

## Stephen Quidd

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**From:** Stephen Quidd  
**Sent:** Tuesday, October 22, 2013 2:45 PM  
**To:** apa.s-judb@legis.la.gov; apa.h-thpw@legis.la.gov  
**Cc:** apa.senatepresident@legis.la.gov; apa.housespeaker@legis.la.gov  
**Subject:** Rules Amendments Proposed by the LA Dept. of Public Safety & Corrections, Office of Motor Vehicles on Compulsory Insurance - RS 49:968(D)(1)(b) Oversight Committee Report  
**Attachments:** Scan Rules Amendments Proposed by the LA Dept of Public Safety and Corrections Office of Motor Vehicles on Compulsory Insurance.pdf

Dear Committee Chairpersons,

Attached is the report required by RS 49:968(D)(1)(b) for the rule amendments proposed by the Office of Motor Vehicles regarding the administrative fee assessed for violations of the compulsory insurance law.

By copy of this e-mail, I am also providing the report to the Speaker of the House and the President of the Senate.

Thank you.

Stephen A. Quidd  
Attorney Supervisor  
Louisiana Department of Public Safety & Corrections  
Office of Legal Affairs  
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P.O. Box 66614  
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(225) 925-6103, 925-6736  
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**BOBBY JINDAL**  
GOVERNOR

**MICHAEL D. EDMONSON, COLONEL**  
DEPUTY SECRETARY

**State of Louisiana**  
*Department of Public Safety and Corrections*  
*Public Safety Services*

October 22, 2013

**ELECTRONIC DELIVERY VIA E-MAIL**

House Committee on Transportation, Highways  
Public Works  
Representative Karen St. Germain, Chairman

Senate Committee on the Judiciary B and  
Senator Jean-Paul J. Morrell, Chairman

**Re: Rules Amendments Proposed by the Louisiana Department of Public Safety and  
Corrections, Office of Motor Vehicles on Compulsory Insurance, Add LAC 55:III.1717  
and Repeal LAC 37:VII.123 and 129**

Dear Chairmen,

The Office of Motor Vehicles provides the following report to your committees as required by R.S. 49:968(D)(1)(b) for the proposed Notice of Intent that were published in the September 20, 2013 edition of the Louisiana Register on pages 2625 through 2627. This notice of intent repeals the existing rule assessing an administrative fee tied to the reinstatement of driving privileges and enacts a new rule which ties the administrative fee to the reinstatement of registration privileges. This is not a new or increased fee, but an existing statutory fee in R.S. 32:863. This amendment aligns the rule with current statutory law.

The Office of Motor Vehicles did not receive any public comment on the proposed rules during the comment period. As a result, a public hearing was not requested and therefore no public hearing was conducted.

As a result, no changes to the proposed rule text are necessary.

Thank you for your attention to this matter.

Sincerely,

Stephen A. Quidd  
Attorney for La. DPS&C, OMV  
(225) 925-6103

Enclosure  
c. Speaker of the House  
President of the Senate

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2. The Effect of this Rule on the Authority and Rights of Parents Regarding the Education and Supervision of their Children. This Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The Effect of this Rule on the Functioning of the Family. This Rule will have no effect on the functioning of the family.

4. The Effect of this Rule on Family Earnings and Family Budget. This Rule will have no effect on family earning and family budget.

5. The Effect of this Rule on the Behavior and Personal Responsibility of Children. This Rule will have no effect on the behavior and personal responsibility of children.

6. The Effect of this Rule on the Ability of the Family or Local Government to Perform the Function as Contained in the Proposed Rules. This Rule will have no effect on the ability of the family or local government to perform the function as contained in the proposed rules.

#### Poverty Impact Statement

The impact of the proposed Rule on child, individual, or family poverty has been considered and it is estimated that the proposed action is not expected to have a significant adverse impact on poverty in relation to individual or community asset development as provided in R.S. 49:973. The agency has considered economic welfare factors and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the Department of Public Safety and Corrections, Office of Motor Vehicles adverse impact of the proposed Rule on poverty.

