

---

**HOUSE COMMITTEE AMENDMENTS**

2026 Regular Session

Substitute for Original House Bill No. 939 by Representative Carver 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. 6:969.3(B), 969.6(5), 969.18(A)(2)(ii), 969.35(A)(1), 969.37(B), (D), and (G), and 969.41(A), and (C), R.S. 32:1251, 1252(5) and (6) and (8) through (75), 1253(A)(introductory paragraph) and (1), (2)(a)(introductory paragraph) and (i) and (b)(introductory paragraph), (4)(b) and (c), (C) through (G), 1254(A)(6), (B), (D)(introductory paragraph) and (4)(b), (E)(2), (9) and (10), (F), (G)(5) and (7), (H)(4) through (7), (I)(4), (J)(6), (K)(5), (L)(2), (6)(b) and (8), (M), 1255(A)(1) through (4), 1258(A)(9), (C), and (E), 1260(A)(1) and (2) and (F), 1261(A)(1)(t)(i), (2)(introductory paragraph) and (f) through (k) and (5)(b), 1262(A)(11), 1270.1(2)(introductory paragraph), 1270.11(2)(introductory paragraph), 1270.32(2)(introductory paragraph), 1272(2) and (3), and 1274(E)(1) and (3), and R.S. 37:1892(3) and (4), 1893(C)(4)(a), (b), (d), 1893.1(A)(4) and (5) and (D) through (H), 1893.4(A) and (B), and 1894, to enact R.S. 6:969.6(36) and 969.37(I), R.S. 32:1252(76) through (96), 1253(A)(2)(b)(vii) through (ix) and (I) through (K), 1254(C)(13) and (15), (E)(12) through (14), (G)(8), (H)(8) through (10), (J)(8) through (11), (L)(9) and (10), 1254.1, 1254.2, 1254.3, 1255(A)(6) and (7), (C), and (D), 1258(A)(11) through (13) and (F), 1258.1, 1260(G), 1260.1, 1261(A)(2)(l) through (p), (5)(b)(n), (8), and (9), 1274(E)(4), R.S. 37:1892(5), 1893.1(D) through (H), and 1893.5(B)(3), and R.S. 44:4(65), and to repeal R.S. 6:969.36(A)(8), 969.40(E), R.S. 32:781 through 808, 1261(A)(2)(f), 1270.1(2)(f), 1270.11(2)(f), 1270.20(2)(f), R.S. 37:1893.2, 1893.3, 1893.4(C) and (D), relative to motor vehicles, recreational products, and used motor vehicles; to provide for consolidation of the Louisiana Motor Vehicle Commission and the Louisiana Used Motor Vehicle Commission; to provide for definitions; to provide for the membership, powers, duties, and authority of the commission; to provide for a dispute resolution panel; to

provide for licensee categories; to provide for licensing requirements, procedures, and exemptions; to provide for surety bond requirements; to provide for educational seminars; to provide for deposit and down payment disclosure and conditionals sale; to provide fees; to provide for the denial, suspension, and revocation of licenses; to provide for criminal and civil penalties; to provide for the prohibition of black market sales; to provide for unauthorized acts; to provide for exclusions; to provide for injunctions and cease and desist orders; to provide applicability; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:969.3(B), 969.6(5), 969.18(A)(2)(ii), 969.35(A)(1), 969.37(B), (D), (G), and 969.41(A) and (C) are hereby amended and reenacted and R.S. 6:969.6(36) and 969.37(I) are hereby enacted to read as follows:

§969.3. Exclusions

\* \* \*

B. All persons financing the purchase or acquisition of a motor vehicle, irrespective of whether the transaction otherwise is subject to this Chapter, shall comply with the requirements of R.S. 32:1251 et seq. and the rules and regulations of the Louisiana ~~Motor~~ Vehicle Commission pertaining to advertising.

\* \* \*

§969.6. Definitions

As used in this Chapter:

\* \* \*

(5) "Commission" means the Louisiana ~~Motor~~ Vehicle Commission.

\* \* \*

(36) "Origination" includes the initial stage of the lending process, including but not limited to the offering of credit in person or through advertising, taking, or offering to take credit applications, or the qualification or verification process that begins a consumer loan or consumer credit sale.

\* \* \*

§969.18. Documentation and compliance fees; notary fees; transfer of equity and other fees; disclosure

A.

\* \* \*

(2)

\* \* \*

(ii) If the year-over-year percentage change in the CPI-U is negative, the adjusted maximum fee shall remain the same as the amount in effect for the prior calendar year. The division of administration shall calculate the adjusted maximum fee in accordance with this Paragraph, which shall be verified by the legislative auditor, and the division of administration shall transmit the updated amount to the Louisiana Motor Vehicle Commission by February first each year. If the calculated adjustment results in a fee with a fractional dollar amount of less than fifty cents, the fee shall be rounded down to the nearest whole dollar. If the calculated adjustment results in a fee with a fractional dollar amount of fifty cents or more, the fee shall be rounded up to the next whole dollar. The Louisiana Motor Vehicle Commission shall publish the adjusted maximum fee on its official website.

\* \* \*

§969.35. Authority to make consumer loans; assignees; authority to issue debt waiver or debt forgiveness agreements

A.(1) Unless a person has first obtained a license from the commission or is exempt from licensing under R.S. 6:969.36, he shall not engage in, advertise, or solicit the business of making consumer loans or the origination or solicitation of consumer credit sales subject to this Chapter, whether or not there is consummation of the making of a consumer loan and/or the origination of a consumer credit sale.

