
DIGEST

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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.