

**TexasSure: Bringing Insurance Verification into the 21<sup>st</sup> Century**  
TMCEC 12-Hour Regional Judges Conference  
AY 2009

**1. IMPORTANT QUESTIONS AND ANSWERS ABOUT THE TEXASSURE PROGRAM.**

*a. What is TEXASSURE?*

TexasSure is a new vehicle insurance verification system that will ultimately allow law enforcement, county tax officials and vehicle inspectors to confirm whether a vehicle in Texas has required personal auto liability insurance coverage.

*b. What is TexasSure supposed to do?*

TexasSure will help reduce the number of uninsured vehicles in Texas. It is expected to help stop the actions some motorists take to avoid the law, such as using counterfeit proof of insurance cards or obtaining insurance to get a card and then promptly canceling the policy once they've renewed their car registration or had their vehicle inspected.

*c. When Will TexasSure begin operations?*

The system is currently being tested at the Department of Public Safety (DPS) and the Texas Department of Transportation (TxDOT). Before DPS rolls it out statewide, its troopers will conduct a two-month pilot program in Austin. Since program testing is in progress, the exact date of the roll out will depend upon the outcome of this testing, however, we anticipate statewide implementation this summer.

*d. How does TexasSure benefit the average driver?*

TexasSure helps Texans by reducing the number of uninsured vehicles. Estimates are that law-abiding motorists pay almost \$1 billion in extra costs in insurance premiums every year to protect themselves against the millions of drivers in Texas who don't have car insurance or who are underinsured. Research shows insured drivers strongly support any effort to keep uninsured drivers off the road.

*e. How Many uninsured vehicles are there in Texas?*

It is estimated that one in five Texas vehicles is uninsured. That's nearly 4 million cars without insurance or about 20 percent of all vehicles in Texas. In some areas of the state, the concentration of uninsured vehicles may be even higher.

*f. Do other states have programs like this? How do they work?*

More than 30 other states have some type of auto insurance verification program. Some states have programs similar to what we have in Texas, but none are exactly the same. Some states have a simple random sample method where letters are sent to owners of registered vehicles asking them to verify insurance. Other states verify insurance after a transaction has taken place, such as vehicle registration.

*g. What happened in other states with programs like this?*

Every state that instituted some type of auto verification program has seen a reduction in the number of uninsured vehicles.

*h. Who is behind TexasSure?*

Getting uninsured motorists off the road is a collaborative effort. The TexasSure vehicle insurance verification database is a joint project of the Texas Department of Insurance (TDI), Texas Department of Transportation (TxDOT), Texas Department of Public Safety (DPS) and Texas Department of Information Resources (DIR). The Legislature named TDI as the lead agency, giving it primary responsibility for the project.

*i. How much is TexasSure going to cost the State? How is it funded?*

The initial cost of the program is roughly \$ 7 million. The money comes from a portion of the \$ 1 fee that drivers pay when they apply for or renew their motor vehicle registration.

**2. What information is included in the TexasSure Database?**

**A. Do drivers have access to the database to make sure information is included and correct?**

The TexasSure database includes vehicle registration information – such as vehicle identification number (VIN), owner name and address, and make, model and year – and insurance policy information – such as address, insured drivers, insurance company name and policy effective dates. Only authorized users have access to the database.

**B. How will TexasSure obtain vehicle insurance information?**

1. Every week, insurers provide their policyholders' auto insurance information to TexasSure, where it is matched to state driver license and motor vehicle records.
2. If a match of insurance and state records cannot be found, the registered owner will be contacted to help identify and correct the problem. (Less than 1% of all reported insurance policies can't be matched in the TexasSure program.)

3. TexasSure will receive automatic updates from insurance companies. A suitable grace period allows for data discrepancies due to vehicle sales, changes in policies, and other normal situations.
4. The electronic TexasSure system will automatically check whether your vehicle is properly insured each time you register or renew your vehicle registration or have an inquiry by law enforcement. The system also will do periodic checks of the database to make sure vehicle owners have not dropped their insurance coverage.

**C. What about personal information and documentation or proof of insurance for each vehicle?**

1. The operator of a motor vehicle on Texas roads and highways shall carry and present, upon request by a law enforcement officer or person with whom they are involved in an accident, proof of financial responsibility.
2. Texas law requires every driver to carry minimum liability insurance coverage or other financial responsibility. Proof of insurance is required for annual vehicle inspections, vehicle registrations, and some driver license transactions.
3. While the TexasSure program will provide accurate and timely electronic verification of insurance, the driver of a motor vehicle must continue to carry proof of insurance or financial responsibility.

**D. What are the current requirements for auto liability in Texas?**

1. As of April 1, 2008, Texas law, under Transportation Code §601.072, requires minimum coverage of \$25,000 per injured person, up to a total of \$50,000 for everyone injured in an accident, and \$25,000 for property damage. This basic coverage is called 25 / 50 / 25 coverage.
2. These limits will increase to 30 / 60 / 25 on January 1, 2011.

**E. What about information privacy and security?**

1. There is no general right to privacy regarding whether or not insurance coverage is in effect for a particular vehicle or driver.
2. Personal information however is protected by the Federal Driver Privacy Protection Act (FDPPA) and other Texas regulations. Personal information will not be used by TexasSure for any purpose other than verifying that each driver has auto insurance meeting the state-required minimums for coverage.

**3. Who will have access to the TexasSure Database?**

**A. Who are the authorized users of the TexasSure database?**

1. At this time, access is limited to law enforcement and vehicle registration offices as these entities are vital in helping reduce the number of uninsured vehicles.
2. Individuals WILL NOT have access to the TexasSure database.
3. Courts WILL NOT have access to the database.

**B. Can a driver access the TexasSure Database to make sure they are included?**

1. Answer: NO
2. A driver or owner may contact their own insurance agent or insurance company to determine whether the information they have on you is accurate and correct. Even though it may be their own information, they may not access the TexasSure database.

**C. The Only persons or entities allowed to access the TexasSure database are:**

1. Texas Department of Public Safety.
2. Recognized state or local Police or law enforcement agencies
3. Vehicle Registration Offices.

**4. Other interesting questions:**

**A. If a vehicle is sold, does the owner need to notify the state about the transfer of title?**

Yes. If an owner sells a vehicle or no longer owns it, the owner might want to protect themselves by submitting a VTR Form-346 or vehicle transfer notification to the Texas Department of Transportation within 30 days of the sale date. This form must be submitted whether the vehicle is sold or traded and must be done within 30 days. In this way, the driver will not held responsible for parking tickets, toll charges and other violations associated with the vehicle after the date of sale.

The owner will also need to notify their insurance company that they no longer own the vehicle.

**B. If an insurance policy in one person's name also covers a car titled in their spouse's name, will TexasSure also verify that spouse's insurance?**

Yes. So long as that spouse is also listed on the policy. However, it is best that the spouse provide a proof of insurance card as it may be needed to verify insurance if each spouse have different names and/or addresses.