Consumer Federation of America

Uninsured Drivers:
A Societal Dilemma in Need of a Solution

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Uninsured Drivers: A Societal Dilemma in Need of a Solution

Most Americans believe that drivers should be required to purchase liability insurance to cover the expenses of other drivers in at-fault accidents. This support helps explain why all states (except New Hampshire) require drivers to carry some liability insurance coverage, why some states have recently raised the required minimums on this coverage, why many related laws mandate stiff fines and/or jail time for driving without insurance, and why many states have created, or are considering the creation of, databases that allow easier enforcement of these laws.

On the other hand, research shows that lower income drivers are much more likely than upper income drivers to be uninsured and also to feel they cannot afford annual liability premiums for policies that, for many good drivers, are always more than $500 and, for some, are always greater than $1,000. Research also shows that, to gain reasonable access to most jobs, a car is necessary. Thus, many lower income drivers risk fines and jail time for driving, without insurance, to work.

Accordingly, uninsured drivers pose a serious societal dilemma in which, to a large extent, concerns about social responsibility and social equity conflict. There is no easy resolution of this conflict. Yet, it is clear that policymakers, who have mainly focused on forcing uninsured drivers either to purchase insurance or stop driving, should show more concern for the working poor who want to act responsibly but cannot afford to do so. While there are no perfect solutions to the dilemma, it can be mitigated in several ways:

- Establish state programs, like California's, in which low- and moderate-income residents with good driving records can purchase liability coverage for $350 or less. For all participants, these premiums cover claims paid.
- A first step could be reducing liability minimums for those lower income drivers with good driving records.
- Restrict insurer use of rating factors – such as occupation, income, credit rating, marital status, and homeownership – that are highly correlated with income and discriminate against lower income drivers.
- Focus laws and enforcement efforts on drivers who have demonstrated that they do not drive safely.

Mandatory Liability Laws and Their Enforcement

All states except New Hampshire require that drivers carry a certain amount of liability coverage to protect other drivers in at-fault accidents – accidents caused by these insured drivers. The minimums required are below those of coverages recommended for most households with assets -- $100,000 for each individual injured in an accident and $300,000 for all injuries in the accident (commonly cited as $100,000/$300,000). The most common state minimums are $25,000/$50,000.[1]

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[1] Insurance Information Institute, Compulsory Auto/Uninsured Motorists (October 2010).

In the past decade, trial lawyers have led efforts in many states to increase the minimum liability limits, which they argued had not been adjusted in many years to reflect the increasing costs associated with accidents. These efforts have usually been opposed by insurers, who often have joined with consumer groups to argue that raising liability limits would increase the cost of auto insurance for the poor, imposing unaffordable financial burdens and discouraging them from carrying liability coverage. Several states – including Alabama, Maryland, Texas, Louisiana, and Wisconsin – have raised the limits. But Wisconsin later lowered these limits, and Wyoming and West Virginia also lowered their limits.[2]

In many states, the penalties for violating mandatory liability laws are substantial and include large fines, vehicle impoundment, loss of registration, loss of license, and even jail time. A recent analysis by the Consumer of Federation of America revealed the following characteristics of these laws, which are summarized in Appendix A and described more fully in a separate document:

- Jail Time: Fourteen states allow jail sentences for a first offense, and an additional six states allow jail sentences for a second offense (See Appendix A and Penalties for Driving without Auto Insurance by State).
- License Suspension: Thirty-two states allow for the possibility of license suspension for a first offense. In fourteen of these states, the suspension can continue even after the driver has supplied proof of insurance and/or payment of fees.
- Fines: Thirty-three states have possible fines of $500 or more for a first offense with four additional states having possible fines of $500 or more for a second offense. In West Virginia, the possible maximum fine is $5,000.
- Overlap of Penalties: Seven states allow for first time offenders to be jailed, have their license suspended, and be fined $500 or more. Five states allow for these offenders to be jailed and be fined at least $500. Fifteen states allow them to have their license suspended and be fined at least $500.

