HLS 12RS-2017 ORIGINAL

Regular Session, 2012

1

HOUSE BILL NO. 1130

BY REPRESENTATIVE CROMER

INSURANCE/AUTOMOBILE: Provides for electronic display of proof of insurance

AN ACT

2	To amend and reenact R.S. 32:851, 862(B)(1), (G)(1) and (3), and (H), 863(B)(1),
3	863.1(A)(1)(a)(introductory paragraph) and (G)(1), and 874(B)(2) and to enact R.S.
4	32:862(I) and (J) and 874(C), relative to proof of insurance; to allow for the usage
5	of mobile electronic devices as a method of providing proof of insurance; to
6	authorize the commissioner of the Department of Public Safety and Corrections to
7	compel a motor vehicle operator to provide a paper copy of proof insurance; to
8	provide relative to a court's authority to compel a motor vehicle operator to provide
9	a paper copy of proof of insurance; and to provide for related matters.
10	Be it enacted by the Legislature of Louisiana:
11	Section 1. R.S. 32:851, 862(B)(1), (G)(1) and (3), and (H), 863(B)(1),
12	863.1(A)(1)(a)(introductory paragraph) and (G)(1), and 874(B)(2) are hereby amended and
13	reenacted and R.S. 32:862(I) and (J) and 874(C) are hereby enacted to read as follows:
14	§851. Definitions
15	The following words and phrases, when used in this Chapter, shall, for the
16	purposes of this Chapter, have the meanings respectively ascribed to them in this
17	Section, except in those instances where the context clearly indicates a different
18	meaning:
19	(1) "Commissioner" <del>The term "Commissioner"</del> means the Department of
20	Public Safety and Corrections.

## Page 1 of 8

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

(2) "Judgment"—Any means any judgment which shall have become final by
expiration without appeal of the time within which a suspensive appeal might have
been perfected or by final affirmation on appeal, rendered by a court of competent
jurisdiction of any state or of the United States, upon a cause of action arising out of
the ownership, maintenance, or use of any motor vehicle, for damages, including
damages for care and loss of services, because of bodily injury to or death of any
person, or for damages because of injury to or destruction of property including the
loss of use thereof, or upon a cause of action on an agreement of settlement for such
damages.
(3) "License"—Any means any license, temporary instruction permit, or
temporary license issued under the laws of this state pertaining to the licensing of
persons to operate motor vehicles.
(4) "Mobile electronic device" means any small handheld computing or
communications device that has a display screen with touch input or a miniature
keyboard.
(4) (5) "Motor vehicle"—Every means every self-propelled vehicle (except
traction engines; road rollers, farm tractors, tractor cranes, power shovels and well
drillers) and every vehicle which is propelled by electric power obtained from
overhead wires but not operated upon rails.
(5) (6) "Non-resident Nonresident" Every means every person who is not
a resident of this state; but does not include persons dwelling outside of this state
whose occupation or business requires them to spend one-half or more of their
working hours in this state in pursuance of their business or employment.
(6) (7) "Non-resident's Nonresident's operating privileges"—The means the
privilege conferred upon a non-resident nonresident by the laws of this state
pertaining to the operation by him of a motor vehicle, or the use of a motor vehicle
owned by him, in this state.
(7) (8) "Operator"—Every means every person who is in actual physical
control of a motor vehicle.

