

MOTORCYCLE SAFETY  
AN INSURER PERSPECTIVE

NTSB

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# INSURERS ARE CONCERNED BY INCREASES IN MOTORCYCLE FATALITIES

- 4,553 motorcyclists were killed in 2005.
- Motorcycle fatalities were up 13%.
- Overall road fatalities were up 1.4%.
- In 2004, 2/3 of fatally injured motorcycle riders were not wearing a helmet in states without helmet use laws, and 15% in states with helmet use laws.
- There is little positive state legislative activity for safety and continuing pressure to repeal or dilute motorcycle safety laws, resulting in less helmet use and greater risk of death and serious injuries.

# RISK BASED INSURANCE RATING AND UNDERWRITING PROVIDE FINANCIAL INCENTIVES FOR SAFETY

- Driving safety and experience are critical risk factors for motorcycle insurance underwriting and rating.
- State mandated and optional coverages are underwritten and priced to reflect such risk factors as experience, type of vehicle, territory and driving record.
- Optional medical coverage rises in cost as coverage limits increase, reflecting high health care costs.
- Discounts are offered for safety related reasons, including having taken a recognized course or belonging to an association.

# INSURANCE RATING AND UNDERWRITING IS A FORM OF EDUCATION AND AWARENESS

- Insurance underwriting and rating are constrained by market competition and regulation.
- Nonetheless, rating and underwriting do help to incentivize safe behavior.

# RECOMMENDATIONS FOR IMPROVING MOTORCYCLE SAFETY

## ➤ Enact all rider helmet laws.

- Studies indicate that motorcycle helmet usage reduces the likelihood of a crash fatality by 30-40% and also reduces serious injuries by 20%.
- Unhelmeted riders are 3 times more likely than helmeted riders to sustain costly traumatic brain injuries.
- Helmet laws usually achieve 80% compliance.
- When a helmet law is repealed, helmet use decreases to 50% or less.
- Helmets are comparable to passenger screening for airlines or airbags in cars--necessary safety equipment depending on the mode of travel.

- Provide rigorous rider safety courses and require their completion.
- Improve overall traffic law compliance by motorcyclists and all others, including adherence to speed limits, drunk driving laws and traffic signals.
  - Speeding motorcyclists were involved in 36% of fatal crashes (2 times the rate for speeding car drivers).
- Address distracted driving issues.
- Encourage a culture of safety among motorcycle riders.
- Allow insurers the maximum regulatory flexibility to price for risk, thereby incentivizing safe behavior and discouraging unsafe behavior.