



Louisiana Department of Public Safety  
Office of Motor Vehicles  
**Policy 21.03 Leased / Rent-to-Own Vehicle**

**Section:** 3. Safety Responsibility Laws

**Effective Date:** 01/26/1998

**Revised Date:** 02/16/2016

**Authority:**

R.S. 32:861 et seq.

To view Louisiana Statutes: <http://www.legis.state.la.us/>

**Definitions:**

- A "**leased vehicle**" is defined as a vehicle owned by a Leasing Company and leased to an individual(s) or company with an option to purchase the vehicle at the end of the lease agreement.
- A "**rent-to-own vehicle**" is defined as a vehicle owned by a Renting Dealership who long-term rents the vehicle to an individual(s) or company with an option to purchase the vehicle at the end of the rental contract.

**General:**

- **Leased Vehicle**
  - Lease vehicles are titled in the name of the Leasing Company as owner with the name of the Lessee shown on the application (1799), title, and registration as a "Lessee." The Lessee is always responsible for the insurance. The Official Notice for insurance cancellation will always be sent to the Lessee.
  - If the vehicle registration indicates a lessee, the lessee is responsible for providing insurance coverage. (Example: The registered owner is listed as GMAC and the lessee is listed as Joe Test. Joe Test is responsible for providing insurance coverage).
  - If the vehicle registration does not indicate a lessee, and the owner is leasing the vehicle to another party, in order to accept the other party's insurance information, the owner will be required to submit a copy of their lease agreement or a statement of an existing lease agreement (see an attached sample) or a document similar in content executed by an authorized representative of the company/individual.
  - (Example: The registered owner is John Smith and the computer does not indicate a lessee and the insurance information being submitted is from Acme Inc. The owner, John Smith, would have to furnish a copy of the lease agreement or a document of similar content in order to accept Acme's insurance information). The owner is ultimately responsible for insuring vehicles registered in their name. A lessee will not receive an official notice unless their name is listed on the vehicle registration.
- **Lease Terminated**
  - A lease termination statement or document of similar content gives a description of the vehicle, including the VIN or plate number, and the date that the lease terminated.

- **Rent-to-Own Vehicle**

- Rent-to-own vehicles are titled in the name of the Renting Dealership as owner with the name of the Renter to be shown on the application (1799), title and registration as a "Renter." The **Renting Dealership** is always responsible for the insurance. The Official Notice for insurance cancellation will always be sent to the Renting Dealership.
- If the vehicle registration indicates a renter, the owner is responsible for providing insurance coverage. (Example: The registered owner is listed as Auto Brokers of LA and the renter is listed as Joe Test. Auto Brokers of LA is responsible for providing insurance coverage). This coverage is usually a certificate of insurance document indicating this is a "contingent policy." Garage liability is not acceptable as compliance. The policy must indicate "contingent policy."

- **Rental Terminated**

- A rental termination statement or document of similar content gives a description of the vehicle, including the VIN or plate number, and the date that the rental contract terminated.

STATEMENT OF EXISTING LEASE AGREEMENT

The \_\_\_\_\_ is the owner of the  
(Company or Trust's Name)

following vehicle:

\_\_\_\_\_  
Year Make Vehicle Identification Number

Leased To: \_\_\_\_\_  
(Client's Name)

and operated by \_\_\_\_\_  
(Name of Operator)

\_\_\_\_\_  
(Date) (Company or Trust's Name)

BY: \_\_\_\_\_  
(Signature/Title of Authorized Representative of Company or Trust)