It is noteworthy that the presence and the harshness of these laws has virtually no relationship to uninsured rates in states. CFA grouped all states into four categories -- no harsh penalties, one harsh penalty for first-time offense, two harsh penalties for first-time offense, and three harsh penalties for first-time offense (see Appendix A) – then compared these data with uninsured rates. With uninsured rates ranging among the four penalty categories from 12 to 14 percent, there is little difference in uninsured rates between those states that penalize uninsured drivers harshly and those that do not (See Figure 1).

[2] Ibid. Teresa Dixon Murray, "After 44 Years, Ohio is Raising Its Minimum Liability Requirements for Auto Insurance," Cleveland Plain Dealer (February 15, 2013). Becky Yerak, "Illinois Poised to Raise Minimum Required Auto Insurance," Chicago Tribune (May 28, 2013). Phil Gusman, "Minimum Auto Liability Limits Increased in Alabama," Property Casualty 360 (May 21, 2008). Jaklitsch Law Group, Maryland Passes New Minimum Insurance Coverage Bill for Motorists (May 2010). "Texas Minimum Auto Liability Limits to Increase on April 1," Insurance Journal (March 25, 2008). "Car Insurance Mandate Begins in Wisconsin," Insurance Journal (June 1, 2008). "Wyoming Representatives Reject Bill to Raise Vehicle Liability Coverage Limits," Insurance Journal (February 12, 2009). "Wisconsin Passes Bill to Reduce Mandatory Minimum Auto Liability Limits," Insurance Journal (April 18, 2011). Leslie Scism, "Uninsured Driving Dilemma," Wall Street Journal (December 1, 2013).

Figure 1. Average state uninsured driver rate by penalty category

Penalty Category	Number of States	Average Uninsured Rate
No Harsh Penalties for First-Time Offense	7	14.0%
One Harsh Penalty for First-Time Offense	16	14.4%
Two Harsh Penalties for First-Time Offense	21	13.1%
Three Harsh Penalties for First-Time Offense	7	11.7%
Total	**51**	**13.5%**

Source: 2014 Consumer Federation of America analysis of state uninsured driver statutes and Insurance Research Council, Uninsured Motorists (2011).

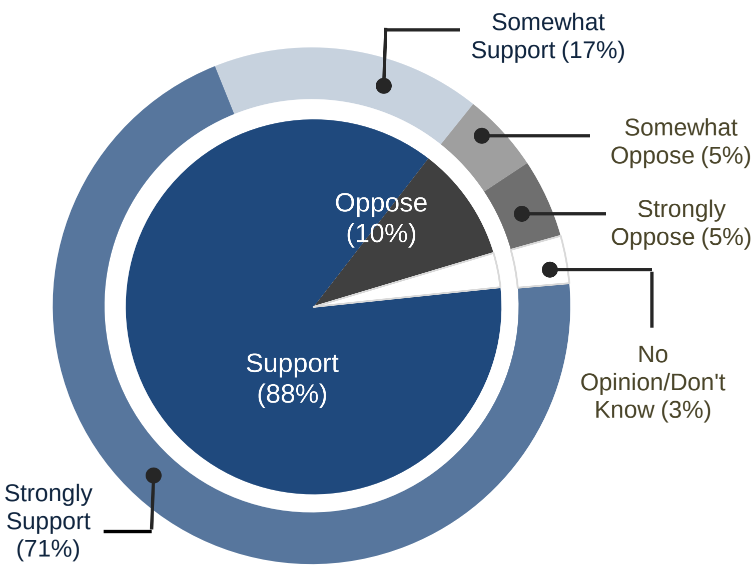
A large majority of states have mechanisms for enforcing mandatory liability laws. Nearly four-fifths of states require drivers to have valid evidence of their policy in their vehicle at all times and to show this proof if stopped by the police. About the same number of states require drivers to produce evidence of insurance when they are involved in a crash. And, about half of states require evidence of liability coverage when a vehicle is registered.[3]

