HLS 15RS-598 ORIGINAL

2015 Regular Session

HOUSE BILL NO. 170

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BY REPRESENTATIVE HOLLIS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MOTOR VEHICLES: Changes the amount of the surety bond requirement for driving schools

1 AN ACT

To amend and reenact R.S. 40:1462(A), relative to private driving schools; to reduce the

3 required surety bond for such schools; and to provide for related matters.

4 Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 40:1462(A) is hereby amended and reenacted to read as follows:

§1462. Bond requirement

A. Each private driving school shall execute a good and sufficient surety bond with a surety company qualified to do business in Louisiana as surety, in the sum of forty twenty thousand dollars; if such surety bond is available for purchase. Such bond shall name the Department of Public Safety and Corrections, office of motor vehicles, as obligee and shall be subject to the condition that, if the private driving school or any of the private driving school's instructors fail to perform any services the school agreed to provide to a student or a student's parent, that student, or the parent in case the student is a minor, may recover the private driving school fees from the bond by filing a claim through the department against the bond. If the company fails to meet the conditions of the bond, the obligation of the surety shall remain in full force and effect. A private driving school with multiple locations shall furnish only a single forty thousand dollar surety bond.

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## **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 170 Original

2015 Regular Session

Hollis

**Abstract:** Decreases the required surety bond for private driving schools.

<u>Present law</u> requires a surety bond of \$40,000 for each private driving school. Requires the bond to name the Dept. of Public Safety and Corrections, office of motor vehicles, as the obligee and authorizes recovery of driving school fees by claims filed through the department against the bond. Provides that if a driving school has multiple locations, only one bond is required.

Proposed law decreases the bond to \$20,000.

(Amends R.S. 40:1462(A))