

Regular Session, 2014

HOUSE BILL NO. 851

BY REPRESENTATIVE TALBOT

MTR VEHICLE/COMPULS INS: Increase penalties for driving with cancelled auto liability policy

1 AN ACT

2 To amend and reenact R.S. 32:862(G)(4) and (5), 863(A)(1), (3)(a), and (B)(2)(b),  
3 863.1(C)(1)(c), (D), and (I)(3), 863.2(A)(5) and (6), 864, and 865(A) and (B)(1),  
4 relative to the penalties for operating a motor vehicle without the required motor  
5 vehicle liability security; to increase penalties for failing to provide required proof  
6 of compliance; to require suspension, revocation, and cancellation of driver's license  
7 and registration for violations; to remove limits on the maximum amount of penalties  
8 and reinstatement fees that are assessed; to increase the administrative reinstatement  
9 fee; and to provide for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 32:862(G)(4) and (5), 863(A)(1), (3)(a), and (B)(2)(b),  
12 863.1(C)(1)(c), (D), and (I)(3), 863.2(A)(5) and (6), 864, and 865(A) and (B)(1) are hereby  
13 amended and reenacted to read as follows:

14 §862. Proof of compliance

15 \* \* \*

16 G. The prohibited actions and penalties for violations thereof are as follows:

17 \* \* \*

18 (4) Whoever violates the provisions of this Subsection shall be fined not less  
19 than five hundred dollars nor more than one thousand dollars and shall be required

1 to perform not less than forty hours nor more than two hundred hours of community  
2 service.

3 (5) When the commissioner finds that any person has violated the provisions  
4 of this Subsection, the commissioner ~~may~~ shall suspend, revoke, or cancel the  
5 driver's license held by the offender and ~~may~~ shall suspend, revoke, or cancel the  
6 registration of each motor vehicle owned by the offender.

7 \* \* \*

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

10 A.(1) Except as provided herein below, when the secretary determines that  
11 a vehicle is not covered by security as required by this Chapter or that the owner or  
12 lessee has allowed the required security to lapse, he shall revoke the registration of  
13 the vehicle, impound the vehicle, ~~or~~ and cancel the vehicle's license plate.

14 \* \* \*

15 (3)(a) Sanctions for a violation of Paragraph (1) of this Subsection shall be  
16 imposed until proof of required liability security is provided to the secretary and all  
17 reinstatement fees are paid. Sanctions for a violation of Paragraph (2) of this  
18 Subsection shall be imposed for a period of not less than ~~six~~ twelve months nor more  
19 than eighteen months. However, in no event shall these sanctions be removed until  
20 such time as proof of the required security is provided to the secretary along with all  
21 appropriate fees required by law, including a reinstatement fee of ~~twenty-five~~ one  
22 hundred dollars per violation of Paragraph (1) of this Subsection if the vehicle was  
23 not covered by the required security for a period of one to thirty days, ~~one~~ two  
24 hundred fifty dollars if the vehicle was not covered by required security for a period  
25 of thirty-one to ninety days, and ~~two~~ five hundred dollars if the vehicle was not  
26 covered by required security for a period in excess of ninety days. No reinstatement  
27 fee shall be imposed by the secretary if the vehicle was not covered by required  
28 security for a period of ten days or less and the insured surrenders the vehicle's  
29 license plate to the secretary within ten days. The reinstatement fees for violations

1 of Paragraph (2) of this Subsection shall be as follows: ~~twenty-five~~ two hundred fifty  
 2 dollars for a first violation, ~~one~~ five hundred dollars for a second violation, and ~~two~~  
 3 ~~hundred~~ one thousand dollars for a third or subsequent violation, ~~provided the~~  
 4 ~~offenses occurred within a five-year period.~~ The reinstatement fee shall not be owed  
 5 for an alleged violation of Paragraph (2) of this Subsection when proof of the  
 6 required security is provided to the secretary. ~~If at the time of reinstatement a person~~  
 7 ~~has multiple violations, the total amount of fees to be paid shall not exceed five~~  
 8 ~~hundred dollars, including any administrative fees for persons under sixty-five years~~  
 9 ~~old. At no time shall the total amount of fees, including any administrative fees,~~  
 10 ~~exceed two hundred dollars for persons sixty-five years or older.~~

11 \* \* \*

12 B. The sanctions of Paragraph (A)(1) of this Section shall not be imposed,  
 13 and any fine, fee, or other monetary sanction which has been remitted to the  
 14 secretary pursuant to the sanctions of this Section, specifically including any  
 15 reinstatement fee paid pursuant to Paragraph (A)(3) of this Section and any fee paid  
 16 pursuant to Paragraph (D)(5) of this Section, shall be promptly refunded by the  
 17 secretary to the person who paid it, if the owner or lessee furnishes any of the  
 18 following:

19 \* \* \*

20 (2) If such evidence is not furnished by the owner or lessee, any other  
 21 evidence satisfactory to the secretary, that each of the following conditions are met:

22 \* \* \*

23 (b) The vehicle is currently covered by security as required by R.S. 32:861  
 24 and that the required security has been continuous without lapse.

