

GREEN SHEET REDIGEST

HB 476

2025 Regular Session

Fontenot

MTR VEHICLE/DEALERS: Provides relative to an annual automatic adjustment to a fee for motor vehicle dealers based on the Consumer Price Index.

DIGEST

Present law authorizes a motor vehicle seller to charge a fee for credit investigation, compliance with federal and state law, preparation of the documents necessary to perfect or satisfy a lien upon the objects sold, and any other functions incidental to the titling of the retail sale not to exceed \$425.

Proposed law changes present law to allow the fee to be adjusted annually to reflect the cumulative percentage change in the annual average of the Consumer Price Index for All Urban Consumers (CPI-U).

Proposed law provides that the fee adjustment provided in proposed law will begin on Jan. 1, 2026.

Proposed law provides that the adjusted maximum fee shall not exceed 3% compound annual increase from the \$425 base in 2024, and will remain unchanged if the CPI-U shows a negative change.

Proposed law requires the legislative auditor to calculate and report the adjusted maximum fee annually by February first to the La. Motor Vehicle Commission, rounding it to the nearest dollar based on whether the fractional amount is below or above fifty cents.

Proposed law requires the La. Motor Vehicle Commission to publish the adjusted maximum fee on its website.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 6:969.18(A)(2)(a))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

- 1. Add that the Federal Consumer Price Index for All Urban Consumers or CPI-U cannot exceed 3% for a calendar year.

The House Floor Amendments to the engrossed bill:

- 1. Change the office of motor vehicles to the Louisiana Motor Vehicle Commission for the purpose of annually calculating the adjusted maximum fees.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the reengrossed bill

- 1. Provide that the base fee adjusts yearly based on CPI-U.
- 2. Provide for a fee increase up to 3% yearly from the \$425 base, but the fee must remain the same as prior year if the CPI-U is negative.
- 3. Require the legislative auditor to calculate the fee annually by February first.

4. Require the La. Motor Vehicle Commission to publish the adjusted fee on its website.
5. Make technical changes.