1	(8) (9) "Owner"Every means every person who holds the legal title to a
2	motor vehicle or in the event a motor vehicle is the subject of an agreement for the
3	conditional sale, lease, or transfer of the possession, however, thereof, with the right
4	of purchase upon performance of the condition stated in the agreement and with an
5	immediate right of possession vested in the conditional vendee, lessee, possessor, or
6	in the event such or similar transaction is had by means of a mortgage, and the
7	mortgagor of a vehicle is entitled to possession, then such conditional vendee, lessee,
8	possessor, or mortgagor shall be deemed the owner for the purpose of this Chapter.
9	(9) (10) "Person"—Every means every natural person, firm, co-partnership,
10	association, or corporation.
11	(10)(11) "Proof of financial responsibility" means proof of ability to respond
12	in damages for liability, on account of accidents occurring subsequent to the
13	effective date of the proof, arising out of the ownership, maintenance, or use of a
14	motor vehicle in the amounts specified in R.S. 32:872 in reference to the acceptable
15	limits of a policy or bond.
16	(11) (12) "Registration"—Registration includes a registration certificate or
17	certificates and registration plates issued under the laws of this state pertaining to the
18	registration of motor vehicles.
19	(12) (13) "State" Any means any state, territory, or possession of the United
20	States, the District of Columbia, or any province of the Dominion of Canada.
21	* * *
22	§862. Proof of compliance
23	* * *
24	B.(1) The commissioner shall adopt rules to implement the provisions of this
25	Section. The rules shall provide that documentation of insurance or other security
26	shall be required for proof of compliance. The rules shall require that the original,
27	or a photocopy or an image displayed on a mobile electronic device, or a copy of one
28	of the following documents be produced as documentation of insurance: an
29	insurance card; an insurance policy; or the declarations page of the insurance policy

showing coverages. The rules shall require insurance and security companies to issue cards or similar documents, or an image of the card or similar documents capable of being displayed on a mobile electronic device, which indicate the existence of insurance or security coverage, may establish the form for the cards or similar documents, and may establish the form for the written declarations required by this Section.

\* \* \*

- G. The prohibited actions and penalties for violations thereof are as follows:
- (1) No person shall provide false or fraudulent information, documentation, or images or documents or make false or fraudulent representations in connection with any application for the registration of a motor vehicle, or for a renewal of a registration of a motor vehicle, or for a motor vehicle inspection certificate, or for a driver's license.

\* \* \*

(3) No person shall alter or counterfeit any card or similar document, or produce or use a false or fraudulent image on a mobile electronic device used to show proof of compliance.

18 \* \* \*

H. No action taken by any person, whether private citizen or public officer or employee, with regard to any license, registration, or inspection certificate, or with regard to any document or electronic image which indicates compliance with this Part, shall create a presumption of the existence of insurance coverage, or be construed by any court as a warranty of the reliability or accuracy of the document or electronic image, or create any liability on the part of the state, or on the part of any department, office, or agency of the state, or on the part of any officer, employee, or agent of the state.

I. The display of an image of the insurance card on a mobile electronic device shall not serve as consent for a law enforcement officer, or any other person,

	HB NO. 1130
1	to access other contents of the mobile electronic device in any manner other than to
2	verify the image of the insurance card.
3	J.(1) A court of competent jurisdiction may require a person to produce a
4	paper copy of the insurance identification card in any hearing or trial or in
5	connection with discovery.
6	(2) The commissioner may require a person to produce a paper copy of the
7	insurance identification card in connection with any inquiry or transaction conducted
8	by, or on behalf of, the commissioner.
9	§863. Sanctions for false declaration; reinstatement fees; revocation of registration;
10	review
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	(1) An original, a photocopy, or an image of the card that is displayed on a
20	mobile electronic device, or photocopy of a Louisiana auto insurance identification
21	card showing that the required security is in effect on the vehicle and has been

mobile electronic device, or photocopy of a Louisiana auto insurance identification card showing that the required security is in effect on the vehicle and has been continuous without lapse or an original or photocopy of any written communication from an insurer either to the insured or to the secretary stating that the required security is in effect on the vehicle and has been continuous without lapse, any one of which shall constitute sufficient evidence that the required security on the vehicle has not lapsed.