#### Small Business Statement

The impact of the proposed Rule on small businesses has been considered and it is estimated that the proposed action is not expected to have any adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed Rule on small businesses.

#### Public Comments

Interested persons may submit written comments or requests for public hearing on these proposed rule changes to Laura Hopes, Department of Public Safety and Corrections, Public Safety Services, Office of Legal Affairs, 7979 Independence Blvd., Suite 307, P.O. Box 66614, Baton Rouge, LA 70896, (225) 925-6103 (phone); (225) 925-3974 (facsimile). Comments will be accepted through the close of business, October 15, 2013.

#### Public Hearing

A public hearing will be held on Tuesday, October 29, 2013 at 10 a.m. at 7979 Independence Boulevard, Suite 301, Baton Rouge, LA 70806. If the requisite number of comments are not received, the hearing will be cancelled.

Please call and confirm the hearing will be conducted before attended.

### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Commercial Driving Schools and Instructors

#### I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed rule change is not anticipated to result in state or local government costs or savings. The proposed rule change repeals the rule in Title 46 relative to Commercial Driving Schools and Instructors at public high schools. The rule pertaining to Commercial Driving Schools and Instructors at public high schools is currently stated in Title 55 since the Office of Motor Vehicles began regulation of public high school driving schools and instructors in 2011.

#### II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no anticipated direct material effect on revenue collections of state or local governmental units as a result of the proposed rule change.

#### III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There will be no anticipated costs or economic benefits to the owners and instructors of commercial driving schools.

#### IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule changes will not impact competition and employment.

Jill Boudreaux  
Undersecretary  
1309#031

Evan Brasseaux  
Staff Director  
Legislative Fiscal Office

### NOTICE OF INTENT

#### Department of Public Safety and Corrections Office of Motor Vehicles

#### Compulsory Insurance (LAC 37:VII.123 and 129; LAC 55:III.1717)

Editor's Note: The following Notice of Intent is being re promulgated to correct submission errors. The original Notice can be viewed in its entirety in the August 20, 2013 Louisiana Register on pages 2377-2378.

In accordance with the provisions of R.S. 32:863, relative to the authority of the Office of Motor Vehicles, the Office of Motor Vehicles hereby proposes to repeal LAC 37:VII, Chapter 1, Subchapter B, §123 and §129, and to adopt LAC 55:III, Chapter 17, Subchapter A, §1717, to update the Rule on the collection of the administrative fee under the compulsory insurance law for failure to maintain the required liability insurance as is reflected current law. The previous law tied the collection of the administrative fee to the driver's license while current law ties the administrative fee to the reinstatement of the vehicle registration privileges.

**Title 37  
INSURANCE**

**Part VII. Motor Vehicles**

**Chapter 1. Insurance**

**Subchapter B. Compulsory Motor Vehicle Liability Security**

**§123. Maintenance of Compulsory Motor Vehicle Liability Security**

Repealed.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 32:861.

**HISTORICAL NOTE:** Promulgated by the Department of Public Safety, Office of Motor Vehicles, LR 4:297 (August 1978), repealed by the Department of Public Safety and Corrections, Office of Motor Vehicles, LR 39:

**§129. Compulsory Insurance Hardship License**

Repealed.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 32:863.

**HISTORICAL NOTE:** Promulgated by the Department of Public Safety and Corrections, Office of Motor Vehicles, LR 12:602 (September 1986), amended 13:667 (November 1987), repealed LR 39:

**Title 55  
PUBLIC SAFETY**

**Part III. Motor Vehicles**

**Chapter 17. Compulsory Insurance**

**Subchapter A. General**

**§1717. Owner and Driver Compliance**

A. Each person who applies for registration of a motor vehicle, or applies for a driver's license, shall declare, in writing, on a form provided by the department that all motor vehicles registered in such person's name are covered by security as required by R.S. 32:861, and that such person intends to maintain said security at all times while said vehicle is used upon the highways of Louisiana.