\* \* \*

§969.37. Licensing procedures

\* \* \*

B.(1) No license shall be issued unless the commission, upon investigation, finds that the applicant, and the partners or members thereof if the applicant is a partnership or limited liability company, and of the officers and directors thereof if the applicant is a corporation, are such as to warrant a reasonable belief that the business will be operated honestly and fairly within the purposes of this Chapter: and meets the following requirements:

(a) Be eighteen years of age or older and a citizen of the United States or a resident alien holding proper documentation to work in the United States.

(b) Be of good character and fitness.

(c) Not have been convicted of a felony in the previous ten years, notwithstanding that the conviction was expunged, set aside, or received a first offense pardon. The only felony conviction which shall not be considered for purposes of this Chapter is one which received a governor's or presidential pardon.

(2) No license shall be issued in any name which may be confused with or which is similar to any federal, state, parish, or municipal governmental function or agency, or in any name which may tend to describe any business function or enterprise not actually engaged in by the applicant, or in any name which is the same as or so similar to that of any existing license as would tend to deceive the public, or in any name which would otherwise tend to be deceptive or misleading.

\* \* \*

D.(1) The license fee for every licensed lender subject to this Chapter for each ~~calendar~~ licensed year or part thereof shall be ~~the sum of four hundred dollars~~ fixed by the commission and shall not exceed the license fee authorized in R.S. 32:1255 for the principal place of business of the licensee and ~~the sum of four hundred dollars~~ for each branch of the licensee maintained in this state. If a lender makes direct consumer loans to consumers at a seller location, that location is not deemed to be a branch office of the lender.

(2) The license fee for every administrator for each ~~calendar~~ licensed year or part thereof shall be fixed by the commission and shall not exceed ~~fifteen hundred dollars~~ the license fee authorized in R.S. 32:1255.

(3) The license fee for every salesman or agent for each ~~calendar~~ year licensed or part thereof shall be fixed by the commission and shall not exceed ~~seventy-five dollars~~ the license fee authorized in R.S. 32:1255.

\* \* \*

G. Upon approval of such application and the payment of such fee, the commission shall issue a license to the applicant to engage in the origination of consumer loans or the purchase of motor vehicle credit contracts, notes, and agreements by assignment, or to make consumer loans or issue a license to sell or administer debt waiver and debt forgiveness agreements under and in accordance with the provisions of this Chapter for a period ~~which shall expire the last day of December~~ in accordance with R.S. 32:1254(B) following the date of issuance. Such license shall not be transferable or assignable. No licensee shall transact any business provided for by this Chapter under any other name.

\* \* \*

I. A change in corporate ownership or majority ownership, the name of a licensee, or control shall require the licensee to submit a fee in accordance with R.S. 32:1255 and file an amendment application which contains such information and requirements as the commission deems necessary to amend, update, and issue a license reflecting the change. The amendment application and all requirements shall be submitted within five business days of the change, or a late filing fee shall be due.

\* \* \*

§969.41. Fines imposed by the commission

A. (1) Any person who willfully violates any provision of this Chapter shall be subject to a fine by the commission in an amount not to exceed five thousand dollars per violation. No civil penalty imposed for the violation of the provisions of this Chapter or the rules and regulations of the commission shall exceed two thousand dollars for each day such violation continues.

(2) On a second or subsequent violation, no civil penalty imposed shall exceed three thousand dollars for each day such second or subsequent violation continues.

(3) In order to constitute a second or subsequent violation there must occur a lapse of at least one day following the first or previous violation.

(4) Any civil penalty imposed by the commission may, in the discretion of the commission, be suspended in whole or in part.

(5) No civil penalty imposed for the negligent filing or the untimely updating of information as required under the provisions of this Chapter or under the rules and regulations of the commission shall exceed one hundred dollars per day.

\* \* \*

C. Any person who is required to be licensed under this Chapter and who fails to timely obtain a license as herein provided may be ordered by the commission to pay a penalty ~~of one hundred dollars in addition to the regular license fee herein provided~~ in accordance with R.S. 32:1255.

Section 2. R.S. 32:1251, 1252(5) and (6), and (8) through (75), 1253(A)(introductory paragraph) and (1), (2)(a)(introductory paragraph) and (i) and (b)(introductory paragraph), (4)(b) and (c), (C) through (G), 1254(A)(6), (B), (D)(introductory paragraph) and (4)(b), (E)(2), (9), and (10), (F), (G)(5) and (7), (H)(4) through (7), (I)(4), (J)(6), (K)(5), (L)(2), (6)(b) and (8), (M), 1255(A)(1) through (4), 1258(A)(9), (C), and (E), 1260(A)(1) and (2), and (F), 1261(A)(1)(t)(i), (2)(introductory paragraph) and (f) through (k), (5)(b), 1262(A)(11), 1270.1(2)(introductory paragraph), 1270.11(2)(introductory paragraph), 1270.32(2)(introductory paragraph), 1272(2) and (3), and 1274(E)(1) and (3) are hereby amended and reenacted and R.S. 32:1252(76) through (96), 1253(A)(2)(b)(vii) through (ix) and (I) through (K), 1254(C)(13) and (15), (E)(12) through (14), (G)(8), (H)(8) through (10), (J)(8) through (11), (L)(9) and (10), (Q) through (T), 1254.1, 1254.2, 1254.3, 1255(A)(6) and (7), (C) and (D), 1258(A)(11) through (13) and (F), 1258.1, 1260(G) and 1260.1, 1261(A)(2)(l) through (p), (5)(b)(n), (8), and (9), 1274(E)(4) are hereby enacted to read as follows:

