

TECHNICAL ADVISORY

INDEPENDENT INSURANCE AGENTS OF LOUISIANA

TA 124

July 13, 1998

SUBJECT: Act 1486
Impoundment Law

BACKGROUND: The Louisiana Supreme Court recently ruled that on-the-spot seizure of vehicles driven by uninsured motorists does not violate an individual's constitutional rights to due process. This decision voided an earlier ruling by the 19th District Court which said the impoundment law unconstitutionally allowed police to seize a citizen's property without a hearing. Agents report increased inquiries from their insureds about this law.

MAIN POINTS: According to the impoundment law, police can impound the vehicles of motorists caught driving without insurance. After a vehicle is impounded, a motorist is entitled to an administrative hearing to verify insurance coverage at the time of impoundment. The motorist must pay towing and storage fees.

There are exceptions, however, to the impoundment law. Police could merely ticket the driver and seize the license plate when:

- A child under age 12 is in the vehicle;
- A passenger in the vehicle is handicapped;
- Impoundment would pose a danger to the motorist or the public.

Police can also make exceptions when an officer "has a reasonable belief" that the car is insured.

Please note that the Supreme Court decision only addressed the issue of impoundment without a prior hearing. Other questions about the law have been returned to District Court for further consideration. IIAL will closely monitor the future rulings on Act 1486.

**NECESSARY
ACTION:**

Agents should continue to issue up-to-date ID cards to their insureds,
Urging them to always have proof in insurance in their vehicles.