



Southwestern Insurance Information Service

WWW.SIISINFO.ORG

## Insurance News

**Date:** October 3, 2008

**Source:** Dallas Morning News

**Author:**

**SIIS Office:** (512) 795-8214

**SIIS Cell:** (512) 965-4001 Jerry  
(512) 468-6965 Sandra

### ***Uninsured Texas drivers warned of expanded verification program***

By **TERRENCE STUTZ / The Dallas Morning News**

AUSTIN - Texas' one in four drivers without insurance were put on notice Thursday that it will now be more difficult to avoid detection - and a ticket.

State insurance, transportation and public-safety officials announced that the state's new insurance-verification program - TexasSure - has been expanded to Dallas and the rest of the state after a successful pilot run in Austin this year. The pilot found that more than 25 percent of drivers were not carrying insurance.

"If you don't have liability insurance for your vehicle, your chances of getting a ticket just went up dramatically," said Lt. Louis Sanchez of the Texas Department of Public Safety.

"The TexasSure database is a fantastic tool that will help law enforcement identify those who are driving without insurance, or with an expired or phony [proof-of-insurance] document."

The program relies on a database containing the names of all insured drivers and their insurance companies matched to their license-plate numbers and VINs. When a driver is involved in an accident or stopped for an infraction, the law-enforcement officer simply enters the license-plate number or VIN into the system to verify insurance coverage.

Fines can range up to \$1,000 for a second offense, and those who take no action can be arrested.

Funded with an annual \$1 fee paid by all Texans when renewing their vehicle registrations, the program is intended to crack down on the millions of drivers who are violating the state's mandatory insurance law forcing other drivers to carry extra insurance to protect themselves.

*For Additional Information:*

---

8303 N Mopac, Ste B-231  
Austin, TX 78759

Phone: (512) 795-8214  
Fax: (512) 795-9363



Southwestern Insurance Information Service

WWW.SIISINFO.ORG

## Insurance News

A law mandating the verification program was approved by the Legislature in 2005, but the start-up was snagged by initial delays in hiring a private contractor and doubts about the program by the insurance industry.

But the industry is now on board.

"The program took longer than expected to implement, but the time was well spent," said Jerry Johns of Southwestern Insurance Information Service, an industry group. "Based on the results of the test phase in Austin, the campaign is working well and effectively reducing the number of uninsured drivers.

"We feel confident the program will work well in other Texas cities."

Mark Hanna of the Insurance Council of Texas said a large number of drivers could be affected based on early reports about the number of uninsured.

"Troopers tell us that some areas of the state may have more than half of their drivers uninsured - and that's scary news for everyone else on our roadways," he said, noting that even some areas of Dallas appear to have uninsured rates approaching 50 percent.

The insurance industry estimates that Texas drivers shell out nearly \$1 billion a year to protect themselves against those without coverage.

Even though proof of insurance must be furnished to get a license renewal or safety inspection, enforcement of the law has been difficult. Millions of motorists skirt the requirement by using counterfeit insurance cards or obtaining a month's coverage of insurance to get an ID card, then canceling the policy once they get their licenses renewed.

---

*For Additional Information:*

8303 N Mopac, Ste B-231  
Austin, TX 78759

Phone: (512) 795-8214  
Fax: (512) 795-9363