SB312 ENROLLED



- 1 F61TDD-3
- 2 By Senator Chambliss
- 3 RFD: County and Municipal Government
- 4 First Read: 11-May-23
- 5 2023 Regular Session



1 Enrolled, An Act,

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- Relating to the Mandatory Liability Insurance Act; to amend Sections 32-7A-5 and 32-7A-16, Code of Alabama 1975, to further provide for the exceptions to the act for inoperable or stored motor vehicles; to prohibit the continued operation of a motor vehicle in violation of the registration and insurance requirements.
- 10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- Section 1. Sections 32-7A-5 and 32-7A-16, Code of
- 12 Alabama 1975, are amended to read as follows:
- 13 "\$32-7A-5
- This chapter shall not apply to any of the following vehicles or operators:
- 16 (1) Trailers as defined in Section 40-12-240, 17 including, but not limited to, semitrailers, travel trailers, 18 boat trailers, pole trailers, and utility trailers.
- 19 (2) Motor vehicles owned and operated by the United 20 States or any agency thereof, the State of Alabama, or any 21 political or governmental subdivision thereof.
- political or governmental subdivision thereof.

 22 (3) Any motor vehicle which is subject to the
- supervision and regulation of the Federal Motor Carrier Safety

 Administration or the Alabama Public Service Commission and
- 25 for which the owner and/or operator has filed evidence of
- 26 financial responsibility, the liability under which is not
- less than that required of the operator of a motor vehicle
- 28 under the terms of this chapter.



- 29 (4) Motor vehicles covered by a certificate of
 30 self-insurance issued by the director under the provisions of
 31 Section 32-7-34.
- 32 (5) Other motor vehicles complying with laws which that
 33 require the vehicles to be insured in amounts meeting or
 34 exceeding the minimum amounts required under Section
 35 32-7-6(c).
- 36 (6) Implements of husbandry as defined in Section 32-8-2.
- 38 (7) Any vehicle moved solely by animal power.

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- 39 (8) Special mobile equipment, as defined in Section 40 32-8-2.
 - (9) Inoperable or stored motor vehicles; provided,
 however, that this does not relieve or nullify any affirmative
 duty to maintain insurance coverage pursuant to a security
 agreement for which the registrant has surrendered the
 registration and associated license plate in accordance with
 the rules adopted by the department prior to the motor vehicle
 no longer being covered by a liability insurance policy
 required by this chapter.
 - (10) Motor vehicles owned by a licensed motor vehicle dealer, wholesaler, or rebuilder and held in inventory that are covered by a blanket liability insurance policy or commercial automobile liability insurance policy.
 - (11) Vehicles properly registered in another jurisdiction and not legally required to be registered pursuant to Chapter 12 of Title 40.
 - (12) Vehicles owned by a bank, a subsidiary or



- 57 affiliate of a bank, or finance company, acquired as an
- incident to their regular business, that are covered by a
- 59 blanket liability insurance policy or commercial automobile
- 60 liability insurance policy.
- 61 (13) Vehicles as prescribed by the commissioner that
- are covered by a blanket liability insurance policy or
- 63 commercial automobile liability insurance policy."
- 64 "\$32-7A-16
- 65 (a) A person is guilty of a Class C misdemeanor who:
- (1) Operates a motor vehicle without a liability
- insurance policy, a commercial automobile liability insurance
- 68 policy, a motor vehicle liability insurance bond, or deposit
- of cash in accordance with this chapter.
- 70 (2) With notice of cancellation, recision, abrogation,
- or termination of insurance, registers, or attempts to
- 72 register a motor vehicle.
- 73 (b) A person shall be guilty of a traffic violation
- 74 who:
- 75 (1) Operates a motor vehicle and upon demand of a law
- 76 enforcement officer, fails or refuses to present satisfactory
- 77 evidence of insurance unless a law enforcement officer
- 78 verifies motor vehicle liability insurance coverage through
- 79 the online insurance verification system.
- 80 (2) Operates a vehicle the registration of which is
- 81 suspended or revoked pursuant to this chapter.
- 82 (3) Operates a motor vehicle and presents evidence of
- 83 insurance when there is no valid insurance in effect on the
- 84 motor vehicle as required by this chapter.



(c) A motor vehicle may be impounded at the discretion of a law enforcement officer if the operator fails to provide evidence of registration and insurance as required by this title or Title 40. Evidence of registration and insurance may be verified through the online insurance verification system and other electronic means as necessary.

- herein to "operating a motor vehicle" shall be satisfied whenever it is apparent that the vehicle has traveled any distance upon a public road or highway and a law enforcement officer may have only observed the results of finding the vehicle stopped either on or off the public road or highway, as for example when the vehicle has come to a stop after an accident. Witnessing the operation of the vehicle is not required for a citation to be issued under this chapter.
- (e) (1) In no case shall a motor vehicle for which a traffic stop has been conducted or which has been involved in an accident continue to be operated on a public road or highway if the operator of the motor vehicle fails to provide evidence of registration and insurance as required by Section 32-7A-4, this title, or Title 40, and in such event the following shall apply:
- a. For a first violation within a two-year registration

 period, the law enforcement officer shall direct the motor

 vehicle to be moved to a place of safety away from the

 roadway.
- b. For a second violation within a two-year
 registration period, the law enforcement officer shall direct

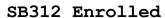


113 an approved towing service to tow the vehicle to a location of the operator's choice and to release the motor vehicle to the 114 115 owner, operator, or agent thereof upon payment of any fees 116 associated with the towing, impoundment, and storage of the 117 vehicle. 118 c. For a third or subsequent violation within a 119 two-year registration period, the law enforcement officer 120 shall cause the vehicle to be impounded. The motor vehicle may 121 not be released to the operator, owner, or agent thereof until 122 the requirements of Section 32-7A-4 are satisfied and all 123 reasonable and customary towing, impoundment, and storage fees 124 are paid. 125 (2) Any towing service that removes a motor vehicle at the direction of a law enforcement officer shall have a lien 126 127 on the motor vehicle for all reasonable and customary fees related to the towing, impoundment, and storage of a motor 128 vehicle as provided in Section 32-6-19(c)(2)." 129 130 Section 2. This act shall become effective January 1, 131 2024, following its passage and approval by the Governor, or

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its otherwise becoming law.

Page 5





President and Presiding Officer of the Senate Speaker of the House of Representatives SB312 Senate 24-May-23 I hereby certify that the within Act originated in and passed the Senate, as amended. Patrick Harris, Secretary. House of Representatives Passed: 06-Jun-23 By: Senator Chambliss