

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 760
Department or Agency: Alabama Law Enforcement Agency
Rule No.: 760-X-1-.23
Rule Title: Mandatory Liability Insurance
Intended Action: Repeal and Replace

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? Yes

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule? NA

Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer Hal Taylor
Hal Taylor

Date Thursday, February 19, 2026

REC'D & FILED
FEB 19, 2026
LEGISLATIVE SVC AGENCY

ALABAMA LAW ENFORCEMENT AGENCY

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Law Enforcement Agency (Formerly Alabama Department of Public Safety)

RULE NO. & TITLE: 760-X-1-.23 Mandatory Liability Insurance

INTENDED ACTION: Repeal and Replace

SUBSTANCE OF PROPOSED ACTION:

This action will provide a comprehensive update to the regulations governing ALEA's civil enforcement of Alabama's Mandatory Motor Vehicle Liability Insurance Law. In addition to making clarifying changes in the organization, format, and style of the Rule, this action will (1) more precisely explain how a driver's noncompliance with the MLI Law is determined; (2) update available methods of paying a civil penalty, including the addition of an in-person cash payment option; (3) clarify the actions a driver may take in response to a notice of assessment; and (4) update the means for a driver to submit an extension request or a notice of administrative appeal.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:

The Agency will accept written views until the close of business on April 3, 2026. Written views shall either be emailed to Joseph Latham at Joseph.Latham@alea.gov or sent to the following address: 201 S. Union Street, Suite 300, Montgomery, Alabama 36104.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Friday, April 3, 2026

CONTACT PERSON AT AGENCY:

Joseph R. Latham, Assistant
Attorney General
Email: Joseph.Latham@alea.gov

Hal Taylor

Hal Taylor

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

~~A driver operating a motor vehicle is required to comply with the Mandatory Motor Vehicle Liability Insurance Law, Code of Ala. 1975, §32-7A-4. A driver involved in a motor vehicle incident who was not in compliance with the Mandatory Motor Vehicle Liability Insurance Law and who was not given a criminal citation for noncompliance shall be subject to the penalties provided in Code of Ala. 1975, §41-27-40 through 41-27-48.~~

~~(1) Definitions and Abbreviations~~

~~(a) ALEA — The Alabama Law Enforcement Agency~~

~~(b) Civil Penalty — A penalty imposed for a violation of the Mandatory Motor Vehicle Liability Insurance Law~~

~~(c) Driver — An operator of a motor vehicle who is involved in a motor vehicle incident~~

~~(d) Insurance — Liability insurance required pursuant to Code of Ala. 1975, §32-7A-4~~

~~(e) MLI — Mandatory Motor Vehicle Liability Insurance Law, Chapter 7A, Title 32, Code of Ala. 1975~~

~~(f) Motor Vehicle Incident — An incident involving the operator of a motor vehicle where a traffic citation was issued by a law enforcement officer or the operator of a motor vehicle was involved in an accident and an accident report was filed~~

~~(g) OIVS — Online Insurance Verification System, Code of Ala. 1975, §32-7B-2~~

~~(h) UTTC — Uniform traffic ticket and complaint, Code of Ala. 1975, §12-12-53~~

~~(2) Procedure for Determination of Violation~~

~~(a) After a motor vehicle incident, every UTTC and accident report issued or filed will be reviewed to determine whether the driver had insurance, and if the driver did not have insurance, whether the driver was given a citation for no insurance at the time of the motor vehicle incident. If a driver did not have insurance and was not issued a citation for failure to comply with MLI, the vehicle and tag information will be run through OIVS to confirm the vehicle being driven was not in compliance with MLI.~~

~~(b) If a driver is found to be driving in violation of MLI and the driver was not issued a citation at the time of the motor vehicle incident, a civil penalty will be assessed by ALEA. Notification of the civil penalty will be mailed to the driver via first class U.S. Mail to the address in ALEA's records or an address otherwise available to ALEA on the citation or accident report.~~

~~(3) Procedures for the Administrative Resolution of the Notice of Assessment of a Civil Penalty~~

~~(a) A driver assessed a civil penalty will be notified of the civil penalty and that his or her driver's license will be suspended for ninety (90) days unless he or she does any of the following:~~

