



Car insurance policy a must

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As soon as you become a motorist, you must also become a car insurance policy holder. Because not only is it the responsible thing to do — it's also the law. First, a few terms you'll need to know before you shop around:

- **Insurance policy.** A contract between you and an insurance company that details what the company will cover, what you are responsible for and what each side will pay in the event of an accident or other damage.

- **Premium.** The amount you pay for coverage that's assessed monthly, quarterly, semi-annually or annually.

- **Coverage limit.** Maximum amount of money the company will pay on a claim.

- **Deductible.** How much money you need to pay out of pocket before coverage kicks in.

Also be aware of the many types of coverage you can have under a car insurance policy:

- **Bodily injury and property damage.** Bodily injury will include a coverage limit for one person and for all affected persons; property includes damage to someone else's car as well as structures like light posts and fences.

- **Medical payments.** Covers bodily injury expenses for you and your passengers regardless of whether you or another motorist are at fault.

- **Collision.** Covers damage to your vehicle.

- **Comprehensive.** Covers all other types of vehicular damage (vandalism, break-ins, fire, etc.).

- **Uninsured or underinsured motorist.** Covers your lost wages and medical expenses if you are in an accident with someone who lacks any or enough auto insurance. It will also cover you in a hit-and-run accident.

Pennsylvania's minimum insurance requirements are \$15,000 for an injury or death to one person in a single accident, \$30,000 for injuries or deaths to multiple people in a single accident and \$5,000 for property damage. You'll probably want to buy more coverage than that, especially if you have assets like a house, savings or investments; having too little coverage is an invitation for enterprising personal injury lawyers to go after your treasures in the event a claim is filed against you.

The two ways to shop for car insurance are through an agent or by directly contacting an insurance company (if you're a teen, simply ask your parents to add you to their policy).



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If you're motorist, you must also be car insurance policy holder.

KEY POINTS

- It's the law to have state minimum insurance coverage on any vehicle you drive. But it is a good idea to get more coverage than the state-mandated minimum to protect any assets like a house or savings that you may have.
- Always shop around for a deal by visiting insurance comparison sites like www.comparisonmarket.com, www.edmunds.com or www.insweb.com; try changing coverage limits and deductibles to lower the premium.
- Inquire about potential discounts such as having a high G.P.A., passing a driver's education class or driving less than the average person.
- To lower the price of your car insurance policy, experiment with changing how much coverage you want and how much deductible you are able and willing to pay.
- Never let your car insurance lapse, as many companies will refuse to even give you a quote if your old policy expires before you start shopping for a new one.

Always shop around for a deal. Visit insurance comparison sites like www.comparisonmarket.com, www.edmunds.com or www.insweb.com; try changing coverage limits and deductibles to lower the premium.

Then ask about the many other discounts you may be eligible for to bring that premium down even more. You may be able to snag a discount for having a high G.P.A., passing a driver's education class, driving less than the average person and insuring all your family's cars with one company (there are discounts for insuring multiple vehicles on one policy).

It's also a good idea to check out J.D. Power and Associates' consumer satisfaction sur-

veys of auto insurance companies and Standard & Poor's assessment of how financially sound the auto insurance companies are.

Never let your car insurance lapse, as many companies will refuse to even give you a quote if your old policy expires before you start shopping for a new one.

When you sign the dotted line on your new policy, cancel your old policy if necessary and make sure to carry proof of insurance every time you drive. And also make sure to keep a copy at home!

AMANDA PRISCHAK, *Newspaper in Education coordinator*, can be reached at 870-1611 or by e-mail.

Check out these Web sites to learn more:

www.teachmeaboutmoney.org
www.eriefcu.org/savings/financial-literacy

www.unitedwayerie.org/financial-stability
www.goerie.com/nie

www.erie.ja.org
www.eriebc.edu

JA programs aim to excite students

Junior Achievement is the world's largest organization dedicated to teaching students about entrepreneurship, work readiness and financial literacy through programs that are often taught by local businessmen and women.

Each activity is tailored to different age groups. Here are just a few of the activities JA students love doing.

Elementary school

JA material reaches the youngest learners through programs like Our Region. In one activity, students come to understand the relationship between natural, human and capital resources by using little green erasers to learn about resources like rubber and steel that are needed to build cars.

Middle school

JA Economics for Success explores personal finance and

students' education and career options based on their skills, interests and values. It also demonstrates the economic benefits of staying in school. For instance, students use Savvy Shopper Cards to decide whether to pay cash, use credit or pass on making a purchase.

High school

Students are introduced to the world of work through activities like role-playing designed to develop effective speaking and listening skills, developing solutions to potential workplace conflicts and participating in mock interviews. The activity JA Be Entrepreneurial challenges students to start an entrepreneurial venture while still in high school and invites them to listen to podcasts on www.ja.org.

To learn more about JA or to bring JA to your school, contact Gail Whitney at 898-6385 or gwhitney@javiesternpa.org.

CAREER CORNER



Garret Tadda

Name: Garret Tadda

Occupation: I am the Financial Literacy and Community Outreach Coordinator at the Erie Federal Credit Union.

Typical day: The Erie Federal Credit Union is a strong supporter of the Erie community, and one of the key ways that we try to better it is to teach financial lessons to people of all ages. I organize the events that we do in the community. I get fellow employees to attend them and to ensure that everyone has what they need to teach the lessons and to talk to people about the Erie Federal Credit Union.

Favorite part of job: I like working with people, and my job gives me the opportunity to work with many different groups. Sometimes I am talking to kindergarten students about what money is while other times I am speaking to a group of adults. To succeed in this job, a person needs to be outgoing, flexible and organized.

Education: I obtained a bachelor's degree in foreign languages and international business from Gannon University and a master's in business administration from the University of Phoenix online.

Using what you have learned about car insurance, find a newspaper automobile listing (in either the advertisements or in the classifieds) that you think would qualify for lower insurance rates. Also find a car that you think would be more expensive to insure. Estimate the differences and then use the Internet to check your answers. Experiment with variables like age and driving record to see how they affect insurance rates. List the best auto deals for insurance. Finally, consult newspaper ads, the Internet and other sources to learn how things like sound systems, wheels and upgraded interior materials (like leather) affect auto purchase prices and auto insurance quotes.

