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## DIGEST

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HB 1173 Reengrossed

2026 Regular Session

Murray

**Abstract:** Provides relative to the issuance of certain late fees for failure to make timely payments and to removal of persons from the Reinstatement Relief Program.

Present law (R.S. 32:429.4(E)) authorizes the office of motor vehicles (OMV) to enter into installment agreements with eligible persons for payment of outstanding fines, penalties, and fees owed. Further specifies that failure to make a scheduled payment will result in the assessment of a late fee of \$25, added to the total amount due. Additionally requires the OMV, upon the failure to receive a payment, to send an electronic mail notification to the debtor to update the debtor's payment information and pay the missed payment. Further requires that after receiving the electronic mail notice, the debtor updates the payment information, pays the late fee, and submits the missed payment will result in the installment agreement remaining in place and no further action will be taken. Specifies that in these cases, the missed payment and late fee must be received by the OMV vehicles prior to the next scheduled payment date.

Proposed law specifies that the first three missed payments will be added to the end of the payment schedule of the installment agreement and any fourth, or subsequent, missed payment will result in the late fee of \$25 added to the total amount due. Requires the installment agreement remain in place until a fourth, and any subsequent, missed payment occurs.

Present law (R.S. 32:429.4(F)(1)) specifies that if a debtor missed an installment payment and does not make it up as provided in present law the entire amount has to be paid within 60 days of the date of notice and demand from the commissioner of the OMV.

Proposed law modifies present law by providing that, if any installment payment is not paid on or before the date fixed for its payment or rescheduled and the debtor fails to make up the missed payment as provided for in proposed law, the entire amount unpaid pursuant to the installment agreement shall be paid by the debtor within a 60-day period from the date of notice and demand from the commissioner of the OMV.

Present law (R.S. 32:863.1.2) authorizes the commissioner of the OMV to implement a Reinstatement Relief Program for a person and to determine the amount of reinstatement fees that the person owes. Further requires that the person promptly pay the amount determined to be owed no later than 10 days from the date that the commissioner sets the amount owed through an installment agreement for the amount determined, together with all fees associated with the agreement. Specifies that a person will only maintain eligibility to remain in the Reinstatement Relief Program if they make all payments required in the installment agreement. Further specifies

that failure to make a timely payment and failure to pay the missed payment with the associated late fee before the next scheduled payment, the person will be removed the program and not be eligible to reenter.

Proposed law provides that a person enrolled in the Reinstatement Relief Program will be removed from the program upon failure to meet the requirements of proposed law (R.S. 32:429.4), instead of the failure to make a timely payment and pay the associated late fee.

(Amends R.S. 32:429.4(E) and (F)(1) and 863.1.2(B))

#### Summary of Amendments Adopted by House

##### The House Floor Amendments to the engrossed bill:

1. Add a provision that specifies if a debtor fails to make a rescheduled payment the entire amount unpaid pursuant to the installment agreement must be paid within a 60-day period from the date of notice from the commissioner of the office of motor vehicles.
2. Make technical changes.