



What They Don't Teach you in High School

There are many classes you have to take to graduate from high school. Probably a class on auto insurance was not one of them.

Why Should You Care About Auto Insurance?

Insurance may not be at the top of your priority list right now, but soon it will be.

So, why do you need auto insurance anyway? Well, the first answer is simple: it's the law. The DMV requires that you take financial responsibility for owning and operating a vehicle in California. The easiest way of satisfying your financial responsibility is by buying liability insurance.

Bodily injury liability limits must meet the minimum of \$15,000 per person and \$30,000 total for all persons per accident. Property damage liability limits must meet the minimum of \$5,000 per accident.

Liability insurance protects you when you cause property damage or bodily injury to someone else when driving your car. If you are caught driving without liability insurance in California, you will be charged hefty penalties. Also, if you are involved in an accident and do not have liability insurance, your license may be suspended whether or not you are at fault. Legal issues aside, insurance is a way to protect yourself in the case of an accident. It can also protect you from financial hardship if you are at fault and hurt someone else or their property in an accident.

How Do You Shop for Auto Insurance?

Just like any other consumer product, it's just plain smart to comparison shop and be informed about what you are purchasing. You don't want to waste money needlessly on over-priced insurance, but you also don't want to buy something so cheap that you don't get the service you need, when you need it. Here are a few things to remember when shopping for insurance, whether you're an insurance novice or not:

Get the Facts!

Allow adequate time to do some real research on policies and available coverages. Doing your insurance homework will ensure that you get the policy that is right for you. Talk to your friends and family if you need help purchasing

insurance. Contact your local agent or insurance company. Also, don't overlook the research power of the Internet.

Make sure to access consumer-oriented website, company websites, and the California Department of Insurance (CDI) to get a complete picture of what is available to you. CDI can also help you check out the license status of insurance companies, agents and brokers.

CYA = Cover Your Automobile!

Now is the time to learn about the different types of coverage available, such as liability, comprehensive, collision, medical payments, and uninsured motorists.

Since there is no such thing as "full coverage," it is important to gain a working knowledge of all the coverage options. Each element of your policy will protect you in a different way. California requires that you carry minimum liability limits, while other coverages are optional. Loan companies usually mandate that you carry comprehensive and collision coverage as a condition of your car loan. Know the insurance requirements of your loan before you shop for insurance.

Shop 'Til You Drop!

Be careful not to sacrifice the insurance coverage you need to save a few bucks. There are a lot of great insurance companies that offer excellent coverage at competitive prices. It is a good idea to compare 4 to 5 companies when shopping for insurance. Have the agents or companies quote similar coverages, limits, and deductibles as much as possible, so you can compare apples to apples. Make sure to visit the California Department of Insurance website at www.insurance.ca.gov and compare the complaint information of the companies you contact for quotes. With complaint and premium information, you will be able to make the best decision possible.

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If You Cannot Afford Standard Auto Insurance – see if you qualify for California’s Low Cost Automobile Insurance Program (CLCA)

This program helps income-eligible good drivers get insurance. The premium for liability insurance can be under \$500 a year, depending where you live. To qualify for this program, you must:

- Be at least 16 years old
- Have a valid CA driver’s license OR an AB 60 license
- Own a vehicle valued at \$25,000 or less
- Meet income guidelines
- Not have a “bad” driving record

So, it’s available for good or new drivers that meet the income guidelines – regardless of their immigration status. For more information and to see if you qualify, go to www.mylowcostauto.com or call 1-866-602-8861.

Drive Safely Without Distractions!

Driving involves constant and complex coordination between your mind and body. Events or things that prevent you from operating your car safely are distractions. There are three main types of distractions:

1. Taking your eyes off the road (visual)
2. Taking your mind off the road or what you’re doing (cognitive)
3. Taking your hands off the steering wheel (manual)

Make sure to call out your friends and even your parents, if you see them using a cell phone behind the wheel. Remind them all “One Text or Call Could Wreck It All”. Besides using electronic gadgets, distractions also can include adjusting a radio, eating and drinking, reading, grooming, and interacting with passengers.

When you are driving, the condition of the roadway and the behavior of other drivers can change abruptly, leaving you little or no time to react. When you are driving, follow these rules:

- Always buckle up.
- Put away your cell phone.
- Get rid of all distractions.



Led by Insurance Commissioner Ricardo Lara, the California Department of Insurance is the consumer protection agency for the nation’s largest insurance marketplace and your best resource for honest and impartial answers to insurance questions. Knowledgeable insurance professionals are available through our consumer hotline. Call 1-800-927-HELP (4357) or visit www.insurance.ca.gov to view all of our consumer information guides and insurance resources. These tools are available to consumers free of charge.

Filing a Complaint (Request for Assistance)

CDI is committed to protecting your rights. Many questions can be answered over the phone. If we are unable to resolve the issue over the phone, you have the option of filing a Request for Assistance against the insurer or the agent/broker by mail or online on our website. The system will allow you to attach copies of all necessary documents, such as policies, canceled checks and correspondence. Some examples of the issues the Department may be able to help with include:

- Improper Denial of Claim
- Cancellation or non-renewal of a policy
- Delay in settlement
- Alleged misappropriation of premiums paid
- Alleged misrepresentation by an Agent/Broker or solicitor
- Unfair underwriting practices
- Dishonest or deceptive insurance sales tactics

Contact Us

Consumer Assistance Hotline:
1-800-927-4357

TTY 1-800-482-4833

Visit us on the web at:
www.insurance.ca.gov

To order additional materials contact
Community Relations & Outreach at:
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