
DIGEST

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HB 582 Original

2026 Regular Session

Bayham

Abstract: Decreases reinstatement fees for lapse of vehicle liability security coverage and increases the grace period prior to the imposition of reinstatement fees.

Present law requires a reinstatement fee for a lapse in vehicle liability security as follows: \$100 per violation for lapses in coverage between one to 30 days; a reinstatement fee of \$250 for lapses in coverage between 31 to 90 days; and \$500 for lapses in coverage in excess of 90 days.

Proposed law modifies present law by decreasing reinstatement fees for a lapse in motor vehicle insurance from \$100 to \$75 per violation for lapses in coverage between one to 30 days; from \$250 to \$200 for lapses in coverage between 31 to 90 days; and from \$500 to \$400 for lapses in coverage in excess of 90 days.

Present law provides a grace period where reinstatement fees will not apply if the vehicle was uninsured for 10 days or less and the insured surrenders the license plate to the office of motor vehicles within 10 days.

Proposed law extends the grace period in present law, prohibiting the imposition of reinstatement fees for the lapse of insurance coverage, from 10 days or less to 15 days or less, and applies the same period to the surrender requirement.

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