B. In accordance with R.S. 32:863(D)(5), the department shall collect an administrative fee of \$25 to offset the administrative costs of the department whenever an individual reinstates his registration privileges after such registration privileges were revoked in connection a reported cancellation of a motor vehicle liability insurance policy in accordance with R.S. 32:863(A)(3)(a).

1. This administrative fee shall be in addition to the reinstatement fee required by R.S. 32:863(A)(3)(a).

2. The administrative fee shall be collected for each reported insurance cancellation when the registration privileges are reinstated even if multiple cancellations on one or more vehicles are being reinstated at one time.

3. No administrative fee will be collected if the owner submits proof satisfactory to the department that there was no lapse in coverage or the person provides proof satisfactory to the department that such person sold or otherwise transferred the vehicle prior to the date the motor vehicle liability insurance was cancelled.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 32:862 and 32:863.

**HISTORICAL NOTE:** Promulgated by the Department of Public Safety and Corrections, Office of Motor Vehicles, LR 39:

**Family Impact Statement**

The proposed Rule will not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy.

Specifically there should be no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;
3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of the children.

Local governmental entities have the ability to perform the enforcement of the action proposed in accordance with R.S. 40:1730.23.

**Small Business Statement**

The impact of the proposed Rule on small businesses has been considered and it is estimated that the proposed action is not expected to have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed Rule on small businesses.

**Poverty Impact Statement**

The proposed Rule amends LAC 55:III.325. These Rule changes should not have any known or foreseeable impact on any child, individual or family as defined by R.S. 49:973(B). In particular, there should be no known or foreseeable effect on:

1. the effect on household income, assets, and financial security;
2. the effect on early childhood development and preschool through postsecondary education development;
3. the effect on employment and workforce development;
4. the effect on taxes and tax credits;
5. the effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

**Public Comments**

All interested persons are invited to submit written comments on the proposed regulation. Such comments should be submitted no later than October 15, 2013, at 4:30 p.m. to Stephen A. Quidd, P.O. Box 66614, Baton Rouge, LA 70896, (225) 925-6103, Fax:(225) 925-3974, or [stephen.quidd@dps.la.gov](mailto:stephen.quidd@dps.la.gov).

**Public Hearing**

A public hearing is scheduled for October 23, 2013, at 10 a.m. at 7979 Independence Blvd. Suite 301, Baton Rouge, LA 70806. Please call in advance to confirm the time and place of meeting, as the meeting will be cancelled if the requisite number of comments is not received.

Jill P. Boudreaux  
Undersecretary

**FISCAL AND ECONOMIC IMPACT STATEMENT  
FOR ADMINISTRATIVE RULES  
RULE TITLE: Compulsory Insurance**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The proposed Rule change is not anticipated to result in state or local government costs or savings. The proposed Rule

change updates the Rule regarding the collection of the \$25 administrative fee for the reinstatement of registration privileges after a lapse in insurance coverage to reflect current procedures for the assessment of the fee. This also repeals old provisions which are no longer consistent with statutory authority.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

There is no anticipated effect on revenue collections of state or local governmental units as a result of this Rule change. The \$25 administrative fee is currently being collected and the Rules are being updated to match current statute.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)**

There will be no anticipated costs or economic benefits to vehicle owners regarding compliance with the compulsory insurance law.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)**

The proposed Rule changes will not affect competition and employment.

Jill Boudreaux  
Undersecretary  
1309#102

Evan Brasseaux  
Staff Director  
Legislative Fiscal Office

**NOTICE OF INTENT**

**Department of Public Safety and Corrections  
Office of State Police**

**Towing, Recovery and Storage**  
(LAC 55:I.1905, 1907, 1913, 1917, 1919, 1921, 1927, 1929, 1931, 1939, 1941, 1943, and 1947)

The Department of Public Safety and Corrections, Office of State Police, in accordance with R.S. 49:950 et seq., and R.S. 32:1711 et seq., gives notice of its intent to promulgate multiple and varied amendments to the regulatory requirements regarding the towing and storage industry. The sections to be amended are listed above.

