

Remarks of Vanita Banks, JD, LL.M., FLMI, as prepared for delivery at
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Good Afternoon. Thank you Amy for that kind introduction. It is a pleasure to be here and to participate in your outstanding Program. I also want to acknowledge our Allstate team of actuaries here today. I'm Vanita Banks, Corporate Counsel with Allstate Insurance Company. I am a member of our Government Relations Public Policy Division that develops and advocates Allstate public policy positions. I am the lead Public Policy lawyer for Allstate's safe driving initiatives, including our top legislative priority: the enactment of the STANDUP Act (The Safe Teen and Novice Driver Uniform Act, S. 528; H. 1515) as a stand alone bill (or inclusion of its key provisions in the pending federal surface highway/transportation bills). I work very closely with our Allstate Federal Affairs colleagues in D.C. who lead our federal legislative and advocacy work, in providing legal support for the STANDUP Act, federal transportation bills, state distracted driving laws, X the Text and state Graduated Driver Licensing (GDL) requirements. I also provide the public policy team legal support and coordination of our advocacy, marketing and external paid media materials, grassroots and legislative and regulatory efforts at both the federal and state level.

As you know, Allstate has a strong history and legacy of promoting safe driving initiatives, including seat belts and air bags. Teen safe driving is a natural expansion of our efforts. We have a dual strategy. At the federal level, we are advocating the STANDUP Act. At the state level, we are advocating the enactment and enforcement of comprehensive GDL laws. I will begin by framing our discussion regarding the STANDUP Act and the state GDL laws in the context of the urgency to end this tragic national, but

preventable, epidemic that is taking the lives of thousands of our young people.

As stated in the description of this presentation in your Agenda, an average of 11 teens die every day in auto accidents and over 4,000 a year on our roads and highways. The No. 1 killer of teens today is auto accidents, more than homicide, suicide, and health conditions. This is roughly the equivalent of 9 jumbo jets at full passenger capacity. If 9 fully loaded jumbo jets crashed every year, there would undoubtedly be a public outcry, and you can bet that something would be done about it. You can be sure that a massive effort would be focused on eliminating those tragic disasters. When even one plane falls from the sky, the story is in the headlines for weeks. But the equivalent of 9 planes full of teens dying each year barely registers a blip on the national radar.

Teen driving fatalities don't just affect teens. Between 2000 and 2009, 81,000 people were killed in crashes involving drivers ages 15 to 20. More than 47,000 of those fatalities were not teens. This is not just a health issues. Teen driving is also an economic issue.

In 2009, crashes involving teen drivers cost the nation more than \$38 billion dollars. While these numbers are staggering, we know that comprehensive GDL laws are the proven cure. We need to raise awareness of the dangers of teen driving, and we need to mobilize support for solutions that can curb these threats. At Allstate, we are passionate about safety; it is part of our promise to help protect our customers. Throughout our organization, from our agents, to our employees, to our Allstate Foundation, we are all working toward making the world a safer place.

There is a solution to this epidemic of teen deaths, and Allstate is leading a broad bipartisan effort to pass the STANDUP Act. The STANDUP

Act creates minimum national GDL standards for all young drivers, and increases the number of hours of teen training and supervision.

The STANDUP Act has the following optimal components:

- 1. A 3 phase licensing process for full licensure (Driver's license permit issued no earlier than age 16; an intermediate stage, and full licensure at age 18);**
- 2. Ban on cell phone, other mobile devices and texting use while driving;**
- 3. A nighttime driving restriction;**
- 4. A restriction on the number of non family member passengers under age 21 in the vehicle.**
- 5. Any other requirements adopted by the Secretary of Transportation, such as a minimum of 30 hours of supervised training for a learner's permit.**
- 6. Compliance with the requirements within the first three years after enactment will make states eligible for incentive grants. States have three years to meet the requirements, after which sanctions are imposed to encourage states to meet them. (The sanctions provisions are not included in the pending federal bills)**

The research shows that teen accidents are largely caused by inexperience and distraction. But comprehensive GDL laws can help end an epidemic of preventable deaths. GDL programs are designed to phase beginning teenage drivers to full driving privileges. The GDL concept emerged in the early 1970s and was based on three key factors in teen-driver crashes: nighttime driving, the presence of other teens in the car, and the youth and inexperience of the driver.

Research has shown that a teen's risk of being involved in a crash is highest immediately after receiving a driver's license, but that driving under adult supervision during that time reduces teen crash risk dramatically. GDL laws minimize high-risk situations during the earliest stages of driving, and have been proven effective in reducing the number of crashes involving teen drivers. Over the last 20 years, GDL laws have saved an estimated 15,000 lives.

