



Louisiana Department of Public Safety Office of Motor Vehicles 2-18.00 Insurance Violations

Revised Date: 09/17/2026

Purpose

This policy describes requirements for [cancellation of insurance](#), [notice of violation](#), [deceased owners \(compulsory compliance requirements\)](#), and [leased or rent-to-own vehicles](#).

Definitions

- **Leased Vehicle** - A vehicle owned by a Leasing Company and leased to an individual(s) or company with an option to purchase the vehicle at the end of the lease agreement.
- **Notice of Violation (NOV)** – An administrative revocation placed on the vehicle owner's record and the vehicle record for vehicle being on the roadway without proof of insurance.
- **Rent-to-Own Vehicle** - A vehicle owned by a Renting Dealership who long-term rents the vehicle to an individual(s) or company with an option to purchase the vehicle at the end of the rental contract.
- **Types of Compliance** – Documented evidence that a vehicle is in compliance (i.e. certificate of insurance, cancelled plate documentation, bill of sale, proof of loss, etc.)

Cancellation of Insurance

Authority:

[R.S. 32:861](#)

To view Louisiana Statutes: <http://www.legis.state.la.us/>

General:

- **No Insurance Flag** - If an owner's registration has been revoked, the "no insurance" flag is set and the registration cannot be renewed. However, the "no insurance" flag will not block the transfer of the vehicle.
- Any individual whose license or registration has been suspended or whose policy or insurance (SR-22) or bond has been cancelled or terminated or who has failed to furnish other proof of insurance as required is to immediately return his/her license, and registration, including any vehicle plates registered in his/her name to the Department.
- Every self-propelled motor vehicle registered in this State, except those vehicles used as agricultural or forest product vehicles during seasons when they are not used on the highway (see Exemptions) or those used primarily for exhibits or kept primarily for use in parades, exhibits or shows, or lease-bound mobile rig haulers, must be covered by liability insurance or some other type of security.
- The Department must be notified within 15 business days by the insurance company, or by the sales representative, or by the agent of a surety company issuing a motor vehicle liability bond, or by the State Treasurer holding a deposit when liability insurance or security is initiated, recalled, reinstated, terminated, or if there is a changed binder on vehicles registered in Louisiana.

- The Department will be notified by the Commissioner of Insurance when an authorized company ceases to do business in Louisiana due to bankruptcy or liquidation.
- When the Department receives notification from an insurance company that the liability insurance has been cancelled on a vehicle, an Official Notice is mailed to the vehicle owner. If the owner does not submit acceptable compliance within 10 days of the date of the notice, the driving and registering privileges will be blocked.
- A "no insurance" block will be set in the master driver's license and vehicle records if a revocation is in effect and fees are due. The "no insurance" block prevents the renewal or issuance of a driver's license and vehicle registration, but will not block the transfer of the vehicle.
- Cancellations may be reinstated on a vehicle-by-vehicle basis. However, if all vehicles on a single record are cleared in one (1) day, the maximum (cap) reinstatement fee is \$850.00 for persons under 65. Additionally, a \$25.00 administration fee will be charged on all cancellations.
- For persons 65 years of age or older, if all vehicles on a single record are cleared in one (1) day, the maximum fee charged is \$250.00.
- Any individual whose license or registration has been suspended or whose policy or insurance (SR-22) or bond has been cancelled or terminated or who has failed to furnish other proof of insurance as required is to immediately return his/her license, and registration, including any vehicle plates registered in his/her name to the Department.
- **Office of Debt Recovery (ODR)**
 - If the vehicle owner does not comply within ten days of the original notice of cancellation, the Office of Motor Vehicles will begin the notification process required to transmit the outstanding debt to the Office of Debt Recovery.
 - The initial reinstatement fee will increase (from \$125, \$275 or \$525) to \$656.25. The maximum (cap) reinstatement fee of \$850.00 plus the additional \$25.00 administrative fee per cancellation will not apply at this time.
 - Any monies collected by ODR will be forwarded to OMV for processing.
 - Partial payments will be accepted **only** on cancellations submitted to the ODR.
- **Compliance** - In order to be placed in compliance without having to pay a reinstatement fee you must provide one of the following:
 - An insurance card, declaration page or policy with an effective date within 1 day from the cancellation date, or
 - The registration certificate indicating the vehicle was registered in another state within 10 days from the cancellation date, or
 - A bill of sale/trade in document (to include name and address of purchaser), a junked/salvaged receipt, a repossession statement from the lien holder, proof of loss, a statement from the insurance company (vehicle totaled), a statement from the lessor (leasing company) indicating that the vehicle was surrendered to the lessor within 10 days of the cancellation date, or
 - If the vehicle is in the owner's possession and is inoperable and has been inoperable since the date of cancellation, the plate must be surrendered within ten (10) days of the date of the notice.