**Title 55**

**PUBLIC SAFETY**

**Part I. State Police**

**Chapter 19. Towing, Recovery, and Storage**  
**Subchapter A. Authority, Exemptions, Definitions, Scope**  
**§1905. Definitions**

A. The definitions found in the Louisiana Highway Regulatory Act, specifically R.S. 32:1 and the Towing and Storage Act, specifically, R.S. 32:1711 et seq., are applicable to these rules and shall have the same meaning indicated unless the context clearly indicates otherwise.

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**Non-consensual Storage**—the storage or possession of a vehicle by an individual or storage facility operator without prior consent or authorization of the vehicle's owner or operator for the purpose of charging fees or obtaining ownership. Prior consent or authorization shall be documented by the storage facility by providing a written storage contract as outlined in R.S. 32:1722(C).

**Non-consensual Towing**—shall mean the movement or transportation of a vehicle by a tow truck without the prior consent or authorization of the owner or operator of the vehicle. This includes private property tows and tows made

by law enforcement or other public agencies. A tow initiated by a call from a law enforcement or other public agency at the request of the owner or operator shall be considered nonconsensual unless the tow truck operator is able to prove the owner or operator agreed to the tow fee and the destination of the tow prior to the tow.

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**Place of Business**—a permanent structure located within Louisiana used for business, staffed during regular business hours, equipped with phone and utility services including water, sewer, and electric, and houses records and other appropriate or required documents.

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**Tow Truck**—a motor vehicle equipped with a boom or booms, winches, slings, tilt beds, wheel lifts, under-reach equipment, and/or similar equipment including, but not limited to, trucks attached to trailers, and car carriers designed for the transportation and/or recovery of vehicles and other objects which cannot operate under their own power or for some reason must be transported by means of towing.

**AUTHORITY NOTE:** Promulgated in accordance with R.S. 32:1714.

**HISTORICAL NOTE:** Promulgated by the Department of Public Safety and Corrections, Office of the State Police, LR 32:854 (May 2006), amended LR 36:2575 (November 2010), LR 39:

**§1907. Administrative Penalty Assessment; Arbitration; Recovery of Penalties**

**A. - A.3. ...**

**4. Schedule of Fines**

Exemptions and Other Laws (§1903, 1905, and §1909)	\$50-\$500
Code of Conduct (§1911)	\$100-\$500
Tow Truck License Plate (§1913)	\$50-\$500
Insurance Requirements (§1915)	\$50-\$500
Driver's License Required Skills (§1917)	\$50-\$500
Tow Truck Lighting; Equipment (§1919)	\$25-\$100
Required Equipment (§1921)	\$25-\$100
Capacities of Tow Equipment (§1923)	\$100-\$500
Tow Truck Load Limitations (§1925)	\$100-\$500
Inspections by the Department (§1927)	\$100-\$500
Towing Service to Use Due Care (§1929)	\$100-\$500
Vehicles Towed from Private Prop. (§1930)	\$200-\$500
Storage Facility; Licensing Requirements (§1931)	\$100-\$500
Requirements for ORSV (§1933)	\$100-\$500
Owner Notification of Stored Vehicle (§1935)	\$100-\$500
Administrative Fees (§1937)	\$100-\$500
Permits to Sell and Dismantle (§1939)	\$100-\$500
Towing/Storage Facilities Requirement (§1941)	\$50-\$500
Storage Rates (§1943)	\$100-\$500
Gate Fees (§1945)	\$100-\$500
Law Enforcement Rotation Lists (§1947)	\$50-\$500

5. Effective January 1, 2014 suspensions may be imposed on a third or subsequent violation when a towing or storage facility has been found in violation on at least two