§1251. Declaration of public policy

A. The legislature finds and declares that the distribution and sale of motor vehicles and recreational products in the state of Louisiana vitally affects the general economy of the state, the public interest, and the public welfare, and that in order to

promote the public interest, and the public welfare, and in the exercise of its police power, it is necessary to regulate and to license those persons enumerated in R.S. 32:1254 and doing business in Louisiana, in order to prevent frauds, impositions, and other abuses upon its citizens, and avoid undue control of the ~~independent~~ motor vehicle ~~dealer~~ and recreational products by their ~~motor~~ vehicle manufacturing and distributive organizations and foster and keep alive vigorous and healthy competition, by prohibiting unfair practices by which fair and honest competition is destroyed or prevented, and to protect the public against the creation or perpetuation of monopolies and practices detrimental to the public welfare, to prevent the practice of requiring the buying, leasing, or renting of special features, appliances, and equipment not desired or requested by the purchaser, lessee, or renter, to prevent false and misleading advertising, to prevent unfair practices by said licensees, to promote the public safety and prevent disruption of the system of distribution of motor vehicles and recreational products to the public and prevent deterioration of facilities for servicing motor vehicles and keeping same safe and properly functioning, and prevent bankrupting of motor vehicle and recreational products dealers and lessors, who might otherwise be caused to fail because of such unfair practices and competition, thereby resulting in unemployment, disruption of leases, and nonpayment of taxes and loans, and contribute to an inevitable train of undesirable consequences, including economic depression.

B. The commission understands its role in representing the consumers of motor vehicles and seeks to protect their interests by strengthening the relationship between dealers and consumers, assisting in dispute resolution, maintaining education programs to promote industry standards, and assisting the office of motor vehicles in enforcement of its laws related to motor vehicle transactions.

§1252. Definitions

The following words, terms, and phrases, when used in this Chapter, shall have the meanings respectively ascribed to them in this Section, except where the context clearly indicates a different meaning:

\* \* \*

(5) "Broker" means a person who, for a fee or commission, arranges or offers to arrange a transaction, including that which may occur remotely via the internet, involving the sale, for purposes other than resale, of a new or used motor vehicle, ~~or~~ recreational product or specialty vehicle, and who is not:

(a) A motor vehicle dealer, ~~or~~ recreational products dealer, specialty vehicle dealer, used motor vehicle dealer or used motor vehicle facility or bona fide employee of a motor vehicle dealer, recreational products dealer, specialty vehicle dealer, used motor vehicle dealer or used motor vehicle facility when acting on behalf of a motor vehicle or recreational products dealer.

(b) A manufacturer, distributor, convertor, or bona fide employee of a manufacturer, distributor, or convertor, when acting on behalf of a manufacturer, distributor, or convertor.

(c) At any point in the transaction, the bona fide owner of the motor vehicle, ~~or~~ recreational product, specialty vehicle, used motor vehicle dealer, or used motor vehicle facility involved in the transaction.

(6) "Commission" means the Louisiana ~~Motor~~ Vehicle Commission created by this Chapter or its designee.

\* \* \*

(8) "Consummation" means the time a renter becomes contractually obligated on a vehicle rental purchase agreement.

(9) "Control" or "change of control" means the legal power and ability to manage or control the business activities of the licensee, including the authority to execute agreements or otherwise transact the ordinary business of the licensee, as may be established by corporate documents, such as articles of incorporation or organization, by laws, operating agreements, corporate resolution, power of attorney, partnership agreement or otherwise, or trust instruments. Change of control means any change whereby any person who was previously authorized to manage or control the business activities of the licensee is changed. Change of control also occurs in the event of change of majority ownership in the licensee.

~~(8)~~(10) "Converter" or "secondary manufacturer" means a person who prior

to the retail sale of motor vehicles or recreational products or trailers, assembles, installs, or affixes a body, cab, or special equipment to a chassis, or who substantially adds, subtracts from, or modifies a previously assembled or manufactured motor vehicle or recreational product or trailer but does not include towable equipment as defined in this Chapter.

(11) "Converter branch" or "secondary manufacturer branch" means a branch office or facility maintained by a person, resident or nonresident, who prior to the retail sale of motor vehicles or recreational products, assembles, installs, or affixes a body, cab, or special equipment to a chassis, or who substantially adds, subtracts from, or modifies a previously assembled or manufactured motor vehicle or recreational product, but does not include towable equipment as defined in this Chapter, or who sells or distributes converted motor vehicles, converted recreational products, or specialty vehicles to a motor vehicle, recreational product or specialty vehicle dealer or prospective motor vehicle, recreational product or specialty vehicle dealer, or for directing or supervising, in whole or in part, its representatives.

(12) "Converter representative" or "secondary manufacturer representative" means any officer, agent, or employee employed by a converter or secondary manufacturer, or converter branch or secondary manufacturer branch for the purpose of making or promoting the sale of his, its, or their converted motor vehicles, converted recreational products, or specialty vehicles, or for supervision or contacting his, its, or their motor vehicle, recreational product or specialty vehicle dealers or prospective motor vehicle, recreational product or specialty vehicle dealers.

(13) "Corporate ownership" means a licensee whose owner is a corporation, limited liability company, general or limited partnership, trust or other juridical entity or combination thereof.

(14) "Daily rental dealer" means a dealer who rents on a daily basis used motor vehicles not of the current or preceding model year.

~~(9)~~(15) "Dealer" means any person licensed to sell a motor vehicle, specialty vehicle, or recreational product subject to regulation by this Chapter.

(16) "Dealer of used motor vehicle parts and accessories" means any person whose business is to sell, or offer for sale, display, or advertise used parts and accessories.

~~(14)~~(17) "Dealer-operator" shall mean the natural person designated in the franchise as the operator of a motor vehicle dealership.

(18) "Default" means the failure of a rental consumer to bring the rental account current within five days after the rental payment is due or the failure of the rental consumer to maintain minimum insurance required pursuant to a rental purchase agreement.