25 \* \* \*

26 §863.1. Evidence of compulsory motor vehicle liability security contained in  
 27 vehicle; enforcement; penalty; fees

28 \* \* \*

1 C(1)

2 \* \* \*

3 (c) For a first offense there shall be a reinstatement fee of ~~five~~ one hundred  
4 dollars, for a second offense there shall be a reinstatement fee of ~~one~~ two hundred  
5 fifty dollars, and for any subsequent offense there shall be a reinstatement fee of five  
6 hundred dollars. The reinstatement fee contained herein shall be in addition to other  
7 appropriate registration fees allowed by law and reinstatement shall depend upon  
8 proof of compliance with the compulsory liability law.

9 \* \* \*

10 D. Prior to reinstatement of registration and license plate privileges to any  
11 individual who cannot prove the required insurance coverage or security in effect at  
12 the time of the offense within three calendar days after the offense, the Department  
13 of Public Safety and Corrections shall collect a reinstatement fee of ~~ten~~ one hundred  
14 dollars to offset the costs of administering this Section. This ~~ten~~ one hundred dollar  
15 fee shall be in addition to any other fines, fees, or penalties owed prior to  
16 reinstatement of privileges.

17 \* \* \*

18 I.

19 \* \* \*

20 (3) If the owner fails to provide the proof required in Paragraph (2) of this  
21 Subsection, there shall be a fine of ~~five~~ one hundred dollars for a first offense, a fine  
22 of ~~one~~ two hundred fifty dollars for a second offense, and a fine of five hundred  
23 dollars for any subsequent offense.

24 §863.2. Notification of the cancellation or issuance of security; penalties; database  
25 development

26 A.

27 \* \* \*

28 (5) If any cancellation of a motor vehicle liability policy occurs at the  
29 request of the insured, the insurer is not obligated to cancel such policy earlier than

1 ten days prior to actual receipt by the insurer of such request. The insurer shall  
2 notify the commissioner of the request for cancellation within five days of the  
3 request.

4 (6) If any cancellation of a motor vehicle liability insurance policy occurs  
5 as a result of the rescission other cancellation of the sale of the motor vehicle on  
6 which the policy is issued, the insurer shall notify the secretary of the cancellation  
7 and the circumstances of the cancellation within five days, and the insured shall not  
8 be liable for any penalty or fee imposed for failure to maintain the security required  
9 by law.

10 \* \* \*

11 §864. Criminal sanctions for false declaration

12 Any person, firm or corporation which violates R.S. 32:863(A)(2) shall be  
13 guilty of a misdemeanor and upon conviction shall be fined not ~~more~~ less than ~~one~~  
14 five hundred twenty-five dollars nor more than one thousand dollars or imprisoned  
15 for a period of not more than thirty days.

16 §865. Criminal sanctions for operating motor vehicle not covered by security

17 A. Any person knowingly operating a motor vehicle and any owner allowing  
18 a motor vehicle to be operated, when such motor vehicle is not covered by the  
19 security required under R.S. 32:861 shall, upon conviction, be fined not ~~more~~ less  
20 than five hundred dollars nor more than one thousand dollars.

21 B.(1) If the vehicle is in any manner involved in an accident within this state,  
22 when such motor vehicle is not covered by the security required under R.S. 32:861,  
23 the owner thereof shall, upon conviction, be fined not ~~more~~ less than five hundred  
24 dollars nor more than one thousand dollars, shall have the registration of the vehicle  
25 revoked for a period of ~~sixty~~ one hundred eighty days, and shall have his driving  
26 privileges suspended for a period of ~~sixty~~ one hundred eighty days.

27 \* \* \*

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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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Talbot

HB No. 851

**Abstract:** Increases penalties for operating a vehicle without the required liability insurance.

Present law requires a fine not to exceed \$1,000 for violation of the Motor Vehicle Safety Responsibility law.

Proposed law retains present law and additionally requires a minimum fine of \$500.

Present law provides that the Dept. of Public Safety and Corrections (DPS&C) may suspend, revoke, or cancel the driver's license of a driver who violates the Motor Vehicle Safety Responsibility law.

Proposed law requires that DPS&C suspend, revoke, or cancel the driver's license of a driver who violates the Motor Vehicle Safety Responsibility law.

Present law provides that DPS&C may suspend, revoke, or cancel the registration of each motor vehicle owned by a driver who violates the Motor Vehicle Safety Responsibility law.

Proposed law requires that DPS&C suspend, revoke or cancel the registration of each motor vehicle owned by a driver who violates the Motor Vehicle Safety Responsibility law.

