

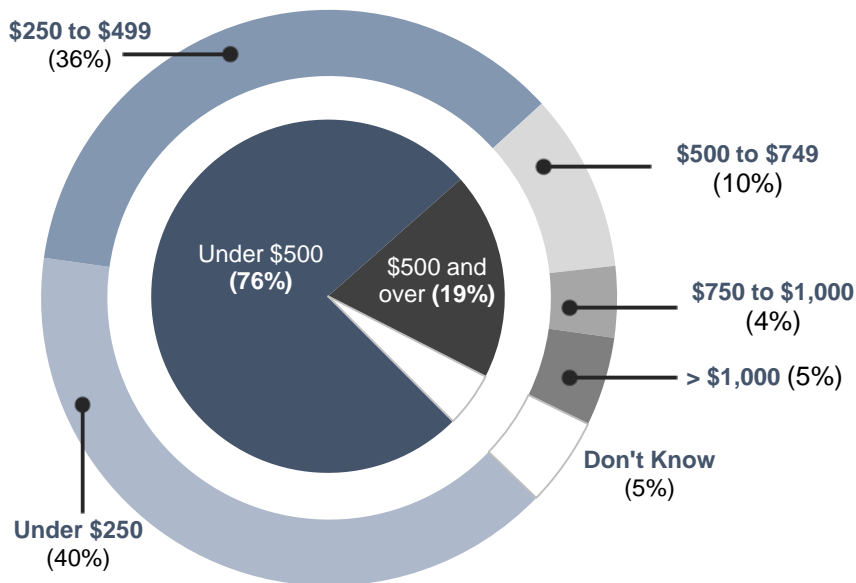
The High Price of Mandatory Auto Insurance for Lower Income Households: Premium Price Data for 50 Urban Regions

The report can be downloaded here: <http://bit.ly/YCQxC1>

The press release is available here: <http://consumerfed.org/news/824>

Figure 1. Public Views of a Fair Annual Cost of Mandatory Liability Coverage

Q: “For, say, a 30-year old woman with a modest income and ten years of driving experience with no accidents or moving violations, what do you think is a fair annual cost for the required minimum level of this liability insurance?” (+/- 5%)



Source: ORC International

Figure 2. About the driver profile used in this study

About our Driver:

30 year old single female
 Licensed 14 years
 No lapse in coverage
 No accidents, moving violations, or license suspensions
 High school diploma
 Employed in clerical profession
 Renter for 10 years
 No affinity group discounts
 Fair credit rating

About Her Vehicle:

2000 Honda Civic EX
 Drives to work 10 miles one way, 5 days/week
 10,000 total miles annually

About Her Coverage:

Minimum coverage required by state

Figure 3. Distribution of ZIP Code Minimum Quotes from 5 Largest Insurers in the 50 Largest CBSAs with LMI ZIP Codes (Percent)

ZIP Code Income (Quintile)	Less than \$500	\$500 to \$749	\$750 to \$999	\$1,000 or more	ZIP Codes (#)
≤ \$41,515 (1-2)	64.9%	25.0%	7.7%	2.5%	1,377
\$41,516-\$104,624 (3-4)	73.7%	23.1%	3.1%	0.1%	5,853
>104,624 (5)	73.6%	26.3%	0.1%	0.0%	681
No Data	59.8%	37.3%	2.3%	0.6%	311
Grand Total	71.7%	24.2%	3.6%	0.5%	8,222

Source: CFA analysis of data provided by Quadrant Information Services, US Census

Figure 4. Distribution of ZIP Code Average Quotes from 5 Largest Insurers in the 50 Largest CBSAs with LMI ZIP Codes (Percent)

ZIP Code Income (quintile)	< \$500	\$500 to \$749	\$750 to \$999	\$1,000 to \$1,999	\$2,000 to \$2,999	\$3,000 or greater	ZIP Codes (#)
≤ \$41,515 (1-2)	13.0%	42.3%	19.2%	16.8%	6.2%	2.5%	1,377
\$41,516-\$104,624 (3-4)	19.1%	40.5%	18.9%	18.9%	2.6%	0.2%	5,853
>104,624 (5)	16.0%	33.9%	21.9%	27.9%	0.3%	0.0%	681
No Data	10.9%	33.4%	23.8%	27.3%	2.3%	2.3%	311
Grand Total	17.5%	40.0%	19.4%	19.6%	3.0%	0.6%	8,222

Source: CFA analysis of data provided by Quadrant Information

Figure 5. Distribution of ZIP Code Maximum Quotes from 5 Largest Insurers in the 50 Largest CBSAs with LMI ZIP Codes (Percent)

