

2024 Regular Session

SENATE BILL NO. 25

BY SENATOR SEABAUGH

LIABILITY. Provides for limitation of damages for compulsory motor vehicle liability security. (8/1/24)

1 AN ACT

2 To amend and reenact R.S. 32:866(A)(1), (F)(1) and (2), relative to compulsory motor
3 vehicle liability security; to provide relative to the recovery of damages; to provide
4 for limitation of damages; to provide with respect to limitation for recovery of bodily
5 injury and property damages; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 32:866(A)(1), (F)(1) and (2) are hereby amended and reenacted to
8 read as follows:

9 §866. Compulsory motor vehicle liability security; failure to comply; limitation of
10 damages

11 A.(1) There shall be no recovery for the first ~~fifteen~~ **one hundred** thousand
12 dollars of bodily injury and no recovery for the first ~~twenty-five~~ **one hundred**
13 thousand dollars of property damage based on any cause or right of action arising out
14 of a motor vehicle accident, for such injury or damages occasioned by an owner or
15 operator of a motor vehicle involved in such accident who fails to own or maintain
16 compulsory motor vehicle liability security.

17 * * *

1 F.(1) Notwithstanding any provision of law to the contrary, no insurer shall
 2 lose any rights of subrogation for claims paid under the applicable insurance policy
 3 for the recovery of any sum in excess of the first ~~fifteen~~ **one hundred** thousand
 4 dollars of bodily injury and the first ~~twenty-five~~ **one hundred** thousand dollars of
 5 property damages.

6 (2) In claims where no suit is filed, the claimant's insurer shall have all rights
 7 to recover any amount paid by the claimant's insurer on behalf of the insured for the
 8 recovery of any sum in excess of the first ~~fifteen~~ **one hundred** thousand dollars of
 9 bodily injury and the first ~~twenty-five~~ **one hundred** thousand dollars of property
 10 damages.

11 * * *

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

DIGEST

SB 25 Original

2024 Regular Session

Seabaugh

Present law (R.S. 32:866) provides that there shall be no recovery for the first \$15,000 of bodily injury and no recovery for the first \$25,000 of property damage based on any cause or right of action arising out of a motor vehicle accident, for such injury or damages occasioned by an owner or operator of a motor vehicle involved in such accident who fails to own or maintain compulsory motor vehicle liability security.

Proposed law retains present law but increases the amount for no recovery for first bodily injury from \$15,000 to \$100,000 and increases the amount for no recovery of property damages from \$25,000 to \$100,000.

Present law provides that notwithstanding any provision of law to the contrary, no insurer shall lose any rights of subrogation for claims paid under the applicable insurance policy for the recovery of any sum in excess of the first \$15,000 of bodily injury and the first \$25,000 of property damages.

Proposed law retains present law but increases an insurer's rights of subrogation for claims paid under the applicable policy for the recovery of any sum in excess from \$15,000 to \$100,000 of bodily injury and from \$25,000 to \$100,000 of property damages.

Present law provides that in claims where no suit is filed, the claimant's insurer shall have all rights to recover any amount paid by the claimant's insurer on behalf of the insured for the recovery of any sum in excess of the first \$15,000 of bodily injury and the first \$25,000 of property damages.

Proposed law retains present law but increases the amount the claimant's insurer has the right

to recover for amounts paid on behalf of the insured for claims where no suit is filed for the recovery of any sum in excess from \$15,000 to \$100,000 of bodily injury and from \$25,000 to \$100,000 of property damages.

Effective August 1, 2024.

(Amends R.S. 32:866(A)(1), (F)(1) and (2))