

National Conference on Street and Highway Safety

Report of the
COMMITTEE ON INSURANCE

Appointed by
The Secretary of Commerce

This report is one of eight issued for consideration in advance of the National Conference on Street and Highway Safety. The reports are: I. Statistics; II. Traffic Control; III. Construction and Engineering; IV. City Planning and Zoning; V. Insurance; VI. Education; VII. The Motor Vehicle; VIII. Public Relations

Washington, D. C.

November 7, 1924



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Conference on Street and Highway Safety

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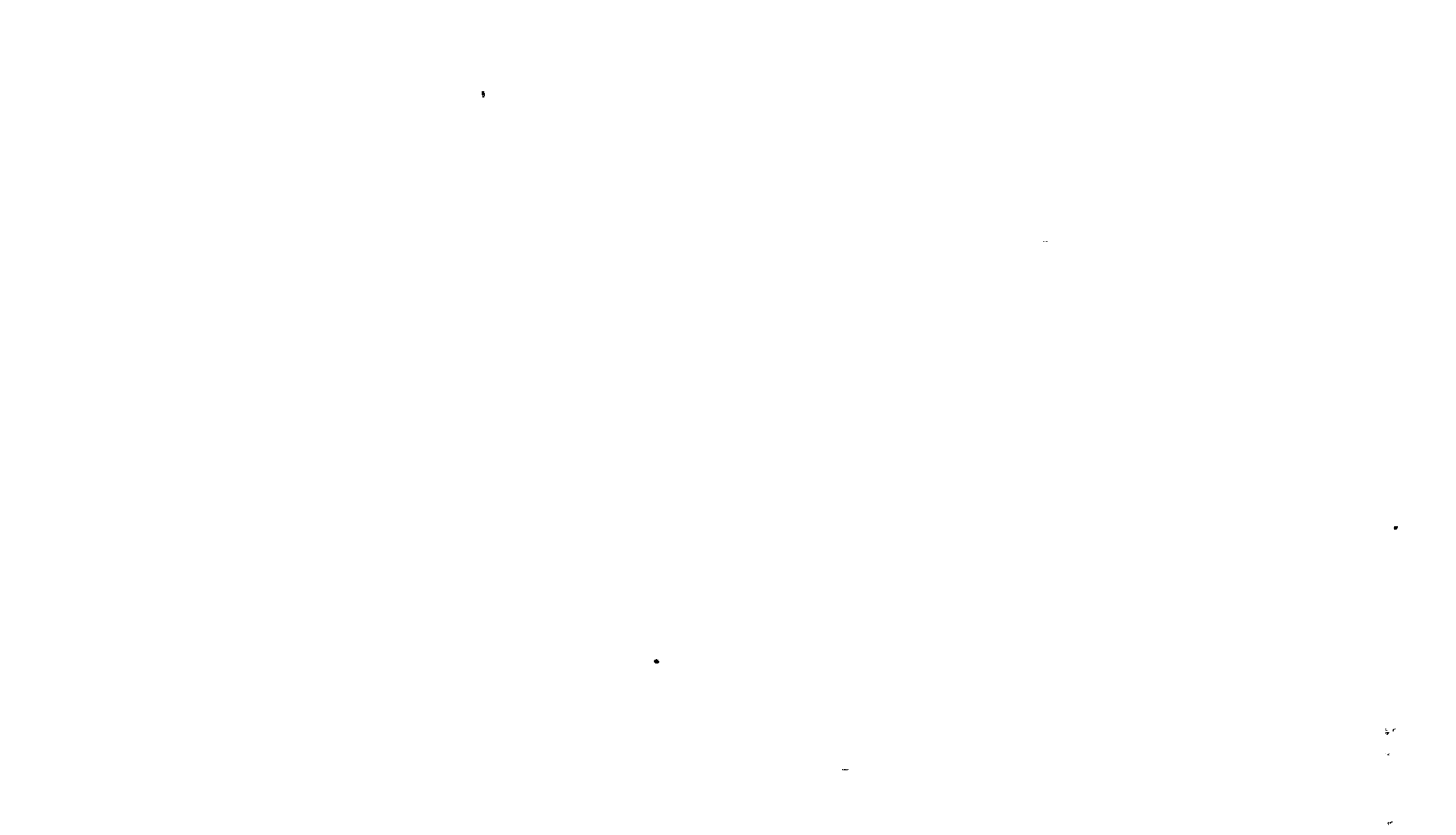
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Conference on Street and Highway Safety

Report of Committee on Insurance

*The Honorable Herbert Hoover, Chairman,
Conference on Street and Highway Safety,
Washington, D C*

SIR: In conformity with the defined purpose of the Conference on Street and Highway Safety, namely, the prevention of public accidents on our streets and highways, your Committee deemed it proper to limit the scope of its investigation to that end. Its recommendations therefore relate solely to the prevention of accidents, as distinguished from the alleviation of suffering following accidents or the indemnification of losses incurred.

Although insurance is largely concerned with the indemnification of losses, it is important to bear in mind that the scope of its service is by no means limited to this one function. With respect to street and highway safety, prevention of accidents is an integral phase of the insurance business. Insurance carriers were pioneers in the effort to reduce public accidents. To an ever-increasing extent they are developing their sphere of influence in this particular field of endeavor.

