OFFICE OF LEGISLATIVE RESEARCH
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ResearchReport

State Requirements for Autonomous Vehicle Insurance

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Issue

Which states require insurance of autonomous vehicles (AVs)?

Summary

The laws in 38 states specifically address liability coverage requirements for operating or testing AVs. Although the manner varies across jurisdictions, many states allow for coverage through insurance policies, self-insurance, deposits, or surety bonds (generally when a third party guarantees the debt of another party).

Required minimum coverage varies, but no state requires more than $10 million in liability coverage as a minimum requirement. States also vary in the type of operation they permit. Some allow for testing following an administrative approval process, while others allow for full operation provided the vehicle meets certain criteria for safety, interaction with law enforcement, and liability coverage generally.

Types of Required Coverage Laws

19 states require the same coverage for AVs as they do under existing laws for cars, which frequently contain different kinds of liability: bodily injury, death, property damage, and (sometimes) uninsured/under-insured motorists coverage.

This liability and property damage coverage is often broken down into several categories, shown in Table 1 below in thousands of dollars (for example, 25/50/25). The first number refers to the minimum bodily injury liability limit for one person injured in an accident (for example, $25,000). The second number refers to the minimum bodily injury liability limit for all persons injured in an accident ($50,000). The third number refers to the minimum property liability limit for the property damaged in an accident ($25,000).

Bodily injury liability insurance protects the policyholder against the claims of other people who are injured in an accident for which the policyholder is at fault. Property damage liability insurance pays for any damage the policyholder causes to the property of others, including both damage to other vehicles and property such as walls or fences.

Uninsured motorists (UM) coverage protects the policy holder directly from damage caused by an uninsured driver. Underinsured motorists (UIM) coverage protects the policyholder for damage by an underinsured driver, that is, someone whose liability limit is too low to cover all the damage the underinsured driver caused to the policyholder.

Other states require a policy with a combined single-liability (CSL) limit, such as $5 million. In these cases, no matter how the damage is distributed between injuries or property damage, the policies cover the total damage up to the limit.

Levels of Automation

The National Highway Traffic Safety Administration uses 6 levels to classify automation for vehicles in the US.

> **Level 0**: System provides momentary driving assistance, like warnings and alerts, or emergency safety interventions while driver remains fully engaged and attentive. Examples include blind spot or lane departure warnings.
>
> **Level 1**: System provides continuous assistance with either acceleration/braking or steering, while driver remains fully engaged and attentive. Examples include adaptive cruise control or lane keeping assistance.
>
> **Level 2**: System provides continuous assistance with both acceleration/braking and steering, while driver remains fully engaged and attentive. Examples include combining adaptive cruise control and lane keeping, sometimes bundled as a feature of the car, such as Cadillac Super Cruise.
>
> **Level 3:** System actively performs driving tasks while driver remains available to take over. These systems are generally not widely available on consumer vehicles today.

Level 4: System is fully responsible for driving tasks within limited service areas while occupants act only as passengers and do not need to be engaged. The Waymo ride hailing service is an example of this level of automation.

Level 5: System is fully responsible for driving tasks while occupants act only as passengers and do not need to be engaged. This technology is not yet available for consumer use or purchase today.

State laws frequently incorporate these definitions or define AVs as a vehicle operated by an autonomous driving system, which is then frequently described with these levels of automation. Table 1 below uses the level of automation if specified. Otherwise, states define AVs as vehicles capable of performing a dynamic driving task (generally all functions required to operate a motor vehicle excluding trip scheduling or the selection of destinations) without human intervention.

Which States Explicitly Require AVs to be Insured?

The table below shows states with current laws on AV liability insurance, the type of operation permitted, and the coverage level required.

Table 1: Required Insurance Coverage for Autonomous Vehicles by State

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Alabama	Ala. Code § 32-9C-3 Ala. Code § 32-9C-4 Ala. Code § 32-9B-3	Full operation	CSL coverage of at least $100,000 for Level 4 and 5 private vehicles, $1 million per accident for death, bodily injury and property damage for Level 4 and 5 vehicles operated by a commercial entity, or $2 million for automated commercial motor vehicles
Arizona	Ariz. Rev. Stat. § 28-9702	Full operation	Level 4 and 5 vehicles must have the same required liability coverage as vehicles under existing law: 25/50/15 (Ariz. Rev. Stat § 28-4009)
Arkansas	Ark. Code Ann. § 27-51-2002	Operation following approval	Level 4 and 5 vehicles must have liability coverage of at least $750,000
California	Cal. Veh. Code § 38750	Testing, operation following approval	Level 4 and 5 vehicles must have insurance coverage of at least $5 million

