

2026 Regular Session

HOUSE BILL NO. 875

BY REPRESENTATIVE PHELPS

MTR VEHICLE/OFFICE: Provides relative to lapses in motor vehicle liability security

1 AN ACT

2 To amend and reenact R.S. 32:863(A)(3)(a), relative to reinstatement fees for lapses in
3 motor vehicle liability security; to provide for a decrease in reinstatement fees for
4 lapses in motor vehicle liability security; to provide for increases in grace periods
5 before the imposition of reinstatement fees for motor vehicle liability security lapses;
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

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

9 §863. Sanctions for false declaration; reinstatement fees; revocation of registration;
10 review

11 A.

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 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 ~~one hundred~~ fifty
20 dollars per violation of Paragraph (1) of this Subsection if the vehicle was not

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

27 * * *

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 875 Original

2026 Regular Session

Phelps

Abstract: Decreases reinstatement fees and increases grace periods applicable to lapses in motor vehicle liability security.

Present law requires a reinstatement fee for a lapse in vehicle security be \$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 a reinstatement fee for a lapse in vehicle security from \$100 to \$50 per violation for lapses in coverage between one to 30 days; a reinstatement fee from \$250 to \$200 for lapses in coverage between 31 to 90 days; and from \$500 to \$450 for lapses in coverage in excess of 90 days.

Present law prohibits a reinstatement fee from being imposed by the secretary if the vehicle was not covered by required security for 10 days or less and the insured surrenders the vehicle's license plate to the secretary within 10 days or if the violation is the insured's first violation pursuant to present law and the lapse of insurance coverage was for 10 days or less, provided that immediate notice of the cancellation is given within one to five days before issuing the violation.

Proposed law increases the grace period before the imposition of a reinstatement fee for lapses in security from 10 days or less to 30 days or less. Further increases the grace period if the insured surrenders the vehicle's license plate to the secretary from 10 days to 30 days or if the violation is the insured's first violation pursuant to present law and the lapse of insurance coverage from 10 days or less to 30 days or less.

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