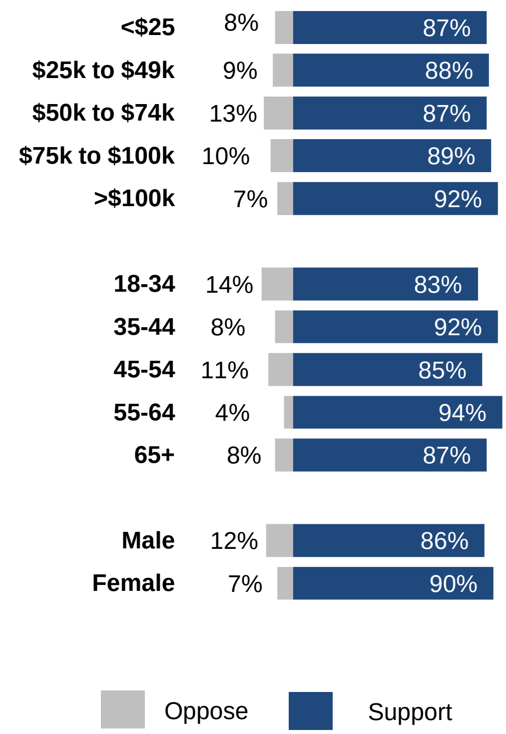
Most states also require insurers to notify the motor vehicle department when a policy is cancelled or not renewed. In some states, insurers are required to verify the existence of insurance in the event of an accident. In other states, companies are provided lists of randomly selected auto registration, which they must then match up with insurance policies that drivers said were in effect. More recent laws, called computer data laws, require insurers in twenty-one states (as of 2011) to submit all automobile liability policies to a state agency such as the motor vehicle department. Some states are even spending money on data vendors who help identify uninsured motorists.[4]

There is strong public support for mandatory liability laws. In September 2013, the Consumer Federation of America commissioned a national opinion survey that was administered by ORC International to a representative sample of more than 1,000 adult Americans (margin of error plus or minus three percentage points).[5] When asked whether "you favor requiring all drivers to purchase liability insurance," 87 percent agreed with only 10 percent opposing. And there was just as much support for this requirement from lower income respondents -- those with household incomes under $25,000 -- as from higher income respondents (Figure 2). Clearly, a very large majority of Americans believe that drivers should take responsibility for paying the accident-related costs that they cause.

[3] Insurance Information Institute, "Compulsory Auto."
[4] Ibid. Scism, "Uninsured Driving Dilemma."
[5] ORCInternational, Auto Insurance Omnibus Prepared for Consumer Federation of America, September 19-22, 2013.

Figure 2. Overwhelming public support for minimum liability insurance requirements





Question: All states but New Hampshire require that all drivers purchase a minimum level of liability insurance to protect other drivers in at-fault accidents. Do you favor requiring all drivers to purchase liability insurance?

Conducted by ORC International September 19-23, 2013.

Lower Income Drivers and Insurance Coverage

There are no entirely reliable statistics about either the number of uninsured drivers or the percentage of these drivers who have low or moderate incomes. Yet, the numbers that are available conclusively show that lower-income drivers are far more likely, than higher income motorists, to drive without liability coverage.

The most frequently cited statistics on uninsured drivers are prepared, every several years, by the Insurance Research Council (IRC). Its estimates are based on the study of accidents – specifically the relation of the frequency of claims paid under uninsured motorist insurance with the bodily injury claims paid under liability insurance. The most recent estimates, released in 2011, reveal uninsured motorist rates that range between 4.5 percent in Massachusetts and Maine to 28 percent in Mississippi, with a national figure of 13.8 percent.[6] Other estimates of these rates are made by matching the DMV's drivers' registration database against data from insurers on drivers that carry liability coverage. These estimates tend to be somewhat lower than those released by IRC. Yet, these types of estimates confront problems related to counting cars vs. drivers, assumptions about how likely the uninsured are to be involved in accidents, or errors in state databases.[7] One example

[6] Insurance Research Council, Uninsured Motorists (2011).
[7] For a discussion of measurement problems see: J. Daniel Khazzom, "What We Know About Uninsured Motorists and How Well We Know What We Know," Resources for the Future (2000), 59-93. Tim Query and Al Berryman,

of the variation in uninsured rates from different methods of estimation is the differing estimates for New Mexico in the 1980s. The National Association of Insurance Commissioners estimated the uninsured rate at 60 percent, the Insurance Information Institute estimated it at 50 percent, and the All Industry Research Advisory Council estimated it at 21 percent.[8]

Yet, there is broad agreement that lower income drivers are much more likely, than higher income drivers, to be uninsured. This conclusion is supported by much research and disputed by no one.[9] In fact, it would appear that a large majority of the uninsured are from the two-fifths of all households with incomes below $36,000.