Prompted by a knowledge that an increasing accident toll means higher losses to themselves and an increased financial burden to the public, insurance carriers participate actively in accident prevention work, and, as an incident to their operation, expend liberally in money and time for the public good. Their contacts with the public, particularly with the insuring public, are numerous and close. Many helpful safety campaigns have been undertaken by them, often through some association membership or in cooperation with national safety organizations. Where groups of commercial automobiles are concerned much is also being done by insurance companies in the interests of a reduction in the frequency and severity of accidents through the preparation and publication of drivers' manuals, the formulation of methods designed to enable policyholders to employ the right type of drivers, the application of effective bonus systems for drivers, the conduct of drivers' schools, and the installation of a systematic and periodical inspection service by expert inspectors at the companies' expense for the purpose of thoroughly examining the policyholders' automobile equipment and of making recommendations with relation thereto.

Insurance also facilitates education in the field of accident prevention. Most of the companies participate actively in the dissemination of safety propaganda through numerous channels and along many lines. Moreover, through the collection and analysis of accident data the insurance business is instrumental in the development of necessary information that is basic to any scientific study of the subject of accident prevention on streets and highways.

Bearing in mind the fundamental purpose of the Conference, namely, the prevention of accidents, your Committee desires to present the following summarized conclusions:

Summary of Conclusions

1 The Committee recommends that insurance companies be urged:

(a) To keep a detailed and clearly organized record of their experience of street and highway accidents according to causes, location and other controlling factors, and to exert their influence, through cooperative effort, to bring about the preparation of a uniform standard form for the recording of essential particulars relating to accidents and their prevention on our streets and highways.

(b) To cooperate through their various associations and affiliations in the compilation and distribution, with other agencies, of a uniform manual for the use of automobile drivers, designed to educate the operators of motor vehicles in safe driving practices, and divided into two sections, the one comprising special instructions to drivers of commercial automobiles, and the other special instructions to drivers of private passenger automobiles.

(c) To cooperate with and impress upon those insuring fleets of commercial automobiles the desirability of conducting regular and periodical courses of instruction for their fleet drivers.

(d) To adopt the practice, insofar as practicable, of making periodical inspections as to the condition of automobiles insured by them, with particular attention to such matters as brake adjustment, steering control, clutch mechanism and lighting equipment.

(e) To take steps through the national insurance associations in which they hold membership, or otherwise, to bring about a coordination of the public accident prevention work now being done by them, and to consider the accomplishment of this object through the organization of a coalition committee composed of engineering and safety experts, representing the various types and groups of insurance carriers.

2 The Committee recommends that all of the States adopt the principle of certification and registration of automobile titles as one of the most important and effective means for reducing thefts, and, by virtue of this result, owing to the causal relation between the theft and accident hazards, also a measure for improving the present public accident situation. This legislation should be uniform and should contain adequate provision for enforcement with proper penalties for violation. Closer cooperation between the various agencies interested in the passage of these laws would be helpful in securing their enactment.

3 After a thorough analysis of the proposal to rate individual risks on the basis of merit rating, the Committee feels that the application of this principle is of doubtful efficacy as a preventive of automobile accidents, and is of the conclusion that at the present it is impracticable of application; but the Committee does recommend that every community undertake prevention work aggressively, since it is the community that largely controls the factors that make for a reduced accident toll, this factor in turn being reflected ultimately in a lower cost for public liability, property damage and collision insurance.

4 The Committee has considered the various expedients which have been suggested to it as deterrents to careless or reckless driving, and is of the opinion that the only practical and effective proposals involve the enactment and enforcement of rigid licensing laws and the principle of impounding the offending vehicle and therefore recommends the enactment by the States of—

(a) a law with respect to motor vehicles to provide that when any motor vehicle is operated in violation of the provisions of the General Motor Vehicle Law, or negligently or carelessly, and any person is thereby injured in person or property, the operator's and/or owner's license of the driver or owner thereof shall be immediately in any event suspended, and in the proper instances, revoked; and

(b) a law with respect to motor vehicles to provide that when any motor vehicle is operated in violation of the provisions of the General Motor Vehicle Law, or negligently or carelessly, and any person is thereby injured in person or property, such motor vehicle shall be impounded.

By the Committee,

Washington, D C
November 7, 1924

S S HUEBNER,
Chairman

NOTE—Mr William Brosmith states that he is in accord with the suggestion in paragraph 3 of the above conclusions that communities

undertake prevention work aggressively, but he does not agree that individual merit rating is impracticable of application at the present time

Mr Fred W Baer states that in his opinion paragraph 4 of the above conclusions does not sufficiently protect automobile owners and pedestrians With the exception of this section, the report meets with his approval

Standardization of Accident Records

The insurance carriers at the present time concentrate in their statistical work upon loss experience, giving minor consideration to causes and locations of accidents and such data as would be helpful to their safety departments or other agencies interested in the subject of accident prevention. Your Committee distributed about twenty-five hundred (2,500) copies of its questionnaire (see Appendix A) to insurance companies in order to gain some idea regarding accidents incurred with insured motor vehicles. In calling for this data, the Committee discovered there was considerable lack of uniformity among companies in keeping record of their accident experience. Because of this, the material was secured with considerable difficulty. It was necessary for the insurance companies responding to the call to review their claims files and pick therefrom the information which the Committee desired.

Eighteen hundred ninety-seven (1897) questionnaires were returned by the companies. These reports covered automobile accidents occurring in 244 cities of 44 states. The following is an analysis of them according to manner of occurrence.

