

Directive No. 74

**TRANSFER OF PRIVATE PASSENGER AUTOMOBILE  
PHYSICAL DAMAGE COVERAGE**

January 29, 1987

While approximately 70% of Louisiana's insured private passenger automobiles automatically have Physical Damage coverage transferred to a rental car when in use by an insured, some companies do not automatically convey Physical Damage coverage to rental cars used by their insureds.

The Louisiana Department of Insurance considers this transfer of Physical Damage coverage to be part of the minimum standards for private passenger automobile insurance in Louisiana when an insured procures both Liability and Physical Damage coverages.

All private passenger automobile policy forms will be examined and those forms found not containing these minimum standards will be subject to disapproval.

Sherman A. Bernard  
COMMISSIONER OF INSURANCE

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