

Relative to the requirement for motor vehicle liability insurance coverage, existing law requires a fine not to exceed \$1,000 for violation of the Motor Vehicle Safety Responsibility Law.

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

If a vehicle is not covered by security as required by existing law or if the owner or lessee has allowed the required security to lapse, new 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.

New law further increases the sanctions in existing law to be imposed by the secretary from a minimum of six months to a minimum of 12 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 existing law and increases all reinstatement fees for violations of existing law by the following amounts:

Reinstatement Fee Increases under Act. No. 641						
	Existing Fee	New Fee	Existing Cap	New Cap	Existing Cap for Persons 65 or older	New Cap for Persons 65 or older
Not Having Insurance (R.S. 32:863(A) (1))						
0-30 days	\$25	\$100	\$500	\$850	\$200	\$250
31-90 days	\$100	\$250	\$500	\$850	\$200	\$250
over 90 days	\$200	\$500	\$500	\$850	\$200	\$250
False Declaration of Insurance (R.S. 32:863(A) (2))						
0-30 days	\$25	\$250	\$500	\$1,750	\$200	\$250
31-90 days	\$100	\$500	\$500	\$1,750	\$200	\$250
over 90 days	\$200	\$1,000	\$500	\$1,750	\$200	\$250
Failure to Have a Bond (R.S. 32:863.1(I) (3))						
0-30 days	\$50	\$100	\$500	\$1,750	\$0	\$250
31-90 days	\$100	\$200	\$500	\$1,750	\$0	\$250
over 90 days	\$500	\$500	\$500	\$1,750	\$0	\$250
	Existing Minimum	New Minimum	Existing Maximum	New Maximum		
Proof of Compliance (R.S. 32:862(G) (4))	\$0	\$75	\$1,000	\$1,000		
Criminal Sanctions for false declaration (R.S. 32:864)	\$125	\$500	\$500	\$1,000		

Existing 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.

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

Existing law provides criminal sanctions, revocation of vehicle registration, and suspension of driving privileges for a vehicle not covered by the required surety that is involved in an accident. New law increases those sanctions in the amounts provided in the chart above and increases the period of registration revocation from 60 to 180 days, and increases the driving privileges suspension from 60 days to 180 days.

Existing 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.

New law creates the Insurance Verification System Fund (the "fund") as a special treasury fund. Dedicates the fee increases to such fund. Provides that monies in the fund shall be used in the amounts appropriated by the legislature as follows:

- (1) For FY 2014-2015, first to fund the creation and maintenance of the real-time verification system; then the next \$42 million for the office of state police. Any deposits remaining in the fund shall be used for public safety and law enforcement purposes.
- (2) For FY 2015-2016 and each fiscal year thereafter, first to fund the maintenance of the real-time verification system; the next \$42 million shall be used for the office of state police. The next \$7 million shall be used to fund the cost of housing parolees detained pending their revocation hearing as provided by law. The next \$1 million shall be used for DA's and assistant DA's, specifically new assistant DA's beginning in 2015. Any deposits remaining in the fund shall be used for public safety and law enforcement purposes.

New law provides that funds from the Insurance Verification Fund shall not be used to pay any costs associated with REAL ID, its compliance, or implementation.

New law repeals Act No. 639 by Representative Talbot that also provides relative to fines and reinstatement fees for lack of motor vehicle liability insurance coverage.

Effective July 1, 2014.

(Amends R.S. 32:862(G)(4), 863(A)(1) and (3)(a) and (b)(I), and (B)(2)(b), 863.1(C)(1)(c), and (I)(3), 864, and 865(A) and (B)(1); Adds R.S. 32:868; Repeals Act No. 639 of 2014 R.S.)