	<i>Per cent</i>
Collision with pedestrian	46
Collision with another moving automobile	30 4
Collision with other moving vehicle	10 9
Collision with stationary object	5 3
Not classifiable	7 4

Analyzed according to responsibility, the reports give the following information:

	<i>Per cent</i>
Careless or reckless automobile driver	32 7
Careless or reckless pedestrian	29 3
Both parties jointly	18 7
Other highway users, including wagons, trains, street cars, bicycles, motor cycles, etc	16 4
Defective automobile	2 7
Physically defective driver	0 2

Undoubtedly many of the answers received were based on judgment. Furthermore, it was found impossible to go beyond the merest outline of a report covering the types and causes of accidents. It would seem, therefore, that it would benefit the carriers and any other agencies interested in accident prevention were there to be designed a uniform system of keeping data concerning conditions preceding and surrounding

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personal injury accidents for which the companies become responsible as indemnifiers. The adoption of such a uniform system would probably make no more work for the insurance companies than is now the case and would put them in the position of being able at all times to respond to such calls as might be made by the constituted authorities or by such an investigating agency as this Conference.

Standardized Drivers' Manuals

At the present time practically every company engaged in the business of insuring automobiles makes some effort to direct the drivers of cars along lines of safety. This effort ranges from the distribution of windshield posters containing suggestions for careful driving during the first five hundred (500) miles of the car's use to the formation and conduct of drivers' schools for the special benefit of fleet operators.

Some companies and at least one national automobile association have compiled and put into the hands of automobile drivers an instruction book or manual dealing with such subjects as rules of the road and commonly accepted principles of safe driving. There is, however, no uniformity in the work now being carried on and it is the thought of the Committee that the insurance companies should, and would, cooperate in any movement tending to bring about the compilation, publication and distribution of a drivers' manual which would give in simple language and proper form such instruction as might easily be memorized by any one.

Courses of Instruction for Drivers of Commercial Cars

By far the most effective educational work undertaken by insurance companies has been with the so-called fleet owners; that is, with firms and individuals owning and operating in their business five or more automobiles.

The first step in this has been to arouse the fleet owner himself to a lively interest in the prevention of accidents. An appeal is made to him, pointing out that preventive work will benefit the fleet owner by

(1) Reducing the frequency and severity of accidents, thereby decreasing losses and entitling him to a lower insurance rate. This would apply to fleets of ten or more motor vehicles.

(2) Keeping his automobiles in commission; the lay-up of cars for repairs after accidents reduces his income.

(3) Giving him the satisfaction of having done something for the protection of life and limb.

After the policyholder's interest and cooperation have been secured, the second step is to assist him in employing the proper type of drivers

Application blanks (see Appendix B) to be filled out by applicants for chauffeurs' positions are prepared for policyholders with this purpose in view. By means of their loss records the companies are able to note the men whose accident records indicate carelessness and recklessness, and they are thus in position to point out to the fleet owner the drivers who should be disciplined or dismissed.

With the proper background established, it becomes possible to deal directly with the drivers. Drivers' schools are organized and regular instruction is given to the men by paid representatives of the insurance companies. Many companies use the National Safety Council's series of twelve lessons as a basis for class instruction. The men are taught how to operate their cars at maximum mechanical efficiency and how to drive carefully so as to avoid accident. They are also instructed regarding the law of the road and the traffic ordinances of the communities in which they drive.

If it is found impracticable to conduct a regular drivers' school, the drivers are called together from time to time to listen to talks by safety men. Accidents which have previously occurred are analyzed so as to show their causes. As a result of these object lessons, accidents of the particular type discussed should be minimized or eliminated in the future.

The policyholder is supplied with a number of posters for display in his garage. Different posters are sent each week or each month as a supplement to lectures and classes, and as a further means of emphasizing and keeping alive the safety idea.

Inspection of Insured Automobiles

The investigation of your Committee discloses that while only fifty (50) out of a possible eighteen hundred twenty-five (1825) automobile personal injury accidents were due to defective automobile equipment, traffic congestion or wet and slippery road surfaces contributed to three hundred sixty seven (367). Undoubtedly many of these accidents were due to incompetency of the drivers, but it is also reasonable to assume that a fair proportion of them may be attributed to poor brake adjustments or other mechanical defects in the cars themselves. Improperly adjusted brakes may either fail to stop the car within the proper distance or may stop it so quickly as to cause sliding and skidding preliminary to a collision. Many of the accidents reported were due to glaring headlights of approaching automobiles and various mechanical defects contributed to others. Some insurance companies are encouraging fleet owners to institute plans of systematic and periodical inspection of their motor vehicle equipment. Special

forms (Appendix C) are provided for that purpose. Particular emphasis is laid on the care of brakes and steering apparatus.

Most of the companies assist policyholders with the care and upkeep of their equipment by employing staffs of inspectors whose duty it is to inspect thoroughly policyholders' automobiles and recommend any improvements or alterations that may make their operation safer. In view of the accidents which are attributable to defective mechanical equipment and of the known good results which have obtained from such activities as brake and light inspections, your Committee has made its recommendation concerning the periodical inspection of mechanical equipment. The Committee recognizes that inspection work is now being undertaken to a considerable degree and the results have led us to recommend its universal application.

