

2023 Regular Session

HOUSE BILL NO. 539

BY REPRESENTATIVE MACK

1 AN ACT

2 To amend and reenact R.S. 32:702(4) and R.S. 47:532.1(A)(3)(a), 532.2(A)(introductory
3 paragraph) and (B) and to enact R.S. 47.532.1(A)(3)(c), relative to public tag agents;
4 to authorize the office of motor vehicles to impose fines, in addition to other
5 restrictions, on any contracts; to provide for definitions; to provide exceptions to
6 public license tag agent surety bond requirements; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 32:702(4) is hereby amended and reenacted to read as follows:

9 §702. Definitions

10 * * *

11 (4) "Auto title company" means any person, firm, association, or corporation
12 which is engaged primarily in the transfer and recordation of sales, leases, or
13 mortgages of vehicles including but not limited to mobile homes, trailers, and motor
14 vehicles. The term "auto title company" also means any person, firm, association,
15 ~~or corporation,~~ local governmental subdivision, political subdivision, or state agency
16 which has ~~been licensed~~ entered into a contract in accordance with the provisions of
17 R.S. 32:735 et seq. An auto title company shall not mean an insurance company
18 transferring titles to wrecked vehicles, or a licensed motor vehicle dealer, lending
19 institution, financial institution regulated by state or federal authorities, notary,
20 attorney, or individual applicant unless it or he is doing business as an auto title
21 company.

22 * * *

1 Section 2. R.S. 47:532.1(A)(3)(a) and 532.2(A)(introductory paragraph) and (B) are
2 hereby amended and reenacted and R.S. 47:532.1(A)(3)(c) is hereby enacted to read as
3 follows:

4 §532.1. Public license tag agents; auto title companies; rules and regulations; surety
5 bonds; fees

6 A.

7 * * *

8 (3) The commissioner shall promulgate rules and regulations to require all
9 public license tag agents other than municipal and parish governing authorities to
10 furnish security for the faithful performance of their duties as follows:

11 (a) Each public license tag agent other than a local governmental
12 subdivision, including a municipal governing authority, a political subdivision, or a
13 state agency, shall execute a good and sufficient surety bond with a surety company
14 qualified to do business in Louisiana as surety, in a sum of one hundred thousand
15 dollars should the public tag agent have only one office in this state and in a sum of
16 one hundred twenty-five thousand dollars should the public tag agent have more than
17 one office in this state, if surety bond is available for purchase, which bond shall
18 name the Department of Public Safety and Corrections, office of motor vehicles as
19 obligee and shall be subject to the condition that, if such public license tag agent
20 shall, throughout the entire term of the bond, timely file with the office of motor
21 vehicles all applications delivered to such public tag agent for filing, and all fees and
22 taxes collected by such public license tag agent, the obligation shall be void. If the
23 company does not do so, the obligation of the surety shall remain in full force and
24 effect.

25 * * *

26 (c) The commissioner shall promulgate rules and regulations to adopt and
27 levy fines for violations of R.S. 47:532.1 and R.S. 47:532.2, any rule or regulation
28 adopted pursuant to R.S. 47:532.1 and R.S. 47:532.2, or of any violation of a contract
29 between the department and the public license tag agent. The administrative fine for
30 each violation of R.S. 47:532.1 and R.S. 47:532.2, any rule or regulation adopted

