

HOUSE COMMITTEE AMENDMENTS

2026 Regular Session

Substitute for Original House Bill No. 174 by Representative Firment as proposed by the House Committee on Insurance

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 32:863.1(C)(1)(a) and (I)(1), relative to motor vehicle liability security; to provide for proof-of-insurance requirements applicable to vehicles registered in jurisdictions outside of the state; to provide for enforcement and impoundment procedures; to provide for uniform due process protections; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 32:863.1(C)(1)(a) and (I)(1) are hereby amended and reenacted to read as follows:

§863.1. Evidence of compulsory motor vehicle liability security contained in vehicle; enforcement; penalty; fees

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C.(1)(a) If the operator of a motor vehicle is unable to show compliance with the provisions of this Part by displaying the required document when requested to do so, the motor vehicle shall be impounded and the operator shall be issued a notice of noncompliance with the provisions of this Part on a physical or electronic form provided by the department. Notwithstanding the provisions of R.S. 32:852(E), the notice may be sent by first class mail. A copy of the notice of noncompliance shall be provided to the towing or storage company and a copy shall be forwarded to the office of motor vehicles within three calendar days after the notice of noncompliance was served. The notice of noncompliance shall serve as notice of administrative hearings rights. In addition, the law enforcement officer shall remove the license plate from the vehicle if the vehicle is registered in Louisiana. The law enforcement officer shall deliver the vehicle license plate to the chief of the agency which employs the officer, or to a person in that agency designated to receive confiscated license plates. In those cases in which a motor vehicle is not impounded, a copy of the notice of noncompliance shall be attached to the vehicle license plate and both shall be delivered to the nearest office of motor vehicles within three calendar days after the notice of noncompliance was served. The provisions of this Paragraph apply to all motor vehicles operated in this state, including vehicles registered in another state.

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~~I.(1) Every owner or lessee of a self-propelled motor vehicle registered in another state which is involved in a traffic accident or collision in Louisiana shall provide one of the documents comparable to those listed in Subsection A evidencing that the motor vehicle is covered by a valid policy of automobile insurance. If the operator of the motor vehicle is unable to show such proof, a notice of noncompliance shall be issued. The provisions of this Section, including the requirements for proof of motor vehicle liability security and the enforcement, impoundment, and due process procedures established herein, shall apply to any motor vehicle registered in another state when operated upon the public highways of this state.~~

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Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 174 Original

2026 Regular Session

Insurance

Abstract: Establishes proof-of-insurance requirements for out-of-state vehicles and expands compulsory motor vehicle liability security enforcement, impoundment, and due process procedures to include all vehicles operating within Louisiana.

Present law provides procedures for verifying proof of motor vehicle liability security, issuing notices of noncompliance, removing license plates, and impounding vehicles when an operator fails to provide proof of insurance as required by R.S. 32:861. Present law further provides due process protections, including notice, reinstatement procedures, and administrative review.

Present law limits the application of these procedures to out of state vehicles only when the vehicle is involved in an accident or collision in Louisiana.

Proposed law removes the accident only limitation and provides that the proof of insurance, enforcement, and impoundment procedures in present law apply to any motor vehicle operated in Louisiana, including vehicles registered in another state.

Proposed law clarifies that the impoundment and license plate removal procedures apply uniformly to all vehicles subject to a notice of noncompliance.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 32:863.1(C)(1)(a) and (I)(1))