Coordination of Safety Work by Insurance Carriers

Practically all of the facts which have been set forth in support of the Committee's recommendation concerning the compilation of a drivers' manual might also be mentioned in support of the Committee's recommendation for coordination of the accident prevention work being done by insurance carriers. Many insurance companies at the present time maintain safety departments, usually supervised by competent and experienced engineers. These departments function primarily in the interests of the companies of which they are a part and do a great deal of very effective work. However, their efforts are usually directed along lines which appeal to the person in charge. Publications and bulletins which are issued from time to time may deal with the least important phases of public accident prevention while the major phases may be entirely overlooked. The Committee is strongly of the opinion that through some existing agency the work of these safety engineers and safety departments may be coordinated to the end that in various communities and territories accident prevention educational work may be centered upon that phase of the problem making the greatest contribution to the increasing accident frequency record in the particular territory under consideration.

Certificate of Title Laws

Concurrent with the rapid extension in the use of automobiles, there has arisen a very serious theft situation. Owing to a lack of complete statistics on automobile thefts, it is impossible to state the exact value of cars stolen, but the most reliable estimates place it between \$100,000,000 and \$150,000,000 per year. Since the ownership and use of automobiles is widely distributed and not confined to any particular section

of society, the hazard of theft affects a very large percentage of our citizens

Although definite figures are not available, it is well known that many of our automobile accidents involve stolen cars. The individual who steals a machine is usually a dangerous and reckless driver. He may not be accustomed to driving a car of the make or type he has stolen and this alone would make him a menace to other persons using the road. After stealing an automobile, a thief is naturally fearful of detection and therefore drives quickly from the scene of his crime with little or no thought for the safety of others, he is thinking only of his own escape. In the event he is pursued, as is often the case, an accident may easily occur. We often read in the newspapers of a bandit or bootlegger chase which ends in a fatal collision. Because of their unusually high severity record, stolen car accidents deserve particular consideration.

One means of effecting a partial solution of the automobile accident problem lies in the curbing of automobile thefts. Many attempts have been made to combat the automobile theft problem. Some of these tend to prevent thefts; others assist in recovering stolen cars and render more difficult their sale. Included among these are mechanical devices, identification marks and the endeavors of police departments, insurance companies and the Federal Government through the National Motor Theft Act, as well as the efforts of private individuals and organizations.

Although it is recognized that these various agencies have done something toward checking motor thefts, none of them has been successful in entirely remedying the situation. One reason why the losses continue to take place is the ease with which automobiles may be transferred in such States as exercise no control over this situation. If this is made more difficult, there should be a diminution in thefts and subsequently a reduction in automobile accidents. This is because the incentive for stealing automobiles is decreased when the risk of sale is increased. A number of States attain this objective by placing the burden of proof regarding ownership upon the possessor of the automobile through so-called Title Certification or Automobile Anti-Theft Laws. The principal feature of these laws is that every car owner in the State must secure and possess a certificate of title proving his ownership of the vehicle in question. In order to register an automobile for the purpose of securing a license, the owner in most States having these laws must show this certificate. In the event a car is resold and assignment of title is made, the new title is recorded by the Secretary of State or some other official.

The first certification of automobile title law was enacted in Virginia in 1919. Since that time similar laws have been passed by the following

States: Alabama, California, Colorado, Delaware, Florida, Georgia, Indiana, Maryland, Michigan, Missouri, New Mexico, North Carolina, Ohio, Pennsylvania, South Carolina, Utah and Wyoming

It will be seen that nearly two-thirds of the States have not yet enacted title certification laws. A person, therefore, may steal a car in a State having a law of this kind and transport it to a neighboring State which does not have such rigid legislation. There it may be sold with considerably less danger of detection. Obviously, under these circumstances maximum benefits are not obtained through existing laws, and the advantage of having uniform title laws on the statute books of all States becomes apparent.

Officials of the States which have had experience with this form of legislation express gratification over the practical results obtained. The authorities of Maryland and Michigan have stated that a 50 per cent reduction in theft losses has been accomplished since their laws went into effect. Insurance companies have recognized the effectiveness of this legislation by a reduction in rates in some States. The United States Chamber of Commerce, after a careful investigation, is on record in favor of the principle of certification and registration of automobile titles. Automobile, as well as insurance organizations, and many others interested in the question of automobile thefts and accident prevention have given this type of legislation their unqualified approval.

Merit Rating of Individual Risks

It has been suggested that the insurance companies might do something to reduce automobile accidents by injecting into their rating structure the principle of merit rating of individual cars. It is assumed that the granting of a preferential rate to the assured who has not had accidents and the imposition of a penalty rate on the assured who has had accidents will induce motorists to operate more safely and more carefully. It is most commonly suggested that the man who has operated for a year without accidents should be entitled to a rate at least 10 per cent below the rate charged the man who has had accidents.

It might not be inappropriate at this point to call attention to the fact that the insurance companies today apply individual merit rating to communities and to fleets involving at least ten automobiles.

In the rating of communities, it has been found that because of the large exposure developed from most of the big cities, it is possible to measure accurately the hazard of automobile operation in those cities. Because of their ability to establish the intrinsic hazard and eliminate the chance hazard, the companies have established rates for nearly all the large cities squarely on their individual experience indications.

In the case of fleets of ten or more automobiles, it is found possible to measure scientifically the departure of the hazard of the individual risk from the hazard of the classification in which it has been placed, and to recognize this departure by a credit from the Manual rate where the experience is better than the average, and by a charge added to the Manual rate where the individual experience is worse than the average.

