

2021 Regular Session

HOUSE BILL NO. 536

BY REPRESENTATIVES PHELPS, BRASS, BROWN, BRYANT, CARPENTER, ROBBY CARTER, WILFORD CARTER, COX, DUPLESSIS, FREEMAN, GLOVER, HUGHES, JAMES, JEFFERSON, JENKINS, TRAVIS JOHNSON, JONES, JORDAN, LACOMBE, LANDRY, LYONS, MARCELLE, MARINO, MCFARLAND, MOORE, NEWELL, PIERRE, SEABAUGH, SELDERS, STAGNI, WHITE, AND WILLARD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MTR VEHICLE/VIOLATIONS: Provides relative to sanctions for a lapse in required liability security

1 AN ACT

2 To amend and reenact R.S. 32:863(A)(3)(a), relative to sanctions applicable to violations of
3 required liability security; to modify the lapse period applicable to sanctions for
4 lapse of required liability security; to provide for rule promulgation; to provide for
5 an effective date; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

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

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

10 A.

11 * * *

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

1 appropriate fees required by law, including a reinstatement fee of one hundred
 2 dollars per violation of Paragraph (1) of this Subsection if the vehicle was not
 3 covered by the required security for a period of one to thirty days, two hundred fifty
 4 dollars if the vehicle was not covered by required security for a period of thirty-one
 5 to ninety days, and five hundred dollars if the vehicle was not covered by required
 6 security for a period in excess of ninety days. No reinstatement fee shall be imposed
 7 by the secretary if the vehicle was not covered by required security for a period of
 8 ten days or less and the insured surrenders the vehicle's license plate to the secretary
 9 within ten days or if the violation is the insured's first violation pursuant to Paragraph
 10 (1) of this Subsection and the lapse of insurance coverage was for five days or less.

11 The reinstatement fees for violations of Paragraph (2) of this Subsection shall be as
 12 follows: two hundred fifty dollars for a first violation, five hundred dollars for a
 13 second violation, and one thousand dollars for a third or subsequent violation. The
 14 reinstatement fee shall not be owed for an alleged violation of Paragraph (2) of this
 15 Subsection when proof of the required security is provided to the secretary within
 16 sixty days of the date of the notice. If at the time of reinstatement, a person has
 17 multiple violations and is within sixty days of the notice, the total amount of fees to
 18 be paid shall not exceed eight hundred fifty dollars, for violations of Paragraph (1)
 19 of this Subsection; and one thousand seventy-five dollars for violations of Paragraph
 20 (2) of this Subsection. At no time shall the total amount of fees, including
 21 administrative fees, exceed two hundred fifty dollars for persons sixty-five years or
 22 older. After sixty days of the date of the notice, all fees shall be considered final
 23 delinquent debt and therefore owed, and the eight hundred fifty dollar limit for
 24 persons under sixty-five years shall no longer apply.

25 * * *

26 Section 2. The Department of Public Safety and Corrections shall adopt and
 27 promulgate, in accordance with the Administrative Procedure Act, any rules and regulations
 28 that may be necessary to bring existing administrative rules into conformity with the
 29 provisions of this Act.

1 Section 3. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 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 536 Re-Reengrossed

2021 Regular Session

Phelps

Abstract: Changes the number of days that trigger the imposition of sanctions for lapse of required vehicle insurance liability.

Present law requires the secretary, upon a determination that a vehicle is not covered by security as required by present law or the owner or lessee has allowed the required security to lapse, to revoke the registration of the vehicle, impound the vehicle, and cancel the vehicle's license plate.

Present law requires sanctions for a violation of present law to be imposed for a period ranging from 12 to 18 months until proof of required liability security is provided to the secretary and all reinstatement fees are paid.

Present law requires a reinstatement fee of \$100 per violation if the vehicle was not covered by the required security for a period of 1-30 days, \$250 per violation if the vehicle was not covered by the required security for a period of 31-90 days, and \$500 per violation if the vehicle was not covered by the required security for a period in excess of 90 days.

Proposed law provides that the reinstatement fee does not apply if the violation is the insured's first violation and the lapse of insurance coverage was for 5 days or less.

Proposed law requires the Dept. of Public Safety and Corrections to adopt and promulgate rules and regulations, in accordance with the Administrative Procedure Act, to bring any existing administrative rules into conformity with the provisions of proposed law.

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

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

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Change the number of days that trigger the \$100 per violation penalty if the vehicle was not covered by the required security from 11-30 days to 1-30 days.
2. Provide an exemption from the reinstatement fee if the violation is the insured's first violation and the lapse of insurance coverage was for 10 days or less.

The House Floor Amendments to the reengrossed bill:

1. Change exemption period from the reinstatement fee from 10 days or less to 5 days or less if the violation is the insured's first violation for a lapse of insurance coverage.