

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

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6 2023 Regular Session



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SYNOPSIS:

Under existing law, each motor vehicle operated on the public highways is required to be registered and have mandatory liability insurance in effect.

This bill would further provide for the exceptions to the requirement for inoperable or stored vehicles.

This bill would also specify that a motor vehicle for which a traffic stop has been conducted or that is involved in a motor vehicle accident which is in violation of the mandatory liability insurance laws may not continue to be operated on the public roads, and would provide procedures for a violation.

19 A BILL

TO BE ENTITLED

21 AN ACT

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.



- 29 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 30 Section 1. Sections 32-7A-5 and 32-7A-16, Code of
- 31 Alabama 1975, are amended to read as follows:
- 32 "\$32-7A-5
- This chapter shall not apply to any of the following
- 34 vehicles or operators:
- 35 (1) Trailers as defined in Section 40-12-240,
- 36 including, but not limited to, semitrailers, travel trailers,
- 37 boat trailers, pole trailers, and utility trailers.
- 38 (2) Motor vehicles owned and operated by the United
- 39 States or any agency thereof, the State of Alabama, or any
- 40 political or governmental subdivision thereof.
- 41 (3) Any motor vehicle which that is subject to the
- 42 supervision and regulation of the Federal Motor Carrier Safety
- 43 Administration or the Alabama Public Service Commission and
- 44 for which the owner and/or operator has filed evidence of
- 45 financial responsibility, the liability under which is not
- less than that required of the operator of a motor vehicle
- 47 under the terms of this chapter.
- 48 (4) Motor vehicles covered by a certificate of
- 49 self-insurance issued by the director under the provisions of
- 50 Section 32-7-34.
- 51 (5) Other motor vehicles complying with laws which that
- 52 require the vehicles to be insured in amounts meeting or
- 53 exceeding the minimum amounts required under Section
- 32-7-6(c).
- 55 (6) Implements of husbandry as defined in Section
- 56 32-8-2.



- 57 (7) Any vehicle moved solely by animal power.
- 58 (8) Special mobile equipment, as defined in Section 59 32-8-2.
 - (9) Inoperable or stored motor vehicles 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 affiliate of a bank, or finance company, acquired as an incident to their regular business, that are covered by a blanket liability insurance policy or commercial automobile liability insurance policy.
 - (13) Vehicles as prescribed by the commissioner that are covered by a blanket liability insurance policy or commercial automobile liability insurance policy."
- 80 "\$32-7A-16

- 81 (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
 policy, a motor vehicle liability insurance bond, or deposit



85 of cash in accordance with this chapter.

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- 86 (2) With notice of cancellation, recision, abrogation, 87 or termination of insurance, registers, or attempts to 88 register a motor vehicle.
- 89 (b) A person shall be quilty of a traffic violation 90 who:
- (1) Operates a motor vehicle and upon demand of a law enforcement officer, fails or refuses to present satisfactory 93 evidence of insurance unless a law enforcement officer verifies motor vehicle liability insurance coverage through the online insurance verification system.
- 96 (2) Operates a vehicle the registration of which is 97 suspended or revoked pursuant to this chapter.
 - (3) Operates a motor vehicle and presents evidence of insurance when there is no valid insurance in effect on the 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.
- 107 (d) For the purposes of this chapter, the reference 108 herein to "operating a motor vehicle" shall be satisfied 109 whenever it is apparent that the vehicle has traveled any 110 distance upon a public road or highway and a law enforcement officer may have only observed the results of finding the 111 112 vehicle stopped either on or off the public road or highway,

113	as for example when the vehicle has come to a stop after an
114	accident. Witnessing the operation of the vehicle is not
115	required for a citation to be issued under this chapter.
116	(e)(1) In no case shall a motor vehicle for which a
117	traffic stop has been conducted or which has been involved in
118	an accident continue to be operated on a public road or
119	highway if the operator of the motor vehicle fails to provide
120	evidence of registration and insurance as required by Section
121	32-7A-4, this title, or Title 40, and in such event the
122	following shall apply:
123	a. For a first violation within a two-year registration
124	period, the law enforcement officer shall direct the motor
125	vehicle to be moved to a place of safety away from the
126	roadway.
127	b. For a second violation within a two-year
128	registration period, the law enforcement officer shall direct
129	an approved towing service to tow the vehicle to a location of
130	the operator's choice and to release the motor vehicle to the
131	owner, operator, or agent thereof upon payment of any fees
132	associated with the towing, impoundment, and storage of the
133	vehicle.
134	c. For a third or subsequent violation within a
135	two-year registration period, the law enforcement officer
136	shall cause the vehicle to be impounded. The motor vehicle may
137	not be released to the operator, owner, or agent thereof until
138	the requirements of Section 32-7A-4 are satisfied and all
139	reasonable and customary towing, impoundment, and storage fees



141	(2) Any towing service that removes a motor vehicle at
142	the direction of a law enforcement officer shall have a lien
143	on the motor vehicle for all reasonable and customary fees
144	related to the towing, impoundment, and storage of a motor
145	vehicle as provided in Section 32-6-19(c)(2)."
146	Section 2. This act shall become effective January 1,
147	2024, following its passage and approval by the Governor, or
148	its otherwise becoming law.