- If the cancellation record has been submitted to the Office of Debt Recovery, none of the above will apply.
 - **Ownership** - When a vehicle is sold or otherwise transferred from one owner to another, the new owner will be held responsible under the Compulsory Liability Security law even if the vehicle is not yet registered/titled in his name. In any event, the new owner will be required to properly register/title the vehicle as a condition of reinstatement.
 - **Military Deployment Compliance** - As provided by the Military Service Relief Act, if the owner was deployed to active military duty out of the country or to any very distant base such as one located in Alaska or Hawaii, and the vehicle was stored and not being driven, a supervisor or manager may authorize acceptance of the following compliance.
 - A copy of the deployment orders or a copy of the official letter ordering return to active duty status.
 - Proof that the vehicle was stored at a storage facility or a notarized statement of non-use from the owner stating the facts of the vehicle's location while the owner was deployed.
 - Current proof of insurance, vehicle disposition, or the surrendered plate.
 - **Note:** If the insurance was cancelled prior to the deployment, this compliance does not apply and owner must comply according to usual policy.
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Notice of Violation

Authority:

[R.S. 32:861](#)

[R.S. 32:863.1](#)

[R.S. 32:862 \(D\)](#)

To view Louisiana Statutes: <http://www.legis.state.la.us/>

Objective:

- Louisiana law requires that all vehicles owned or leased and registered in this state be required to provide evidence of liability insurance or some other type of security while being operated upon any public road, street, or highway in this State.^{1,2} If the vehicle is out of compliance, a “notice of violation” will be placed on the vehicle record. This policy describes compliance requirements for “notice of violation”.

Eligibility:

- Applicants are eligible to clear notice of violations if he/she complies with all applicable requirements outlined in this policy.

General:

- Effective January 1, 1998, when an operator of a motor vehicle is unable to furnish evidence of liability insurance or some type of security at the time of an accident, traffic offense, or administrative violation check point, the vehicle may be impounded and/or the license plate removed and a Compulsory Violation Notice issued by the law enforcement officer.
 - The Notice of Violation ticket issued serves as the owner's official notification.

- The day after the violation will be considered the first day of the three-day period, excluding Saturdays, Sundays, and legal holidays as determined by the Division of Administration.
- The law enforcement agency will issue a Temporary Vehicle Use Authorization for three (3) business days. This sticker is placed on the back window of the vehicle.
- The law enforcement agency will deliver the license plate to the local motor vehicle office listed on the violation ticket.
- The plate will be flagged for the "Notice of Violation" and the notice of violation will be added to the record by the Office of Motor Vehicles. The license plate will be held for three (3) business days, allowing the owner time to provide acceptable proof of insurance.
- If the license plate was seized at the time of the violation and a new plate was issued prior to the "Notice of Violation" flag being set, the ticket must be processed and the flag must be set on the new plate.
- **Ownership and Assignment of NOV**
 - **Individually Owned** - The Notice of Violation (NOV) is added to the owner of the vehicle.
 - **Leased Vehicles** - If the vehicle is leased the NOV goes to the Lessee.
 - **Rented Vehicles** - If the vehicle is rented/rent to own the NOV goes to the rent company not the renter.
 - **Transfer of Ownership** - If a vehicle has been transferred from one owner to another, the legal owner at the time of the violation will be held responsible under the Compulsory Liability Security Law.
 - If the vehicle belongs to a new owner. They must register the vehicle before the NOV can be reinstated.
 - If proof is provided that the person named on the violation ticket was the owner at the time of the violation, but has since disposed of the vehicle, the no insurance flag will remain on his/her driving record and he/she will be responsible for all fees.
 - **Unregistered or Improperly Registered Vehicle** - If an unregistered or improperly registered vehicle is impounded, the "Authorization to Release Vehicle" will not be issued until the new owner properly registers the vehicle, purchases a plate, furnishes proof of insurance, and pays the notice of violation fees for the vehicle.
 - **If a dealership is the owner of the vehicle, the dealership must apply for a title in their name.**
- The owner of the vehicle has three (3) business days from the date of violation to comply.²
- The vehicle may be impounded and will require an Authorization to Release Vehicle (DPSMV1997) form to get the vehicle from the impound, which is provided by the Office of Motor Vehicles.²
- **Administrative Hearing**
 - The administrative hearing is limited to a review of the issue of whether the vehicle was covered by a valid policy of insurance at the time of the violation.²
 - The owner has thirty (30) days from the date of violation to request an administrative hearing. The request must be submitted in writing.²

