

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



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1 Enrolled, An Act,

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4 Relating to the Mandatory Liability Insurance Act; to
5 amend Sections 32-7A-5 and 32-7A-16, Code of Alabama 1975, to
6 further provide for the exceptions to the act for inoperable
7 or stored motor vehicles; to prohibit the continued operation
8 of a motor vehicle in violation of the registration and
9 insurance requirements.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 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

14 This chapter shall not apply to any of the following
15 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.

22 (3) Any motor vehicle ~~which~~that is subject to the
23 supervision and regulation of the Federal Motor Carrier Safety
24 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
27 less than that required of the operator of a motor vehicle
28 under the terms of this chapter.



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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
37 32-8-2.

38 (7) Any vehicle moved solely by animal power.

39 (8) Special mobile equipment, as defined in Section
40 32-8-2.

41 (9) Inoperable or stored motor vehicles; provided,
42 however, that this does not relieve or nullify any affirmative
43 duty to maintain insurance coverage pursuant to a security
44 agreement ~~for which the registrant has surrendered the~~
45 ~~registration and associated license plate in accordance with~~
46 ~~the rules adopted by the department prior to the motor vehicle~~
47 ~~no longer being covered by a liability insurance policy~~
48 ~~required by this chapter.~~

49 (10) Motor vehicles owned by a licensed motor vehicle
50 dealer, wholesaler, or rebuilder and held in inventory that
51 are covered by a blanket liability insurance policy or
52 commercial automobile liability insurance policy.

53 (11) Vehicles properly registered in another
54 jurisdiction and not legally required to be registered
55 pursuant to Chapter 12 of Title 40.

56 (12) Vehicles owned by a bank, a subsidiary or



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57 affiliate of a bank, or finance company, acquired as an
58 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
62 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:

66 (1) Operates a motor vehicle without a liability
67 insurance policy, a commercial automobile liability insurance
68 policy, a motor vehicle liability insurance bond, or deposit
69 of cash in accordance with this chapter.

70 (2) With notice of cancellation, recision, abrogation,
71 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.



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

91 (d) For the purposes of this chapter, ~~the reference~~
92 ~~herein to~~ "operating a motor vehicle" shall be satisfied
93 whenever it is apparent that the vehicle has traveled any
94 distance upon a public road or highway and a law enforcement
95 officer may have only observed the results of finding the
96 vehicle stopped either on or off the public road or highway,
97 as for example when the vehicle has come to a stop after an
98 accident. Witnessing the operation of the vehicle is not
99 required for a citation to be issued under this chapter.

100 (e) (1) In no case shall a motor vehicle for which a
101 traffic stop has been conducted or which has been involved in
102 an accident continue to be operated on a public road or
103 highway if the operator of the motor vehicle fails to provide
104 evidence of registration and insurance as required by Section
105 32-7A-4, this title, or Title 40, and in such event the
106 following shall apply:

107 a. For a first violation within a two-year registration
108 period, the law enforcement officer shall direct the motor
109 vehicle to be moved to a place of safety away from the
110 roadway.

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



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113 an approved towing service to tow the vehicle to a location of
114 the operator's choice and to release the motor vehicle to the
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
126 the direction of a law enforcement officer shall have a lien
127 on the motor vehicle for all reasonable and customary fees
128 related to the towing, impoundment, and storage of a motor
129 vehicle as provided in Section 32-6-19(c) (2)."

130 Section 2. This act shall become effective January 1,
131 2024, following its passage and approval by the Governor, or
132 its otherwise becoming law.



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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