

# Guide to Teen Auto Insurance



**LOUISIANA  
DEPARTMENT OF  
INSURANCE**

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## What you need to know

Car insurance protects you if anything happens to you, your car, someone else or someone else's car in the event of an accident. There are many different policies you can choose from, depending on the coverage you want.

LIABILITY	UNINSURED MOTORISTS	COLLISION	COMPREHENSIVE	MEDICAL
Pays claims if you are responsible for hurting another or for damaging their property.	Pays claims if you are hit by someone who does not have insurance. Comes in two parts (purchased separately): <ul style="list-style-type: none"><li>• <b>Bodily Injury</b> (your injuries)</li><li>• <b>Property Damage</b> (damage to your car)</li></ul>	Pays if your own car is damaged in a collision.	Pays for damage to your car, such as theft, vandalism, glass breakage, etc.	Pays medical expenses for you & your passengers.

Auto insurance is required by law in Louisiana. If an officer stops you and you don't have insurance, he can tow or impound your car. Not having insurance can also get you in trouble if you are in an accident, even if you are not at fault. According to Louisiana law, the other driver is not required to pay you the first \$15,000 of damages resulting in bodily injury or the first \$25,000 of property damages if you do not have insurance.

## When I get my license, will my parents' insurance cover me?

When you get your license, you can be added to your parents' policy as a listed driver. If a car is purchased for you and added to their policy, you can be named as the primary driver of that vehicle. Regardless of which situation you find yourself in, it's best to talk with your agent or insurer for specifics.

## Why do teen policies cost so much?

- Teenage drivers have higher rates of fatal and nonfatal crashes compared to older drivers, and they are more likely to be at fault.
- Teens are less likely to use safety belts, adding to the risk of fatal injuries.
- Crashes are the leading cause of death among teens, accounting for more than one third of all deaths of 16- to 18-year-olds.
- Drivers between ages 16 and 19 are more likely to speed, run red lights, make illegal turns and drive while under the influence.
- Distractions caused by cell phone use, loud music and too many passengers are also factors in the high rate of teen crashes.



## All about premiums

The cost, or insurance premium, is based on...

Your driving record	The make, model & age of your car	Your age
Your gender	Whether you are the primary or secondary driver of the car	
Where you live	How far you drive to & from school	

Most companies give you the option of paying your premium every month, every six months or once a year. At the end of that time period, your insurance company can decide whether your policy will be continued. (Some companies may give you the option of paying your premiums in installments.)

If you don't pay your premium, the company will cancel your policy. This may make it harder and more expensive to get a policy elsewhere.

## Frequently asked questions

### Is it true that as a full-time student with a "B" GPA, I won't pay as much for insurance?

Most Louisiana insurance companies give breaks to full-time students with a "B" grade point average or higher. Check with your agent to see if you qualify.

### What else can I do to lower my premium?

- Keep a clean driving record
- Keep a clear claims history
- Maintain a good credit history
- Ask your agent about discounts
- Check rates before you buy a car.



### Can my company charge me more or cancel my policy for tickets or minor wrecks?

Your driving record is one of the main factors your company uses to determine the cost of your insurance, so tickets and "at fault" accidents can affect your policy.

However, a teen's driving record only affects those who are listed as drivers on the same policy with the teen. If everyone else in the house has a separate policy from which the teen is excluded as a listed driver, the others will not be affected by the teen's driving record.

### My dad taught me to drive. Why do I need driver's ed?

According to Louisiana law, you must take driver's ed before you can get your license, if you are under 18. Although driver's ed is not required after you turn 18, you may still want to enroll because many insurance companies offer lower costs for drivers who complete the course.

### I'm going to college in another state. Do I need to make any changes to my insurance?

Automobile insurance premiums are based on the rate standards for a car's permanent garaging address. So, if you are not taking permanent residence in the other state (by registering the car or acquiring a driver's license there), the car would still be covered under a Louisiana policy, and you

shouldn't expect to see any changes to your policy, especially if you have a good driving record and your insurance company has offices in the other state.

### If I let my friend drive my car and he has an accident, will he be covered?

That depends on who is the registered owner of the car. If your friend has the owner's permission (whether that's you or your parents) to drive the car, he is covered under the owner's policy.

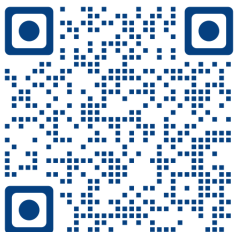
### Can I use my cell phone while driving?

In Louisiana, drivers 17 years old and younger (or those who hold a Class "E" learners permit or an intermediate license) are not allowed to use a cell phone while driving unless there is an emergency or the cell phone in use is a hands-free cell phone or is connected to a hands-free operating system. Drivers 18 years old and older are not allowed to use a cell phone for texting or social media sites.

Drivers caught breaking these laws can be ticketed, have their license suspended, or be assessed additional penalties.

## What if I'm in an accident?

1. **CALL** the police immediately, specifically 911 if there are injuries.
2. **SNAP** a photo of the scene and take notes, if possible.
3. **EXCHANGE** the following information with the other driver: name, address, telephone number, license plate number, driver's license number and insurance information.
4. **NOTIFY** your insurance agent or company. These days, there are apps to quickly and easily guide you through the process of reporting and filing a claim. See if your insurance company has one!
5. **OBTAIN** a copy of the police report for your records whether or not you are at fault.



**QUESTIONS** about coverage or your policy?

Scan QR code for **LDIConnect App** • [public@ldi.la.gov](mailto:public@ldi.la.gov) • 800-259-5300

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