~~1. Pays the civil penalty within forty-five (45) days of the notice mail date.~~

~~(i) A payment may be made by mailing a money order or cashier's check payable to the Alabama Law Enforcement Agency, Department #SF 66, PO Box 830525, Birmingham, AL 35283-0525 or by Visa or MasterCard by visiting <http://MLI.ALEA.GOV>.~~

~~(ii) A payment of the civil penalty cannot be made at an ALEA office.~~

~~2. Requests a sixty (60) day extension to pay the civil penalty within forty-five (45) days of the notice mail date. The driver must sign a written settlement agreeing to pay the civil penalty before an extension is granted.~~

~~(i) A driver may not ask for a hearing once an extension is requested.~~

~~3. Appeals the civil penalty by filing a notice of appeal with the agency within forty-five (45) days of the notice mail date.~~

~~(b) The civil penalty must be paid before a person's driver's license can be reinstated.~~

~~(c) ALEA must receive a reinstatement fee for a driver to obtain a driver's license once a driver's license is suspended.~~

~~(4) Administrative Hearing~~

~~(a) A driver who appeals the assessment of the civil penalty is entitled to an administrative hearing. In all administrative hearings conducted pursuant to a request under Code of Ala. 1975, §41-27-43, the Hearing Officer designated by the Secretary, in addition to all other matters required by law to be determined, shall ascertain whether the motor vehicle being operated at the time of a motor vehicle incident was in compliance with MLI.~~

~~(b) A request for an administrative hearing may be made by visiting www.alea.gov/hearingrequest, or by written request either faxed to the number listed on the civil penalty notification or mailed to Driver License Hearing Unit, P.O. Box 1471, Montgomery, AL 36102-1471.~~

~~(c) The request shall be received by the department within forty-five (45) days of the notice mail date. Failure to request an administrative hearing within the prescribed time shall constitute a waiver of the person's right to an administrative hearing and judicial review.~~

~~(d) If an appeal is timely made, the suspension of the driver's license shall be stayed until the result of the hearing is final.~~

~~(e) The hearing shall be scheduled as quickly as practicable and not more than thirty (30) days after the filing of the request for a hearing.~~

~~(f) The hearing shall be held at a location designated by the Secretary unless the parties agree to a different location.~~

~~(g) ALEA shall provide a written notice of the time and place of the hearing to the party requesting the hearing at least five (5) days prior to the scheduled hearing, unless the parties agree to waive this requirement.~~

~~(h) The hearing shall be before a driver license hearing officer or other hearing officer appointed by ALEA.~~

~~(i) The hearing will be strictly administrative in nature, and will be informal.~~

~~(j) The sole issue at the hearing will be whether the motor vehicle being operated at the time of the motor vehicle incident was in compliance with MLI.~~

~~(k) The driver license hearing officer or other hearing officer appointed by ALEA may administer oaths and may~~

~~issue subpoenas for the attendance of witnesses and the production of relevant documents.~~

~~(l) The driver license hearing officer or other hearing officer appointed by ALEA shall make a final determination that either upholds the civil penalty or withdraws the civil penalty.~~

~~(m) If a driver is found to be driving in violation of MLI the civil penalty must be paid within fifteen (15) days of the noncompliance letter. The driver will receive a ninety (90) day suspension of his or her driver's license for failure to pay the civil penalty within the prescribed time.~~

~~(n) Within thirty five (35) days of the issuance of a final order, a person may file a petition in the circuit court of the county where the offense occurred, the county of the driver's residence or Montgomery County for judicial review.~~

~~**Author:** Casey N. Bates~~

~~**Statutory Authority:** Code of Ala. 1975, §§32-2-9; 41-27-40 through 41-27-48.~~

~~**History: New Rule:** Filed May 9, 2017; effective June 23, 2017.~~

~~**Amended:** Filed February 14, 2018; effective March 31, 2018.~~

(1) Definitions. As used in this Rule, the following terms shall have the following meanings:

(a) ALEA. The Alabama State Law Enforcement Agency.

(b) ALVIN. The Alabama Vehicle Information Network, or any successor vehicle titling system maintained by the Alabama Department of Revenue.

