
HOUSE COMMITTEE AMENDMENTS

2017 Regular Session

Substitute for Original House Bill No. 606 by Representative Havard as proposed by the House Committee on Transportation, Highways and Public Works

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 47:532.1(E) and 532.2(A)(introductory paragraph), (2), (8) through (12), and (B) and to enact R.S. 47:532.2(A)(13) and (14), to establish contract renewal requirements for public license tag agents; to require notice and cause if the Department of Public Safety and Corrections, office of motor vehicles, fails to renew a contract; to impose a penalty; to provide relative to the causes for suspension, revocation, cancellation of, or restrictions on public license tag agent contracts; to provide relative to a stay of actions if a public license tag agent requests an administrative hearing to review certain actions of the office of motor vehicles; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:532.1(E) and 532.2(A)(introductory paragraph), (2), (8) through (12), and (B) are hereby amended and reenacted and R.S. 47:532.2(A)(13) and (14) are hereby enacted to read as follows:

§532.1. Public license tag agents; auto title companies; rules and regulations; surety bonds; fees

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E.(1) The contract between the Department of Public Safety and Corrections, office of motor vehicles and a person who contracts to perform services pursuant to this Section shall be for a term of two years and may be automatically renewed by the Department of Public Safety and Corrections, office of motor vehicles.

(2) The office of motor vehicles shall furnish license renewal information to each contracted public license tag agent at least sixty days in advance of the expiration date of the contract. The public license tag agent shall complete and return the application and any related documents to the office of motor vehicles at

least thirty days in advance of the expiration date of the contract. The office of motor vehicles shall execute and return the new contract to the public license tag agent prior to the expiration date of the contract.

(3) If the office of motor vehicles does not intend to renew its contract with a public license tag agent, the office of motor vehicles shall send notice and cite the cause for failure to renew, which shall be limited to the causes provided for in R.S. 47:532.2(A), to the public license tag agent at least sixty days in advance of the expiration of the contract.

(4) If the office of motor vehicles fails to comply with the provisions of Paragraph (2) or (3) of this Subsection, the contract shall be automatically renewed for a period of two years, subject to payment of the renewal fee and the surety bond for the renewal period.

§532.2. Public tag agents; causes for suspension, revocation, cancellation, or restrictions; reinstatement

A. The office of motor vehicles may suspend, revoke, cancel, or impose other restrictions on any contract conferred pursuant to R.S. 47:532.1 for the following causes committed knowingly and willfully by the public license tag agent or committed knowingly and willfully by an employee with the knowledge of the public license tag agent:

* * *

(2) Operating as a public license tag agent without a contract for each location, with an expired contract of which the office of motor vehicles has notified the public license tag agent in writing will not be renewed and not authorized to operate, or without a valid surety bond on file with the office of motor vehicles.

* * *

(8) The forwarding to the office of motor vehicles by a public license tag agent of a document ~~relevant to a registration or titling transaction~~ that results in a material injury to the public records, or a shortfall in the collection of taxes or fees owed when the public tag agent had knowledge of facts causing such injury or shortfall, and failed to disclose same to the office of motor vehicles.

(9) The issuance of any duplicate driver's license or renewal of a driver's license in violation of law or administrative rule.

(10) The initial issuance of any driver's license.

~~(9)~~ (11) Conviction of, or entry of a plea of guilty or nolo contendere to, any felony or conviction of, or entry of a plea of guilty or nolo contendere to, any criminal charge an element of which is fraud.

~~(10)~~ (12) Fraud, deceit, or perjury in obtaining any contract perfected pursuant to R.S. 47:532.1.

~~(11)~~ (13) Failure to maintain at all times during the term of the contract all qualifications required by R.S. 47:532.1 or by rule adopted by the office of motor vehicles.

~~(12)~~ (14) Any other cause the office of motor vehicles may establish through the adoption of a rule.

B. Any person whose contract has been suspended, canceled, or revoked during the effective term of the contract may request an administrative hearing to review the office of motor vehicles' action. A request for administrative review shall not stay the action of the office of motor vehicles. Furthermore, a stay of the action of the office of motor vehicles shall not be granted during the course of the administrative proceeding.

Section 2. The Department of Public Safety, office of motor vehicles, shall promulgate rules and regulations in accordance with the Administrative Procedure Act to carry out the provisions of this Act.

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)]

HB Draft

2017 Regular Session

Abstract: Modifies contract requirements for contracts between the Department of Public Safety and Corrections, office of motor vehicles, and public tag agents.

Present law requires the contract between the Department of Public Safety and Corrections, office of motor vehicles and a person who contracts to perform services pursuant to present

law be for a term of two years and specifies that it may be automatically renewed by the Dept. of Public Safety and Corrections, office of motor vehicles.

Proposed law maintains present law and requires the office of motor vehicles furnish license renewal information to each contracted public license tag agent at least 60 days prior to the expiration of the contract. Requires the public license tag agent to complete and return the application and accompanying documents to the office of motor vehicles at least 30 days prior to the expiration of the contract. Requires the office of motor vehicles to return the new contract to the public license tag agent prior to the expiration of the contract.

Proposed law requires the office of motor vehicles send notice to the public license tag agent of intent to not renew a contract and cite causes as provided in present law at least 60 days prior to the expiration of the contract.

Proposed law provides for the automatic renewal of a contract for a two-year period, subject to payment of the renewal fee and the surety bond for the renewal period if the office of motor vehicles fails to comply with proposed law.

Present law authorizes the office of motor vehicles to suspend, revoke, cancel, or impose other restrictions on any contract confected pursuant to present law for certain causes committed by the public license tag agent or its employee.

Proposed law maintains present law and clarifies that the causes must be committed knowingly and willfully by the public license tag agent or by an employee of the public license tag agent with the knowledge of the public license tag agent.

Present law authorizes the office of motor vehicles to suspend, revoke, cancel, or impose other restrictions on any contract with a public license tag agent: (1) if the public license tag agent operates as a public license tag agent without a contract for each location, with an expired contract, or without a valid surety bond on file with the office of motor vehicles and (2) the public tag agent forwards to the office of motor vehicles a document relevant to a registration or titling transaction that results in material injury to the public records or a shortfall in the collection of taxes owed.

Proposed law maintains present law and clarifies that the public license tag agent must be notified in writing by the office of motor vehicles that the expired contract will not be renewed and the public license tag agent is not authorized to operate for it to be considered a cause for suspension, revocation, cancellation, or imposing other restrictions and removes the requirement that the document must be relevant to a registration or titling transaction and clarifies that the consequence may occur if there is a shortfall in the collection of fees owed in addition to taxes owed.

Proposed law adds the issuance of the initial driver's license or any duplicate driver's license or renewal of a driver's license in violation of the law or an administrative rule to the causes for suspension, revocation, cancellation, or imposition of other restrictions.

Present law permits any person whose contract has been suspended, cancelled, or revoked during the effective term of the contract to request an administration hearing to review the actions of the office of motor vehicles and clarifies that the request for administrative review will stay the action of the office of motor vehicles.

Proposed law maintains present law but prohibits the request for administrative review from staying the action of the office of motor vehicles and prohibits the stay of action of the office of motor vehicles from being granted during the course of the administrative proceeding.

Proposed law requires the Dept. of Transportation and Development to promulgate rules and regulations adjusting the La. Administrative Code to appropriately conform with the provisions of this Act.

(Amends R.S. 47:532.1(E) and 532.2(A)(introductory paragraph), (2), (8) through (12), and (B); Adds R.S. 47:532.2(A)(13) and (14))