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Nevada Office of Traffic Safety

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## **Mandatory Insurance Discounts for MC Training**

The Nevada motorcycle safety team is working on writing legislative opinions (suggestions) for the next session. The opinions we write may or may not be picked up and moved forward by a legislator.

Our subcommittee is considering writing an opinion on mandating insurance discounts for riders who have taken a motorcycle safety course.

If any of you have a law like this would you send the statute or reference a link where it could be found?

Thanks much

### **MARYLAND**

Hi Pete,

No mandatory discounts in Maryland. Not sure about this kind of tactic. An ins. company not offering a discount would likely raise its price to cover the cost of the discount.

Speaking of insurance and discounts, does NV require riders to renew their safety certification every 3 years or so? If not, that would be worth exploring.

Regards.

~Phil Sause

### **TEAM Arizona Motorcyclist**

Mandating insurance companies to provide a discount will be a long uphill battle in my opinion. Probably will fail. On the other hand working with the insurance companies to require ongoing training to receive or continue a discount offered may be easier and more beneficial for accident reduction and as incentive for riders to take higher level training.

~Ron Arieli

### **VIRGINIA**

Pete, here in VA we do not have a law like that. Wish we did!!

~Bruce Biondo

**NORTH CAROLINA**

North Carolina legislation states that an insurance discount is allowed, but it does not mandate a discount, nor does it mention a percentage. It simply says that insurance companies are allowed to offer a discount to those successfully completing the training. This works well as we tell the students to shop around. Companies that don't offer a discount may lose business based on competition.

Thanks,

~Robert Wagner

**HAWAII**

We don't have it mandatory but we promote and partner with the ones that do. Our population is small and competition is fierce so it helps.

Besides, a company may challenge it because it could be viewed as government infringing on a business's ability to compete as well as how to conduct their business in a way that has no relevance to safety and equality. If it's a smaller insurance company, they may not be able to offer discounts like those giants like Geico can so they could declare that the government is favoring larger companies by doing this. Whether it stands up in court or not, I don't know, but time and money may have to be wasted on it.

~Christy Cowser

**CALIFORNIA**

There is currently no requirement in CA. However most insurance companies offer a discount for successfully passing our course.

~Larry Starkey

**CONNECTICUT**

CT offers a minimum 10% discount to graduates of the safety course. Statute found below.

Sec. 38a-685. (Formerly Sec. 38-201hh). Premium discount for motorcyclists completing novice or advanced training course. Any insurer who delivers or issues for delivery in this state liability insurance policies for motorcycles shall offer a premium discount on any such policy to any principal operator of a motorcycle who submits to such insurer proof of successful completion of the novice or advanced motorcycle training course offered by the Department of Transportation or other entity approved by the Commissioner of Motor Vehicles in accordance with section 14-40a. A minimum discount of ten per cent shall be applicable to premium charges for any such policy delivered, issued for delivery or renewed on or after October 1, 1987, such discount to be applicable for a period of five years from the original effective date of the discount. Such course shall be completed within one year prior to the initial application of the discount or, for subsequent applications of the discount, within one year prior to the expiration of the

current discount period. If proof of successful completion of such course is submitted during the term of a policy, any premium modification shall become effective upon the next renewal. The discount provided by this section shall not be applicable to physical damage insurance coverage for motorcycles.

**~Nicholas Just**

**MICHIGAN**

This is most likely what you would see in Michigan as well. We have some insurance companies now that offer discounts to riders who have completed training. I suspect the same would happen in Michigan that rates would go up in some fashion if made mandatory to offer discounts. Current law does not require this of insurance companies. Some do it voluntarily or if asked

**~Chad Teachout**

**AHSI**

I agree that making this mandatory for insurance companies would probably fail. While many of the insurance companies do offer a discount, it is only valid for three years.

The discussion with the insurance companies needs to revolve around continuing the discount past three years for riders that can provide proof of completion for another rider training course that is not provider or licensure based.

Also allowing for additional discount for rider coaches/instructors who keep their certifications current. The incentive extends to everyone as it offers savings to the rider on their premium plus what they gain from continued education and to the insurance company in reduction of claims and not excluding the training providers as they would see an increase retuning rider participants.

It's my experience that most insurance companies have no knowledge of what is out there with regard to training/education past the basic course. I'll stop there as my ideas on getting insurance companies/industry on board for this go on and on (been working it out for years)

**~Janice Bagley**

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**~Chad Teachout**

**NEW HAMPSHIRE**

New Hampshire: Allowed--not required. Shop around is our suggestion to students.

As noted it seems the initial requirement for the discount is 'within the past 3 years', and once the discount is in place it keeps on going. And I personally have never been asked for proof. They take my word for it. Is the insurance industry a vehicle to the elusive 'lifelong learner'?

**~Larry Crowe**

**MARYLAND**

Insurance discounts are another incentive to attract students. The IIHS has evidence that rider training has little impact on new or even experienced rider crashes. Most insurance companies, if a member of IIHS, will contact them and have evidence and documentation regarding loss experience for all insured riders. This will be a tough sale to legislators.

Good luck with your legislation.

**~Andy Krajewski**