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## DIGEST

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HB 687 Original

2017 Regular Session

Havard

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

Present law requires the contract between the Dept. of Public Safety and Corrections, office of motor vehicles (OMV) 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, OMV.

Proposed law maintains present law and requires OMV 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 OMV at least 30 days prior to the expiration of the contract. Requires the OMV to return the new contract to the public license tag agent prior to the expiration of the contract.

Proposed law requires the OMV 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 OMV fails to comply with proposed law.

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

Proposed law maintains present law.

Present law authorizes the OMV to suspend, revoke, cancel, or impose other restrictions on any contract with a public license tag agent: (1) if the public 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 OMV and (2) the public tag agent forwards to the OMV 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 OMV 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 and errors in document submission committed knowingly and willfully by the public license tag agent or by an employee with the knowledge of the public license tag agent 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 OMV and clarifies that the request for administrative review will stay the action of the OMV.

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

Proposed law requires the Dept. of Public Safety and Corrections, OMV, to promulgate rules and regulations adjusting the La. Administrative Code to appropriately conform with the provisions of proposed law.

(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), (14), and (15))