

## HB148 ENROLLED



1 HB148  
2 KXJFAUA-2  
3 By Representatives Pettus, Faulkner, Kirkland  
4 RFD: Public Safety and Homeland Security  
5 First Read: 04-Feb-25



## HB148 Enrolled

Enrolled, An Act,

Relating to mandatory automobile liability insurance;  
to amend Sections 32-7A-4, 32-7A-5, and 32-7A-6, Code of  
Alabama 1975, to provide that the insurance requirements of  
the state of registration for a motor vehicle apply for  
vehicles registered in another state.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 32-7A-4, 32-7A-5, 32-7A-6, Code of  
Alabama 1975, are amended to read as follows:

"§32-7A-4

(a) No person shall operate, register, or maintain  
registration of, and no owner shall permit another person to  
operate, register, or maintain registration of, a motor  
vehicle designed to be used on a public highway unless the  
motor vehicle is covered by a liability insurance policy, a  
commercial automobile liability insurance policy, motor  
vehicle liability bond, or deposit of cash.

(b) (1) For motor vehicles registered in this state, all  
of the following shall apply:

a. The liability insurance policy or commercial  
automobile liability insurance policy shall be issued in  
amounts no less than the minimum amounts set for bodily injury  
or death and for destruction of property under Section  
32-7-6(c).

~~(2)~~ b. The motor vehicle liability bond shall be in the  
amount of not less than the minimum amounts of liability  
coverage for bodily injury or death and for destruction of



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property under ~~subsection (c) of~~ Section 32-7-6(c). The bond shall be conditioned on the payment of the amount of any judgment rendered against the principal in the bond or any person responsible for the operation of the principal's motor vehicle with his or her express or implied consent, arising from injury, death, or damage sustained through the use, operation, maintenance, or control of the motor vehicle within the State of Alabama.

~~(3)c.~~ The deposit of cash with the State Treasurer shall be in the amount of not less than the minimum amounts set for bodily injury or death and for destruction of property under ~~subsection (c) of~~ Section 32-7-6(c).

(2) For motor vehicles registered in another state, the liability insurance policy, commercial automobile liability insurance policy, motor vehicle liability bond, or deposit of cash shall conform to the requirements of the laws of the state of registration.

(c) Only an insurer authorized to do business in this state shall issue a policy pursuant to this section for any vehicle subject to registration under Chapter 12 of Title 40. Nothing ~~herein~~ in this section shall deprive an insurer of any policy defense available at common law.

(d) Notwithstanding ~~the provisions in~~ subsection (c), any insurance policies issued by non-admitted insurance companies procured through Alabama licensed surplus lines insurance brokers, pursuant to ~~the provisions of~~ Section 27-10-20 for the amounts prescribed under ~~subsection (c) of~~ Section 32-7-6(c), shall be deemed to be in compliance with



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this chapter ~~provided~~if the brokers are licensed with the Department of Insurance and the brokers transfer all required insurance information in the manner and frequency as prescribed by the department."

"§32-7A-5

(a) This chapter shall not apply to any of the following vehicles or operators:

(1) Trailers as defined in Section 40-12-240, including, but not limited to, semitrailers, travel trailers, boat trailers, pole trailers, and utility trailers.

(2) Motor vehicles owned and operated by the United States or any agency thereof, the State of Alabama, or any political or governmental subdivision thereof.

(3) Any motor vehicle that is subject to the supervision and regulation of the Federal Motor Carrier Safety Administration or the Alabama Public Service Commission and for which the owner or operator has filed evidence of financial responsibility, the liability under which is not less than that required of the operator of a motor vehicle under the terms of this chapter.

(4) Motor vehicles covered by a certificate of self-insurance issued by the director under Section 32-7-34.

(5) Other motor vehicles complying with laws that require the vehicles to be insured in amounts meeting or exceeding the minimum amounts required under Section 32-7-6(c).

(6) Implements of husbandry as defined in Section 32-8-2.



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(7) Any vehicle moved solely by animal power.

(8) Special mobile equipment, as defined in Section 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.

(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)~~ (11) 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)~~ (12) Vehicles as prescribed by the commissioner that are covered by a blanket liability insurance policy or commercial automobile liability insurance policy.

(b) An individual on active duty with the United States Armed Forces whose motor vehicle is registered in this state but who, as a result of his or her military duty or assignment is required to reside in another state during the registration period as defined under Section 32-6-61, may satisfy the requirements of this chapter by purchasing liability coverage



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in the state where residing on active military duty or assignment equal to or greater than the minimum amount required by Section 32-7A-4 and providing proof of coverage. An individual's purchase of liability coverage under this subsection shall not invalidate his or her license or registration in this state pursuant to Chapter 6."

### "§32-7A-6

(a) Every operator of a motor vehicle subject to the provisions of Section 32-7A-4 shall carry within the vehicle evidence of insurance. The evidence shall be legible and sufficient to demonstrate that the motor vehicle currently is covered by an Alabama liability insurance policy or an Alabama commercial automobile liability insurance policy as required under Section 32-7A-4, or, if the motor vehicle is registered in another state, evidence of insurance which conforms to the requirements of the laws of the state in which the vehicle is registered. ~~The evidence and~~ may include, but is not limited to, the following:

(1) An insurance card, or temporary insurance card, provided by the insurer or an authorized representative under this section.