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Colorado	C.R.S. § 42-4-242	Full operation and testing	Level 4 and 5 vehicles must have the same coverage as required under current law: 25/50/15 (C.R.S § 10-4-620) For testing vehicles not yet capable of complying with all applicable laws through the Department of Transportation: (1) umbrella insurance of no less than $5 million; (2) commercial general liability insurance of no less than $1 million; (3) vehicle insurance of no less than $1 million; and (4) if necessary, a surety bond of no less than $5 million. (A surety bond is required if excess/umbrella insurance is not included or limits are lower than above) (CODOT)
Connecticut	CGS § 13a-260	Testing	Level 4 and 5 vehicles must have $5 million of liability coverage for bodily injury, death, or property damage caused by the AV
Florida	Fla. Stat. § 627.749	Full operation	Level 4 and 5 vehicles operating in an on-demand network must have: • primary liability coverage of at least $1 million for death, bodily injury, and property damage • 10/20/10 or 30 combined single limit coverage, 10 personal injuray protection (PIP) (Fla. Stat. §§ 324.021 & 324.022) • Uninsured and underinsured vehicle coverage of at least $10,000 (which may be rejected by insured in writing) (Fla. Stat. § 627.727)
Georgia	Ga. Code Ann. § 40-8-11	Full operation	Fully autonomous vehicles must have the same minimum liability coverage required for commercial limousines under existing insurance law: • For 12 or less passenger capacity: 100/300/50 • For more than 12 passenger capacity: 100/500/50 (Ga. Code Ann. § 40-1-166)

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Hawaii	Haw. Admin. Rules (HAR) § 19-150-7	Testing following testing permit approval	Prior to testing, permitted AV manufacturers must show evidence of the liability coverage required for vehicles under existing law: • 40/80/20 (Haw. Rev. Stat. § 431:10C-301) • 10 PIP (Haw. Rev. Stat. § 431:10C-103.5)
Illinois	Executive Order 18-13	Testing	AVs registering for testing must annually certify coverage required for vehicles under existing law: • 25/50/20 (625 ILCS 5/7-203) • UM bodily injury coverage at least equal to the required bodily injury coverage (215 ILCS 5/143a) • UIM bodily injury (required for higher limits of UM) (215 ILCS 5/143a-2)
Iowa	Iowa Code § 321.516	Full operation	Prior to operation of an AV, the owner must have the same liability coverage required for vehicles under existing law: 20/40/15 (Iowa Code § 321A.1)
Kansas	Kan. Stat. Ann. § 8-2903	Full operation	Prior to operation, the owner must have the same liability coverage as required for nonautomated vehicles under existing insurance law: • 25/50/25 (Kan. Stat. Ann § 40-3107) • 25/50 UM (Kan. Stat. Ann § 40-284) • Various amounts PIP (Kan Stat Ann § 40-3103)
Kentucky	Ky. Rev. Stat. Ann. § 186.766	Full operation	Prior to operating an AV (Level 4 or 5) without a human driver that is generally a personal vehicle, the operator must show proof of single limits liability coverage of $1 million Prior to operating an AV without a human driver as a motor carrier, the operator must show proof of financial responsibility that meets current coverage requirements which includes: • for vehicles with fewer than 8 seats: 100/300/50 • for vehicles with 8 or more seats: 100/600/50 (Ky. Rev. Stat. Ann. § 281.655)

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Louisiana	La. Stat. An § 32:400.3	Full operation	Operation of a commercial AV without a conventional driver requires liability coverage of at least $2 million
Maine	Me. Code R. 17 § 229 Ch. 800	Testing following approval of application	Testers of Level 3, 4, or 5 vehicles must demonstrate liability coverage for personal injury or property damage of at least $5 million per occurrence
Maryland	Maryland Department of Transportation	Testing	Testers of Level 3, 4, or 5 vehicles must have evidence of their ability to cover at least $5 million in damages for personal injury, death, or property damage. All testing vehicles must have motor vehicle insurance
Massachusetts	Executive Order No. 572, Memoranda of Agreement to Test Automated Driving Systems	Testing following approval process	While the testing plan for Level 3, 4, and 5 vehicles maintains approval, testers must have the same liability coverage currently required for nonautomated vehicles: • 25/50/30 (Mass. Gen. Laws c. 90, §§ 34A & 340) • PIP $8,000 (Mass. Gen. Laws c. 90 § 34A) • UM & UIM: 25/50 (Mass. Gen. Laws c. 175 § 113L) Additionally, all testers must maintain: $1 million per occurrence and $2 million annual aggregate commercial general liability, $1 million auto liability, $500,000 workers' compensation and employers liability, and $10 million umbrella liability
Michigan	Mich. Comp. Laws § 257.665	Testing	Prior to testing, an AV manufacturer must submit proof to the Secretary of State that the AV meets the liability coverage requirements for nonautomated vehicles under existing law: • 250/500/10 (Mich. Comp. Laws § 500.3009) • PIP medical coverage up to an unlimited amount (less may be purchased with exclusions under certain circumstances) (Mich. Comp. Laws § 500.3107c)

