

2018 Regular Session

SENATE BILL NO. 138

BY SENATOR LUNEAU

AUTOMOBILE INSURANCE. Provides for out-of-state automobile insurance coverage.
(8/1/18)

1 AN ACT

2 To amend and reenact R.S. 32:861(E)(1) and 872(D), relative to automobile insurance; to
3 provide relative to required security and proof of financial responsibility; to provide
4 for out-of-state automobile insurance coverage; to provide for personal injury
5 protection cards; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 32:861(E)(1) and 872(D) are hereby amended and reenacted to read
8 as follows:

9 §861. Security required

10 * * *

11 E.(1) The owners of motor vehicles registered in other states or jurisdictions
12 that require liability security shall maintain the security and proof thereof as required
13 by their respective state or jurisdiction while the vehicle is operated in this state. A
14 **personal injury protection card issued from an insurer in another state or**
15 **jurisdiction shall not be sufficient proof of liability security.**

16 * * *

17 §872. Security and proof of financial responsibility required unless evidence of

1 insurance; when security determined; suspension; exception

2 * * *

3 D.(1) No ~~such~~ policy shall be effective under this Section unless issued by
 4 an insurance company authorized to do business in the state of Louisiana, except that
 5 if ~~such~~ the motor vehicle was not registered in this state or was a motor vehicle
 6 which was registered elsewhere than in this state at the effective date of the policy,
 7 or the most recent renewal thereof, ~~such~~ the policy shall not be effective under this
 8 Section unless the insurance company issuing the policy, if not authorized to do
 9 business in this state, ~~shall execute~~ executes a power of attorney authorizing the
 10 commissioner to accept service on its behalf of notice of process in any action upon
 11 ~~such~~ the policy arising out of ~~such~~ the accident.

12 (2) However, every ~~such~~ policy effective under this Section is subject, if the
 13 accident has resulted in bodily injury or death, to a limit, exclusive of interest and
 14 costs, of not less than ~~ten~~ fifteen thousand dollars because of bodily injury to or
 15 death of one person in any one accident and, subject to the limit for one person, to
 16 a limit of not less than ~~twenty~~ thirty thousand dollars because of bodily injury to or
 17 death of two or more persons in any one accident and, if the accident has resulted in
 18 injury to or destruction of property, to a limit of not less than ~~ten~~ twenty-five
 19 thousand dollars because of injury to or destruction of property of others in any one
 20 accident. A personal injury protection card issued from an insurer in another
 21 state or jurisdiction shall not be acceptable as proof of liability policy limits.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Cheryl Cooper.

DIGEST

SB 138 Engrossed

2018 Regular Session

Luneau

Present law applicable to vehicles registered in La. provides for limits of motor vehicle liability insurance policy coverage amounts.

Present law applicable to vehicles registered in any state requires the commissioner of insurance to suspend the license and all registrations of an operator and owner of a motor vehicle involved in an accident resulting in bodily injury or death under certain circumstances.

Proposed law retains present law.

Present law requires the owners of motor vehicles registered in other states or jurisdictions that require liability security to maintain the security and proof as required by their respective state or jurisdiction while the vehicle is operated in this state.

Proposed law retains present law and provides that a personal injury protection card issued from an insurer in another state or jurisdiction shall not be sufficient proof of liability security.

Present law provides exceptions to the required suspension including that the suspension shall not apply if the owner had, at the time of the accident, a liability policy in effect for the motor vehicle involved. Requires certain policy limits for the exception to apply.

Proposed law retains present law and increases the limits for out-of-state drivers to reflect the limits applicable in present law to Louisiana drivers as follows:

- (1) If the accident has resulted in bodily injury or death, to a limit, exclusive of interests and costs, of not less than \$15,000 because of bodily injury or death of one person in any one accident;
- (2) If the accident has resulted in bodily injury or death, to a limit, exclusive of interests and costs, of not less than \$30,000 because of bodily injury or death of two or more persons in any one accident; and
- (3) If the accident has resulted in injury to or destruction of property, to a limit of not less than \$25,000 because of injury to or destruction of property of others in any one accident.

Proposed law provides that a personal injury protection card issued from an insurer in another state or jurisdiction shall not be acceptable as proof of liability policy limits.

Effective August 1, 2018.

(Amends R.S. 32:861(E)(1) and 872(D))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Insurance to the original bill

1. A personal injury protection card issued from an insurer in another state or jurisdiction shall not be sufficient proof of liability security.
2. A personal injury protection card issued from an insurer in another state or jurisdiction shall not be acceptable as proof of liability policy limits.