(c) CIVIL PENALTY. A monetary assessment imposed for civil regulatory purposes by ALEA, pursuant to Section 41-27-42, Code of Alabama 1975, to penalize a driver's noncompliance with the MLI Law.

(d) DRIVER. An operator of a motor vehicle.

(e) HEARING OFFICER. Any driver license hearing officer or other ALEA-appointed hearing officer.

(f) INSURANCE. Liability insurance required pursuant to Section 32-7A-4, Code of Alabama 1975.

(g) MLI LAW. Alabama's Mandatory Motor Vehicle Liability Insurance Law, which is codified at Chapter 7A of Title 32 of the Code of Alabama 1975.

(h) MLI CITATION. A citation for failure to comply with the MLI Law.

(i) MOTOR VEHICLE INCIDENT. An incident involving one or more drivers and one or more motor vehicles, if at least one of the following has occurred in connection with the incident:

1. A law enforcement officer has issued a traffic citation.

2. One or more drivers were involved in an accident, and an accident report has been filed.

(j) OIVS. Alabama's Online Insurance Verification System, as defined in Section 32-7B-2(6), Code of Alabama 1975.

(k) UTTC. An Alabama Uniform Traffic Ticket and Complaint, as provided for in Section 12-12-53, Code of Alabama 1975.

(1) UTCR. An Alabama Uniform Traffic Crash Report, as provided for in Section 32-10-8, Code of Alabama 1975.

(2) **In General.** With limited exceptions, a driver operating a motor vehicle in this state must comply with the provisions of Alabama's Mandatory Motor Vehicle Liability Insurance Law, which requires certain minimum liability coverage. A driver who was involved in a motor vehicle incident, who was not in compliance with the MLI Law at the time of the incident, and who was not issued a criminal citation for his or her failure to comply shall be subject to the civil enforcement scheme established in Sections 41-27-40 through 41-27-48, Code of Alabama 1975. The driver will receive a civil penalty for his or her noncompliance, and failure to timely pay that penalty will result in the suspension of his or her driver license.

(3) **Determining Noncompliance with MLI Law.**

(a) UTTCs issued in eCite and UTCRs filed in eCrash in connection with a motor vehicle incident will be reviewed to determine whether each involved driver was issued an MLI citation at the time of the motor vehicle incident.

(b) If the reviewed materials do not indicate that an involved driver was issued an MLI citation, then vehicle, tag, and insurance information available in ALVIN and OIVS will be consulted to determine whether the motor vehicle the driver was operating was covered by insurance in compliance with the MLI Law at the time of the incident, and whether exceptions to the MLI Law applied.

(c) ALEA will assess a civil penalty against a driver involved in a motor vehicle incident if the review in subsections (a) and (b) determines that the driver was operating a motor vehicle in violation of the MLI Law at the time of the incident and was not issued an MLI citation at the time of the incident.

(4) **Notice of Assessment, Procedures for Administrative Resolution.**

(a) When a civil penalty is assessed against a driver, ALEA will cause a notice of assessment to be mailed, via first class U.S. Mail, to the address for the driver in ALEA's records or to an address for the driver otherwise available to ALEA on a relevant UTTC or UTCR.

(b) The notice of assessment will bear a notice mail date and will include the amount of the civil penalty assessed, information about how to pay the penalty or dispute it, and language warning the driver that his or her driver license will be suspended for a period of 90 days unless he or she takes action in accordance with subsection (c).

(c) The driver must take one of the following actions within 45 days of the notice mail date:

1. Pay the civil penalty in full, using one of the following methods:

(i) The civil penalty may be paid online via credit card (American Express, Discover, Mastercard, or Visa) by visiting <https://mli.alea.gov>.

(ii) The civil penalty may be paid in-person in cash by following the procedures specified for cash payment in the notice of assessment. However, the civil penalty cannot be paid in-person, in cash or otherwise, at any ALEA office or county revenue office.

2. File a request for a sixty-day extension to pay the civil penalty and a settlement agreement, provided by ALEA and signed by the driver, wherein the driver agrees to pay the civil penalty in full.

(i) The required documents must be filed online at <https://mli.alea.gov> or by mail addressed to the Mandatory Liability Insurance Unit, PO Box 1471, Montgomery, AL 36102-1471.