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Minnesota	Executive Order 19-18	Testing and demonstration projects through MNDOT	The Department of Transportation's testing or operation must meet current statutes and laws. Current liability coverage for motor vehicles includes: • 30/60/10 (Minn. Stat. § 65B.49) • 40 PIP (Minn. Stat. § 65B.44) • 25/50 UM (Minn. Stat. § 65B.49)
Mississippi	Miss. Code Ann. § 63-35-11	Full operation	Level 4 and 5 AVs must have the same liability coverage as required for nonautomated vehicles under existing law: 25/50/25 (Miss. Code Ann. § 63-15-43)
Nebraska	Neb. Rev. Stat. § 60-3304	Full operation	Prior to operation, an AV operator must submit proof to the Department of Motor Vehicles that the AV has the same liability coverage currently required for nonautomated vehicles: • 25/50/25 (Neb. Rev. Stat. § 60-501) • 25/50 UM, UIM (Neb. Rev. Stat § 44-6408)
Nevada	Nev. Rev. Stat. § 482A.060, Nev. Rev. Stat. § 706B.300	Full operation or testing	Prior to testing an AV (Level 4 or 5), the tester must show liability coverage of at least $5 million. Autonomous vehicle network companies must maintain $1.5 million of liability coverage
New Hampshire	N.H. Rev. Stat. Ann. § 242:1	Full operation or testing	Testing a Level 4 or 5 AV requires liability coverage of at least $5 million. Deployment of a Level 4 or 5 AV requires the same proof of financial responsibility as for nonautomated vehicles following at-fault accidents under existing law: 25/50/25 (N.H. Rev. Stat. Ann. § 264:20)
New Mexico	N.M. Stat. Ann. 1978, §§ 66-7-12 & 66-7-13	Full operation or testing	Prior to testing or operating a Level 3, 4, or 5 vehicle, the tester must have liability coverage of at least $5 million (N.M. Code R. § 18.24.1.12), and operation also requires the same liability coverage requirements as for nonautomated vehicles under existing insurance law: 25/50/10 (N.M. Stat. Ann. § 66-5-208)

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
New York	S9008-C/A10008-C (2026)	Testing	For each vehicle listed on a testing application, manufacturers must have had liability coverage of at least $5 million per vehicle (NYDOT)
North Carolina	N.C. Gen. Stat. § 20-401	Full operation	AV operators must have the same liability coverage required for nonautomated vehicles under existing law: • 50/100/50 (N.C. Gen. Stat. § 20-279.21) • 50/100/50 UM, UIM (N.C. Gen. Stat. § 20-279.21) • UM and UIM coverage cannot exceed $1 million per person and per accident (N.C. Gen. Stat. § 20-279.21)
North Dakota	N.D. Cent. Code §§ 8-12-02 & 39-01-01.2	Full operation and networks	AVs and on-demand AV networks must have the same liability coverage required for nonautomated vehicles under existing law: • 25/50/25 (N.D. Cent. Code § 39-16.1-11) • 25/50 UM, UIM (N.D. Cent. Code § 26.1-40-15.2)
Ohio	Exec. Order 2018-04K	Testing	Testers for Level 3, 4, and 5 vehicles must provide DriveOhio with proof of the same liability coverage required for nonautomated vehicles under existing law: 25/50/25 (Ohio Rev. Code Ann. § 4509.51)
Oklahoma	Okla. Stat. tit. 47 § 1704	Full operation	Prior to operation of a Level 4 or 5 vehicle, operators must submit proof of liability coverage of at least $1 million to the Department of Public Safety
Oregon	Or. Rev. Stat. § 184.667	Testing	The voluntary testing notification form includes a section to provide evidence of ability to satisfy a judgment of damages for at least $5 million (Oregon DOT)

