

2024 Regular Session

HOUSE BILL NO. 681

BY REPRESENTATIVE JORDAN

MTR VEHICLE/OFFICE: Provides relative to the office of motor vehicles reinstatement fees for no insurance

1 AN ACT

2 To amend and reenact R.S. 32:863(A)(3)(a), relative to sanctions for lapse in required
3 security; to lessen and cap the sanctions; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 32:863(A)(3)(a) is hereby amended and reenacted to read as follows:

6 §863. Sanctions for false declaration; reinstatement fees; revocation of registration;
7 review

8 A.

9 * * *

10 (3)(a) Sanctions for a violation of Paragraph (1) of this Subsection shall be
11 imposed until proof of required liability security is provided to the secretary and all
12 reinstatement fees are paid. Sanctions for a violation of Paragraph (2) of this
13 Subsection shall be imposed for a period of not less than twelve months nor more
14 than eighteen months. However, in no event shall these sanctions be removed until
15 such time as proof of the required security is provided to the secretary along with all
16 appropriate fees required by law, including a reinstatement fee of ~~one hundred~~
17 seventy-five dollars per violation of Paragraph (1) of this Subsection if the vehicle
18 was not covered by the required security ~~for a period of one to thirty days, two~~

1 ~~hundred fifty dollars if the vehicle was not covered by required security for a period~~
2 ~~of thirty-one to ninety days, and five hundred dollars if the vehicle was not covered~~
3 ~~by required security for a period in excess of ninety days.~~ No reinstatement fee shall
4 be imposed by the secretary if the vehicle was not covered by required security for
5 a period of ten days or less and the insured surrenders the vehicle's license plate to
6 the secretary within ten days or if the violation is the insured's first violation pursuant
7 to Paragraph (1) of this Subsection and the lapse of insurance coverage was for five
8 days or less, provided immediate notice of the cancellation is given within one to
9 five days before issuing the violation. In addition, notice shall be transmitted to the
10 insured through any digitized credentials established pursuant to R.S. 39:17.2(D)
11 within one to five days before issuing the violation. The reinstatement fees for
12 violations of Paragraph (2) of this Subsection shall be as follows: two hundred fifty
13 dollars for a first violation, five hundred dollars for a second violation, and one
14 thousand dollars for a third or subsequent violation. The reinstatement fee shall not
15 be owed for an alleged violation of Paragraph (2) of this Subsection when proof of
16 the required security is provided to the secretary within sixty days of the date of the
17 notice. If at the time of reinstatement, a person has multiple violations ~~and is within~~
18 ~~sixty days of the notice,~~ the total amount of fees to be paid shall not exceed eight
19 hundred fifty dollars within a five-year period for violations of Paragraph (1) of this
20 Subsection and one thousand seventy-five dollars for violations of Paragraph (2) of
21 this Subsection. At no time shall the total amount of fees, including administrative
22 fees, exceed two hundred fifty dollars for persons sixty-five years or older. ~~After~~
23 ~~sixty days of the date of the notice, all fees shall be considered final delinquent debt~~
24 ~~and therefore owed, and the eight-hundred-fifty-dollar limit for persons under~~
25 ~~sixty-five years shall no longer apply.~~

* * *

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)]

HB 681 Engrossed

2024 Regular Session

Jordan

Abstract: Changes the reinstatement fees for lapse in required vehicle security and modifies the time frames.

Present law provides for a reinstatement fee when the secretary determines that a vehicle is not covered by security of \$100 for one to 30 days, \$250 for 31 to 90 days, and \$500 for more than 90 days.

Proposed law changes the reinstatement fee to \$75 for a lapse in coverage regardless of the length of time of the lapse.

Present law provides an \$850 cap for fees for violations of R.S. 32:863(A)(1), in which the secretary determines a vehicle is not covered by security as required by present law or that the owner or lessee has allowed the security to lapse, that are reinstated within 60 days of notice of cancellation.

Proposed law eliminates the limitation for the \$850 cap for violations of R.S. 32:863(A)(1), in which the secretary determines a vehicle is not covered by security as required by present law or that the owner or lessee has allowed the security to lapse, to only apply within 60 days of notice.

Proposed law provides a five-year time frame during which the \$850 cap is applicable.

Present law specifies that after 60 days from the date of notice, the \$850 cap on reinstatement fees do not apply for persons under 65.

Proposed law eliminates the 60-day window for the cap applicability to those under the age of 65.

(Amends R.S. 32:863(A)(3)(a))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

1. Change the reinstatement fee from a varying amount depending on the length of the vehicle security lapse to a flat \$75 fee regardless of the length of the lapse in security.
2. Eliminate the limitation for the \$850 cap on reinstatement fees to only apply within 60 days of notice.
3. Provide a five-year time frame in which the \$850 cap is applicable.
4. Eliminate the 60-day window for the \$850 cap applicability to those under the age of 65.
5. Make technical changes.