~~(14)~~(19) "Designated successor" means the spouse, child, grandchild, parent, brother, or sister, of a dealer who, in the case of a deceased dealer, is entitled to inherit the dealer's ownership interest in the dealership under the terms of the dealer's will; the spouse, or other person who has otherwise been designated in writing by a deceased dealer to succeed him in the motor vehicle dealership, such designation having been furnished to the manufacturer; or the spouse, or other person who, under the laws of intestate succession of this state is entitled to inherit the interest; or who, in the case of an incapacitated dealer, has been appointed by a court in a proceeding interdicting the dealer as the legal representative of the dealer's property. The terms shall also include the appointed and qualified personal representative and testamentary trustee of a deceased dealer.

(20) "Dismantler and parts recycler" means a person, firm, or corporation engaged in whole or in part in the business of acquiring and dismantling, disassembling, or repairing wrecked, abandoned, or repairable motor vehicles or selling the usable parts thereof, or selling such wrecked, abandoned, or repairable motor vehicles as a unit of wholesale, or selling such repaired motor vehicles as a unit at wholesale. For purposes of this Chapter, a person, firm, or corporation shall be presumed to be engaging in the business of a dismantler and parts recycler if such person, firm, or corporation possesses ten or more inoperable motor vehicles for more than thirty days, except when such inoperable motor vehicles are being held by:

(a) A licensed tow truck owner or operator.

(b) A scrap metal processor to recycle the scrap metal.

(c) A bona fide repair business awaiting repairs.

(21) "Dismantler and parts recycler sales representative" means anyone who, for compensation of any kind, sells or brokers any used motor vehicle or any usable part of a used motor vehicle.

~~(12)~~(22) "Distributor" or "wholesaler" means any person, resident or nonresident, who in whole or in part sells or distributes new motor vehicles, recreational products, or specialty vehicles or new, remanufactured, reconditioned, or rebuilt motor vehicle motors to motor vehicle, recreational product, or specialty vehicle dealers, or who maintains distributor representatives.

~~(13)~~(23) "Distributor branch" means a branch office or facility maintained by a person, resident or nonresident, who in whole or in part sells or distributes new motor vehicles, or recreational products, or specialty vehicles to motor vehicle, ~~or~~ recreational products, or specialty vehicle dealers, or for directing or supervising, in whole or in part, its representatives.

~~(14)~~(24) "Distributor representative" means any officer, agent, or employee employed by a distributor, distributor branch, or wholesaler, for the purpose of making or promoting the sale of his, its, or their motor vehicles, recreational products, or specialty vehicles, or for supervision or contacting his, its, or their motor vehicle, recreational products, or specialty vehicle dealers or prospective motor vehicle, recreational products, or specialty vehicle dealers.

~~(15)~~(25) "Established place or established place of business" shall mean a permanently enclosed building or structure either owned, leased, or rented, which meets local zoning or municipal requirements, and regularly occupied by a person, easily accessible to the public at which the regular business of a licensee will be carried on in good faith, and, at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business; and shall not mean residences, tents, temporary stands, lots, or any temporary quarters.

~~(16)~~(26) "Factory branch" means a branch office or facility maintained by a person who fabricates, manufactures, or assembles motor vehicles or recreational

products, for the sale of new motor vehicles or recreational products to distributors, or for the sale of new motor vehicles or recreational products to motor vehicle or recreational products dealers, or for directing or supervising, in whole or in part, its representatives.

~~(17)~~(27) "Factory representative" means any officer, agent, or employee employed by a person who fabricates, manufactures, or assembles motor vehicles or recreational products, or by a factory branch, for the purpose of making or promoting the sale of his, its, or their motor vehicles or recreational products, or for supervising or contacting his, its, or their motor vehicle or recreational dealers or prospective motor vehicle or recreational dealers.

~~(18)~~(28) "Financial institution" means any person organized to engage in the business of banking pursuant to the laws of the United States or Title 6 of the Louisiana Revised Statutes of 1950.

~~(19)~~(29) "Fire truck" means any one of the following:

(a) A pumper fire apparatus, which is a vehicle equipped with a permanently mounted fire pump of 750 gpm (2850 L/min) rated capacity or greater, a water tank of at least 500 gal (1900 L), and hose body. The primary purpose of this type of apparatus is to combat structural and associated fires.

(b) An initial attack fire apparatus, which is a vehicle equipped with an attack pump of 250 through 700 gpm (950 through 2650 L/min), a water tank, and minimum hose and equipment, that is designed primarily for rapid response and initiating a fire attack on structural, vehicular, or vegetation fires and supporting associated fire department operations.

(c) A mobile water supply fire apparatus, which is a vehicle equipped with a water tank of at least 1000 gal (3800 L) and designed primarily for transporting water to fire emergency scenes to be applied by other vehicles or pumping equipment.

(d) An aerial ladder and elevating platform fire apparatus, which is a vehicle equipped with a permanently mounted, power-operated aerial ladder or with a passenger carrying platform attached to the uppermost boom of a series of

telescoping, articulating, or telescoping and articulating booms and designed to provide rescue capability from elevated positions and the positioning of firefighters and elevated master streams for fire suppression tasks.

