

2016 Regular Session

HOUSE RESOLUTION NO. 153

BY REPRESENTATIVE CARMODY

MOTOR VEHICLES: Provides relative to transactions involving wrecked or repairable motor vehicles

1 A RESOLUTION

2 To urge and request the office of motor vehicles within the Department of Public Safety and
3 Corrections, the Louisiana Used Motor Vehicle Commission, and the Department of
4 Revenue to jointly conduct a study analyzing the feasibility of creating a statewide
5 database, to determine effectiveness of the database, and to make a report of the
6 findings of the study.

7 WHEREAS, the office of motor vehicles within the Department of Public Safety and
8 Corrections has maintained the auto hulk database since July 1, 2010, pursuant to R.S.
9 32:718, wherein licensed automotive dismantlers and secondary metal processors are
10 required to report their intent to dismantle a vehicle; and

11 WHEREAS, the office of motor vehicles within the Department of Public Safety and
12 Corrections is responsible for titling vehicles and collecting and remitting state sales taxes
13 for reconstructed vehicles to the Department of Revenue at the time of registration of the
14 vehicle; and

15 WHEREAS, R.S. 32:784 requires used motor vehicle dealers, dismantlers, parts
16 recyclers, motor vehicle auctions, and salvage pools to be licensed by the Louisiana Used
17 Motor Vehicle Commission; and

18 WHEREAS, R.S. 32:781(13) states, in pertinent part, that a "used motor vehicle
19 dealer" means "any person, partnership, corporation, limited liability company, or other
20 entity who, for a commission or with intent to make a profit or gain of money or other thing

1 of value, buys, sells, brokers, exchanges, rents with option to purchase, auctions at retail or
2 public, offers, or attempts to negotiate a sale or exchange of an interest in used motor
3 vehicles and who is engaged wholly or in part in the business of buying and selling used
4 motor vehicles" and that "a person shall be presumed to be engaged in the business of selling
5 used motor vehicles if he sells five or more used motor vehicles in any twelve-month
6 period"; and

7 WHEREAS, Louisiana currently allows the sale of wrecked or repairable motor
8 vehicles to both licensed and unlicensed individuals or entities; and

9 WHEREAS, unlicensed purchasing of wrecked or repairable motor vehicles via the
10 internet has created an unregulated and unlicensed market for used motor vehicles; and

11 WHEREAS, wrecked or repairable motor vehicles purchased in Louisiana can be
12 used to repair vehicles in Louisiana that are subsequently sold to out-of-state individuals or
13 entities registered in other states or foreign jurisdictions thereby depriving Louisiana of
14 properly due taxes on wrecked or repairable motor vehicles that are dismantled for parts to
15 reconstruct repairable vehicles; and

16 WHEREAS, unlicensed activity in the wrecked or repairable motor vehicles market
17 will continue to increase without coordination of the state agencies that are responsible for
18 regulating and titling wrecked or repairable motor vehicles and determining whether a
19 transaction is taxable; and

20 WHEREAS, the purchase of wrecked or repairable motor vehicles by unlicensed
21 individuals or entities often lacks accountability or traceability presenting various challenges
22 for law enforcement; and

23 WHEREAS, current federal regulations do not provide adequate resources to state
24 and local agencies for the purpose of overseeing and enforcing transactions involving the
25 sale and purchase of a multitude of wrecked or repairable motor vehicles; and

26 WHEREAS, the Louisiana Used Motor Vehicle Commission has the authority to
27 regulate used motor vehicle dealers, dealers of used parts or used accessories of motor
28 vehicles, dismantlers, parts recyclers, and salvage pools.

29 THEREFORE, BE IT RESOLVED that the House of Representatives of the
30 Legislature of Louisiana does hereby urge and request the office of motor vehicles within

1 the Department of Public Safety and Corrections, the Louisiana Used Motor Vehicle
2 Commission, and the Department of Revenue to do the following:

3 (1) Jointly conduct a study analyzing the feasibility of creating a statewide database
4 for the purpose of tracking transactions involving the sale of wrecked or repairable motor
5 vehicles to unlicensed individuals or entities.

6 (2) Determine whether such a statewide database would assist in identifying
7 unlicensed activity, lost tax revenue from transactions, violations of current statutes, or any
8 other similar concerns related to sales of wrecked or repairable motor vehicles to unlicensed
9 individuals or entities which could be resolved or improved.

10 (3) Make a written report of their findings and recommendations of the study and
11 submit the report to the House Committee on Commerce no later than January 16, 2017.

12 BE IT FURTHER RESOLVED that a copy of this Resolution shall be transmitted
13 to the commissioner of the office of motor vehicles within the Department of Public Safety
14 and Corrections, the secretary of the Department of Revenue, and the chairman and
15 executive director of the Louisiana Used Motor Vehicle Commission.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HR 153 Original

2016 Regular Session

Carmody

Urges and requests the office of motor vehicles within the Dept. of Public Safety and Corrections, the La. Used Motor Vehicle Commission, and the Dept. of Revenue to conduct a study to analyze the feasibility of creating a database for the purpose of tracking transactions involving the sale of wrecked or repairable motor vehicles to unlicensed individuals or entities and to make a written report of their findings and recommendations of the study and submit the report to the House Committee on Commerce no later than January 16, 2017.