The National Safety Council and the Allstate Foundation recently published the License to Save Report. In this report, The National Safety Council's estimate of lives saved as a result of state GDL programs applies the results from a 2007 national review of state graduated driver licensing laws. This study found that states with the most comprehensive GDL programs had fatal crash reductions involving young drivers of 38 percent. The study found that greater reductions in fatal crashes occur as states increase the number of GDL components in their laws:

States with one GDL component implemented experience 4 percent fewer fatal crashes,

States with two or three GDL components implemented experience 10 percent fewer fatal crashes,

States with four GDL components implemented experience 21 percent fewer fatal crashes,

States with five GDL components implemented experience 38 percent fewer fatal crashes.

When the study was conducted, no state had six or seven elements in its GDL laws. Thus, only states with as many as five elements could be measured. Since that time, some states have added sixth and/or seventh elements to their GDL laws. The Allstate Foundation and the National Safety

Council believe that each additional element of GDL has life-saving value, though the specific value of these elements is not yet known because so few states have them and they have not yet been measured. Not including an estimate of the value of states adding sixth and seventh elements to their laws might imply to some that when states add sixth and seventh elements, they do not have life-saving value.

For purposes of establishing a national estimate of the benefit of GDL, the National Safety Council chose to use a 7 percent fatal crash reduction for the sixth and seventh elements. These estimates are not based on actual data, but were chosen to illustrate that when states add these elements to their GDL laws, they do have value.

GDL standards ensure that young drivers can gain experience over time in a less risky environment. Research has also shown that GDL laws are an effective way to reduce teen driving fatalities, and that they are a critical first step in making sure that teens have the knowledge and skills to be safe behind the wheel. All states have adopted some form of GDL laws, and some are better than others, but it is a patchwork approach with only a handful of states using the most comprehensive set of GDL guidelines. Most states have not yet enacted all elements of an optimal GDL program.

We need national minimum standards to create consistency and uniformity across state lines – much like when President Reagan signed legislation encouraging states to set the minimum drinking age at 21 or when President Clinton acted to set a national standard for what constitutes drunk driving. These Presidents rose above traditional politics to save thousands of lives. In both cases, people saw the magnitude of the problem, and the power of a federal solution. Teen driving is no different. The stakes are significant. If all states enacted comprehensive GDL laws, it

is estimated that more than 2,000 lives would be saved and thousands of injuries would be prevented at an annual savings of more than \$13 billion.

GDL systems generally consist of multiple stages beginning with an extended supervised learner phase, typically lasting six months or more that teens must complete prior to their road test. After passing their road tests, young drivers are granted an intermediate license, which forbids or severely restricts unsupervised driving situations known to involve particularly high crash risk, such as driving late at night or with non-family passengers. Once young drivers have completed all the requirements of the first two phases without any violations, they are issued full unrestricted licenses. The minimum age for obtaining an unrestricted license varies by state and is usually 17 or 18.

We know from the pediatric science developed by the American Pediatric Association and other medical groups that the prefrontal cortex of the brain that controls judgment and appreciation of risks is not fully developed until the early 20s, and even later for some of us (laugh). We are joined by over 150 safety organizations in advocating for the passage of the STANDUP Act. There is wide support from a number of groups including the Advocates for Highway Safety, the National Safety Council and Mothers Against Drunk Driving. These groups all recognize the dangers of teen driving and have endorsed STANDUP as a means to solve them. The bill is a great example of business, government and civic organizations working together to find solutions to the challenges our families and children face.

When states have implemented comprehensive GDL laws, the number of fatal crashes among 16 years olds has fallen by up to 40 percent. State and national evaluations of GDL laws have found crash reductions for 16 and 17 year old drivers in the 20 to 40 percent range. (Williams & Shults,

2010). By calling on best practices across the country, we can empower every state to save more lives, and billions of dollars could be saved for consumers, businesses and state and local government. In Illinois, teen driving deaths dropped by more than 40 percent the first full year following 2007 implementation of a stronger GDL law. Illinois has a good GDL law, and if Illinois added a 16 minimum age for a learner's permit and strengthened its passenger restriction, an estimated 37 teen lives would be saved and \$300 million dollars annually. Other states that have good GDL laws include Kansas, Indiana, New Jersey, Massachusetts and New York. At a time when many states are experiencing budget shortfalls, these savings could be used to improve critical services and infrastructure.

Although thousands of teen lives have been lost nationwide, thousands more can be saved. It is time for us to pass a national GDL law. Our country needs it. Our children deserve it. Parents of teens surveyed strongly endorse GDL laws. More than two-thirds of teens surveyed also support a single law that incorporates the key GDL components. However, more than half of high school students in one survey admitted to sending text messages while driving, which means that we still have work to do. There are few opportunities for lawmakers to make such a big difference in the health of the communities they serve.

In conclusion, at Allstate, we are proud of our history as a strong advocate for safer roads. We were among the first to call for mandatory seat belts and airbags. Today we are proud to lend our voice to those working to ensure our next generation grows up healthy and safe.

Thank you very much.