~~(20)~~(30) "Franchise" means any written contract, dealer agreement, or selling agreement between a motor vehicle or recreational products dealer, a motor vehicle lessor, or a specialty vehicle dealer and a manufacturer, motor vehicle lessor franchisor, or converter of a new motor vehicle, a new recreational product, or specialty vehicle or its distributor or factory branch by which the motor vehicle or recreational products dealer, motor vehicle lessor, or specialty vehicle dealer is authorized to engage in the business of selling or leasing the specific makes, models, or classifications of new motor vehicles, recreational products, or specialty vehicles marketed or leased by the manufacturer or its distributor or factory branch, motor vehicle lessor franchisor, or converter and designated in the franchise agreement or any addendum thereto. For purposes of this Chapter, any written modification, amendment, or addendum to the original franchise agreement, which changes the rights and obligations of the parties to the original franchise agreement, shall constitute a new franchise agreement, effective as of the date of the modification, amendment, or addendum.

(31) "Lease" means the possession or use of a vehicle by the lessee, for a consideration, without the transfer of the title, for a period of one hundred eighty-days or more.

~~(21)~~(32) "Lease facilitator" means a person, other than a motor vehicle or recreational products dealer or a bona fide employee of a motor vehicle or recreational products dealer, or a motor vehicle lessor or a bona fide employee of a motor vehicle lessor, who engages in one or both of the following activities:

(a) Holds himself out to any person as a "motor vehicle leasing company" or "motor vehicle leasing agent" or uses a similar title, for the purpose of soliciting or procuring a person to enter into a contract or agreement to become the lessee of a motor vehicle or recreational product that is not, and will not be, titled in the name of and registered to the lease facilitator.

(b) Otherwise solicits a person to enter into a contract or agreement to become a lessee of a vehicle that is not, and will not be, titled in the name of and registered to the lease facilitator, or who is otherwise engaged in the business of securing lessees or prospective lessees of motor vehicles or recreational products that are not, and will not be, titled in the name of and registered to the facilitator

~~(22)~~(33) "Licensee" means any person who is required to be licensed by the commission pursuant to the provisions of this Chapter and Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950.

~~(23)~~(34) "Low-speed vehicle" means a four-wheeled vehicle with a maximum speed of not less than twenty miles per hour but not more than twenty-five miles per hour that possesses the minimum motor vehicle equipment appropriate for vehicle safety as required by 49 CFR 571.500.

(35) "Majority ownership" means an ownership interest, in whatever form, that exceeds fifty percent of the total ownership interest of the licensee, including outstanding stock, membership interests, partnership interest or trustee or beneficiary interest, that includes the power to manage or control the business activities of the licensee, including the right to obligate the licensee.

~~(24)~~(36) "Manufacturer" means any person, resident or nonresident, who fabricates, manufactures, or assembles motor vehicles, recreational products, or new, remanufactured, reconditioned, or rebuilt motor vehicle or marine motors.

~~(25)~~(37) "Marine dealer" means any person who holds a bona fide contract or franchise with a manufacturer or distributor of marine products, except for either of the following:

(a) A person engaged in the business of renting or selling new or used watercraft or boats adapted to be powered only by an occupant's energy and who holds a license as a recreational products dealer pursuant to the provisions of this Chapter.

(b) A person engaged in the business of renting or selling new or used trolling motors who otherwise would not be required to be licensed as any classification of

dealer in accordance with the provisions of this Chapter

~~(26)~~(38) "Marine motor" or "marine engine" means a motor that is a component of a marine product that is sold separately from a boat when delivered to the marine dealer by the distributor or manufacturer. The term shall not include a trolling motor.

~~(27)~~(39) "Marine product" means a new or used watercraft, boat, marine motor, and a boat or watercraft trailer. The term also includes an outboard motor or a boat with an inboard/outboard motor attached to it. The term shall not include any of the following:

(a) A watercraft or marine motor if the watercraft or marine motor is used primarily for commercial or government purposes.

(b) A new or used watercraft or boat adapted to be powered only by the occupant's energy.

(c) A trolling motor.

~~(28)~~(40) "Marine product line" means a particular model of a marine product designed for recreational or commercial use on water.

~~(29)~~(41) "Marine product salesman" means any natural person employed by a licensee of the commission whose duties include the selling, leasing, or offering for sale or lease, financing or insuring marine products on behalf of the licensee and who holds a motor vehicle salesman license under the provisions of this Chapter.

~~(30)~~(42) "Motorcycle" means a motor vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground but excluding a tractor, electric-assisted bicycle, and electric-powered scooters not required to be registered.

~~(31)~~(43)(a) "Motorcycle or all-terrain vehicle dealer" means any person who, for a commission or with intent to make a profit or gain of money or other thing of value, buys, sells, ~~brokers~~, exchanges, auctions, offers, or attempts to negotiate a sale or exchange of an interest in motorcycles or all-terrain vehicles and who is engaged wholly or in part in the business of buying and selling motorcycles or all-terrain

vehicles in the state of Louisiana and who holds a license as a recreational products dealer under the provisions of this Chapter.

~~(b) The term shall also include anyone not licensed under this Chapter, who sells motorcycles or all-terrain vehicles and who rents on a daily basis motorcycles or all-terrain vehicles, not of the current year or immediate prior year models, that have been titled previously to an ultimate purchaser.~~

~~(c)~~(b) "Motorcycle or all-terrain vehicle dealer" shall not include any of the following:

(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

(ii) Public officers while performing their official duties.

(iii) Employees of motorcycle or all-terrain vehicle dealers when engaged in the specific performance of their duties as such employees.

(iv) Mortgagees or secured parties as to sales of motorcycles or all-terrain vehicles constituting collateral on a mortgage or security agreement.

~~(v) Insurance companies.~~

~~(vi)~~(v) Auctioneers or auction houses who are not engaged in the auction of motorcycles or all-terrain vehicles as the principal part of their business, including but not limited to the following auctions: estate auctions, bankruptcy auctions, farm equipment auctions, or government auctions.

