

# ACT No. 629

HOUSE BILL NO. 683

BY REPRESENTATIVES OWEN, AMEDEE, BAYHAM, BILLINGS, BOURRIAQUE, BOYER, BRAUD, BRYANT, CARLSON, CARRIER, WILFORD CARTER, CHASSION, COX, CREWS, DEWITT, DICKERSON, EGAN, FARNUM, FISHER, FONTENOT, GREEN, HORTON, JORDAN, KNOX, LAFLEUR, MANDIE LANDRY, LARVADAIN, LYONS, MCCORMICK, MCMAHEN, MELERINE, MOORE, RISER, ROMERO, SCHAMERHORN, SELDERS, TARVER, TAYLOR, TURNER, WALTERS, WILEY, AND WYBLE AND SENATORS ABRAHAM, ALLAIN, BARROW, BOUDREAUX, CARTER, CLOUD, DUPLESSIS, HARRIS, JACKSON-ANDREWS, MCMATH, AND PRICE

1 AN ACT

2 To amend and reenact R.S. 32:8(A)(2) and (3) and (B) and 429.4(B) and (E) through (H) and  
3 to enact R.S. 32:8(D), 429.4(A)(5) and (I), and 863.1.2, relative to motor vehicle  
4 reinstatements; to remove the mandate for the office of motor vehicles to refer final  
5 delinquent debt to the office of debt recovery; to provide for definitions; to authorize  
6 the office of motor vehicles to settle debt to avoid litigation and collection expenses;  
7 to require debtors to provide an electronic mail address to the office of motor  
8 vehicles for receipt of notices and updates; to remove equal monthly installments  
9 amounts that are tied to specific amounts a debtor owes; to provide for the  
10 assessment of a late fee for the failure to make an installment payment and request  
11 reinstatement; to create a reinstatement relief program to be governed by the  
12 commissioner of the office of motor vehicles; to require the office of motor vehicles  
13 to provide reinstatements at all of its field locations; and to provide for related  
14 matters.

15 Be it enacted by the Legislature of Louisiana:

16 Section 1. R.S. 32:8(A)(2) and (3) and (B) and 429.4(B) and (E) through (H) are  
17 hereby amended and reenacted and R.S. 32:8(D), 429.4(A)(5) and (I), and 863.1.2 are  
18 hereby enacted to read as follows:

1 §8. Final delinquent debt; office of motor vehicles

2 A. For purposes of this Section, the following words shall have the following  
3 meanings unless the context clearly indicates otherwise:

4 \* \* \*

5 (2) "Delinquent debt" means a debt that is ~~sixty~~ one hundred eighty days or  
6 more past due.

7 (3) "Final debt" means ~~the amount due is no longer negotiable and that the~~  
8 debtor has no further right of administrative and judicial review regarding the  
9 amount.

10 \* \* \*

11 B. The office of motor vehicles ~~shall~~ may refer a final delinquent debt for  
12 which a debtor has not entered into an installment agreement for payment to the  
13 office of debt recovery as provided in R.S. 47:1676. Final delinquent debt referrals  
14 shall include data and information in the required format necessary to institute  
15 collection procedures. All delinquent debts shall be authenticated by the office of  
16 motor vehicles prior to being referred to the office of debt recovery. Once the  
17 delinquent debt becomes final; and prior to referral to the office of debt recovery, the  
18 office of motor vehicles shall notify the debtor in writing that failure to pay the debt  
19 in full within sixty days shall subject the debt to the ~~maximum~~ amount owed, as  
20 specified in R.S. 32:57.1(B), 863(A)(3)(a), and 863.1, together with the additional  
21 fee collected by the office of debt recovery provided for in R.S. 47:1676. Such  
22 notice shall also inform the debtor that he may qualify to pay sums due by  
23 installment agreement, if eligible, and shall include instructions on how to inquire  
24 with the office of motor vehicles to determine eligibility and terms.

25 \* \* \*

26 D. The office of motor vehicles, through the commissioner, may compromise  
27 and settle all debt, whether such debt is delinquent debt, final debt, or a debt that has  
28 been referred to the office of debt recovery as a final delinquent debt to avoid  
29 litigation and further collection expenses of the state upon satisfactory showing of



1 ~~more owed based on proof of income indicating a debtor's financial limitations to~~  
2 ~~pay within sixty months.~~

3 (2) The commissioner of the office of motor vehicles may take into account  
4 factors such as the debtor's income, financial obligations, as well as any other factors  
5 that affect the debtor's ability to pay the outstanding debt when the commissioner is  
6 determining the number of payments and the amount of each payment in the debtor's  
7 installment agreement.

8 \* \* \*

9 E. The failure to make a scheduled payment in accordance with the terms of  
10 the installment agreement shall result in the assessment of a late fee in the amount  
11 of twenty-five dollars which shall be added to the total amount due. Upon the failure  
12 to receive a payment, the office of motor vehicle shall send an electronic mail  
13 notification to the debtor to update the debtor's payment information and pay the  
14 missed payment. If, after receiving the electronic mail notice, the debtor updates the  
15 payment information, pays the late fee, and submits the missed payment, the  
16 installment agreement shall remain in place and no further action will be taken. In  
17 such case, the missed payment and late fee shall be received by the office of motor  
18 vehicles prior to the next scheduled payment date.

