



STATE OF UTAH

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AUDITOR GENERAL

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Senator Curtis S. Bramble  
Utah State Senate  
W115 House Building  
Salt Lake City, UT 84114

**Subject: Results of Sample Matching Driving Privilege Cards to Vehicle Insurance**

Senator Bramble:

At your request, we have gathered data regarding driving privilege (DP) cards issued to individuals in Utah. We were asked to determine if those who have DP cards were also obtaining insurance for their vehicles. Our results show a significant correlation:

- A sample of 2,500 DP cards identified 1,876 which were electronically matched to insurance policies. This analysis shows that 75 percent of DP cardholders have insurance.
- By using a control group of 2,500 driver's licenses, we found that 81 percent of the driver's licenses could be electronically matched to insurance policies.

With the cooperation of the Drivers License Division and Insure-Rite (an insurance verification company designed to identify uninsured motorists for the state), we gathered and analyzed the DP card data. Under *Utah Code 53-3-207(1)(b)*, a driving privilege card "means the evidence of the privilege granted and issued . . . to drive a motor vehicle." There are nearly 25,000 DP cards currently issued in Utah. We sampled 2,500, or 10 percent, in order to determine how many of the operators with DP cards had insurance for their vehicles. Of the 2,500 in the sample, 1,876 or 75.04 percent were matched with insurance.

Because the match between DP cards and insurance only showed a code representing an insurance company, we verified our sample findings by following several DP card cases back to their individual insurance policies. This exercise in finding source data gave us reasonable assurance that the 1,876 persons have active insurance policies.

Our control group of 2,500 sampled driver's licenses showed an 81.32 percent match to proof of insurance. Therefore, it appears that DP card holders are within approximately 6 percent of the control group population. Figure 1 summarizes our sample findings.

**Figure 1. Driving Privilege Card Sample Results.** We selected a 2,500 sampling of DP cardholders and compared them with 2,500 driver's license holders for frequency of insurance.<sup>1</sup>

Sample Group	Quantity	Percent
Driving Privilege Card		
Insured	1,876	75.04%
Not Found	624	24.96
<b>Total</b>	<b>2,500</b>	<b>100%</b>
Driver's Licenses		
Insured	2,033	81.32%
Not Found	467	18.68
<b>Total</b>	<b>2,500</b>	<b>100%</b>

1. Data is statistically at the 95 percent confidence level for both categories with a +/- 2 percent standard error.

The "Not Found" categories in Figure 1 represent persons in both the DP card and driver's license sampling groups who were not electronically matched to insurance. Further manual testing could likely provide more matches, but time constraints prevent us from continuing our research at this time. Regarding the driver's license sample group, officials at Insure-Rite state that, on average, the non-insured rate is 6 percent. Therefore, the potential for further matches exists in both the DP card and driver's license sample groups. Overall, the initial sample match shows that those who operate vehicles using DP cards are only 6 percent less likely to have insurance than the driver's license population of 1.8 million.

We hope this report addresses the question asked about driving privilege cards and the rate at which these individuals are obtaining insurance. If you have any further questions, please call Darin Underwood at (801) 538-1033.

Sincerely,

John M. Schaff, CIA  
 Auditor General