The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

SB 287 Original

2018 Regular Session

Milkovich

<u>Present law</u> provides sanctions for violation of compulsory liability security. Sanctions are imposed for a lapse of liability security until proof of liability security is provided and all reinstatement fees are paid. Sanctions for false declaration of liability security are imposed for a period of not less than 12 months nor more than 18 months and shall not be removed until proof of liability security is provided and all fees are paid.

Present law provides for reinstatement fees for a lapse of liability security, as follows:

- (1) \$100 for lapses from one to 30 days.
- (2) \$250 for lapses from 31 to 90 days.
- (3) \$500 for lapses in excess of 90 days.

<u>Proposed law</u> reduces the fee for lapses from 31 to 90 days from \$250 to \$200 and adds that a continuous period of noncoverage less than six months shall be deemed a single violation.

<u>Present law</u> prohibits imposition of a reinstatement fee for a lapse of security of 10 days or less when the insured surrenders the vehicle's license plate within 10 days.

<u>Proposed law</u> adds that a fee for a single continuous period of noncoverage shall never exceed \$500 unless the citizen is cited for driving a vehicle without compulsory liability security, in which case a separate fee may be imposed for each cited instance of driving without compulsory liability security.

Present law provides for reinstatement fees for false declaration of liability security, as follows:

- (1) \$250 for 1st violation.
- (2) \$500 for 2nd violation.
- (3) \$1,000 for 3rd or subsequent violation.

<u>Proposed law</u> reduces the reinstatement fee for false declaration of liability security <u>from</u> \$1,000 to \$750.

<u>Present law</u> provides that no reinstatement fee shall be imposed for false declaration of liability security when proof of required security is provided within 60 days of the date of notice.

<u>Present law</u> provides that at the time of reinstatement, a person has multiple violations and is within 60 days of the notice, the total amount of fees to be paid shall not exceed \$850 for violations for a lapse of security and \$1,000 for violations for false declaration of liability security.

<u>Proposed law</u> removes requirement for multiple violations and reduces total fees from \$850 to \$500 for lapse and \$1,000 to \$750 for false declaration.

<u>Present law</u> provides that at no time shall total fees, including administrative fees, exceed \$250 for persons 65 years or older.

<u>Present law</u> provides that after 60 days of notice, all fees shall be considered final delinquent debt and owed and the \$850 limit for persons under 65 years no longer applies.

Proposed law removes present law.

<u>Proposed law</u> adds that fees and costs charged by the office of debt recovery for collections of amounts owed for violation of compulsory liability security shall not exceed \$250 and costs of court.

<u>Proposed law</u> adds that to be valid to prove infractions and impose fines or penalties, all notifications issued by the office of motor vehicles and/or the office of debt recovery shall clearly state that the citizen has the right to dispute the alleged debt.

<u>Present law</u> provides reinstatement fees for failure of liability security to be contained in the vehicle, as follows:

- (1) \$100 for a 1st offense.
- (2) \$250 for a 2nd offense.
- (3) \$500 for a 3rd or subsequent offense.

Proposed law reduces from \$250 to \$200 the fee for a 2nd offense.

Effective August 1, 2018.

(Amends R.S. 32:863(A)(3)(a) and 863.1(C)(1)(c))