

2020 Regular Session

SENATE BILL NO. 309

BY SENATOR BARROW

AUTOMOBILE INSURANCE. Revises the lapse time with automobile insurance before persons can be penalized for failure to maintain security on a vehicle to 15 days. (8/1/20)

1 AN ACT

2 To amend and reenact R.S. 32:863(A)(3)(a), relative to automobile insurance; to increase  
3 the lapse time before a person may be penalized for not having the required security  
4 on a vehicle; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 32:863(A)(3)(a) is hereby amended and reenacted to read as follows:

7 §863. Sanctions for false declaration; reinstatement fees; revocation of registration;  
8 review

9 A.(1) \* \* \*

10 (3)(a) Sanctions for a violation of Paragraph (1) of this Subsection shall be  
11 imposed until proof of required liability security is provided to the secretary and all  
12 reinstatement fees are paid. Sanctions for a violation of Paragraph (2) of this  
13 Subsection shall be imposed for a period of not less than twelve months nor more  
14 than eighteen months. However, in no event shall these sanctions be removed until  
15 such time as proof of the required security is provided to the secretary along with all  
16 appropriate fees required by law, including a reinstatement fee of one hundred  
17 dollars per violation of Paragraph (1) of this Subsection if the vehicle was not

1 covered by the required security for a period of one to thirty days, two hundred fifty  
2 dollars if the vehicle was not covered by required security for a period of thirty-one  
3 to ninety days, and five hundred dollars if the vehicle was not covered by required  
4 security for a period in excess of ninety days. No reinstatement fee shall be imposed  
5 by the secretary if the vehicle was not covered by required security for a period of  
6 ~~ten~~ **fifteen** days or less and the insured surrenders the vehicle's license plate to the  
7 secretary within ~~ten~~ **fifteen** days. The reinstatement fees for violations of Paragraph  
8 (2) of this Subsection shall be as follows: two hundred fifty dollars for a first  
9 violation, five hundred dollars for a second violation, and one thousand dollars for  
10 a third or subsequent violation. The reinstatement fee shall not be owed for an  
11 alleged violation of Paragraph (2) of this Subsection when proof of the required  
12 security is provided to the secretary within sixty days of the date of the notice. If at  
13 the time of reinstatement, a person has multiple violations and is within sixty days  
14 of the notice, the total amount of fees to be paid shall not exceed eight hundred fifty  
15 dollars, for violations of Paragraph (1) of this Subsection, one thousand seventy-five  
16 dollars for violations of Paragraph (2) of this Subsection. At no time shall the total  
17 amount of fees, including administrative fees, exceed two hundred fifty dollars for  
18 persons sixty-five years or older. After sixty days of the date of the notice, all fees  
19 shall be considered final delinquent debt and therefore owed, and the eight hundred  
20 fifty dollar limit for persons under sixty-five years shall no longer apply.

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

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SB 309 Original

DIGEST  
2020 Regular Session

Barrow

Present law requires the office of motor vehicles to impose reinstatement fees when a person allows a vehicle's automobile insurance to lapse or makes a false declaration of insurance.

Present law provides that no reinstatement fee shall be imposed if the vehicle was not covered by required automobile insurance for a period of 10 days or less and the insured surrenders the vehicle's license plate within 10 days.

Proposed law retains present law and increases the time period from 10 to 15 days.

Effective August 1, 2020.

(Amends R.S. 32:863(A)(3)(a))