



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

VIA U.S. AND ELECTRONIC MAIL

April 29, 2013

Mr. Chris Laborde
New Orleans Regional Planning Commission
10 Veterans Memorial Boulevard
New Orleans, Louisiana 70214

Re: The Effect of Red Light Camera Tickets on Automobile Insurance Rates

Dear Mr. Laborde:

The Louisiana Department of Insurance (LDI) has received your inquiry as it pertains to the effect of red light camera tickets on automobile insurance rates.

In responding to your question, please note that most automobile insurance companies will implement the use of factors relative to the existence or non-existence of tickets and other minor violations during the process of generating a premium total for its customers. Depending upon the driving history of a current or prospective customer, the customer could potentially receive credits as a result of having a motor vehicle report (MVR) that is void of any infractions or the customer could receive multiple surcharges based upon the number of violations on their respective MVR. Nevertheless, each automobile insurer has the discretion to establish the category of violations that will be surcharged or not acknowledged. With that premise, any effect on automobile insurance rates due to the issuance of a ticket via a red light camera will vary from company to company. Additionally, there is no statutory requirement that mandates an automobile insurer to surcharge its policyholder if that policyholder receives ticket via a red light camera.

If you have any additional questions, please feel free to contact me.

Sincerely,

Ed O'Brien
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EFO/cbh