Thus far the companies have been balked in applying merit rating, or more properly, experience rating, to individual risks because of the impossibility of distinguishing the inherent hazard of the individual as contrasted with the fortuitous happenings of the law of chance. The insurance companies' statistics indicate that on private passenger cars, only one loss involving personal injury is expected in a twenty year period. The occurrence of that loss in any one year might indicate the undesirable character of the individual risk, but it is more likely that it will merely denote the chance happening of the accident which the policyholder has insured against.

The following particular difficulties present themselves so far as public liability coverage is concerned:

1. Automobile rates are based on the experience of the past. The loss statistics indicate that a certain level of rates is required, and irrespective of any system of credits and penalties, the companies must derive a certain premium income from all risks. The experience indicates that a public liability premium of about \$30 per car must be obtained on the average throughout the country. If a discount of 10 per cent, let us say, is to be granted for all risks not having accidents in any one year, one of two courses must be adopted:

(a) Increase the rate level over all by a percentage sufficiently high so as to permit the refund of 10 per cent of the premium on risks not having accidents. As the experience indicates, ninety-five out of every hundred assured do not have accidents in a year. The rate level would then have to be increased according to the following calculations:

$$\begin{array}{r} 95\% \text{ at } \$27 = \$25.65 \\ 5\% \text{ at } \$30 = \$1.50 \\ \hline 100\% \qquad = \$27.15 \end{array}$$

The base rate (\$30) must therefore be increased 10.5 per cent ($\$30 \div \27.15), that is, to \$33.15. This will be the rate for assured who have had accidents, for assured who have not had accidents, the rate will be \$29.83.

It will be apparent that the man now paying \$30 for his insurance will upon renewal be entitled to a reduction of only \$0.17 from his rate.

(b) Assess the amount returned in credits to the good risks, in the form of penalty charges on the bad risks. The penalty rate would then be established as follows. Ninety-five out of a hundred risks would pay \$27 each, or a total of \$2,565. Experience indicates the necessity for \$3,000 for the group of one hundred assured. The remaining five risks would have to pay an aggregate sum of \$435, or a rate of \$87 apiece. These are average conditions.

In New York City, where the present average rate on a Ford car is \$92, and where nineteen assured out of one hundred have accidents in the course of a year, the penalty rate established in the same fashion would be \$131.22. In the rural parts of the South and Far West, where the rate on a Ford car is \$10, and where two out of one hundred assured have accidents in the course of a year, the penalty rate would be \$59, nearly six times the present average rate. In other words, the cost of insurance for those unfortunate enough to have accidents would be absolutely prohibitive, and nearly all such policyholders would operate their cars without insurance.

2 As indicated above, statistics on claim frequency show that five out of every hundred assured have accidents in the course of a year; in other words, that an assured is expected to have one loss in twenty years. It is therefore not very much to his credit to have avoided that loss in any one year, nor very much to his discredit to have incurred it. An assured may run along for several years without accidents, and perhaps earn the credit which is advocated for him. After a time, however, he doubtless will have an accident, whereupon his rate will be increased and such an assured will naturally be indignant at being compelled to pay an advanced rate because he has met with the accident which he has insured against and which he is expected to have in the course of a twenty year period.

3 Of the 5 per cent of assured who have accidents in the course of a year, only a minority are in fact undesirable risks. Insurance companies will want to continue insurance at the average rate on most of the 5 per cent who have had accidents because those assured will be entirely desirable and will in all likelihood operate for several years in the future without accidents.

4 The plan of preferential and penalty rates will cause considerable friction between policyholders and insurance companies in regard to cases where the companies pay claims which the assured think ought not to be paid. Further, because of the very complexity of the elements attendant on the occurrence of any accident, there are bound to be many honest differences of opinion concerning the real causes and the

blame for the accidents incurred, and in such cases many assured will feel that they have been unjustly dealt with in being compelled to pay a higher rate because of the companies' payment of doubtful claims

For example, the motorist is often blameless in the case of child accidents, but the insurance company pays nevertheless

5 The treatment of new car owners suggests special difficulties Authorities differ in classifying new car owners as good drivers or bad drivers Should a new car owner be written at the preferential rate or at the advanced rate?

6 If an assured has two automobiles (for example, a closed car and an open car) and an accident is caused by one, should the discount be denied in the case of the car causing the accident and granted on the car which did not have the accident? If so, we concede the theory that the car caused the accident and not the driver.

7 It is doubtful if the proposed plan of preferential rating will really accomplish the purpose for which it is designed,—namely, reduce accidents In the first place, the average public liability premium over the country is \$30 a year Can we assume that the average automobile driver will be more careful just to get a discount of approximately three dollars per annum? In the second place, assured who happen to have had accidents are not necessarily careless drivers. As a matter of fact, the vast majority of automobile owners insured by the companies are high grade risks and the careless element is largely uninsured It is largely through the law of chance that five out of a hundred motorists happen to have accidents in a given year In another year these five will doubtless operate without accidents and another five of the hundred will have accidents The perfectly desirable assured who have had accidents will hardly be flattered by being classified as careless operators

Community Rating

Practically all of the objections enumerated above to the merit rating of individual risks arise from the fact that it is both theoretically and practically impossible to measure the intrinsic hazard of a particular automobile by the experience of one year or of a number of years The unit of exposure (one car) is very small, and the chance of accident comparatively small, and it is thus impossible, and even inequitable, to consider an individual car risk as a good risk or a bad risk because of the occurrence or non-occurrence of an accident in the course of one year.