- Khazzom's paper cites early surveys which revealed that the one-sixth of drivers with personal incomes below $7,500 made up one-third of the uninsured, while the one-third of drivers with incomes above $20,000 made up only one-sixth of the uninsured.[10]
- A 2008 IRC study concluded that as the unemployment rate rises, so does the percentage of uninsured drivers. It also revealed that, for states, poverty rates and uninsured rates are highly correlated.[11]
- Recent research by the Consumer Federation of America (CFA) also found a strong correlation between state poverty rates and uninsured rates – +0.57 on a scale of -1.0 to +1.0 (See Appendix B).
- A study of the relation between income and uninsured rates in Maricopa County, Arizona, where Phoenix is located, found a strong, inverse association between household income and households with an uninsured vehicle.[12]

To better understand the difference between uninsured rates in lower income communities compared to upper income communities, CFA analyzed data provided by the California Department of Insurance collected in 2005, the most recent year available. As Figures 3 and 4 below reveal, in those ZIP Codes where median household incomes were in the bottom two-fifths nationally, comparing the number of registered and insured vehicles suggests that 30 percent of these registered vehicles were uninsured. In those ZIP Codes where median household incomes were in the next two-fifths, only 15 percent of vehicles were uninsured. And in those ZIP Codes where median incomes were in the highest one-fifth, only six percent of the vehicles were uninsured. In other words, the vehicles of lower income households were five times as likely as those of upper income households to be uninsured.

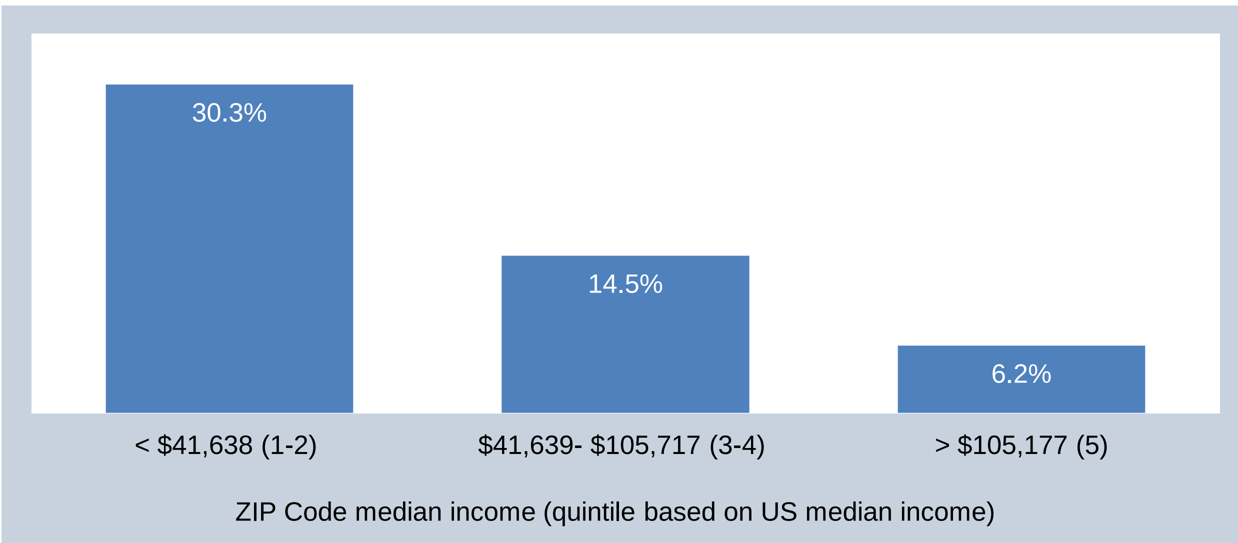
"Metrics of Uninsured Motorists: The Challenging Case of New Mexico," Southwest Business and Economics Journal, 18 (2010), 49-64.
[8] Query, "Metrics of Uninsured Motorists," 51.
[9] Lyn Hunstad, "Characteristics of Uninsured Motorists," California Department of Insurance (February 1999).
[10] All Industry Research Advisory Council (now Insurance Research Council). Uninsured Motorists (1989).
[11] Khazzom, "What We Know," 23.
[12] Robert Lee Maril, "The Impact of Mandatory Auto Insurance Upon Low Income Residents of Maricopa County, Arizona," National Association of Independent Insurers (1994).

