Directive No. 93

OUT OF STATE COVERAGE CLAUSE – NOTICE TO INSURERS WRITING AUTOMOBILE LIABILITY COVERAGE

October 30, 1989

It has come to the attention of the Department of Insurance that some writers of Automobile Liability Insurance in Louisiana are not including the language for "Out of State Coverage" in policy forms.

The Out of State Coverage Clause maintains that if the insured is travelling in a state which has Compulsory Motor Vehicle Insurance Requirements for non-residents, that coverage is automatically increased to that state's minimum Liability requirements. The Louisiana Department of Insurance considers this a minimum standard for all Automobile Liability Policies.

All insurers writing Automobile Liability in Louisiana, and whose current policy forms do not include the "Out of State Coverage" Clause, must submit policy forms containing said clause. Any policy forms received, not containing the clause, are subject to disapproval.

Douglas D. Green
COMMISSIONER OF INSURANCE

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