

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

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

DIGEST

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

Proposed law adds requirement for a minimum fine of not less than \$75.

If a vehicle is not covered by security as required by present law or if the owner or lessee has allowed the required security to lapse, present law requires the secretary of the Dept. of Public Safety and Corrections (DPS&C) to impound the vehicle or to revoke the registration or cancel the vehicle's license plate.

Present law further requires the sanctions in present law to be imposed by the secretary for a minimum of six months and a maximum of 18 months if the secretary determines that any person has submitted false information that the motor vehicle was covered by the security required by present law.

Proposed law increases the minimum sanction period to 12 months when the owner submits false information that the vehicle was covered by the required security. Retains 18-month maximum.

Present law requires a reinstatement fee of \$25 if a vehicle was not covered by the required security for a period of one 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 increases the reinstatement fee from \$25 to \$50 if a vehicle was not covered by the required security for a period of one to 31 days, from \$100 to \$150 for a period of 31 to 90 days, and from \$200 to \$300 for a period in excess of 90 days. Proposed law also increases reinstatement fees for a first violation of providing false information from \$25 to \$125; a second violation from \$100 to \$200; and a third or subsequent violation from \$200 to \$400.

Proposed law deletes present law that 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.

Present law provides that sanctions and reinstatement fees for failure to maintain the required security may be waived when the owner furnishes evidence that the vehicle is currently covered by the required security.

Proposed law requires that the required security be continuous without lapse.

Present law requires an owner to have certain documents proving security coverage. Proposed law increases penalties for lack of such proof as follows: from \$50 to \$100 for a first offense; from \$150 to \$250 for a second offense; and retains present law of \$500 for a third or subsequent offense.

Present law provides criminal sanctions for false declaration of meeting surety requirements. Proposed law increases those sanctions from not more than \$125 to between \$250 and \$500.

Present law provides criminal sanctions for knowingly operating a vehicle without the required surety. Proposed law increases those sanctions from not more than \$500 to between \$500 and \$1,000.

Present law provides criminal sanctions for a vehicle not covered by the required surety that is involved in an accident. Proposed law increases those sanctions from not more than \$500 and registration and license revocation of 60 days to between \$500 and \$1,000 and registration and license revocation for 180 days.

Present law requires the secretary of DPS&C 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 provides that a portion of the monies collected from each set of sanctions shall be dedicated to fund the creation and maintenance of the real-time system required by present law. Specifies that fees in excess of the amounts dedicated to funding the system shall be deposited in the State Police Salary Fund.

Effective August 1, 2015.

(Amends R.S. 32:862(G)(4), 863(A)(1) and (3)(a), and (B)(2)(b), 863.1(I)(3), 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. Makes 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.

House Floor Amendments to the engrossed bill.

1. Reduce the increases in the sanctions.
2. Provide that a portion of the monies collected from each sanction imposed be dedicated to creation and operation of the real-time verification system.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Transportation, Highways, and Public Works to the reengrossed bill

1. Reduces the amounts of monies collected from each sanction which is dedicated to creation and operation of a real-time verification system.

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the reengrossed bill

1. Provides that excess fees remaining after the amounts dedicated to fund the real-time system shall be deposited in the State Police Salary fund rather than being used to fund operations of the office of motor vehicles.
2. Deletes effective date Section, changing the proposed law's effective date to August 1, 2014.