



NW Insurance Council

Consumer Alert

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Cars and Teens: Here's the latest news about auto safety, reliability and insurance costs

What to Know

- *Best cars for teens: Consumer Reports (CR) and the Insurance Institute for Highway Safety (IIHS) have released a list of [65 recommended used vehicles for teens](#) (or anyone) that are safe, reliable and affordable.*
- *Stay safe: We're in the middle of the annual "100 Deadliest Days" – when the risk of a motor vehicle crash involving a teen is highest. We have tips for safer driving.*
- *Auto insurance: Adding a teenager to your auto policy can mean adding 50 percent or more to your auto insurance premium, but there are ways to manage your insurance costs.*

SEATTLE, August 10, 2020– The task of finding a “new” used car for your teen driver that is safe, reliable and affordable can feel overwhelming. To help make it easier, Consumer Reports ([CR](#)) and the Insurance Institute for Highway Safety ([IIHS](#)) have released a list of recommended vehicles for teens that will help keep them safe as they learn to drive as well as help parents manage costs when there's a teen driver in the family, including auto insurance costs.

Teens are typically categorized by insurers as high-risk drivers because they have the highest auto crash and death rates of any group of drivers, which means premiums often increase when a teen is added to an auto insurance policy.

Other than supervised driving in training classes or with parents, teens have little experience behind the wheel. So how do you keep your teen safe and auto insurance costs manageable? Provide your teen with plenty of driving practice and consider purchasing a vehicle they can drive that has high safety ratings and offers safety technology and reliability.

With each new model year, cars become smarter and safer, and that's great news for young drivers – and their parents," said NW Insurance Council president Kenton Brine. "But even as safety tech improves, teen drivers are still at a much higher risk of crashing than more experienced drivers, so it is important to pick the right vehicle and the right insurance."

The [list of 65 vehicles](#) that CR and IIHS recommend range in price from \$5,300 to \$19,600 and includes small to mid-size cars to SUV's that combine safety technology and above-average reliability. CR and IIHS claim the vehicles on this list can help teens stay safe while they get the driving experience they need.

Another concern for parents is how having a teen driver in the family will affect auto insurance premiums. Adding a teenager to your auto policy can mean a 50 percent or more increase in your auto insurance premium because as a group, teenagers pose a higher risk of being involved in crashes. However, there are ways to manage those costs.

Many factors go into how an insurance company determines its [auto insurance rates](#), including the type of car you or your teen drives and its overall safety rating. Insurers may also consider discounts for vehicles that have safety technology. To view the list of the recommended used vehicles for teens, visit the IIHS website at www.iihs.org/ratings/safe-vehicles-for-teens.

The [NW Insurance Council](#) offers the following tips to keep your teenage driver safe and your auto insurance premiums down:

- **Enroll your teen** in a [Drivers Education Course](#) and a [Graduated Drivers License Program](#). Every state has a graduated drivers license law that includes a three-phase program to help teens gain experience behind the wheel and develop better driving skills and habits.

- **Pick a safe vehicle** for your teen that offers protection in the event of a crash. Avoid small cars, sports cars and older SUV's, which crash tests show are prone to rollovers. Organizations like the [Insurance Institute for Highway Safety](#) provide crash test data and rate vehicle safety.
- **Discuss the dangers of drug and alcohol use** – your teen driver should know he or she must never drive after consuming any amount of alcohol or illegal drugs.
- **Remind your teens never to phone or text while driving** and tell them to keep distractions, such as listening to the radio and chatting with friends in passenger seats, to a minimum. Also, require your teenager to **wear a seat** belt at all times.
- **Always be a good driving role model** for your teenager. New drivers learn by example. If you exceed the speed limit or drive recklessly, your teenage driver is likely to imitate you.
- **Shop around for the best insurance rates.** Rates for younger drivers can differ dramatically, so ask agents, brokers or insurance companies for price comparisons.
- **Adding your teenager to your own auto insurance policy** is generally less expensive than a stand-alone policy for your teen. Also, you may qualify for a multi-vehicle discount if you previously had only one car in your household.
- **Find out if your insurance company offers a “safe driver” program.** If your teenager completes the program you may be eligible for a discount. Also, some insurance companies will subsidize the cost of electronic devices, such as video camera and GPS systems, to monitor the way teens drive and will alert parents of unsafe driving by email, text message or phone.
- Some insurance companies offer a **Good Student Discount**, which is generally available to students who have a 3.0 grade point average or higher.

- **Consider increasing your liability insurance limits** or adding an umbrella liability policy. If your teen is found negligent in an accident and the damages exceed your insurance limits, you could be held financially responsible for those amounts not covered by your insurance. An umbrella policy kicks in when you reach the limit on your underlying liability coverage in a Homeowners, Renters or Auto policy.
- **Raising your deductible can save you 10 percent to 20 percent** on your premium. That savings could go towards purchasing more liability coverage.
- **If your teen driver is headed off to college** in the fall, you may be able to reduce the auto policy premium for their vehicle by listing them as a “student living away.” Ask your insurance company or agent for more information.
- **If your teen is a delivery driver** for a pizza parlor or other delivery service, make sure to review your auto insurance policy and/or contact your insurance company representative. Many personal automobile insurance policies exclude using your personal vehicle for income, which can create a coverage problem for damage caused in an accident while making a delivery.

For more information about teen driving and Auto Insurance, contact [NW Insurance Council](#) at 800-664-4942.

NW Insurance Council is a nonprofit, insurer-supported organization providing information about home, auto and business insurance to consumers, media and public policymakers in Washington, Oregon and Idaho.

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