Required Documentation:

- If the vehicle is **insured at the time of violation** and applicant contacts the Office of Motor Vehicles **within** three business days, the following is required:²
 - Notice of Violation ticket, unless already added to the record.
 - Proof of liability insurance, which will be copied and verified by the analyst.
 - If liability insurance went into effect on the date of the violation, the analyst must verify the effective time of the policy, to verify that the vehicle was insured at the time of the violation.
 - If the plate/registration is valid, the plate and/or registration is returned to the owner. If plate/registration is expired, it must be renewed prior to being returned to the customer. If the plate has not been brought in to OMV, the customer has the option to purchase a new plate, instead of waiting for plate to be brought in.
 - Issue an "Authorization to Release Vehicle" for the wrecker service to the owner, if applicable. If the vehicle does not have or is not issued a valid plate, the analyst must issue an Authorization to Release Vehicle (DPSMV1997) for "Tow Only" to the owner.
- If the vehicle is **insured at the time of violation** and customer contacts the Office of Motor Vehicles **after** three business days, the following is required:
 - Notice of Violation ticket, unless already added to the record
 - Proof of liability insurance, which is copied and verified by the analyst
 - If liability insurance went into effect on the date of the violation, the analyst must verify the effective time of the policy to verify that the vehicle was insured at the time of the violation.
 - Plates are cancelled after three (3) business days, excluding Saturdays, Sundays, and holidays as defined by the Division of Administration. The plate will stay cancelled and the customer must purchase an updated plate and registration, if the customer wants to use the vehicle.
 - The Office of Motor Vehicles shall issue an Authorization to Release Vehicle (DPSMV1997) for the wrecker service to the owner, if applicable.
 - If the vehicle does not have or is not issued a valid plate, the analyst must issue an Authorization to Release Vehicle (DPSMV1997) for "Tow Only" to the owner.
 - If applicant is requesting an Authorization to Release Vehicle (DPSMV1997) for "Tow Only," at minimum he/she must pay the notice of violation fee(s) associated with that vehicle.
- If the vehicle is **not insured at the time** of violation, the following is required:
 - Notice of violation ticket, unless already added to the record
 - Proof of compliance must be copied and verified by the analyst, unless compliance is already in the system (i.e. cancelled plate, proof of sale, disposition of vehicle, etc.).
 - If liability insurance went into effect on the date of the violation, the analyst must verify the effective time of the policy to verify that the vehicle was insured at the time of the violation.

- Plates are cancelled after three (3) business days. The plate will stay cancelled and the applicant must purchase an updated plate and registration, if the applicant wants to use the vehicle.
- Offenses are determined by **VIN number**, not license plate number(s).
- **Proof of release for a totaled or inoperable vehicle (not drivable as a result of an accident):**
 - If impounded, the Authorization to Release Vehicle (DPSMV1997) for "Tow Only" will be issued to the owner, provided he/she furnishes proof that the vehicle is totaled or inoperable. This may be in the form of a statement that the vehicle is inoperable due to an accident. The owner must pay all notice of violation fee(s) associated with that vehicle, but will not be required to purchase another plate or furnish proof of insurance.
- If the vehicle is being repossessed or voluntarily surrendered to the lienholder or through the filing of a hold harmless agreement, the Authorization to Release Vehicle (DPSMV1997) for "Tow Only" may be issued to the lien holder **only** with the following supporting documentation:
 - Repossession, voluntary surrender paperwork, or through the filing of a hold harmless agreement
 - License plate is cancelled or removed. No insurance is required.
 - The lienholder will not pay any fees. The "no insurance" flag will remain on the owner's driving record until all required fees are paid.
- If the vehicle is being repossessed or voluntarily surrendered to the lienholder or through the filing of a hold harmless agreement, the Authorization to Release Vehicle (DPSMV1997) may be issued to the lien holder **only** with the following supporting documentation:
 - Repossession, voluntary surrender paperwork, or through the filing of a hold harmless agreement
 - A contingent insurance policy, also known as a blanket policy, submitted as proof of insurance. The vehicle does not have to be listed on the policy.
 - License plate is cancelled or removed. No insurance is required.
 - The lienholder will not pay any fees. The "no insurance" flag will remain on the owner's driving record until all required fees are paid.
- **Leased Vehicle** - If the vehicle is leased, the Authorization to Release Vehicle (DPSMV1997) for "Tow Only" may be issued to the lessor (owner) provided and the license plate is cancelled or removed.
 - The lessor will not pay any fees.
 - The "no insurance" flag will remain on the lessee's driving record, until all required fees are paid.
- **Out of State Vehicle** – If the vehicle is registered in another state, an NOV will only be processed if it was involved in a traffic accident and compliance has not been submitted to OMV within thirty (30) business days from the date of violation.²
 - Effective upon the Governor's signature on June 9, 2026, Louisiana Revised Statute 32:863.1 was updated. The change allows law enforcement to issue a notice of violation (NOV) and impound an out of state vehicle that is being operated without proof of insurance regardless of if it was in an

