
DIGEST

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HB 539 Original

2023 Regular Session

Mack

Abstract: Authorizes the office of motor vehicles to impose fines in addition to suspension, revocations, cancellations, or other restrictions on any contract.

Present law defines "auto title company" as any person, firm, association, or corporation which is engaged in the transfer and recordation of sales, leases, or mortgages of vehicles. Specifies that the term "auto title company" also means any person, or entity licensed pursuant to present law. Further specifies that an auto title company does not mean an insurance company transferring titles to wrecked vehicles or other enumerated parties unless it or he is doing business as an auto title company.

Proposed law modifies present law by indicating that an "auto title company" also means a local governmental subdivision, a political subdivision, or a state agency. Changes present law from applying to persons or entities who have been licensed to those who entered into a contract.

Present law requires each public license tag agent, other than a municipal governing authority, execute a surety bond with a qualified La. surety company in a sum of \$100,000 if the public tag agent has only one office in this state and in a sum of \$125,000 if the public tag agent has more than one office in this state.

Present law clarifies that the exception in present law is also applicable to a local governmental subdivision, a political subdivision, or a state agency.

Present law requires that the commissioner promulgate rules and regulations to adopt and levy fines for failure to remit taxes and fees collected from applicants for title transfers, operating as a public tag agent without a contract for each location, with an expired contract, or without a surety bond on file with the office of motor vehicles (OMV). Further specifies the OMV is empowered to issue an order to any person engaged in any activity, conduct, or practice constituting a violation public tag agents; causes for suspension or cease and desist order; injunctive relief or any rules or regulations adopted pursuant to either.

Proposed law modifies present law by specifying that any violation of a contract between the department and the public license agent, cannot exceed the sum of \$500.

Present law provides requirements for suspension, revocation, cancellation, or restrictions, and reinstatement of public tag agents.

Proposed law adds fines to present law.

Present law establishes that 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 actions of the OMV. Specifies that a request for administrative review will stay the action of the OMV.

Proposed law authorizes an administrative appeal for any public tag agent that has been assessed a fine pursuant to rules promulgated by the department.

(Amends R.S. 32:702(4) and R.S. 47:532.1(A)(3)(a) and 532.2(A)(intro. para.) and (B); Adds R.S. 47:532.1(A)(3)(c))