

1 third-party dealerships, have been revisited in the last decade as new electric-vehicle-only
2 automakers have entered the market with the intent to sell their vehicles primarily, if not
3 exclusively, through direct-to-consumer sales models; and

4 WHEREAS, states have already begun changing their laws to address the evolving
5 vehicle marketplace; and

6 WHEREAS, a study on the economic effects of state bans on direct manufacturer
7 sales to car buyers conducted by the Antitrust Division of the United States Department of
8 Justice suggests that, although selling through dealerships has offered several benefits to
9 manufacturers, direct manufacturer car sales may have the potential to reduce inventory
10 costs; moreover, manufacturers may be able to better match production with consumer
11 preferences ranging from basic attributes on standard models to meeting individual
12 specifications for customized cars; and

13 WHEREAS, surveys show that many new car buyers in the United States would be
14 interested in buying directly from manufacturers, particularly to avoid costs associated with
15 the dealership bargaining process.

16 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby
17 authorize and request the chairpersons of the House Committee on Commerce and the
18 Senate Committee on Commerce, Consumer Protection and International Affairs, acting
19 jointly, to appoint a joint subcommittee composed of members from each committee to study
20 and make recommendations for proposed legislation and policy changes relative to the
21 regulation of direct-to-consumer motor vehicle sales.

22 BE IT FURTHER RESOLVED that the joint subcommittee shall be composed of six
23 members with equal representation from each standing committee, and the members of the
24 joint subcommittee shall elect a chairperson by majority vote at the subcommittee's first
25 meeting.

26 BE IT FURTHER RESOLVED that the joint subcommittee may call upon the staffs
27 of any department, agency, or official of the state for data and assistance and all such
28 departments, agencies, and officials shall cooperate with the joint subcommittee.

1 BE IT FURTHER RESOLVED that the joint subcommittee may request and utilize
2 the assistance of any and all public and private sources including but not limited to residents,
3 elected officials, experts, and nongovernmental organizations.

4 BE IT FURTHER RESOLVED that the joint subcommittee shall study, at minimum,
5 all of the following:

6 (1) Laws, rules, and best practices from other jurisdictions and any model legislation
7 related to the regulation of direct-to-consumer motor vehicle sales.

8 (2) All consumer protection laws and regulations that currently apply when a
9 consumer purchases a motor vehicle directly from the manufacturer or whether those
10 consumer protections should apply to direct-to-consumer motor vehicle sales.

11 (3) How consumers obtain insurance and financing in direct-to-consumer motor
12 vehicle sales and any proposals that would better protect consumers who engage in
13 direct-to-consumer motor vehicle sales.

14 (4) How consumers are currently taxed in direct-to-consumer motor vehicle sales
15 and whether there are steps the state should take to maximize the collection of taxes owed
16 on direct-to-consumer motor vehicle sales where the vehicles are operated in the state.

17 (5) Any enforcement issues related to direct-to-consumer motor vehicle sales.

18 (6) What reasons, if any, exist to prohibit manufacturers engaged in
19 direct-to-consumer motor vehicle sales from owning, operating, or controlling a motor
20 vehicle warranty or service facility in the state and a recommendation on whether a sales
21 center should be required if a manufacturer engaged in direct-to-consumer motor vehicles
22 sales is permitted to own, operate, or control a motor vehicle warranty or service facility in
23 the state.

24 BE IT FURTHER RESOLVED that the joint subcommittee shall submit a written
25 report on the findings of its study regarding the regulation of direct-to-consumer motor
26 vehicle sales to the Legislature of Louisiana by July 1, 2025.

27 BE IT FURTHER RESOLVED that the joint subcommittee shall terminate on July
28 1, 2025.

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)]

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Jordan

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Requests a written report of its findings by July 1, 2025.