27 \* \* \*

22

23

24

25

26

1	§863.1. Evidence of compulsory motor vehicle liability security contained in
2	vehicle; enforcement; penalty; fees
3	A. No owner or lessee of a self-propelled motor vehicle registered in this
4	state, except a motor vehicle used primarily for exhibit or kept primarily for use in
5	parades, exhibits, or shows, or agricultural or forest use vehicles during seasons
6	when they are not used on the highways, shall operate or allow the operation of such
7	vehicle upon any public road, street, or highway in this state unless there is contained
8	within the vehicle one of the following documents evidencing that the motor vehicle
9	is in compliance with R.S. 32:861 relative to compulsory motor vehicle liability
10	security:
11	(1) A certificate of insurance. "Certificate" means the written evidence of
12	motor vehicle liability insurance as defined in R.S. 32:900 that is in the form of one
13	of the following:
14	(a) An <u>insurance</u> identification card, a <u>photocopy of the card</u> , or an <u>image of</u>
15	the card displayed on a mobile electronic device, issued by an insurer to its insured
16	which shall contain the following information:
17	* * *
18	G. The only acceptable means of proof of a valid and current policy of
19	insurance shall be one of the following:
20	(1) The insurance identification card, a photocopy of the card, or an image
21	of the card that is displayed on a mobile electronic device, declaration page, or policy
22	issued by the insurer.
23	* * *
24	§874. Duration of suspension, revocation, or withdrawal; reinstatement fees
25	* * *
26	B.
27	* * *
28	(2) Proof of coverage in this Section shall include an original or photocopy
29	of a Louisiana auto insurance identification card, or an image of the card that is

2

3

4

5

6

7

8

9

10

11

12

13

14

displayed on a mobile electronic device, showing that the required security is in effect on the vehicle and has been continuous without lapse or an original or photocopy of any written communication from an insurer either to the insured or to the secretary stating that the required security is in effect on the vehicle and has been continuous without lapse. The original or photocopy of either the insurance card, or an image of the card that is displayed on a mobile electronic device, or the written communication specified above shall constitute sufficient proof of coverage in this Section and, upon receipt of any of these documents, the license shall be reinstated provided all other requirements have been met. No reinstatement fee shall be charged when proof of coverage is provided, and any reinstatement fee which has been paid shall be refunded.

C. The commissioner may require a person to produce a paper copy of the insurance identification card in connection with any inquiry or transaction conducted

## **DIGEST**

by, or on behalf of, the commissioner.

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)]

Cromer HB No. 1130

**Abstract:** Allows for the inclusion of images provided by mobile electronic devices as a means of providing proof of insurance.

<u>Present law</u> requires automobile liability insurance on all motor vehicles used for operation in this state in amount of no less than \$15,000 because of bodily injury to or death of one person; \$30,000 because of bodily injury or death of two or more persons; and \$25,000 because of damage to or destruction of property of others in any one accident.

Proposed law retains present law.

<u>Present law</u> requires that operators of motor vehicles maintain proof of compliance with the minimum liability requirements of <u>present law</u> and be able to show proof of such compliance by presenting the original or a copy of the insurance card, insurance policy, or insurance policy declaration page which covers the motor vehicle.

<u>Proposed law</u> retains <u>present law</u> and further extends <u>present law</u> to include the usage of a displayed image on a mobile electronic device to show proof of compliance with the minimum liability requirements of <u>present law</u>.

<u>Proposed law</u> defines "mobile electronic device" as any small, handheld computing or communications device that has a display screen with touch input or a miniature keyboard.

## Page 7 of 8

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

<u>Proposed law</u> provides that the display of an image of proof of insurance on a mobile electronic device shall not constitute consent for a law enforcement officer or any other person to access any other part of the mobile electronic device.

<u>Proposed law</u> provides that a court of competent jurisdiction may compel a motor vehicle operator to provide a paper copy of the proof of insurance.

<u>Proposed law</u> provides that the commissioner of the Dept. of Public Safety and Corrections may compel a motor vehicle operator to provide a paper copy of the proof of insurance.

(Amends R.S. 32:851, 862(B)(1), (G)(1) and (3), and (H), 863(B)(1), 863.1(A)(1)(a)(intro.para.) and (G)(1), and 874(B)(2); Adds R.S. 32:862(I) and (J) and 874(C))