

Regular Session, 2010

HOUSE BILL NO. 589

BY REPRESENTATIVE LOPINTO

MOTOR VEHICLES: Provides relative to the rent with the option-to-purchase program

1 AN ACT

2 To amend and reenact R.S. 32:793(D), relative to rental motor vehicle dealers; to clarify the
3 amount of insurance required for rental dealers; to require policies be placed through
4 insurance companies licensed by and admitted in Louisiana; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 32:793(D) is hereby amended and reenacted to read as follows:

8 §793. Rent with option-to-purchase program

9 * * *

10 D. Every rental dealer shall maintain a contingent automobile liability policy
11 of insurance with minimum limits of one hundred thousand dollars per occurrence,
12 three hundred thousand dollars aggregate, and fifty thousand dollars in property
13 damage. It shall not be sufficient for any rental dealer to share in a policy of
14 contingent automobile liability insurance, ~~which could, under any circumstance,~~
15 ~~create a limit of less than that set forth herein~~ such as a master policy. Such policy
16 shall be placed, ~~if available,~~ through an insurance company licensed by and admitted
17 in the state of Louisiana.

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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)]

Lopinto

HB No. 589

Abstract: Clarifies the amount of insurance required for rental dealers.

Relative to motor vehicles, present law requires every rental dealer to maintain a contingent automobile liability policy of insurance with minimum limits of \$100,000 per occurrence, \$300,000 aggregate, and \$50,000 in property damage.

Present law provides that it shall not be sufficient for any rental dealer to share in a policy of insurance, which could, under any circumstance, create a limit of less than required by present law.

Proposed law changes present law to provide that it shall not be sufficient to share in a policy of contingent automobile liability insurance, such as a master policy.

Present law provides that the policy be placed through an insurance company licensed by and admitted in La. if available.

Proposed law changes present law to require the policy be placed through an insurance company licensed by and admitted in La.

(Amends R.S. 32:793(D))