(2) The combination of proof of purchase of the motor vehicle within the previous 20 calendar days and a current and valid insurance card issued for the motor vehicle replaced by such purchase.

(3) The current declarations page of an Alabama liability insurance policy.

(4) An Alabama liability insurance binder, or legible



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copy thereof, Alabama certificate of liability insurance, or legible copy thereof; provided such document contains all information required in this chapter.

(5) A current motor vehicle rental agreement for the vehicle, which specifies insurance coverage by the rental company or the operator in the minimum amounts, provided in Section 32-7-6(c).

(b) The insurer issuing the Alabama liability insurance policy or the Alabama commercial automobile liability insurance policy shall provide an Alabama insurance card for each motor vehicle insured that shall contain the following information:

(1) The vehicle year model.

(2) The vehicle make.

(3) The vehicle identification number (VIN).

(4) The name of the insured(s).

(5) The name of the insurance company.

(6) The Alabama policy number, not required on temporary insurance card.

(7) The effective date and expiration date, which shall cover a period of time not to exceed 12 months.

(8) Insurance company's NAIC number.

(c) Notwithstanding the foregoing, if the insurance card is issued for a commercial automobile liability insurance policy, the card may state "FLEET," "COMMERCIAL," "COMMERCIAL POLICY," or "COMMERCIAL EXEMPT" in lieu of vehicle years, makes, and ~~VIN's~~ VINS if vehicle years, makes, and ~~VIN's~~ VINS are not captured by the insurer. If the vehicle years, makes,



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and ~~VIN's~~VINs are captured by the insurer, then the insurer may provide such information on the insurance card, but must state "FLEET," "COMMERCIAL," "COMMERCIAL POLICY," or "COMMERCIAL EXEMPT" on the insurance card. If the insurance card is issued for a nonowner policy, the card may state "NONOWNER POLICY" in lieu of the vehicle year, make, and VIN.

(d) All required information shall appear on the front of the card. The insurance card may include other information at the discretion of the insurer. Insurance companies may allow authorized representatives to issue temporary insurance cards to satisfy the requirements of this chapter. Temporary insurance cards are not required to have the policy number but shall contain all other required information.

(e) No insurer shall issue a card, similar in appearance, form, and content to the insurance card required under this section, in connection with an Alabama insurance policy that does not provide the liability insurance coverage required under Section 32-7A-4.

(f) Insurance binders, certificates of liability insurance, and other evidence of insurance as required under this section, must meet the following requirements (except where noted):

(1) Insurance company name.

(2) Alabama Policy number - not required on a binder or temporary insurance card.

(3) Effective date.

(4) Expiration date.

(5) Name of insured(s).



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(6) Vehicle year model - not required if issued for a commercial automobile liability insurance policy or for a nonowner policy.

(7) Vehicle make - not required if issued for a commercial automobile liability insurance policy or for a nonowner policy.

(8) Vehicle identification number - not required if issued for a commercial automobile liability insurance policy or for a nonowner policy.

(9) Signature of authorized representative.

(g) The combination proof of purchase of a motor vehicle, as provided in subsection (a) ~~above~~, shall consist of a legible copy of the legal bill of sale if the motor vehicle is not subject to the provisions of the Alabama Uniform Certificate of Title and Antitheft Act, or the owner's copy of the application for certificate of title for a motor vehicle subject to the provisions of the Alabama Uniform Certificate of Title and Antitheft Act, or an Alabama certificate of title issued in the name of the vehicle owner or operator.

(h) The evidence of insurance shall be presented upon request made by any law enforcement officer wearing a uniform or presenting a badge, or both, or other sign of authority. Any person who fails or refuses to comply with such request is in violation of Section 32-7A-16 unless evidence of motor vehicle liability insurance or other evidence of financial responsibility as provided in this chapter is verified through the online insurance verification system. Any person who presents evidence of insurance, knowing there is no valid



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liability insurance in effect on the motor vehicle as required under Section 32-7A-4 or knowing the evidence of insurance is illegally altered, counterfeit, or otherwise invalid, is in violation of Section 32-7A-16.

(i) The evidence of insurance may be provided in either a tangible format or in an electronic format. Acceptable electronic formats include the display of electronic images on a cellular phone or other electronic device.

(j) The use of a cellular phone or other electronic device to display evidence of insurance does not constitute consent for law enforcement or other governmental employees to access any other content on the electronic device. Any law enforcement officer or other governmental employee presented with an electronic device pursuant to this section shall be subject to the provisions of Section 36-1-12 for damages to the electronic device resulting from acts taken when viewing the device pursuant to this section."

Section 2. This act shall become effective on October 1, 2025.



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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and  
was passed by the House 20-Mar-25.

John Treadwell  
Clerk

Senate

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**07-May-25**

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Passed