

Technical Advisory

Independent Insurance Agents of Louisiana

*** IMPORTANT TECHNICAL ADVISORY***

TA-92

May 7, 1996

SUBJECT: HOUSE BILL 78

BACKGROUND: Act 301, passed by the 1995 Legislature, stipulated minimum financial responsibility limits for certain vehicles with GVW or GCW over 20,000 lbs. (Refer to Technical Advisory TA-90, December 22, 1995.) House Bill 78 amends the requirements and introduces a second weight class, with different minimum limits.

MAIN POINTS: RS 32:900(M)(1)(a) - **Vehicles with a GVW of 20,000-50,000 lbs.** are required to maintain minimum limits of 25/50/25. Note: no provision was made for combined single limits.

RS 32:900(M)(1)(b) - **Vehicles with a GVW over 50,000** are required to maintain minimum limits of 100/300/25, or 300 CSL.

Exceptions are made for: (1) tow trucks carrying liability coverage under RS32:1717; (2) motor vehicles used primarily in farming; (3) motor vehicles used in the transportation of forest products, as defined in RS32:1(37); (4) self-insurers under USDOT (ICC), 49 USC 10927, or under RS32:1042.

Note: additional exemptions outlined in TA-90, which were a part of Act 301, remain in effect. Notification to the Department of Public Safety is required within 45 days of termination, lapse or cancellation of insurance.

NECESSARY ACTION: Review this Technical Advisory with all agency personnel who deal with commercial automobile accounts. Advise all commercial automobile customers with insured vehicles subject to the law.

GOVERNOR FOSTER SIGNED HB 78 TUESDAY, MAY 7, 1996. THE BILL IS EFFECTIVE UPON HIS SIGNATURE.