(ii) Once a driver files an extension request, the driver shall not be entitled to appeal ALEA's assessment of the civil penalty or receive an administrative hearing.

3. Submit verification, in the manner required by <https://mli.alea.gov>, that the motor vehicle was covered by insurance at the time of the motor vehicle incident. Upon verification that the motor vehicle was covered by insurance, the civil penalty will be voided.

4. Appeal ALEA's assessment of the civil penalty by filing a notice of appeal with ALEA, either online at <https://mli.alea.gov> or by mail addressed to the Driver License Hearing Unit, PO Box 1471, Montgomery, AL 36102-1471.

(d) In any of the following circumstances, the driver's driver license will be suspended for a period of 90 days:

1. The driver fails to comply with subsection (4)(c) of this Rule.

2. The driver, after receiving an extension pursuant to subsection (4)(c)2. of this Rule, fails to pay the civil penalty in full within the extended time period granted by ALEA.

3. After the issuance of a final decision denying his or her appeal of the assessment, the driver fails to pay the civil penalty in full within fifteen days of the notice mail date on the notice of decision.

(e) After a driver license suspension pursuant to subsection (d), the driver must apply for reinstatement to obtain a driver license. The driver must pay the civil penalty in full before ALEA will process an application to reinstate the driver license. The driver must also pay any fees arising out of the application for reinstatement.

(f) The driving privileges of an unlicensed driver may be suspended for a period of 90 days, pursuant to the same notification and administrative resolution procedures provided by this rule, and may be reinstated as provided in subsection (e).

(5) **Administrative Appeal and Hearing, Judicial Review.**

(a) A driver who timely appeals the assessment of the civil penalty is entitled to an administrative hearing conducted by a hearing officer. In all administrative hearings conducted pursuant to a request under Section 41-27-43, Code of Alabama 1975, the hearing officer shall ascertain, in addition to all other matters required by law to be determined, whether the motor vehicle the driver was operating at the time of the motor vehicle incident was operated in compliance with the MLI Law.

(b) The driver must commence an appeal as provided in subsection (4)(c)4. The notice of appeal must be received by ALEA within 45 days of the notice mail date on the notice of assessment. Failure to file the notice of appeal within the prescribed time shall constitute a waiver of the driver's right to an administrative hearing and judicial review.

(c) If an appeal is timely made, the suspension of the driver's license shall be stayed until the result of the hearing is final.

(d) The hearing will be conducted as soon as practicable and not more than thirty days after the filing of the notice of appeal. The hearing will be held at a location designated by the Secretary, unless the parties agree to a different location.

(e) ALEA shall provide written notice of the time and place of the hearing to the driver at least five days prior to the scheduled hearing, unless the parties agree to waive this requirement.

(f) The hearing will be strictly administrative in nature and will be informal. The sole issue at the hearing will be whether the motor vehicle the driver was operating at the time of the motor vehicle incident was operated in compliance with the MLI Law. The hearing officer will review that issue de novo.

(g) The hearing officer may administer oaths and may issue subpoenas for the attendance of witnesses and the production of relevant documents.

(h) The hearing officer shall make a final determination that either upholds the civil penalty or withdraws the civil penalty.

(i) A notice of decision communicating the hearing officer's final decision and bearing a notice mail date will be mailed, via first class U.S. Mail, to the address for the driver in ALEA's records or to an address for the driver otherwise available to ALEA.

(j) If the hearing officer finds that the driver operated the motor vehicle in violation of the MLI Law, the driver must pay the civil penalty within fifteen days of the notice mail date on the notice of decision.

(k) Within 35 days of the notice mail date on the notice of decision, a party to the administrative appeal may file a petition for judicial review in the Circuit Court of Montgomery County, Alabama or in an Alabama circuit court for the county where the driver resides or where the offense occurred.

Author: Director Pamela Shepard, Joseph R. Latham

Statutory Authority: Code of Ala. 1975, §§32-2-9; 41-27-40 through 41-27-48.

History: **New Rule:** Filed May 9, 2017; effective June 23, 2017.
Amended: Filed February 14, 2018; effective March 31, 2018.
Repealed and New Rule: Published _____ ; effective _____ .