Figure 3. Uninsured drivers by California ZIP code median income, 2005

ZIP code median income (US quintile)	# ZIPs	Population	Registered Vehicles	Insured Vehicles	Percent Uninsured
> $41,638 (1-2)	387	5,330,120	3,003,893	2,092,976	30.3%
$41,639- $105,717 (3-4)	1,160	28,645,565	20,548,494	17,571,497	14.5%
> $105,177 (5)	122	2,483,410	1,983,089	1,860,058	6.2%
Total	**1,669**	**36,459,095**	**25,535,476**	**21,524,530**	**15.7%**

Source: Consumer Federation of America analysis of 2008-2012 American Community Survey Table B19080 5-Year Estimates of Household Income Quintile Upper Limits, Table B19013 5-year Estimates of ZIP code median household income, Table B01003 ZIP code population and data based on 2005 "Underserved Communities" report collected and provided by the California Department of Insurance.

Figure 4. Uninsured drivers by California ZIP code median income, 2005



Source: Consumer Federation of America analysis of 2008-2012 American Community Survey Table B19080 5-Year Estimates of Household Income Quintile Upper Limits, Table B19013 5-year Estimates of ZIP code median household income, Table B01003 ZIP code population and Research based on 2005 "Underserved Communities" data collected and provided by the California Department of Insurance which covers 97.7 percent of the California population.

There is also a strong consensus that financial condition is causally related to lack of auto insurance – the lower a household's income, the more likely the household will not carry auto insurance because it cannot afford to purchase even the minimum required liability coverage. Studies have found a strong relationship between auto insurance premiums and uninsured rates.[13] And the uninsured largely attribute their lack of insurance to high premiums. A 1999 survey by IRC learned that two-fifths of the uninsured said these premiums were too high to afford (while another two-fifths said they didn't drive cars that were registered).[14]

[13] M.P. McQueen, "Road Risks Rise as More Drivers Drop Insurance," Wall Street Journal (December 17, 2008).
[14] Insurance Research Council, Ininsured Motorists Survey (1999).

The poor rarely speak for themselves publicly on this issue, perhaps in part because they do not wish to call attention to their driving without insurance coverage. But public officials have spoken out for them. Last year, Judge Elizabeth Kobly of the Youngstown Municipal Court said: "If you have to choose between food on the table and [required auto] insurance, people are going to put food on the table….People live month to month and they just don't have the money."[15] Milicent Sherman, Chief Magistrate of the Michigan 36th District Court, noted: "It's difficult for people to acquire insurance or maintain it because it's so expensive."[16] And former Texas Insurance Commissioner Jose Montemayor explained: "I think, given choices and a limited amount of money, most people will choose to pay their rent first, feed their kids second or some order thereof."[17] Marty Schwartz, longtime President of Vehicles for Changes, which makes reliable inexpensive cars available to lower-income families, agrees: "Insurance charges often exceed the cost of car payments. This is an important reason that some drive without insurance."[18]

In response to a television station editorial, one East Texas blue collar worker did speak out on behalf of the uninsured: "He [TV editorialist] was not being sympathetic to [the] majority of the blue collar world that's the real cornerstone of our society, the ones who hand coffee, make change after we pay for gas … and the ones who clean our children's stalls at school…. For him to say such a thing without taking a good look around, encouraging lawmakers to lock them up for not having insurance and take their cars because they are out trying to go to work at a minimum wage job to support their families [when] their vehicle is worth half the yearly policy, a down payment more than they can save in six months. We aren't going to get in the details about credit checks. I feel he owes these people an apology."[19]

This worker identified the reason most of the uninsured continue driving – they need to drive to get to work. As one Brookings Institution Policy Brief put it: "Most poor households seek access to a car as the sprawling nature of many metropolitan areas, workplace, and residences virtually requires private vehicle transportation."[20] Brookings research has found that even metropolitan households, which enjoy more accessible public transport than other households, could reach only two-fifths of metro-wide jobs using this transit within 90 minutes.[21]

