

Regular Session, 2014

HOUSE BILL NO. 118

BY REPRESENTATIVE HARRISON

INSURANCE/AUTOMOBILE: Provides relative to the penalties for failure to maintain compulsory motor vehicle liability security

1 AN ACT

2 To amend and reenact R.S. 32:866(A)(1), (C), and (G)(1)(c), relative to compulsory motor  
3 vehicle liability security; to provide for the payment of attorney fees in certain  
4 circumstances; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 32:866(A)(1), (C), and (G)(1)(c) are hereby amended and reenacted  
7 to read as follows:

8 §866. Compulsory motor vehicle liability security; failure to comply; limitation of  
9 damages

10 A.(1) There ~~should~~ shall be no recovery for the first fifteen thousand dollars  
11 of bodily injury and no recovery for the first twenty-five thousand dollars of property  
12 damage based on any cause or right of action arising out of a motor vehicle accident,  
13 for such injury or damages occasioned by an owner or operator of a motor vehicle  
14 involved in such accident who fails to own or maintain compulsory motor vehicle  
15 liability security.

16 \* \* \*

17 C.(1) If the owner of a motor vehicle, who fails to own or maintain  
18 compulsory motor vehicle liability security, institutes an action to recover damages  
19 in any amount, regardless of whether such owner or operator is at fault, and is  
20 awarded an amount equal to or less than the minimum amount of compulsory motor

1 vehicle liability security, then such owner or operator shall be assessed and held  
2 liable for all court costs incurred by all parties to the action.

3 (2) If the owner of a motor vehicle, who fails to own or maintain compulsory  
4 motor vehicle liability security, institutes an action to recover damages in any  
5 amount, regardless of whether such owner or operator is at fault, and is not awarded  
6 any damages, then such owner or operator shall be assessed and held liable for all  
7 court costs and attorney fees incurred by all parties to the action.

8 \* \* \*

9 G.(1) Except for newly acquired vehicles added to a policy subject to the  
10 policy terms, the issuance, change, or adjustment of any motor vehicle liability  
11 security or insurance policy subsequent to a motor vehicle accident, without proof  
12 of coverage having been bound prior to such motor vehicle accident, shall not  
13 effectuate any of the following:

14 \* \* \*

15 (c) The avoidance of liability for court costs and attorney fees otherwise  
16 required under this Section.

17 \* \* \*

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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)]

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Harrison

HB No. 118

**Abstract:** Requires an owner or operator of a motor vehicle who fails to maintain motor vehicle liability security to pay the attorney fees of opposing parties to an action for damages under certain circumstances.

Present law provides that there "should" be no recovery for the first \$15,000 of bodily injury and no recovery for the first \$25,000 of property damage based on any cause of action arising out of a motor vehicle accident, for damages incurred by an owner or operator who fails to maintain compulsory motor vehicle liability security.

Proposed law retains present law but changes "should" to "shall" to be consistent with the terminology of Act 1476 of the 1997 Regular Session.

Present law provides that if the owner of a motor vehicle, who fails to maintain compulsory motor vehicle liability security, institutes an action to recover damages and is awarded an amount equal to or less than the minimum amount of compulsory motor vehicle liability

security, then the owner or operator shall be liable for all court costs incurred by all parties to the action.

Proposed law retains present law and adds that if the owner or operator of a motor vehicle is not awarded any damages, then he shall also be liable for all attorney fees incurred by all parties to the action.

(Amends R.S. 32:866(A)(1), (C), and (G)(1)(c))