In community rating the situation is reversed In an individual city there are thousands of cars insured, and the frequency of accidents calculated on so large an exposure is really indicative of the automobile hazard in that city The insurance companies have kept elaborate

statistics on the automobiles insured in each city and on the various types and classifications of cars in the respective cities, so that as rates are revised from year to year, it is found possible to recognize the goodness or badness of the city hazard in fixing of rates. By virtue of that system, it may be said that the individual community can in a sense determine its own rate level. Frequency of accident is the controlling factor in the automobile premium, and a city has the power to regulate its own accident frequency and thus to influence the premiums which its citizens must pay for their insurance.

Motor Vehicle Licensing and Impounding Laws

Your Committee has recommended the enactment of State licensing and impounding laws with respect to motor vehicles, to provide that when any motor vehicle is operated in violation of the provisions of the General Motor Vehicle Law, or negligently or carelessly, and any person is thereby injured in person or property, the operator's or owner's license of the driver or owner at fault shall be in any event suspended, and where circumstances of the case justify, revoked; and that the offending motor vehicle shall be impounded in a proceeding to be initiated by proper State, county or municipal authority.

Although these measures are not directly incidental to insurance, they have come before your Committee for discussion and consideration in connection with insurance measures and have been so forcefully presented and so clearly relate to safety and accident prevention that your Committee feels justified in including them as pertinent recommendations in this report.

These measures are recommended as the only ones of a number of expedients submitted to the Committee and carefully considered by it which directly tend to the prevention of accidents. It is the belief of your Committee that they impose upon the owner, and likewise upon the driver, obligations and inconveniences, the penalties of which neither can undertake in advance to avoid or guard against by means of any contract or arrangement entered into prior to the happening of the accident, and which in their essential effect neither the owner nor the driver can avoid subsequent to the accident. The trouble and inconvenience occasioned by the enforcement of the proposed measures will affect the owner and the driver under each and every circumstance in which the law is applicable. Further, the owner will be responsible to the extent of the obligations imposed upon him by these proposed laws, whether he himself is driving the automobile, whether his servant or agent is driving it, or whether any other person is driving it with his consent, expressed or implied, and the driver would be subject to like obligations and inconveniences.

Thus the proposed laws are bound to have great weight as deterrents, and constitute a threat, with the sanction of the State behind it, in advance of the accident that upon the happening of the accident certain penalties will follow. And the force of the threat lies in the fact that the penalties must in each instance affect the owner or the driver or both, and are in no circumstances susceptible of avoidance by either.

The deterrent idea underlies practically all punitive statutes. There is, for instance, no justification for the death penalty for murder except that it will serve to prevent murders. The idea is illustrated again in many forms of forfeiture bonds, particularly those required by the United States Government. The forfeiture of the security is not by way of compensation, but a deterrent in that advance knowledge of the penalty to follow upon the breach of the undertaking is estimated to have great weight in the prevention of the breach.

Your Committee believes that more stringent penalties should be inflicted upon owners and drivers of automobiles causing accidents as a necessary element in the reduction of the present accident frequency. The proposed measures cause an actual degree of inconvenience or loss to the automobilist, owner as well as driver, and, justly, inflict a penalty only upon those who have accidents. It is believed that these deterring elements will create a greater measure of caution.

Name of Company -----

REPORT OF AUTOMOBILE PERSONAL INJURY ACCIDENT

Return to
AMERICAN MUTUAL ALLIANCE
730 Fifth Avenue New York N Y

Place where accident occurred -----

Date when accident occurred -----

City State Month Day Year

TYPE OF ACCIDENT

Collision with pedestrian
Collision with moving motor vehicle
Collision with other moving vehicle

Collision with stationary object
Non-collision accident
Not otherwise classified

CAUSE OF ACCIDENT

Motorist's recklessness
Motorist's carelessness
Motorist's physical defect
Other liability of motorist

Pedestrian's recklessness or carelessness
Liability of other highway user
Joint liability of both parties
Due to equipment (Automobile)

CONTRIBUTING CONDITIONS

Traffic congestion
Wet or slippery road surface

Bad weather conditions
Bad light conditions

ASSURED'S AUTOMOBILE

Private Passenger car
Truck or Commercial car
Taxicab or Jitney

Driving at slow speed (0-12 miles)
Driving at medium speed (12-25 miles)
Driving at high speed (over 25 miles)

ASSURED'S DRIVER

Born in U S A
Foreign born

Male
Female

Inexperienced driver
Experienced driver

INJURED PERSON

Male
Female

Born in U S A
Foreign born

Killed or fatally injured
*Serious or minor injuries

* Indicate by letters S or M whether serious or minor

Name of Company _____
REPORT OF AUTOMOBILE PERSONAL INJURY ACCIDENT

Id'n of Report	Insurance Carrier	Accident No.	Claim No.	Address of Assured
				----- City State

The Accident	Place of Occurrence				
	----- City	----- State	----- Streets or Highway	----- Month	----- Day Year

TYPE OF ACCIDENT

COLLISION WITH PEDESTRIAN Code

Crossing street at crosswalk	01
Crossing street not at crosswalk—from behind another vehicle	02
Crossing street not at crosswalk—no obstruction of view	03
Walking along road	04
At work on roadway	05
On sidewalk	06
Boarding or leaving trolley	07
Standing in trolley car safety zone	08
Coasting in street	09
At other play in street	10
Suddenly running into street	11
Stealing a ride	12

