

Regular Session, 2014

HOUSE BILL NO. 872

BY REPRESENTATIVE IVEY

MTR VEHICLE/COMPULS INS: Provides relative to motor vehicle liability security

1 AN ACT

2 To amend and reenact R.S. 32:862(G)(4), 863(A)(1) and (3)(a), and (B)(2)(b),
3 863.1(C)(1)(c), (D), and (I)(3), 863.2(E)(1), 864, and 865(A) and (B)(1) and to enact
4 R.S. 32:868, relative to increasing the penalties for operating a motor vehicle
5 without the required motor vehicle liability security; to require increased penalties
6 for failing to provide required proof of compliance; to require suspension, revocation
7 or cancellation of driver's license and registration for violations; to remove limits on
8 the maximum amount of penalties and reinstatement fees that are assessed; to
9 increase the administrative reinstatement fee; to dedicate revenue from the increased
10 penalties to fund a real-time database for automobile liability insurance; and to
11 provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 32:862(G)(4), 863(A)(1) and (3)(a), and (B)(2)(b), 863.1(C)(1)(c),
14 (D), and (I)(3), 863.2(E)(1), 864, and 865(A) and (B)(1) are hereby amended and reenacted
15 and R.S. 32:868 is hereby enacted to read as follows:

16 §862. Proof of compliance

17 * * *

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

19 * * *

1 (4) Whoever violates the provisions of this Subsection shall be fined not less
2 than seventy-five dollars, nor more than one thousand dollars, and shall be required
3 to perform not less than forty hours nor more than two hundred hours of community
4 service.

5 * * *

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

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

12 * * *

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

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

9 * * *

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

17 * * *

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

20 * * *

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

23 * * *

24 §863.1. Evidence of compulsory motor vehicle liability security contained in
25 vehicle; enforcement; penalty; fees

26 * * *

27 C.(1)

28 * * *

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

7 * * *

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

15 * * *

16 I.

17 * * *

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

22 §863.2. Notification of the cancellation or issuance of security; penalties; database
 23 development

24 * * *

25 E.(1) Upon receipt of notice of cancellation of insurance or other security,
 26 the secretary shall take the appropriate administrative actions pursuant to this Part.
 27 Prior to taking any administrative action based on the receipt of a notice of
 28 cancellation of insurance or other security, the secretary shall notify the person who
 29 is the subject of the notice of cancellation at his last known driver's license address,

1 ~~of cancellation~~ of the receipt of that notice. The secretary shall provide the notice
 2 fifteen days after the secretary's receipt of the notice of cancellation of insurance or
 3 other security as provided by Subsection A of this Section. The notice of receipt of
 4 a notice of cancellation shall be in writing. The notice shall inform the subject that
 5 he has ten calendar days from the date of the notice in which he may surrender the
 6 license plates of the vehicle in order to avoid the fees prescribed by R.S.
 7 32:863(A)(3)(a). The person to whom the notice is addressed shall have thirty days
 8 to respond to the notice. The response may be made by mail.

9 * * *

10 §864. Criminal sanctions for false declaration

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

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

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

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

26 * * *

27 §868. Funding of real-time system to verify motor vehicle insurance

28 All monies collected pursuant to R.S. 22:863(E) and one-half of all monies
 29 collected pursuant to all other provisions of this Part, other than those fees collected

1 pursuant to R.S. 22:863.2(B) and (C), shall be used solely to fund the creation and
 2 maintenance of a real-time system to verify motor vehicle insurance authorized by
 3 R.S. 22:863.2(F).

4 Section 2. This Act shall become effective February 1, 2015.

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)]

Ivey

HB No. 872

Abstract: Increases penalties for operating 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 \$75.

Present law requires that the Dept. of Public Safety and Corrections (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, and the suspension shall be for a minimum of six months and a maximum of 18 months when the owner submitted false information that the vehicle was covered by the required security.

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, and increases the minimum suspension to 12 months when the owner submits false information that the vehicle was covered by the required security.

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, and imposes the same fees when the registration has been revoked because the owner submitted false information that the vehicle was covered by the required security.

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. Proposed law also 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 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.

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 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, and 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 imposes 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.

Present law requires the secretary to procure and implement a real-time system to verify the existence of motor vehicle insurance in compliance with the Motor Vehicle Safety Responsibility Law.

Proposed law retains present law, but provides that all monies collected pursuant to R.S. 22:863.2(E) and one-half of the monies collected pursuant to the other provisions of present law shall be appropriated to fund the creation and maintenance of a real-time system.

Provides that the provisions of proposed law become effective on February 1, 2015.

(Amends R.S. 32:862(G)(4), 863(A)(1) and (3)(a), and (B)(2)(b), 863.1(C)(1)(c), (D), and (I)(3), 863.2(E)(1), 864, and 865(A) and (B)(1); Adds R.S. 32:868)

Summary of Amendments Adopted by House

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

1. Made technical changes.
2. Removed provision of proposed law that provides for an increase in the reinstatement fee.
3. Removed provision of proposed law that provides relative to the notification of the cancellation or issuance of security and penalties.
4. Provided that the provisions of proposed law will become effective on February 1, 2015.