19 E. (F) Termination of installment agreement upon failure to make payment.

20 (1) If any installment payment is not paid on or before the date fixed for its  
21 payment, and the debtor fails to make up the missed payment as provided in  
22 Subsection E of this Section, the entire amount unpaid pursuant to the installment  
23 agreement shall be paid by the debtor within a sixty-day period from the date of  
24 notice and demand from the commissioner of the office of motor vehicles. The  
25 notice shall further advise the debtor that his driver's license shall be suspended upon  
26 the expiration of the sixty-day period if the payments due pursuant to the installment  
27 agreement are not made current within that sixty-day period or the agreement is not  
28 reinstated by the commissioner of the office of motor vehicles within that sixty-day  
29 period. This notice shall be known as "Notice of Installment Agreement Termination  
30 and Demand".

1           (2) The Notice of Installment Agreement Termination and Demand shall  
 2 satisfy all notice requirements contained in R.S. 32:8 and R.S. 47:1676. In the event  
 3 an installment agreement includes payment of delinquent or final debt as defined by  
 4 R.S. 32:8, such notice shall include all information required by R.S. 32:8. In the  
 5 event that an installment agreement includes payment of delinquent or final debt as  
 6 defined by R.S. 47:1676, such notice shall include all information required by R.S.  
 7 47:1676. The notice required by this Paragraph shall satisfy the notice requirements  
 8 of R.S. 32:8 and R.S. 47:1676.

9           (3) Upon request of the debtor within the sixty-day period from the date of  
 10 the notice and demand required in Paragraph (1) of this Subsection and approval of  
 11 the commissioner of the office of motor vehicles, the office of motor vehicles may  
 12 reinstate the installment agreement after payment of all the missed installments and  
 13 associated late fees installment.

14           (4) If a request for reinstatement of an installment agreement is not made  
 15 within sixty days of the notice and demand required by Paragraph (1) of this  
 16 Subsection, or if the commissioner of the office of motor vehicles rejects a request  
 17 to reinstate an installment agreement, the installment agreement shall be terminated  
 18 and any remaining sums due under the installment agreement shall be delinquent and  
 19 final debt as defined by R.S. 32:8 or R.S. 47:1676 for which the following shall  
 20 apply:

21           (a) For sums due which are not considered debt as defined by R.S. 32:8, the  
 22 office of motor vehicles may refer any unpaid balance due under the installment  
 23 agreement for collection by the appropriate office pursuant to R.S. 47:1676 and this  
 24 Section.

25           (b) For sums due which are debt as defined by R.S. 32:8, the office of motor  
 26 vehicles may ~~shall~~ refer any unpaid balance due under the installment agreement to  
 27 the Department of Revenue, office of debt recovery, for collection as provided in  
 28 R.S. 32:8 and R.S. 47:1676.

29           G. ~~F.~~ Driving privileges and vehicle registration. ~~(H)~~ A debtor's Class "E"  
 30 driving privileges and motor vehicle or truck registration privileges shall be

1 reinstated when an installment agreement is executed by the debtor and the office of  
 2 motor vehicles. All blocks on the debtor's license record shall be removed at that  
 3 time. The office of motor vehicles may include the applicable fee for reinstatement  
 4 of driving privileges in the total to be owed pursuant to an installment agreement  
 5 entered into pursuant to this Section.

6 ~~(2) If a debtor fails to timely make an installment payment and no request~~  
 7 ~~for reinstatement of the installment agreement is made following the commissioner's~~  
 8 ~~sending the Notice of Installment Agreement Termination and Demand, or the~~  
 9 ~~commissioner of the office of motor vehicles rejects a request to reinstate an~~  
 10 ~~installment agreement, the debtor's driving privileges and motor vehicle or truck~~  
 11 ~~registration privileges shall be suspended. The provisions of R.S. 32:414 shall apply~~  
 12 ~~with regard to judicial review of the suspension and reinstatement of the suspension.~~

13 H. G. Administration of installment agreements. (1) The Department of  
 14 Public Safety and Corrections, public safety services, may authorize a third party,  
 15 including but not limited to the Department of Revenue, office of debt recovery, to  
 16 administer installment agreements executed pursuant to this Section. Such  
 17 authorized third party may collect payments due pursuant to installment agreements  
 18 executed pursuant to this Section. Any such authorized third party shall be an  
 19 authorized agent of the Department of Public Safety and Corrections, public safety  
 20 services, and may collect the following fees for each transaction completed pursuant  
 21 to this Section:

22 (a) A fee not to exceed three dollars for each payment made pursuant to an  
 23 installment agreement.

24 (b) Fees authorized by R.S. 40:1322.

25 (c) Fees authorized pursuant to R.S. 49:316.1.

26 (2) The provisions of R.S. 47:1576.2 shall not apply to services provided by  
 27 the Department of Revenue, office of debt recovery, pursuant to this Subsection.

28 (3) For purposes of this Section, the office of motor vehicles and the office  
 29 of debt recovery shall not be considered a collection agency as defined in R.S.  
 30 9:3534.1.



1 referred to the office of debt recovery. However, any debt referred to the office of debt  
 2 recovery on or before the effective date of this Act, shall be considered delinquent debt if  
 3 the debt was sixty days or more past due, as provided in Act No. 414 of the 2015 Regular  
 4 Session.

5 Section 3. This Act shall become effective upon signature by the governor or, if not  
 6 signed by the governor, upon expiration of the time for bills to become law without signature  
 7 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 8 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 9 effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_