

HOUSE SUMMARY OF SENATE AMENDMENTS

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

| Synopsis of Senate Amendments | |
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| 1. | Clarifies that beginning January 1, 2026, the base maximum fee must be adjusted annually to reflect the cumulative percentage change in the annual average of the Federal Consumer Price Index for All Urban Consumers (CPI-U) or its successor index. |
| 2. | Specifies that the CPI-U must be calculated using the unadjusted monthly index values averaged over the calendar years, as published by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency, relative to the annual average for calendar year 2025. |
| 3. | Specifies that the adjusted maximum fee for any calendar year cannot exceed the amount resulting from applying a compounded annual growth rate of three percent to the base maximum fee of four hundred twenty-five dollars, beginning with calendar year 2024. |
| 4. | Provides that if the cumulative percentage change in the CPI-IU is negative, the adjusted maximum fee must remain the same as the amount in effect for the prior calendar year. |
| 5. | Requires the legislative auditor calculate the adjusted maximum fee in accordance with this Paragraph and transmit the updated amount to the Louisiana Motor Vehicle Commission by February 1st each year. |
| 6. | Requires the fee be rounded down to the nearest dollar if the calculated adjustment results in a fee with a fractional dollar amount of less than fifty cents and rounded up to the next whole dollar if the adjustment results in a fee with a fractional dollar amount of fifty cents or more. |
| 7. | Specifies that beginning January 1, 2026, the base maximum fee must be adjusted yearly to equal lesser of the following: <div><div>a.</div><div>Four hundred twenty-five dollars adjusted by the cumulative percentage change in the annual average of the CPI-U. The CPI-U must be calculated using the unadjusted monthly index values averaged over the calendar year, as published by the United States Department of Labor, Bureau of Labor Statistics, relative to the annual average for 2024.</div><div>b.</div><div>The amount resulting from applying a growth rate of three percent to the adjusted maximum fee for the previous calendar year.</div></div> |
| 8. | Specifies that if the year-over-year percentage change in the CPI-U is negative, the adjusted maximum fee must remain the same as the amount in effect for the prior calendar year. |
| 9. | Require the division of administration to calculate the fee annually, which will be verified by the legislative auditor, and transmit the updated amount to the Louisiana Motor Vehicles Commission by February first. |
| 10. | Require the Louisiana Motor Vehicle Commission to publish the adjusted fee on its website. |

11. Specifies that if the calculated adjustment results in a fee with a fractional dollar amount of fifty cents or more, the fee must be rounded up to the next whole dollar.
12. Make technical changes.

Digest of Bill as Finally Passed by Senate

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 allowing, beginning in Jan. 1, 2026, 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 beginning Jan. 1, 2026, the base maximum fee must be adjusted yearly to equal lesser of the following.

- (1) \$425 adjusted by the cumulative percentage change in the annual average of the CPI-U. The CPI-U must be calculated using the unadjusted monthly index values averaged over the calendar year, as published by the U.S. Dept. of Labor, Bureau of Labor Statistics, relative to the annual average for 2024.
- (2) The amount resulting from applying a growth rate of three percent to the adjusted maximum fee for the previous calendar year.

Proposed law provides that the CPI-U will be calculated using the unadjusted monthly index values averaged over the calendar year relative to the annual average for 2025. The fee cannot exceed the amount resulting from applying a compounded annual growth rate of three percent to the base maximum fee of \$425, beginning with calendar year 2024.

Proposed law provides that the CPI-U will be calculated using the unadjusted monthly index values averaged over the calendar year relative to the annual average for 2024.

Proposed law provides that if the cumulative percentage change in the CPI-U is negative, the adjusted maximum fee must remain the same as the amount in effect for the prior calendar year.

Proposed law provides that if the year-over-year percentage change in the CPI-U is negative, the adjusted maximum fee must remain the same as the amount in effect for the prior calendar year.

Proposed law requires that the legislative auditor calculate the adjusted maximum fee in accordance with proposed law and transmit the updated amount to the La. Motor Vehicle Commission by Feb. 1st each year.

Proposed law requires the division of administration to calculate and report the adjusted maximum fee annually, which will be verified by the legislative auditor, by Feb. 1st to the La. Motor Vehicle Commission.

Proposed law requires that the fee be rounded down to the nearest dollar if the calculated adjustment results in a fee with a fractional dollar amount of less than fifty cents and rounded up to the next whole dollar if the adjustment results in a fee with a fractional dollar amount of fifty cents or more.

Proposed law requires that if the calculated adjustment results in a fee with a fractional dollar

amount of fifty cents or more, the fee must be rounded up to the next whole dollar.

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))