Accordingly, it is not surprising that much research has found strong relationships between access to a car and employment rates, hours worked, and earnings.[22] When one researcher studied the issue in Portland, Oregon, she found: "Car ownership improved the likelihood of being employed by 80 percent. The effect on average weekly wages was approximately $275, and the effect on weeks

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[15] Steve Wilaj, The New Outlet.org (September 2, 2013).
[16] Trevor W. Coleman, "High Cost of Insuring Cars in Detroit," BLAC Detroit (http://www.blackdetroit.com/core/pagetools.php?pageeid=15916durl=%2FB).
[17] "Uninsured Drivers Travel Under the Radar," Insurance Journal (August 8, 2003).
[18] Consumer Federation of America press release (June 18, 2012).
[19] "A Better East Texas," KLTV.com (http://www.kltv.com/story/8162840/a-better-east-texas-uninsured-motorists).
[20] Margy Waller, "High Cost or High Opportunity Cost?" Brookings Institute Policy Brief, Center on Children and Families #35 (December 2005).
[21] Adie Tomer, "Transit Access Zero-Vehicle Households," Metropolitan Infrastructure Initiative Series, Brookings Institute (August 2011), 6.
[22] Waller, "High Cost." Charles L. Baum, "The Effects of Vehicle Ownership on Employment," Journal of Urban Economics," v. 66, n. 2, 151-163. Evelyn Blumenberg and Margy Waller, "The Long Journey to Work: A Federal Transportation Policy for Working Families," Center on Urban and Metropolitan Policy, Brookings Institute (July 20003).

worked was approximately 8.5 weeks."[23] Even back in 2000, only five percent of workers used public transportation to get to work while 88 percent of workers commuted by car.[24]

Thus, lower income Americans who need to drive to work, but cannot afford expensive auto insurance coverage, are confronted with a terrible personal choice. They can choose not to drive, severely limiting viable job opportunities that can help them support themselves and their families. Or, they can choose to break the law by driving without insurance, eroding respect for the law and subjecting themselves personally to risks that can be significant. While there is little evidence that many are jailed, many are fined, and increasing number are losing their license or their vehicle as states and localities step up efforts to enforce mandatory driving laws.

Youngstown's Judge Kolby describes the impact of the fines in her area among those who could not renew licenses because they could not show proof of insurance: "We have people that habitually drive without a license, and they get convicted 13, 14, 15 times. By then, they owe so much money in reinstatement fees that they can never dig themselves out of that hole, so they keep on driving anyway."[25] Michigan's Judge Sherman points out the implication of the dysfunctional system: "It's turning into a horrible cycle, and we are criminalizing everyday folks who normally wouldn't be in trouble."[26]

Resolving the Dilemma

While there is no easy way to resolve this dilemma, it can be mitigated. Many drivers with auto insurance either have been hit by an uninsured motorist or know of someone who has, and it offends them that the person responsible for the accident is not required to pay related costs. These experiences underlie and support the strong public support for mandatory auto insurance laws. However, this support may well reflect lack of awareness of the terrible dilemma faced by lower income Americans who need to drive to get to work but cannot afford expensive liability coverage required by state governments. Increased public understanding of this dilemma could well temper the demand for aggressive enforcement of mandatory insurance laws and strong penalties for violators, especially those who were trying to drive safely and responsibly. It might also persuade state legislators to resist the marketing of vendors selling costly verification programs to identify the uninsured. These funds could be much better spent pursuing strategies, noted below, which help ensure that all drivers can afford liability coverage.