Present law requires that DPS&C revoke the registration, impound, or cancel the vehicle license plate of a vehicle not covered by security as required by the Motor Vehicle Safety Responsibility law.

Proposed law retains present law but requires that DPS&C revoke the registration, impound the vehicle, and cancel the vehicle license plate of a vehicle not covered by security as required by the Motor Vehicle Safety Responsibility law.

Present law requires that DPS&C revoke the registration, impound the vehicle, and cancel the vehicle license plate of a vehicle for period of not less than six months nor longer than 18 months when the owner submitted false information that the vehicle was covered by the required security in his application for registration or in his application for inspection.

Proposed law retains present law but requires that DPS&C revoke the registration, impound the vehicle, and cancel the vehicle license plate of a vehicle for period of not less than 12 months.

Present law requires that DPS&C impose a reinstatement fee of \$25 if a vehicle was not covered by the required security for a period of 1 to 31 days, a fee of \$100 for a period of 31 to 90 days, and a fee of \$200 for a period in excess of 90 days.

Proposed law retains present law but imposes a reinstatement fee of \$100 if a vehicle was not covered by the required security for a period of 1 to 31 days, a fee of \$250 for a period of 31 to 90 days, and a fee of \$500 for a period in excess of 90 days.

Present law requires that DPS&C impose a reinstatement fee of \$25 if a vehicle was not covered by the required security for a period of 1 to 31 days, a fee of \$100 for a period of 31 to 90 days, and a fee of \$200 for a period in excess of 90 days when the registration has

been revoked because the owner submitted false information that the vehicle was covered by the required security in his application for registration or in his application for inspection.

Proposed law retains present law but imposes a reinstatement fee of \$250 if a vehicle was not covered by the required security for a period of 1 to 31 days, a fee of \$500 for a period of 31 to 90 days, and a fee of \$1,000 for a period in excess of 90 days.

Present law provides that if a person has multiple violations at the time of reinstatement, the total amount of fees shall not exceed \$500 for a person under 65 years old, and \$200 for a person 65 years or older.

Proposed law removes the maximum amount of fees that can be owed by any person at the time of reinstatement.

Present law provides that DPS&C shall waive the sanctions and reinstatement fees for failure to maintain the required security when the owner furnishes evidence to DPS&C that the vehicle is currently covered by the required security

Proposed law retains present law but requires that the required security have been continuous without lapse.

Present law requires DPS&C charge a reinstatement fee of \$50 for a first offense and \$150 for a second offense of failing to keep in the vehicle documentation that the vehicle is in compliance with the Motor Vehicle Safety Responsibility law.

Proposed law retains present law but requires DPS&C charge a reinstatement fee of \$100 for a first offense and \$250 for a second offense.

Present law requires DPS&C collect a reinstatement administration fee of \$10, in addition to any other fines, fees, or penalties owed when a registration has been revoked for failing to keep in the vehicle documentation that the vehicle is in compliance with the Motor Vehicle Safety Responsibility law.

Proposed law retains present law but requires DPS&C collect a reinstatement administration fee of \$100.

Present law requires a fine of \$50 for a first offense and a fine of \$150 for a second offense when the operator of a vehicle registered in another state is involved in an accident in La. and is unable to provide documentation that the vehicle is in compliance with the Motor Vehicle Safety Responsibility law.

Proposed law retains present law but requires a fine of \$100 for a first offense and \$250 for a second offense.

Proposed law requires an insurer notify DPS&C within five days of receipt of a request from an insured to cancel his motor vehicle liability policy.

Present law requires an insurer notify DPS&C when the insurer receives notification of cancellation of a motor vehicle liability policy due to rescission or other cancellation of the sale of the vehicle on which the policy was issued.

Proposed law retains present law but requires the insurer to notify DPS&C within five days of notification of cancellation of a motor vehicle liability policy due to rescission or other cancellation of the sale of the vehicle on which the policy was issued.

Present law requires a fine of not more than \$125 for the submission of false information that a vehicle was covered by the required security in an application for registration or an application for inspection.

Proposed law retains present law but requires a minimum fine of \$500 and a maximum fine of \$1,000.

Present law requires a fine of not more than \$500 for knowingly operating a vehicle or allowing to be operated without the required security.

Proposed law retains present law but requires a minimum fine of \$500 and a maximum fine of \$1,000.

Present law requires a fine of not more than \$500, revocation of vehicle registration for 60 days, and suspension of driving privileges for 60 days imposed upon the owner of a vehicle involved in an accident in La. when not covered by the required security.

Proposed law retains present law but requires a minimum fine of \$500 and a maximum fine of \$1,000, revocation of vehicle registration for 180 days, and suspension of driving privileges for 180 days.

(Amends R.S. 32:862(G)(4) and (5), 863(A)(1), (3)(a), and (B)(2)(b), 863.1(C)(1)(c), (D), and (I)(3), 863.2(A)(5) and (6), 864, and 865(A) and (B)(1))