tyler Presnell Foundation, knows firsthand the consequences of not speaking up. Since suffering life-threatening injuries at age 14 when a friend lost control of the car, Presnell has dedicated his life to raising awareness of what he calls “disrespectful driving.” Presnell is partnering with the NAIC to help raise awareness about the importance of safe and respectful driving, especially among teens.

“Respect for driving and common courtesy on the road show you care not only about your life, but also the lives of others,” said Presnell. “Individuals behind-the-wheel and passengers owe consideration to those around them.”

These safety measures also may help save money on auto insurance because even minor fender-benders can drive up costs.

Keeping Costs Down

- Encourage teen drivers to keep his or her driving records free of accidents and moving violations for at least three years. Many companies grant discounts to “safe drivers.”
- Enroll new drivers in a defensive driving course. Some companies offer discounts for completion.
- Some companies may offer driver awareness programs, either online or with a smartphone app for young drivers. Ask your insurance agent or company if there is a discount for using these programs.
- Encourage teen drivers to keep their grades up. Many insurance companies offer discounts or preferred rates for teens at particular GPA levels.
- Ask your insurance company about an “accident forgiveness” clause that guarantees premiums will not increase after one minor accident.
- Consider a higher deductible and only allowing the teen to drive the family’s oldest, least expensive car. The type of vehicle also will affect the policy premium. SUVs, convertibles and performance vehicles typically cost more to insure than other cars.

While education and preparation can help, accidents still happen. In the event of an auto accident, make sure everyone knows what steps to take to stay safe and protect their identity when exchanging information for a claim. The NAIC’s free WreckCheck app (available at [iTunes®](#) and [Google Play®](#)) guides users through what to do — and not do — after an accident. The app helps drivers collect necessary information on the spot, then immediately emails a report to your home and your insurance agent.

More Information

Don't be a victim of insurance fraud! Before you sign a contract or write a check for coverage, STOP. CALL your state insurance department and CONFIRM that the individual and/or company you are working with are licensed to do business in Rhode Island.

For specific questions about insurance coverage or about a licensee, you may contact the Rhode Island Insurance Division at 401-462-9520, or email dbr.insurance@dbr.ri.gov.

About the RI Insurance Division

The mission of the [Rhode Island Insurance Division](#) is to assist, educate and protect Rhode Islanders through the implementation and enforcement of state laws mandating regulation and licensing of the regulated industries while recognizing the need to foster a sound business environment in the state. We are also committed to treating everyone who comes before us fairly, efficiently and with respect. Please visit [our website](#) to obtain additional consumer information and alerts issued by the Rhode Island Insurance Division.

About the NAIC

[The National Association of Insurance Commissioners](#) Headquartered in Kansas City, Mo., the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and five U.S. territories. The NAIC's overriding objective is to assist state insurance regulators in protecting consumers and helping maintain the financial stability of the insurance industry by offering financial, actuarial, legal, computer, research, market conduct and economic expertise. Formed in 1871, the NAIC is the oldest association of state officials. For more than 135 years, state-based insurance supervision has served the needs of consumers, industry and the business of insurance at-large by ensuring hands-on, frontline protection for consumers, while providing insurers the uniform platforms and coordinated systems they need to compete effectively in an ever-changing marketplace.

Joseph Torti III
Superintendent of Insurance
October 20, 2014