

“DUI and Car Insurance”

How Different Insurance Companies Handle DUI

By Alicia Williamson on 02/25/2008

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Based on the fact that there is an alcoholic related traffic fatality in the U.S. every 29 minutes, insurance companies take this very seriously and make it either very difficult for a person with a DUI to carry auto insurance or very costly.

How Do Insurance Companies Handle DUI Cases

For the most part insurance companies usually only check a person's motor vehicle records once every three years. Sometimes, a drunk driving conviction escapes the insurance company's attention and does not end up on the person's driving record. In fact, a study made by the Insurance Research Council in June of 2002, revealed that as many as one-quarter of driving convictions never end up on a motor vehicle records. The reason? A lack of shared information between courts and the motor vehicle department or because a DUI conviction was erased through some form of alternative methods. But, for the most part, once the insurance company finds out about a DUI, it's usually going to cost the person quite a bit in penalties. The penalty may come in the form of higher insurance rates, policy cancellation or even non-renewal. One thing is for sure; if a person is convicted of drunk driving, most auto insurance carriers will decline coverage and more often than not, insurance companies will simply turn down people when they discover a DUI on the person's record.

Insurance Rates Don't Always Go Up

Surprisingly, even when an auto insurance company does find out about a DUI conviction, it doesn't mean you're going to have higher premiums. Most insurers will review your driving history, your record with the company and your claims record before making a decision about insurance. For example, if you have a preferred policy with State Farm Mutual Insurance Company and you receive a DUI, they will likely move your policy into State Farm Fire and Casualty, a standard policy company that handles riskier drivers and higher rates. With Progressive Insurance, you won't face non-renewal or cancellation based on a DUI, but you will in all likelihood face a rate increase. Progressive reviews rates on a case-by-case basis, which might take into account age, gender, driving history and the automobile you are driving.

How Do Most Insurance Companies Handle a DUI Conviction?

Overall, most insurance companies handle DUI convictions by raising car insurance premiums and tagging the DUI individual as a high-risk driver. Even though insurance companies are forbidden to deny coverage to policyholders because of race, religion, residence, age or occupation, they can cancel your policy if you have been convicted of drunk driving. They also may cancel the insurance policy right in

the middle of the term or terminate it at the end of the term. The company will send the person convicted of a DUI a notice letting them know the reason for the cancellation, leaving the individual to find another insurer. Naturally, with a DUI on the driving record, it's going to be hard to find another insurance company that will insure that person.

High Risk Drivers

Most states require convicted drunk drivers to get an SR-22 from their insurance agency, which means in most cases, the person convicted of a DUI won't be able to avoid having his or her insurance company find out about the DUI. An SR-22 isn't insurance, but is proof that you have certain types of insurance and is required when insurance is provided to an individual who was convicted of a traffic offense. It's a form that must be filed by the insurance company to the state motor vehicle department stating that auto liability insurance is in effect.

About the DUI Attorneys at Straight DUI

We at Straight DUI do everything we can to help you when it comes to DUI. To get you off, keep your record clean and prevent you from losing your license to drive, we start by believing that you shouldn't have been arrested, so with that uppermost in our minds, we fight for you. When you place yourself in the hands of the knowledgeable [DUI attorneys](#) at www.straightdui.com, you know you will be treated fairly and will receive the best defense possible. We understand how important a good defense is to your case and so we do everything to protect your rights. Call us today at (800-353-6348) and let us help.