ZIP Code Income	< \$500	\$500 to \$749	\$750 to \$999	\$1,000 to \$1,999	\$2,000 to \$2,999	\$3,000 or greater	ZIP Codes (#)
≤ \$41,515 (1-2)	0.4%	14.7%	31.6%	32.8%	6.5%	14.0%	1,377
\$41,516-\$104,624 (3-4)	0.3%	25.1%	27.2%	30.6%	9.0%	7.8%	5,853
>104,624 (5)	0.7%	21.7%	17.8%	39.9%	13.8%	6.0%	681
No Data	0.6%	13.2%	19.6%	37.3%	6.4%	22.8%	311
Grand Total	0.3%	22.6%	26.9%	32.0%	8.9%	9.3%	8,222

Source: CFA analysis of data provided by Quadrant Information

Figure 6. The lowest annual auto insurance liability premiums charged by major auto insurers to good drivers living in LMI ZIP Codes in 50 largest CBSAs with LMI ZIP Codes

CBSA	LMI ZIP Codes with a min. premium <\$500	LMI ZIP Codes	Percent of ZIP Codes with min. premium <\$500	2011 Population	Population Rank
Miami-Fort Lauderdale-Pompano Beach, FL	0	51	0%	5,526,089	7
Detroit-Warren-Livonia, MI	0	43	0%	4,320,982	11
Minneapolis-St. Paul-Bloomington, MN-WI	0	10	0%	3,259,654	16
Tampa-St. Petersburg-Clearwater, FL	0	42	0%	2,770,114	19
Baltimore-Towson, MD	0	10	0%	2,697,421	20
Orlando-Kissimmee-Sanford, FL	0	22	0%	2,113,650	26
Jacksonville, FL	0	13	0%	1,334,688	39
Hartford-West Hartford-East Hartford, CT	0	7	0%	1,207,636	44
New Orleans-Metairie-Kenner, LA	0	27	0%	1,139,643	45
New York-N. New Jersey-Long Island, NY-NJ-PA	5	76	7%	18,796,078	1
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	5	36	14%	5,938,918	5
Seattle-Tacoma-Bellevue, WA	2	13	15%	3,404,443	15
Las Vegas-Paradise, NV	3	13	23%	1,928,695	30
Louisville/Jefferson County, KY-IN	8	34	24%	1,273,988	41
Denver-Aurora-Broomfield, CO	5	16	31%	2,509,230	21
Oklahoma City, OK	14	35	40%	1,238,050	43
Los Angeles-Long Beach-Santa Ana, CA*	21	52	40%	12,777,695	2
Portland-Vancouver-Hillsboro, OR-WA	5	10	50%	2,202,583	23
Providence-New Bedford-Fall River, RI-MA	9	14	64%	1,601,264	36
Houston-Sugar Land-Baytown, TX	38	58	66%	5,836,814	6
Sacramento--Arden-Arcade--Roseville, CA*	10	13	77%	2,130,801	24
Cincinnati-Middletown, OH-KY-IN	28	35	80%	2,120,924	25
St. Louis, MO-IL	55	61	90%	2,801,982	18
San Francisco-Oakland-Fremont, CA*	11	12	92%	4,292,964	12
Chicago-Joliet-Naperville, IL-IN-WI	43	43	100%	9,425,706	3
Dallas-Fort Worth-Arlington, TX	54	54	100%	6,280,597	4
Washington-Arlington-Alexandria, DC-VA-MD-WV	4	4	100%	5,503,801	8
Atlanta-Sandy Springs-Marietta, GA	35	35	100%	5,213,854	9
Boston-Cambridge-Quincy, MA-NH	13	13	100%	4,521,737	10
Riverside-San Bernardino-Ontario, CA*	33	33	100%	4,178,296	13
Phoenix-Mesa-Glendale, AZ	36	36	100%	4,150,083	14
San Diego-Carlsbad-San Marcos, CA*	8	8	100%	3,060,849	17
Pittsburgh, PA	82	82	100%	2,357,769	22
San Antonio-New Braunfels, TX	35	35	100%	2,105,462	27
Cleveland-Elyria-Mentor, OH	24	24	100%	2,080,318	28
Kansas City, MO-KS	46	46	100%	2,018,661	29
Columbus, OH	21	21	100%	1,819,568	31
Indianapolis-Carmel, IN	17	17	100%	1,739,071	32
Charlotte-Gastonia-Rock Hill, NC-SC	20	20	100%	1,729,955	33
Austin-Round Rock-San Marcos, TX	14	14	100%	1,681,167	34
Virginia Beach-Norfolk-Newport News, VA-NC	16	16	100%	1,666,758	35
Nashville-Davidson--Murfreesboro--Franklin, TN	24	24	100%	1,569,470	37
Milwaukee-Waukesha-West Allis, WI	13	13	100%	1,547,501	38
Memphis, TN-MS-AR	32	32	100%	1,309,692	40
Richmond, VA	14	14	100%	1,248,271	42