COLLISION WITH MOVING MOTOR VEHICLE

Head on	20
Rear end	21

COLLISION WITH OTHER MOVING VEHICLE Code

Railroad train	30
Trolley car	31
Horse-drawn vehicle	32
Bicycle	33
Pushcart	34

COLLISION WITH STATIONARY OBJECT

Parked vehicle	40
Railroad crossing gates	41
Pole, tree, hydrant, bridge, etc.	42

NON-COLLISION ACCIDENT

Auto overturning	50
Running into ditch or water	51
Occupant jumping from moving vehicle	52
Cranking	53

Intoxication	25
Inexperience	26
Confusion	27
Ignorance of traffic laws	28

PEDESTRIAN'S CARELESSNESS OR RECKLESSNESS

Stepping in traffic from behind street car	30
Stepping in traffic from behind vehicle	31
Crossing street with view obstructed by umbrella	32
Failure to look for approaching traffic	33
Walking along wrong side of road	34
Boarding or leaving moving street car	35
Running in front of moving vehicle	36
Careless coasting in street	37
Stealing a ride	38

OTHER LIABILITY OF PEDESTRIAN

Intoxication	40
Physical defect	41
Confusion	42

LIABILITY OF OTHER HIGHWAY USER

Railroad engineer	50
Motorman	51
Gateman or flagman	52
Bicyclist	53
Teamster	54
Pushcartman	55

ACCIDENT

Two motorists	60
Motorist and pedestrian	61
Motorist and motorman	62
Motorist and gateman	63
Motorist and bicyclist	64
Motorist and pushcartman	65

DUE TO EQUIPMENT

Defective brakes	70
Glaring headlights	71
Insufficient lights	72
Defective steering equipment	73
Other defect in equipment	74

MISCELLANEOUS CAUSES

Defective highway*	80
Obstruction in road not properly marked	81
Occupant jumping on or off moving vehicle	82
Insect (bee, etc.) annoying or biting driver	83
Unavoidable skidding	84
Other unavoidable	85
Cause not known	86

*Use only when defect could not be noted and taken into consideration by operator.

	Too fast for conditions	01
	Driving on wrong side of road	02
	Failure to give right of way	03
	Cutting in	04
	Passing standing trolley (in violation of law)	05
	Passing on curve	06
	Passing on hill	07
	Passing on wrong side of vehicle	08
	Trying to beat train	09
	Cutting corner	10

MOTORIST'S CARELESSNESS

	Inattention	11
	Following too closely	12
	Failure to signal	13
	Careless backing	14
	Runaway car—brakes not set	15
	Runaway car—cranked in gear	16
	Parking on curve or hill	17

MOTORIST'S PHYSICAL DEFECT

	Deafness	20
	Color blindness	21
	Other defect of vision	22
	Epilepsy or other nervous disorder	23
	Paralysis, one arm or leg, etc	24

The Accident

Congestion Conditions

Business section	1
Residential (tenement)	2
Residential (other)	3
Congested trunk line highway	4
Suburban street	5
Rural road	6
Small village or town	7

Light Conditions

Light	1
Dusk	2
Dark	3

Weather Conditions

Fog	1
Mist	2
Rain	3
Snow	4
Clear	5

Relationship to Assured

Assured himself	1
Member of family	2
Friend	3
Chauffeur	4

Sex

Male	1
------	---

Day of Week

Sunday	1
Monday	2
Tuesday	3
Wednesday	4
Thursday	5
Friday	6
Saturday	7

Age

Actual Age)*
*If unascertainable state whether child, youth, adult or aged.	

Road Topography

Straight level road	1
Curve	2
Straight road bad up-grade	3
Congested trunk line highway	4
Curve with bad up-grade	5
Curve with bad down-grade	6
Street intersection	7
Railroad crossing	8

Road Surface

Wet	1
Dry	2
Mud	3
Snow	4
Ice	5

Hour of Occurrence

From	To	From	To	From	To
12 M.-1 A. M.		8 A. M.-9 A. M.		4 P. M.-5 P. M.	
1 A. M.-2 A. M.		9 A. M.-10 A. M.		5 P. M.-6 P. M.	
2 A. M.-3 A. M.		10 A. M.-11 A. M.		7 P. M.-8 P. M.	
3 A. M.-4 A. M.		11 A. M.-12 Noon		8 P. M.-9 P. M.	
4 A. M.-5 A. M.		12 Noon-1 P. M.		9 P. M.-10 P. M.	
5 A. M.-6 A. M.		1 P. M.-2 P. M.		10 P. M.-11 P. M.	
6 A. M.-7 A. M.		2 P. M.-3 P. M.		11 P. M.-12 M.	
7 A. M.-8 A. M.		3 P. M.-4 P. M.			

Nationality

American (white)	1
American (negro)	2
German	3
Greek	4
Italian	5
Pole or Russian	6
Scandinavian	7
Spanish or Portuguese	8

Apparent Education

Unable to speak English	1
Unable to read English	2
Grammar School	3

Driving Experience

0 to 3 Months	1
3 to 6 Months	2
6 to 12 Months	3
1 to 2 Years	4
2 to 10 Years	5

Driver Responsible for Accident

Car Responsible for Accident	Private Passenger	1	Slow (0-12 miles)	1	Brakes	1
	Truck or commercial vehicle	2	Medium (12-25 miles)	2	Steering Mechanism	2
	Taxicab	3	Fast (over 25 miles)	3	Glaring Headlight	3
	Jitney	4	Vehicle standing	4	No Headlights	4
	Bus	5	Unknown	5	No Tail Light	5
	Motocycle	6			Not otherwise classified	6