~~(32)~~(44) "Motorcycle or all-terrain vehicle salesman" means any natural person employed by a licensee of the commission whose duties include the selling, leasing, or offering for sale or lease, financing or insuring motorcycle or all-terrain vehicles on behalf of said licensee and who holds a motor vehicle salesman license under the provisions of this Chapter.

~~(33)~~(45) "Motor home" means a motor vehicle designed as an integral unit to be used as a conveyance upon the public streets and highways and for use as a temporary or recreational dwelling and having at least four of the following permanently installed systems which meet American National Standards Institute

and National Fire Protection Association standards in effect as of the date of manufacture, two of which shall be systems specified below in Subparagraph (a), (d), or (e) of this Paragraph:

- (a) Cooking facilities.
- (b) Ice box or mechanical refrigerator.
- (c) Potable water supply including plumbing and a sink with faucet either self-contained or with connections for an external source, or both.
- (d) Self-contained toilet or a toilet connected to a plumbing system with connection for external water disposal, or both.
- (e) Heating or air conditioning system, or both, separate from the vehicle engine or the vehicle engine electrical system.
- (f) A one hundred ten/one hundred fifteen volt alternating current electrical system either with its own power supply or with a connection for an external source, or both, or a liquefied petroleum system and supply.

~~(34)~~(46) "Motor vehicle" means any ~~motor driven car, van, or truck~~ motor-driven vehicle required to be registered ~~which is used, that was used, is used,~~ or is designed to be used, for the transporting of passengers or goods for public, private, commercial, or for hire purposes.

(47) "Motor vehicle crusher" means any person, firm, limited liability corporation, or corporation engaged, in whole or in part, in the business of purchasing and crushing or compacting motor vehicles and selling the crushed or compacted vehicle for scrap.

~~(35)~~(48)(a) "Motor vehicle dealer" means any person, not excluded by Subparagraph (b) of this Paragraph who holds a bona fide franchise in effect with a manufacturer or distributor of new motor vehicles, and a license under the provisions of this Chapter or a subsidiary of any such entity. Such duly franchised and licensed motor vehicle dealers shall be the sole and only persons entitled to sell, publicly solicit, and advertise the sale of new motor vehicles as such.

- (b) The term "motor vehicle dealer" does not include any of the following:
  - (i) Receivers, trustees, administrators, executors, guardians, or other persons

appointed by or acting under judgment or order of any court.

(ii) Public officers while performing or in operation of their duties.

(iii) Employees of persons enumerated in Item (i) of this Subparagraph when engaged in the specific performance of their duties as such employees.

(iv) Financial institutions engaged in the sale of motor vehicles for the collection of debts secured thereby.

~~(36)~~(49)(a) "Motor vehicle lessor" shall mean any person, not excluded by Subparagraph (b) of this Paragraph, engaged in the motor vehicle, recreational products, or specialty vehicle leasing or rental business. It shall also include a subsidiary of any such entity.

(b) The term "motor vehicle lessor" does not include any of the following:

(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under judgment or order of any court.

(ii) Public officers while performing or in the operation of their duties.

(iii) Employees of persons, corporations, or associations enumerated in Item (i) of this Subparagraph when engaged in the specific performance of their duties as such employees.

(iv) Financial institutions engaged in the leasing of motor vehicles, recreational products, or specialty vehicles.

~~(c) Any motor vehicle lessor who rents on a daily basis motor vehicles, recreational products, or specialty vehicles not of the current year or immediate prior year models that have been titled previously to an ultimate purchaser, and who is otherwise not required to obtain a license under this Chapter, shall be subject to the regulation of the Louisiana Used Motor Vehicle Commission.~~

~~(37)~~(50) "Motor vehicle lessor agent" means any natural person, other than a daily rental person, employed by a motor vehicle lessor licensed by the commission whose duties include the leasing, renting or offering for lease or rent motor vehicles, recreational products, or specialty vehicles on behalf of said motor vehicle lessor.

~~(38)~~(51) "Motor vehicle lessor franchisor" means any person who grants a franchise to any person granting the right to lease or rent a motor vehicle,

recreational product, or specialty vehicle under its trade name, trademark, or service mark or to sell used motor vehicles, recreational products, or specialty vehicles formerly a part of its rental fleet.

~~(39)~~(52) "Motor vehicle salesman" means any natural person employed by a licensee of the commission whose duties include the selling, leasing, or offering for sale or lease, financing or insuring motor vehicles, recreational products, or specialty vehicles on behalf of said licensee.

~~(40)~~(53) "New marine product" means a marine product, the legal title to which has never been transferred by a ~~manufacturer, distributor, or recreational products dealer~~ to an ultimate purchaser.

~~(41)~~(54) "New motorcycle or all-terrain vehicle" means a motorcycle or all-terrain vehicle, the legal title to which has never been transferred by a ~~manufacturer, distributor, or recreational products dealer~~ to an ultimate purchaser.

~~(42)~~(55) "New motor vehicle", "new recreational product", or "new specialty vehicle" means a motor vehicle, recreational product, or specialty vehicle, the legal title to which has never been transferred by a ~~manufacturer, distributor, or motor vehicle, recreational products, or specialty vehicle dealer~~ to an ultimate purchaser.

~~(43)~~(56) "New recreational vehicle" means a recreational vehicle, the legal title to which has never been transferred by a ~~manufacturer, distributor, or dealer~~ to an ultimate purchaser.

~~(44)~~(57) "Person" shall mean any natural or juridical person, firm, association, corporation, trust, partnership, limited liability partnership, professional liability corporation, or limited liability company or any other legal entity.

(58) "Processing fee" means those administrative fees that a rental dealer may charge to a rental consumer to initiate a rental purchase agreement, however designated.

