

2018 Regular Session

SENATE BILL NO. 138

BY SENATOR LUNEAU

AUTOMOBILE INSURANCE. Provides for out-of-state automobile insurance coverage.
(8/1/18)

1 AN ACT

2 To amend and reenact R.S. 32:872(D), relative to automobile insurance; to provide relative

3 to required security and proof of financial responsibility; to provide for out-of-state

4 automobile insurance coverage; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 32:872(D) is hereby amended and reenacted to read as follows:

7 §872. Security and proof of financial responsibility required unless evidence of

8 insurance; when security determined; suspension; exception

9 * * *

10 D.(1) No such policy shall be effective under this Section unless issued by

11 an insurance company authorized to do business in the state of Louisiana, except that

12 if such motor vehicle was not registered in this state or was a motor vehicle which

13 was registered elsewhere than in this state at the effective date of the policy, or the

14 most recent renewal thereof, such policy shall not be effective under this Section

15 unless the insurance company **issuing the policy**, if not authorized to do business in

16 this state, shall execute a power of attorney authorizing the commissioner to accept

17 service on its behalf of notice of process in any action upon such policy arising out

1 of such accident.

2 (2) However, every such policy is subject, if the accident has resulted in
3 bodily injury or death, to a limit, exclusive of interest and costs, of not less than ~~ten~~
4 **fifteen** thousand dollars because of bodily injury to or death of one person in any one
5 accident and, subject to the limit for one person, to a limit of not less than ~~twenty~~
6 **thirty** thousand dollars because of bodily injury to or death of two or more persons
7 in any one accident and, if the accident has resulted in injury to or destruction of
8 property, to a limit of not less than ~~ten~~ **twenty-five** thousand dollars because of
9 injury to or destruction of property of others in any one accident.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Cheryl Cooper.

DIGEST

SB 138 Original

2018 Regular Session

Luneau

Present law applicable to vehicles registered in La. provides for limits of motor vehicle liability insurance policy coverage amounts.

Present law applicable to vehicles registered in any state requires the commissioner of insurance to suspend the license and all registrations of an operator and owner of a motor vehicle involved in an accident resulting in bodily injury or death under certain circumstances.

Proposed law retains present law.

Present law provides exceptions to the required suspension including that the suspension shall not apply if the owner had, at the time of the accident, a liability policy in effect for the motor vehicle involved. Requires certain policy limits for the exception to apply.

Proposed law retains present law and increases the limits for out-of-state drivers to reflect the limits applicable in present law to Louisiana drivers as follows:

- (1) If the accident has resulted in bodily injury or death, to a limit, exclusive of interests and costs, of not less than \$15,000 because of bodily injury or death of one person in any one accident;
- (2) If the accident has resulted in bodily injury or death, to a limit, exclusive of interests and costs, of not less than \$30,000 because of bodily injury or death of two or more persons in any one accident; and
- (3) If the accident has resulted in injury to or destruction of property, to a limit of not less than \$25,000 because of injury to or destruction of property of others in any one accident.

Effective August 1, 2018.

(Amends R.S. 32:872(D))