Injured Person or Persons Number—	Sex and Age		Nationality		Nature of Injury			
	Male	1	American (white)	1	Killed instantly	01	Slight shake-up and shock	22
	Female	2	American (negro)	2	Died as result of injuries	02	Internal injuries	30
	Actual Age () * Apparent Education		German	3	Fracture of skull	10	General contusions and bruises	40
	Unable to speak English	1	Greek	4	Fracture of spine	11	Sprains	50
	Unable to read English	2	Italian	5	Fracture of major member	12	Other (describe fully)	60
	Grammar School	3	Pole or Russian	6	Other fractures	13		
	High School or above	4	Scandinavian	7	Concussion of brain only	20		
	*If unascertainable state whether child, youth, adult or aged		Syrian or Turk	8	Severe general shock with contusions and lacerations	21		
			Any other	9				

INSTRUCTIONS

The entire value of the analysis of accidents by the National Bureau of Casualty and Surety Underwriters will depend upon the accuracy of this report. Your cooperation is therefore necessary. Please take time to enter the information carefully. Give information with a cross mark (X) except where otherwise indicated. In case definite and exact information is not obtainable mark the item which you think is most probably correct.

Under the "Cause" classification, where two causes are present, give the primary cause. For example, if an intoxicated driver fails to give right of way and an accident results, classify under "Motorist's Intoxication," on the assumption that he would have given right of way if sober.

The classification "Joint Liability of Both Parties to Accident" is given to cover cases in which faults of both parties to the accident are so equally balanced that it is not possible to charge the liability to one of the two drivers or machines involved. Where one cause, relating either to a motorist or a pedestrian, etc., stands out, however, as contributing more to cause the accident than any other, this cause should be checked. In this connection, it should be remembered that the motorist is the person in a position to do damage, and that consequently there is a greater obligation on him to be careful than on the pedestrian who cannot injure but can only be injured.

Under the "Miscellaneous" cause classification, the "Unavoidable Skidding" and "Other Unavoidable" items should be checked only when the accident occurred in spite of reasonable care on the part of all persons involved in it, and was not due to a defect or obstruction in the highway.

The cause classification is the heart of this report and should be very carefully reported.

The driver and the car responsible for the accident will, of course, not always be those of the assured.

INJURED PERSON OR PERSONS. Where several persons are injured in one accident, first give each injured person a designating number. For example, 1. John Smith; 2. Henry Brown; 3. Mary Jones, will be entered in the left-hand margin under "Designating No." If three persons are injured (all male and white American) numbers 1, 2 and 3 will be entered in block opposite the classifications "Male" and "American (White)." The age of each one will be entered in space provided and numbered 1, 2 and 3, immediately above the age. If Nos. 1 and 3 sustained fracture of skull and No. 2 was killed outright enter Nos. 1 and 3 opposite "fracture of skull" and 2 opposite "killed instantly" and so on.

CHAUFFEUR'S APPLICATION

Name.....

Address.....

Married or single.....

Place of birth.....

Date of birth.....

Place of father's birth.....

Place of mother's birth.....

How long have you driven an automobile?.....

Have you a chauffeur's license?.....

What schools have you attended and for what period?.....

.....

.....

.....

If foreigner, have you been naturalized?.....

If not naturalized, have you secured first papers?.....

Give name and address of previous employer for past five years.....

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Describe fully accidents which you have had.....

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Have you been arrested? If so, describe circumstances.....

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AUTOMOBILE DRIVER'S REPORT

APPENDIX C
Part 1
Truck No

Fill in below, and indicate condition of equipment at the end of each week, or any day repairs are considered necessary

One Copy to Mr.....in charge of repairs

One Copy to Mr.....in charge of delivery

Time starting.....Odometer
Start.....Miles

Time finished.....Odometer
Finish.....Miles

TOTAL MILEAGE.....

The condition of the mechanical equipment, so far as I can determine, is as follows:

BRAKES	IGNITION
STEERING MECHANISM	ENGINE
GOVERNOR	TRANSMISSION
NON-SKID APPARATUS	BODY
HEADLIGHTS	WINDSHIELD
TAIL LIGHT	CHASSIS
STOP LIGHT	ACCESSORIES

MISCELLANEOUS

REMARKS:

Date..... Driver's Signature.....

To be filled in by Garage Foreman:

Cost of Repairs Made

Items	Time	Material
.....
.....
.....
.....
.....

Date..... Signature.....

"SAFETY FIRST PAYS"

Car Number.....

Date..... Chauffeur.....

Check if the following supplies are needed

GASOLINE

OIL

WATER

Check the following parts that need attention

BUMPERS AND PLATES	LICENSE	WARNING DEVICE	SPRINGS AND FRAME
LIGHTS		STEERING GEAR AND CONNECTING RODS	TIRES AND CHAINS
RADIATOR		CLUTCH	BODY AND CAB
FRONT AXLE		BATERIES AND CABLES	LOOSE OR WORN PARTS
SPARK		TRANSMISSION	RADIUS RODS
CARBURETOR		UNIVERSAL JOINTS	TORQUE ARMS
VALVE ADJUSTMENT		DIFFERENTIAL GEAR AND CASE	RUNNING BOARD AND FENDERS
CARBON		BRAKES	
IGNITION CIRCUIT			

REMARKS

.....
.....
.....

Repairman.....

Date.....

This report is to be used in reporting defects noted by driver and should be turned in when car is returned to garage.