



NW Insurance Council

Consumer Alert

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“Speed kills – and it costs money, too,” insurers warn

What to Know

- *A recent study by the [Insurance Institute for Highway Safety \(IIHS\)](#) shows lowering speed limits in downtown Seattle reduced the likelihood of an auto crash causing an injury. [A 2018 study](#) in Boston, MA, showed that lowering speed limits resulted in less speeding.*
- *Speeding was responsible for 29 percent of all fatal crashes in 2020, according to the [National Highway Traffic Safety Administration \(NHTSA\)](#).*
- *Speeding is not only dangerous, getting a speeding ticket is costly and will likely increase how much you pay for auto insurance.*

BOISE, ID, April 26, 2023– Speeding is a form of reckless driving that not only endangers everyone on the road but can result in heavy fines – and an increase in auto insurance premiums for speeding drivers. Insurers report a speeding citation could increase a driver’s auto insurance premium from [10 percent to 50 percent](#), depending on location, driving, accident history and other factors.

Data from the [National Highway Traffic Safety Administration \(NHTSA\)](#) reports that auto crash fatalities increased significantly during the COVID-19 pandemic, with speed being a

contributing factor. The [NHTSA](#) also reports that speeding was responsible for 29 percent of all fatal crashes in 2020.

“In just about every conversation we have about driving over the past three years, someone is likely to point out that the roads feel less safe as drivers are speeding, changing lanes without signaling, tailgating and ‘road-raging’ with greater frequency than ever,” said NW Insurance Council President Kenton Brine. “So, it is important for drivers to remember that speed can kill – but even if you avoid a crash, a speeding or reckless driving citation is also a ticket to higher insurance premiums.”

Brine said insurers have reported that depending on the severity of the speeding violation and the driver’s previous driving/accident record, cited drivers may face higher premiums, surcharges, or even the non-renewal of their auto insurance policies.

Insurance companies use different factors to determine each policyholder’s risk level and adjust premiums accordingly. These factors include age, gender, location, vehicle type, credit history (used to create an “insurance score”) and driving history. A driver with one or more speeding tickets may result in classification as a high-risk driver, who will then be charged more for liability or other auto coverage.

The amount your auto insurance rate could increase because of a speeding ticket depends on several factors, including:

- **The severity of the violation:** The faster you were going over the limit, the higher the fine and the impact on your rates. Also, the rate increase could last for several years after a speeding ticket.
- **The frequency of violations:** The more speeding tickets you have, the more your rates will increase. Auto insurers may even cancel your policy or refuse to renew it if you have too many violations.
- **The state where you live:** Different states have different laws and regulations regarding speeding tickets and insurance rates. For example, any major or minor

moving violation that appears on your driving record can increase your car insurance rate depending on how your state and insurer treat the violation.

- **The insurance company:** Whether your rates increase and by how much depends on the auto insurance provider. Some companies may increase rates after one speeding ticket while others may not increase the rate at all if it's a first-time offense.

When setting premiums, most insurance companies look at the policyholder's list of traffic violations over the last three to five years. The speeding violation eventually will be removed from your driving record and no longer considered when determining your auto insurance rate.

The following steps will help to avoid or reduce the impact of speeding tickets on your insurance rates:

- **Drive within the speed limit:** This is the most obvious and effective way to avoid getting a speeding ticket and paying more for insurance. Not only will you save money, but you will also reduce the risk of accidents and injuries.
- **Take a defensive driving course:** Some states and insurers offer the option to take a defensive driving course to dismiss a speeding ticket or lower rates. This can help improve driving skills and show that you are a responsible driver.
- **Shop around for insurance:** If your current insurer raises your rates significantly after a speeding ticket, compare quotes from other companies.
- **Contest the ticket:** If you believe that you were wrongly issued a speeding ticket, you may be able to contest it in court. You will need to provide evidence or witnesses to support your case and there is no guarantee that you will win.

By following the tips above, you can avoid getting a speeding ticket in the first place or reduce its impact on your insurance premiums. And keep in mind that driving safely is not only good for your wallet, but also for you and others' lives.

For more information about Property & Casualty Insurance, visit NW Insurance Council's website at www.nwinsurance.org, call 800-664-4942 or send an email to info@nwinsurance.org

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