

2018 Regular Session

SENATE BILL NO. 287

BY SENATOR MILKOVICH

TRAFFIC. Provides relative to compulsory motor vehicle liability security. (8/1/18)

1 AN ACT

2 To amend and reenact R.S. 32:863(A)(3)(a) and 863.1(C)(1)(c), relative to compulsory
3 liability security on motor vehicles; to reduce and cap sanctions imposed by the
4 office of motor vehicles relative to compulsory liability security; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 32:863(A)(3)(a) and 863.1(C)(1)(c) are hereby amended and
8 reenacted to read as follows:

9 §863. Sanctions for ~~false declaration~~ **no vehicle security**; reinstatement fees;
10 revocation of registration; review

11 A. * * *

12 (3)(a)**(i)** Sanctions for a violation of Paragraphs (1) of this Subsection shall
13 be imposed until proof of required liability security is provided to the secretary and
14 all reinstatement fees are paid.

15 **(ii)** Sanctions for a violation of Paragraph (2) of this Subsection shall be
16 imposed for a period of not less than twelve months nor more than eighteen months.

17 ~~However, in~~

1 **(iii)** In no event shall these sanctions **for a violation of Paragraph (1) or (2)**
2 **of this Subsection** be removed until such time as proof of the required security is
3 provided to the secretary along with **payment of** all appropriate fees required by law,
4 including a reinstatement fee.

5 **(iv) The reinstatement fees for violations** of ~~one hundred dollars per~~
6 ~~violation~~ of Paragraph (1) of this Subsection **shall be as follows: one hundred**
7 **dollars** if the vehicle was not covered by the required security for a period of one to
8 thirty days, two hundred ~~thirty~~ **fifty** dollars if the vehicle was not covered by required
9 security for a period of thirty-one to ninety days, and five hundred dollars if the
10 vehicle was not covered by required security for a period in excess of ninety days.
11 **A continuous period of noncoverage less than six months shall be deemed a**
12 **single violation.**

13 **(v)** No reinstatement fee shall be imposed by the secretary **for a violation of**
14 **Paragraph (1) of this Subsection** if the vehicle was not covered by required
15 security for a period of ten days or less and the insured surrenders the vehicle's
16 license plate to the secretary within ten days. **However, at no time shall the fee for**
17 **a single continuous period of noncoverage exceed five hundred dollars unless**
18 **the citizen is cited for driving a vehicle without compulsory liability security, in**
19 **which case a separate fee may be imposed for each cited instance of driving**
20 **without compulsory liability security.**

21 **(vi)** The reinstatement fees for violations of Paragraph (2) of this Subsection
22 shall be as follows: two hundred fifty dollars for a first violation, five hundred
23 dollars for a second violation, and ~~one thousand~~ **seven hundred fifty** dollars for a
24 third or subsequent violation. ~~The~~

25 **(vii)** No reinstatement fee shall ~~not be owed for an alleged~~ **be imposed by**
26 **the secretary for a** violation of Paragraph (2) of this Subsection when proof of the
27 required security is provided to the secretary within sixty days of the date of the
28 notice.

29 **(viii)** If at the time of reinstatement, a person ~~has multiple violations and is~~

1 within sixty days of the notice, the total amount of fees to be paid shall not exceed
2 ~~eight five~~ hundred fifty dollars; for violations of Paragraph (1) of this Subsection;
3 ~~one thousand seventy-five~~ **and seven hundred fifty** dollars for violations of
4 Paragraph (2) of this Subsection.