Research has found that many of the uninsured, in part because they do not want trouble from law enforcement, drive more cautiously and safely than the insured.[27] Research has also found that other uninsured drivers, who are uninsured in part because their unsafe driving has driven up their

[23] Cascade Policy Institute, "A Journey Toward Self-Reliance (http://cascadepolicy.org/projects/more/wheelstowealth).
[24] Waller, "High Cost."
[25] Wilja, The NewsOutlet.org.
[26] Coleman, "High Cost of Insuring Cars in Detroit."
[27] Alma Cohen and Rajeev Dehejia, "The Effect of Automobile Insurance and Accident Liability Laws on Traffic Fatalities," Journal of Law and Economics, 47 (2004), 357-393.

insurance premiums, drive less safely and responsibly than the insured.[28] Law enforcement officials should use mandatory insurance laws to crack down on these unsafe and irresponsible drivers, not on those who are trying hard to avoid accidents. Lawmakers should consider levying severe penalties, including large fines and vehicle impoundment, on only those drivers whose record shows continued disregard for safe driving practices. However, it is not necessary to create new state verification systems to identify reckless drivers. Law enforcement officials and insurers can identify those drivers who cause accidents and are cited for moving violations using other information sources.

But safe, responsible lower income drivers should also be given the opportunity to purchase liability coverage that they can afford. Several research reports by the Consumer Federation of America have shown that, in urban areas, many good drivers with low or moderate incomes cannot find liability coverage for less than $500 annually while some of these safe drivers are always charged at least $1,000.[29] States should consider establishing programs that provide minimal liability coverage to safe lower-income drivers at an affordable price. For several years, for example, California has offered this type of coverage to good lower income drivers for between $250 and $350 a year, and these premiums cover accident-related losses.[30] The fact that only a small fraction of uninsured drivers in the state participate in this program should challenge government officials, nonprofits, and insurers to more aggressively and effectively offer this coverage.

In the meantime, many states should consider lowering minimum liability limits, as in fact several have done. To respond to the legitimate concern that low limits will not cover accident-related losses, states could consider lowering these limits only for lower income drivers, perhaps those who qualify for Supplemental Nutrition Assistance Program or the Earned Income Tax Credit. That could well reduce annual premiums for lower-income drivers by more than $100, persuading a larger number that they can afford insurance coverage.

States should also not look to “no pay, no play” laws as a solution. Restricting the ability of those uninsured but safe drivers to sue for non-economic damages in accidents caused by others is unfair to the many uninsured who want insurance but cannot afford to purchase coverage.

Finally, states need to more carefully scrutinize and restrict the use, by some auto insurers, of non-driving factors in their rate-making. Auto insurers are not permitted to use income or race in this rate-making, but some nevertheless utilize factors such as education, occupation, credit score, marital status, and homeownership that are highly correlated with income and discriminate against lower-income drivers.[31] State insurance departments, state legislators, the Federal Insurance Office, and even Congress need to do more to understand insurer use of these factors and take action against discriminatory practices.

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[28] J. Tim Query and Risa Kumazawa, “Examining the Impact of Issuing Drivers Licenses to Undocumented Immigrants,” Journal of Insurance Regulation (2011), 262-285.
[29] See Consumer Federation of America (www.consumerfed.org) auto insurance reports and releases dating January 30, 2012; June 18, 2012; September 24, 2012; January 28, 2013; July 22, 2013; September 4, 2013; December 1, 2013.
[30] 2013 CLCA Report to the Legislature, California Department of Insurance (March 2013).
[31] See Consumer Federation of America reports and releases listed in note 30.

Appendix A. Penalties for Driving Uninsured by State

State	Estimated Percentage Uninsured 2009	Possible Fines of $500 or More	Possible Jail Time	Possible Suspension of License
	Penalty for First Time Offense			
Alabama	21.8%	yes	yes	-
Alaska	13.0%	-	-	yes
Arizona	11.9%	yes	-	yes
Arkansas	16.0%	-	-	-
California	15.0%	-	-	-
Colorado	15.2%	yes	-	yes
Connecticut	9.5%	yes	-	yes
Delaware	10.8%	yes	-	yes
D.C.	15.3%	yes	-	yes
Florida	23.5%	-	-	yes
Georgia	15.7%	yes	yes	yes
Hawaii	11.2%	yes	-	yes
Idaho	7.9%	yes	-	yes
Illinois	14.9%	yes	-	yes
Indiana	16.3%	-	-	yes
Iowa	11.5%	-	-	-
Kansas	9.8%	yes	yes	yes
Kentucky	17.8%	yes	yes	-
Louisiana	12.9%	yes	-	-
Maine	4.5%	yes	-	yes
Maryland	14.9%	yes	-	-
Massachusetts	4.5%	yes	yes	yes
Michigan	19.5%	yes	yes	yes
Minnesota	13.0%	yes	yes	yes
Mississippi	28.0%	yes	-	yes
Missouri	13.7%	-	-	yes
Montana	11.4%	yes	yes	-

