



Louisiana Department of Public Safety
Office of Motor Vehicles
3-2.00 Bankruptcy

Revised: 08/29/2025

Purpose

This policy discusses bankruptcy filing for driver's license suspension or revocation.

Bankruptcy Filing for Driver's License Suspension/Revocation

Authority:

11 USC §101 et seq

General:

- The automatic stay provision of the Federal Bankruptcy Act stops debt collection efforts which could impinge on the bankrupt estate, and applies the Department. Anything which requires a payment to the Department is stayed. However, any non-monetary compliance, such as compliance from the court on an FTA, current insurance including meeting an SR-22 requirement on a refusal or a DWI, and serving any mandatory suspension or disqualification, FR suspensions excluded, may still be required prior to reinstate driving privileges. Official Notices issued after the date of filing a bankruptcy will still be subject to stay in regards to the payment of any fees, but generally will not be subject to discharge as detailed below.
- All outstanding violations on the driving record will need compliance, as well as any mandatory suspension time will need to be served. The bankruptcy, if accepted, will only stay the reinstatement fee(s) and the license will become valid for the duration of the bankruptcy until the dismissal/discharge. Once the record is updated, if the person needs to renew a driver's license or vehicle registration they will be required to pay any applicable fees at that time.
- Any pointers from another state which put the debtor in a not issue status which arise from the financial responsibility laws of the state from which the pointer arises are subject to the stay and are to be overridden during the term of the bankruptcy,

Requirements:

- A "Notice of the Chapter (7, 11 or 13) Bankruptcy Case" document will need to be submitted to the Office of Motor Vehicles, Legal Department, for review.