accident. You will process it the same way you were processing a NOV for an out of state vehicle that was involved in an accident. Policy updates are coming.

- Important information:
 - The only state that does not currently require insurance is New Hampshire.
 - Along with showing proof of insurance, they will need to show proof of ownership. For example, the vehicle registered in the other state.
 - Only Louisiana plates should be removed from the vehicle. We should not be receiving an out of state plate with the NOV.
 - The out of state vehicle owner has thirty (30) working days to show proof of insurance. After the thirty (30) working days, they will also owe the reinstatement fees on \$110, \$260, or \$510 based on occurrence.

Fees:

- \$110.00 for the first offense (\$100.00 reinstatement fee plus \$10.00 administrative fee).²
- \$260.00 for the second offense (\$250.00 reinstatement fee plus \$10.00 administrative fee).²
- \$510.00 for any subsequent offense (\$500.00 reinstatement fee plus \$10.00 administrative fee).²
 - As of 10/18/2021 partial payments can be accepted for NOV's with compliance. The flags will not be removed until paid in full or the NOV is in an active installment plan.

Deceased Owners – Compulsory Compliance Requirements

Authority:

Administrative

General:

This requirement applies to the deceased owner of a vehicle that incurred a compulsory insurance violation.

Requirements:

- **Single Owned Vehicle**
 - If an insurance cancellation is issued on a vehicle titled in the name of a deceased owner, no fees are due and compliance is not required.
- **Co-owned Vehicle**
 - The co-owner is responsible under the compulsory law and all requirements must be met.

Leased – Rent –to-Own Vehicle

Authority:

R.S. 32:861 et seq.

To view Louisiana Statutes: <http://www.legis.state.la.us/>

General:

- **Leased Vehicle**
 - Lease vehicles are titled in the name of the Leasing Company as owner with the name of the Lessee shown on the application (1799), title, and registration as a "Lessee." The Lessee is

always responsible for the insurance. The Official Notice for insurance cancellation will always be sent to the Lessee.

- If the vehicle registration indicates a lessee, the lessee is responsible for providing insurance coverage. (Example: The registered owner is listed as GMAC and the lessee is listed as Joe Test. Joe Test is responsible for providing insurance coverage).
- If the vehicle registration does not indicate a lessee, and the owner is leasing the vehicle to another party, in order to accept the other party's insurance information, the owner will be required to submit a copy of their lease agreement or a statement of an existing lease agreement (see an attached sample) or a document similar in content executed by an authorized representative of the company/individual.
- (Example: The registered owner is John Smith and the computer does not indicate a lessee and the insurance information being submitted is from Acme Inc. The owner, John Smith, would have to furnish a copy of the lease agreement or a document of similar content in order to accept Acme's insurance information). The owner is ultimately responsible for insuring vehicles registered in their name. A lessee will not receive an official notice unless their name is listed on the vehicle registration.

- **Lease Terminated**

- A lease termination statement or document of similar content gives a description of the vehicle, including the VIN or plate number, and the date that the lease terminated.

- **Rent-to-Own Vehicle**

- Rent-to-own vehicles are titled in the name of the Renting Dealership as owner with the name of the Renter to be shown on the application (1799), title and registration as a "Renter." The **Renting Dealership** is always responsible for the insurance. The Official Notice for insurance cancellation will always be sent to the Renting Dealership.
 - If the vehicle registration indicates a renter, the owner is responsible for providing insurance coverage. (Example: The registered owner is listed as Auto Brokers of LA and the renter is listed as Joe Test. Auto Brokers of LA is responsible for providing insurance coverage). This coverage is usually a certificate of insurance document indicating this is a "contingent policy." Garage liability is not acceptable as compliance. The policy must indicate "contingent policy."

- **Rental Terminated**

- A rental termination statement or document of similar content gives a description of the vehicle, including the VIN or plate number, and the date that the rental contract terminated.