State	Estimated Percentage Uninsured 2009	Possible Fines of $500 or More	Possible Jail Time	Possible Suspension of License
	Penalty for First Time Offense (con't)			
Montana	11.4%	yes	yes	-
Nebraska	7.8%	-	-	yes
Nevada	13.2%	yes	-	-
New Hampshire	10.9%	-	-	-
New Jersey	11.2%	yes	-	yes
New Mexico	25.7%	-	yes	-
New York	5.4%	yes	yes	-
North Carolina	13.5%	-	-	-
North Dakota	9.1%	yes	-	yes
Ohio	15.7%	-	-	yes
Oklahoma	23.9%	-	yes	yes
Oregon	10.4%	yes	-	-
Pennsylvania	6.6%	-	-	yes
Rhode Island	17.6%	yes	-	yes
S. Carolina	10.7%	yes	-	-
South Dakota	8.6%	yes	yes	yes
Tennessee	23.9%	-	-	yes
Texas	14.9%	-	-	-
Utah	8.2%	-	-	yes
Vermont	7.1%	yes	-	yes
Virginia	10.8%	yes	-	yes
Washington	16.1%	-	-	-
West Virginia	10.8%	yes	yes	yes
Wisconsin	14.6%	yes	-	-
Wyoming	10.3%	yes	yes	-
Average	**13.5%**			
Total number of states		**33**	**14**	**32**

Source: 2014 Consumer Federation of America analysis of state uninsured driver statutes. For a complete list of penalties by state please reference Penalties for Driving without Auto Insurance by State.

Appendix B. State Poverty and Uninsured Driver Rates

State	Poverty Rate	Uninsured Rate	State	Poverty Rate	Uninsured Rate
Alabama	18.1%	21.8%	Montana	14.8%	11.4%
Alaska	9.6%	13.0%	Nebraska	12.4%	7.8%
Arizona	17.2%	11.9%	Nevada	14.2%	13.2%
Arkansas	18.7%	16.0%	N. Hampshire	8.4%	10.9%
California	15.3%	15.0%	New Jersey	9.9%	11.2%
Colorado	12.9%	15.2%	New Mexico	19.5%	25.7%
Connecticut	10.0%	9.5%	New York	14.9%	5.4%
Delaware	11.5%	10.8%	North Carolina	16.8%	13.5%
D.C.	18.5%	15.3%	North Dakota	12.1%	9.1%
Florida	15.6%	23.5%	Ohio	15.4%	15.7%
Georgia	17.4%	15.7%	Oklahoma	16.6%	23.9%
Hawaii	10.8%	11.2%	Oregon	15.5%	10.4%
Idaho	15.1%	7.9%	Pennsylvania	13.1%	6.6%
Illinois	13.7%	14.9%	Rhode Island	13.2%	17.6%
Indiana	14.7%	16.3%	South Carolina	17.6%	10.7%
Iowa	12.2%	11.5%	South Dakota	13.8%	8.6%
Kansas	13.2%	9.8%	Tennessee	17.3%	23.9%
Kentucky	18.6%	17.8%	Texas	17.4%	14.9%
Louisiana	18.7%	12.9%	Utah	12.1%	8.2%
Maine	13.3%	4.5%	Vermont	11.6%	7.1%
Maryland	9.4%	14.9%	Virginia	11.1%	10.8%
Massachusetts	11.0%	4.5%	Washington	12.9%	16.1%
Michigan	16.3%	19.5%	West Virginia	17.6%	10.8%
Minnesota	11.2%	13.0%	Wisconsin	12.5%	14.6%
Mississippi	22.3%	28.0%	Wyoming	11.0%	10.3%
Missouri	15.0%	13.7%	**Correlation coefficient**		**0.57**

Source: American Community Survey Table S1702 5-year estimate of state poverty rates and Insurance Research Council 2009 estimates of the number of uninsured motorists by state.