(59) "Public or retail motor vehicle auction" means the act of any person, partnership, corporation, limited liability company, or other entity engaging in, for a commission, compensation, or other consideration, the business of providing vehicle auction services at an established place of business which is not open

exclusively to motor vehicle dealers, recreational product dealers, dismantlers, and parts recyclers.

~~(45)~~(60) "Recreational products" means new and unused motorcycles, all-terrain vehicles, marine products, recreational vehicles, and trailers as defined in this Chapter. The term shall not include trolling motors.

~~(46)~~(61)(a) "Recreational products dealer" means any person who, for a commission or with intent to make a profit or gain of money or other thing of value, buys, sells, ~~brokers~~, exchanges, auctions, offers, or attempts to negotiate a sale or exchange of an interest in recreational products and who is engaged wholly or in part in the business of buying and selling recreational products in the state of Louisiana. Duly franchised and licensed recreational products dealers shall be the only persons entitled to sell, publicly solicit, and advertise the sale of new recreational products.

~~(b) The term shall also include anyone not licensed under this Chapter, who sells recreational products and who rents on a daily basis recreational products, not of the current year or immediate prior year models, that have been titled previously to an ultimate purchaser.~~

~~(c)~~(b) "Recreational products dealer" shall not include any of the following:

(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

(ii) Public officers while performing their official duties.

(iii) Employees of recreational products dealers when engaged in the specific performance of their duties as such employees.

(iv) Mortgagees or secured parties as to sales of recreational products constituting collateral on a mortgage or security agreement.

~~(v) Insurance companies.~~

~~(vi)~~(v) Auctioneers or auction houses who are not engaged in the auction of recreational products as the principal part of their business, including but not limited to the following auctions: estate auctions, bankruptcy auctions, farm equipment auctions, or government auctions.

~~(vii)~~(vi) Any person engaged in the business of renting or selling new or

used trolling motors who otherwise would not be required to be licensed ~~as any classification of dealer~~ pursuant to the provisions of this ~~Title~~ Chapter.

~~(47)~~(62) "Recreational vehicle" means a motorized or towable vehicle that combines transportation and temporary living quarters for travel, recreation, and camping. For purposes of this Chapter, a "recreational vehicle" includes new and used motor homes, new and used travel trailers, new and used fifth-wheel travel trailers, new and used folding camper trailers, and slide-in truck campers.

~~(48)~~(63)(a) "Recreational vehicle dealer" means any person who, for a commission or with intent to make a profit or gain of money or other thing of value, buys, sells, ~~brokers~~, exchanges, auctions, offers, or attempts to negotiate a sale or exchange of an interest in recreational vehicles and who is engaged wholly or in part in the business of buying and selling recreational vehicles in the state of Louisiana and who holds a license as a recreational products dealer under the provisions of this Chapter.

(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

(ii) Public officers while performing their official duties.

(iii) Employees of recreational products dealers when engaged in the specific performance of their duties as such employees.

(iv) Mortgagees or secured parties as to sales of recreational products constituting collateral on a mortgage or security agreement.

~~(v) Insurance companies.~~

~~(vi)~~(v) Auctioneers or auction houses who are not engaged in the auction of recreational vehicles as the principal part of their business, including but not limited to the following auctions: estate auctions, bankruptcy auctions, farm equipment auctions, or government auctions.

~~(49)~~(64) "Recreational vehicle salesman" means any natural person employed by a licensee of the commission whose duties include the selling, leasing, or offering for sale or lease, financing or insuring recreational vehicles on behalf of said licensee and who holds a motor vehicle salesman license under the provisions of this Chapter.

~~(50)~~(65) "Retail sale" or "sale at retail" means the act or attempted act of selling, bartering, exchanging, or otherwise disposing of a motor vehicle, recreational product, or specialty vehicle to an ultimate purchaser for use as a consumer.

(66) "Rental" means the possession or use of a vehicle by the renter, for a consideration, without the transfer of the title, for a period less than one hundred eighty days.

(67) "Rental purchase agreement" means a vehicle rented with an option-to-purchase agreement for the rentinh of a used motor vehicle by a rental dealer in favor of a rental consumer, for personal, family, or household purposes for a period of not less than twelve months.

(68) "Rent-to-own dealer " means a used motor vehicle dealer who rents used motor vehicles under a rental purchase agreement.

(69) "Rental consumer" means a natural person who rents with an option-to-purchase a used motor vehicle under a vehicle rent with option-to-purchase agreement.

(70) "Salvage pool or salvage disposal sale" means a scheduled sale at auction or by private bid of wrecked or repairable motor vehicles by insurance companies, used motor vehicle dealers, or automotive dismantlers and parts recyclers licensed by the commission.

~~(51)~~(71) "Satellite warranty and repair center" means a motor vehicle repair facility, other than at a motor vehicle dealer franchised location, approved by a manufacturer or distributor and authorized to perform warranty and other repairs on motor vehicles, or a motor vehicle repair facility of a manufacturer or distributor who, as of January 1, 2024, was licensed by the Louisiana ~~Motor~~ Vehicle Commission, either directly or through a subsidiary, to lease motor vehicles, if neither it, nor any common entity, has any franchised motor vehicle dealers within this state, or has ever had franchised motor vehicle dealers licensed in this state as set forth in R.S. 32:1261.

(72) "Scrap metal" means metal materials which are purchased for resale to be recycled, including but not limited to ferrous materials, catalytic converters, auto

hulks, copper, copper wire, copper alloy, bronze, zinc, aluminum other than in the form of cans, stainless steel, nickel alloys, or brass, whether in the form of bars, cable, ingots, rods, tubing, wire, wire scraps, clamps or connectors, railroad track materials, water utility materials, and used building components. The term shall not include precious metals, including but not limited to gold, silver, and platinum.

