
The original instrument was prepared by Cheryl Cooper. The following digest, which does not constitute a part of the legislative instrument, was prepared by Xavier Alexander.

SB 65 Engrossed

DIGEST
2020 Regular Session

Talbot

Present law requires a person who is required to have automobile insurance to surrender the license plate of the vehicle to the office of motor vehicles to avoid a penalty for a lapse in coverage.

Present law exempts a member of the armed services on active duty overseas from the Motor Vehicle Safety Responsibility Law (MVSRL).

Proposed law retains present law and allows an exception from the MVSRL for a member of the U.S. armed services who is being deployed out of state. Provides that a service member being deployed out of state shall not be subject to the MVSRL if the member notifies his insurance company by affidavit of his deployment concurrent with the cancellation of liability security on the vehicle.

Present law requires that the affidavit set forth the date upon which the vehicle shall no longer be in use, the intended period of nonuse, and site storage address of the vehicle. Requires the owner of the vehicle to attach a copy of his orders for deployment.

Proposed law requires the insurance company to notify the commissioner of the Department of Public Safety and Corrections of the cancellation related to the insured's deployment within fifteen days of cancellation.

Present law provides that no insurer shall increase premium rate or add surcharge for lapse coverage if insured complies by voluntarily surrendering the vehicle license plate and ceases to maintain insurance on the vehicle.

Proposed law retains present law and further provides that no insurer shall increase a premium rate or add surcharge for lapse coverage if the insured is a member of the armed services and notifies the office of motor vehicle that he is on active duty and wishes to discontinue the use of the vehicle registration in his name.

Present law provides for unfair methods of competition and unfair or deceptive acts or practices in the business of insurance.

Proposed law retains present law and further declares that a violation of R.S. 22:1284.1 is an unfair method of competition and unfair or deceptive acts or practice in the business of insurance.

Effective August 15, 2020.

(Amends R.S. 22:1284.1 and 1964(7)(j) and R.S. 32:861.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the original bill

1. Provides exemption for lapse in coverage to armed service members in active duty out of state.
2. Adds that a violation of R.S. 22:1284.1 is an unfair or deceptive act or practice in the business of insurance.
3. Replaces requirement to submit affidavit with notice requirement.
4. Technical amendments.