

1 SB359  
2 192332-1  
3 By Senator Chambliss  
4 RFD: Governmental Affairs  
5 First Read: 01-MAR-18

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8 SYNOPSIS: Under existing law, when the Department of  
9 Revenue is unable to verify that liability  
10 insurance coverage exists for a motor vehicle  
11 registered or required to be registered in this  
12 state, the department is required to suspend the  
13 registrant's registration unless the registrant  
14 provides proof of continuous liability insurance  
15 coverage for the vehicle during the period  
16 specified by the department.

17 This bill would limit the time period for  
18 which the registrant would be required to provide  
19 proof of continuous liability insurance coverage  
20 for the vehicle to the preceding 24 months.

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22 A BILL  
23 TO BE ENTITLED  
24 AN ACT

25  
26 Relating to mandatory liability insurance; to amend  
27 Section 32-7A-11, Code of Alabama 1975, to provide a

1 limitation on the time period for which a person may be  
2 penalized for having a lapse in liability insurance coverage.

3 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

4 Section 1. Section 32-7A-11, Code of Alabama 1975,  
5 is amended to read as follows:

6 "§32-7A-11.

7 "(a) When the department is unable to verify that  
8 liability insurance coverage exists for a motor vehicle  
9 registered or required to be registered in this state, the  
10 department shall send the registrant notice via USPS mail at  
11 the last known address as reflected on the department's motor  
12 vehicle registration records. The notice shall require that  
13 the registrant, within 30 calendar days of the date of the  
14 notice, provide evidence of continuous liability insurance  
15 coverage for the vehicle for the period specified by the  
16 department. The registration will be suspended unless either:

17 "(1) The registrant responds within the required  
18 time frame and the response establishes that the registrant  
19 has not had a lapse in liability insurance coverage within the  
20 preceding 24 months. The department shall then indicate in its  
21 records that the insured is in compliance with this chapter.

22 "(2) The registrant responds within the required  
23 time frame that, after the registration date, he or she did  
24 not operate the vehicle during the lapse in coverage due to  
25 the motor vehicle being stored, inoperable, or otherwise  
26 unused as prescribed by the department. The current  
27 registration shall then be revoked and the department shall

1 update its records to reflect that the registration is revoked  
2 for the remainder of the registration period. In the event the  
3 motor vehicle for which the registration has been revoked is  
4 no longer stored, inoperable, or otherwise unused as  
5 prescribed by the department, a new registration and license  
6 plate must be obtained prior to operating the vehicle.

7 "(b) If the registrant subsequently provides, in a  
8 manner as prescribed by the department, proof of subsequent  
9 liability insurance coverage for the vehicle during the  
10 current registration period then the registration shall be  
11 reinstated.

12 "(c) Any operator of a motor vehicle for which the  
13 registration has been revoked shall be subject to citation by  
14 law enforcement in accordance with Section 32-7A-16."

15 Section 2. This act shall become effective on the  
16 first day of the third month following its passage and  
17 approval by the Governor, or its otherwise becoming law.