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Pennsylvania	75 Pa. Cons. Stat. § 8508	Full operation	Approved AVs must have liability coverage of at least $1 million Additional requirements for AVs providing transportation network services: For drivers logged on to the network and available for rides: • 50/100/25 • First-party medical benefits (MedPay), including $25,000 for pedestrians and $5,000 for a driver For drivers engaged in a ride: • $500,000 general liability • First-party medical benefits (MedPay), including $25,000 for pedestrians and $5,000 for a driver (66 Pa. Cons. Stat. § 2603.1)
South Dakota	S.D. Codified Laws § 32-41-4	Full operation	Level 4 and 5 vehicles must have the same liability coverage required for nonautomated vehicles under existing law: • 25/50/25 (S.D. Codified Laws § 32-35-70) • 25/50 UM, UIM (S.D. Codified Laws § 58-11-9)
Tennessee	Tenn. Code. Ann. § 55-30-103	Full operation	AVs operating without a human driver must have the same liability coverage required for nonautomated vehicles under existing law: 25/50/25 or 65 CSL (Tenn. Code. Ann §§ 55-12-102 & 55-12-139)
Texas	Tex. Trans. Code § 545.455	Full operation	Level 4 or 5 AVs may operate provided they have the same liability coverage as required for nonautomated vehicles under existing insurance law: 30/60/25 (Tex. Trans. Code § 601.072)

Table 1 (continued)

State	Statute, Order, Rule, Regulation, or Department Guidance	Operation Type	Liability Coverage Requirements
Utah	Utah Code Ann. § 41-26-107	Full operation	Level 3, 4, or 5 AV owners who are Utah residents must have the same liability coverage as required for nonautomated vehicles under existing law: • 30/65/25 or 90 CSL (Utah Code Ann. § 31A-22-304) • 30/65 UM, UIM (Utah Code Ann. § 31A-22-305) (this coverage can be affirmatively waived) • 3 PIP (Utah Code Ann. § 31A-22-309)
Vermont	Vt. Stat. Ann. tit. 23 § 4203	Testing	AVs may not be tested on public highways unless the tester submits proof of liability coverage for bodily injury, death, or property damage of at least $5 million
Washington	Wash. Rev. Code § 46.30.050	Testing	All Level 4 or 5 AVs that are part of the testing program must provide umbrella liability coverage for bodily injury, death, or property damage of at least $5 million
West Virginia	W. Va. Code § 17H-1-10	Full operation	Level 4 and 5 vehicles must have the same liability coverage required for nonautomated vehicles under existing insurance law: • 25/50/25 (W. Va. Code § 17D-4-2) • 25/50/25 UM, UIM (W. Va. Code § 33-6-31)

Which States Do Not Explicitly Address AV Insurance Coverage?

Some states do not explicitly address requiring AV insurance coverage in statute, as shown in Table 2 below.

Table 2: States Without Mandated Insurance Coverage for AVs

State	Current Proposal or Action
Alaska	No current law requiring insurance, but considered legislation allowing operation under certain conditions (which did not specifically require any insurance) during the 2026 session
Delaware	No current law requiring insurance, but created an advisory group through executive order in 2017 (the group submitted its final report in 2018 recommending that Delaware require testing entities to show proof of financial responsibility in any future legislation)
Idaho	No current law requiring insurance, but had an executive order creating a working group to study AVs in 2018
Indiana	No current law requiring insurance
Missouri	No current law requiring insurance, although the legislature considered various pieces of legislation in 2026 which would have generally permitted operation
Montana	Permits operation of AVs, but currently has no law requiring them to be insured (However, Montana also requires that Level 4 and 5 vehicles operate subject to the limitations of forthcoming state department rulemaking. In proposing these rules, the state's justice department must consult with interested stakeholders, which includes members of the insurance industry)
New Jersey	No current law requiring insurance, but created a working group to study AV laws and is considering legislation to allow testing and operation, including required CSL insurance of at least $5 million
Rhode Island	No current law requiring insurance
South Carolina	No current law requiring insurance, although they allow private testing on a closed track
Virginia	No current law requiring insurance, but considered legislation in 2026 which would have required the same coverage as under existing law and CSL insurance of $1 million
Wisconsin	Allows AVs to be registered in the state following the process for cars, but current DOT guidance states that drivers must be in physical control of the vehicle at all times
Wyoming	No current law requiring insurance, but administratively allows testing and asks for voluntary reporting of tests at ports of entry

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