

Circular 1-03

March 5, 2003

To: All Automobile Insurers Licensed in Alberta

Subject: Graduated Driver Licensing

Graduated Driver Licensing will come into effect on May 20, 2003. Newly licensed drivers will be licensed at the probationary level for a minimum of two years. Conditions attached to the probationary level license include that the driver cannot carry more passengers than the number of seat belts with which the vehicle is equipped and there is a zero tolerance for alcohol. The following table shows the conditions and proposed penalties for violation of those conditions under the *Traffic Safety Act*.

Conditions	Proposed Penalty
Zero tolerance for alcohol	Immediate 30 day suspension
No more passengers than seat belts	\$100 fine & 2 demerit points

The Board considered the seriousness of the violations, whether such driver actions impact loss costs for coverage subject to surcharge for convictions and the maximum severity of rating consequences for these convictions. A conviction for a violation of the condition limiting the number of passengers to the number of seat belts cannot be considered in determining an applicable conviction surcharge. A conviction for a violation of the condition of a zero tolerance for alcohol can be considered as a major or intermediate category conviction. The latter is not a Criminal Code conviction and, therefore, cannot be included in the serious category with such alcohol related offences.

Insurers must make application and obtain prior approval to amend their conviction surcharge rule.

(Original Signed)

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