5 **(ix)** At no time shall the total amount of fees, including administrative fees,
6 exceed two hundred fifty dollars for persons sixty-five years or older. ~~After sixty~~
7 ~~days of the date of the notice, all fees shall be considered final delinquent debt and~~
8 ~~therefore owed, and the eight hundred fifty dollar limit for persons under sixty-five~~
9 ~~years shall no longer apply.~~

10 **(x) The fees and costs charged by the office of debt recovery for**
11 **collections of amounts owed for violation of compulsory liability security shall**
12 **not exceed two hundred fifty dollars and costs of court.**

13 **(xi) All notifications issued by the office of motor vehicles and/or the**
14 **office of debt recovery, in order to be valid for purposes of proving infractions**
15 **and imposing fines or penalties, shall clearly state that the citizen has the right**
16 **to dispute the alleged debt.**

17 * * *

18 §863.1. Evidence of compulsory motor vehicle liability security contained in
19 vehicle; enforcement; penalty; fees

20 * * *

21 C.(1) * * *

22 (c) ~~For a first offense there~~ **There** shall be a reinstatement fee of one hundred
23 dollars **for a first offense**, ~~for a second offense there shall be~~ a reinstatement fee of
24 two hundred ~~fifty~~ dollars **for a second offense**, and ~~for any~~ **a reinstatement fee of**
25 **five hundred dollars for a third or** subsequent offense ~~there shall be a~~
26 ~~reinstatement fee of five hundred dollars.~~ The reinstatement fee contained herein
27 shall be in addition to other appropriate registration fees allowed by law and
28 reinstatement shall depend upon proof of compliance with the compulsory liability
29 law.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

SB 287 Original 2018 Regular Session Milkovich

Present law provides sanctions for violation of compulsory liability security. Sanctions are imposed for a lapse of liability security until proof of liability security is provided and all reinstatement fees are paid. Sanctions for false declaration of liability security are imposed for a period of not less than 12 months nor more than 18 months and shall not be removed until proof of liability security is provided and all fees are paid.

Present law provides for reinstatement fees for a lapse of liability security, as follows:

- (1) \$100 for lapses from one to 30 days.
- (2) \$250 for lapses from 31 to 90 days.
- (3) \$500 for lapses in excess of 90 days.

Proposed law reduces the fee for lapses from 31 to 90 days from \$250 to \$200 and adds that a continuous period of noncoverage less than six months shall be deemed a single violation.

Present law prohibits imposition of a reinstatement fee for a lapse of security of 10 days or less when the insured surrenders the vehicle's license plate within 10 days.

Proposed law adds that a fee for a single continuous period of noncoverage shall never exceed \$500 unless the citizen is cited for driving a vehicle without compulsory liability security, in which case a separate fee may be imposed for each cited instance of driving without compulsory liability security.

Present law provides for reinstatement fees for false declaration of liability security, as follows:

- (1) \$250 for 1st violation.
- (2) \$500 for 2nd violation.
- (3) \$1,000 for 3rd or subsequent violation.

Proposed law reduces the reinstatement fee for false declaration of liability security from \$1,000 to \$750.

Present law provides that no reinstatement fee shall be imposed for false declaration of liability security when proof of required security is provided within 60 days of the date of notice.

Present law provides that at the time of reinstatement, a person has multiple violations and is within 60 days of the notice, the total amount of fees to be paid shall not exceed \$850 for violations for a lapse of security and \$1,000 for violations for false declaration of liability security.

Proposed law removes requirement for multiple violations and reduces total fees from \$850 to \$500 for lapse and \$1,000 to \$750 for false declaration.

Present law provides that at no time shall total fees, including administrative fees, exceed \$250 for persons 65 years or older.

Present law provides that after 60 days of notice, all fees shall be considered final delinquent debt and owed and the \$850 limit for persons under 65 years no longer applies.

Proposed law removes present law.

Proposed law adds that fees and costs charged by the office of debt recovery for collections of amounts owed for violation of compulsory liability security shall not exceed \$250 and costs of court.

Proposed law adds that to be valid to prove infractions and impose fines or penalties, all notifications issued by the office of motor vehicles and/or the office of debt recovery shall clearly state that the citizen has the right to dispute the alleged debt.

Present law provides reinstatement fees for failure of liability security to be contained in the vehicle, as follows:

- (1) \$100 for a 1st offense.
- (2) \$250 for a 2nd offense.
- (3) \$500 for a 3rd or subsequent offense.

Proposed law reduces from \$250 to \$200 the fee for a 2nd offense.

Effective August 1, 2018.

(Amends R.S. 32:863(A)(3)(a) and 863.1(C)(1)(c))