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)]

Ivey HB No. 872

Abstract: Increases penalties for operating vehicle without the required liability insurance.

<u>Present law</u> requires a fine not to exceed \$1,000.00 for violation of the Motor Vehicle Safety Responsibility law.

<u>Proposed law</u> retains <u>present law</u> and additionally requires a minimum fine of \$75.

<u>Present law</u> requires that the Dept. of Public Safety and Corrections (DPS&C) revoke the registration, impound or cancel the vehicle license plate of a vehicle not covered by security as required by the Motor Vehicle Safety Responsibility law, and the suspension shall be for a minimum of six months and a maximum of 18 months when the owner submitted false information that the vehicle was covered by the required security.

<u>Proposed law</u> retains <u>present law</u> but requires that DPS&C revoke the registration, impound the vehicle and cancel the vehicle license plate of a vehicle not covered by security as required by the Motor Vehicle Safety Responsibility law, and increases the minimum suspension to 12 months when the owner submits false information that the vehicle was covered by the required security.

<u>Present law</u> requires that DPS&C impose a reinstatement fee of \$25 if a vehicle was not covered by the required security for a period of 1 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to 90 days, and a fee of \$200 for a period in excess of 90 days, and imposes the same fees when the registration has been revoked because the owner submitted false information that the vehicle was covered by the required security.

Proposed law retains present law but imposes a reinstatement fee of \$100 if a vehicle was not covered by the required security for a period of 1 to 31 days, a fee of \$250 for a period of 31 to 90 days, and a fee of \$500 for a period in excess of 90 days. Proposed law also imposes a reinstatement fee of \$250 if a vehicle was not covered by the required security for a period of 1 to 31 days, a fee of \$500 for a period of 31 to 90 days, and a fee of \$1,000 for a period in excess of 90 days when the registration has been revoked because the owner submitted false information that the vehicle was covered by the required security in his application for registration or in his application for inspection.

<u>Present law</u> 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.

<u>Proposed law</u> removes the maximum amount of fees that can be owed by any person at the time of reinstatement.

<u>Present law</u> provides that DPS&C shall waive the sanctions and reinstatement fees for failure to maintain the required security when the owner furnishes evidence to DPS&C that the vehicle is currently covered by the required security.

<u>Proposed law</u> retains <u>present law</u> but requires that the required security have been continuous without lapse.

<u>Present law</u> requires DPS&C charge a reinstatement fee of \$50 for a first offense and \$150 for a second offense of failing to keep in the vehicle documentation that the vehicle is in compliance with the Motor Vehicle Safety Responsibility law, and also requires that DPS&C collect a reinstatement administration fee of \$10.

<u>Proposed law</u> retains <u>present law</u> but requires DPS&C charge a reinstatement fee of \$100 for a first offense and \$250 for a second offense, and collect a reinstatement administration fee of \$50.

<u>Present law</u> requires a fine of \$50 for a first offense and a fine of \$150 for a second offense when the operator of a vehicle registered in another state is involved in an accident in Louisiana and is unable to provide documentation that the vehicle is in compliance with the Motor Vehicle Safety Responsibility law.

<u>Proposed law</u> retains <u>present law</u> but requires a fine of \$100 for a first offense and \$250 for a second offense.

<u>Proposed law</u> requires an insurer notify DPS&C within five days of receipt of a request from an insured to cancel his motor vehicle liability policy.

<u>Present law</u> requires an insurer notify DPS&C when the insurer receives notification of cancellation of a motor vehicle liability policy due to rescission or other cancellation of the sale of the vehicle on which the policy was issued, and also requires DPS&C to provide prior notice to the subject of a notice of cancellation if DPS&C takes any administrative action.

<u>Proposed law</u> retains <u>present law</u> but requires the insurer to notify DPS&C within 10 days of notification of cancellation of a motor vehicle liability policy due to rescission or other cancellation of the sale of the vehicle on which the policy was issued, and additionally requires DPS&C to take administrative action based upon the notice of cancellation and provide the subject of the administrative action notice 15 days after receipt of notice of cancellation that administrative action will be taken by DPS&C.

<u>Present law</u> requires a fine of not more than \$125 for the submission of false information that a vehicle was covered by the required security in an application for registration or an application for inspection, and a fine of not more than \$500 for knowingly operating a vehicle or allowing to be operated without the required security.

<u>Proposed law</u> retains <u>present law</u> but requires a minimum fine of \$500 and a maximum fine of \$1,000.

<u>Present law</u> requires a fine of not more than \$500, revocation of vehicle registration for 60 days, and suspension of driving privileges for 60 days imposed upon the owner of a vehicle involved in an accident in La. when not covered by the required security.

<u>Proposed law</u> retains <u>present law</u> but imposes a minimum fine of \$500 and a maximum fine of \$1,000, revocation of vehicle registration for 180 days, and suspension of driving privileges for 180 days.

<u>Present law</u> requires the secretary 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.

<u>Proposed law</u> retains <u>present law</u>, but provides that all monies collected pursuant to R.S. 22:863.2(E) and one-half of the monies collected pursuant to the other provisions of <u>present law</u> shall be appropriated to fund the creation and maintenance of the real-time system.

(Amends R.S. 32:862(G)(4), 863(A)(1) and (3)(a), and (B)(2)(b), 863.1(C)(1)(c), (D), and (I)(3), 863.2(A)(5), (6) and (E)(1), 864, and 865(A) and (B)(1); Adds R.S. 32:868)