(73) "Scrap metal processor" means any person or entity engaged in the business of obtaining and storing scrap metal, as defined by R.S. 37:1962, whose origin included abandoned, wrecked, or junked motor vehicles for recycling.

~~(52)~~(74) "Selling agreement" means any written contract or agreement between a marine dealer and a manufacturer, or its distributor or factory branch, by which the marine dealer is authorized to engage in the business of selling or leasing the specific makes, models, or classifications of marine products marketed or leased by the manufacturer, and designated in the selling agreement or any addendum thereto. For the purposes of this Paragraph, any written modification, amendment, or addendum to the original selling agreement that changes the rights and obligations of the parties to the original selling agreement shall constitute a new selling agreement, effective as of the date of the modification, amendment, or addendum.

~~(53)~~(75) "Specialty vehicle" means a motor vehicle manufactured or converted by a converter or second stage manufacturer by purchasing motor vehicle components, including frames and drive trains, and completing the manufacture or conversion of finished motor vehicles for the purpose of resale, with the primary manufacturer warranty unimpaired, to a limited commercial market rather than the consuming public. Specialty vehicle includes ambulances, fire trucks, garbage trucks, hearses, limousines, school buses, street sweepers, vacuum trucks, wreckers, and other similar limited purpose vehicles. Specialty vehicle does not include motor homes as defined in this Section.

~~(54)~~(76) "Specialty vehicle dealer" means any person who holds a bona fide franchise in effect with a converter or second stage manufacturer of specialty vehicles and a license under the provisions of this Chapter or a subsidiary of any such entity. Such duly franchised and licensed specialty vehicle dealer shall be the

sole person entitled to sell, publicly solicit, and advertise the sale of specialty vehicles.

~~(55)~~(77) "Subsidiary" shall mean any person engaged in the selling or leasing of motor vehicles, recreational products, or specialty vehicles, in which a majority of the ownership interests of such entity is owned by a holder of a license issued by the commission.

~~(56)~~(78) "Tow dolly" means a trailer equipped with one or more axles designed to connect to a tow bar on the rear of a motor vehicle that is used to tow another vehicle and is not a type of towable equipment as defined in this Chapter. The front or rear wheels of the towed vehicle are secured to and rest upon the tow dolly.

~~(57)~~(79) "Towable equipment" means equipment that is permanently affixed to or integrated upon a trailer intended for use when the trailer is not traveling on a road and where its capability for road travel or transport of other property is incidental or secondary to the primary operational purpose of the equipment including but not limited to towable signage, message boards, generators, lighting tower masts, speed monitoring and traffic cameras, air compressors, water pumps, crash attenuators, or road maintenance equipment such as a pothole patcher or a chipper brush. "Towable equipment" does not include portable facilities primarily intended for human or animal occupancy, hygiene, or similar accommodations, including but not limited to portable toilets, livestock trailers, and enclosed facilities for food service preparation and distribution.

~~(58)~~(80) "Trailer" means every single vehicle without motive power designed for carrying property or passengers wholly on its own structure, drawn by a motor vehicle which carries no part of the weight and load of the trailer on its own wheels and having one or more load carrying axles including but not limited to utility trailers, boat trailers, recreational trailers, semitrailers, livestock trailers, tow dollies and dump trailers, and excluding towable equipment as defined in this Chapter.

~~(59)~~(81) "Trolling motor" means any self-contained unit composed of an electric motor, propeller, and controls that may be affixed to a boat and that acts as

a source, but not typically the primary source, of propulsion for the boat.

~~(60)~~(82) "Ultimate purchaser" means, with respect to any new motor vehicle, recreational product, or specialty vehicle, the first person, other than a motor vehicle, recreational products or specialty vehicle dealer purchasing in his capacity as a dealer, who in good faith purchases such new motor vehicles, recreational products, or specialty vehicles for purposes other than resale.

~~(61)(a)~~ "Used marine dealer" means any person whose business is to sell, or offer for sale, display, or advertise used marine products, or any person who holds a license from the commission and is not excluded by Subparagraph (b) of this Paragraph:

~~(b)~~ "Used marine dealer" shall not include any of the following:

~~(i)~~ Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

~~(ii)~~ Public officers while performing their official duties.

~~(iii)~~ Employees of persons, corporations, or associations defined as "used marine dealers" when engaged in the specific performance of their duties as such employees.

~~(iv)~~ Mortgagees or secured parties as to sales of marine products constituting collateral on a mortgage or security agreement and who do not maintain a used car lot or building with one or more employed marine product salesman.

~~(v)~~ Insurance companies who sell motor vehicles to which they have taken title as an incident of payments made under policies of insurance and who do not maintain a used car lot or building with one or more employed marine product salesman.

~~(vi)~~ Used motor vehicle dealers licensed pursuant to R.S. 32:781 et seq.

~~(62)~~(83) "Used marine product" means a marine product, the legal title of which has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser.

~~(63) "Used marine product facility" means any facility which is owned and operated by a licensee of the commission and offers for sale used marine products.~~

~~(64)(84) "Used motorcycle or all-terrain vehicle" means a motorcycle or all-terrain vehicle, the legal title of which has been transferred by a manufacturer, distributor, or motorcycle or all-terrain vehicle dealer to an ultimate purchaser.~~

~~(65)(a) "Used motorcycle or all-terrain vehicle dealer" means any person whose business is to sell, or offer for sale, display, or advertise used motorcycles or all-terrain vehicles, or any person who holds a license from the commission and is not excluded by Subparagraph (b) of this Paragraph.~~

~~(b) "Used motorcycle or all-terrain vehicle dealer" shall not include any of the following:~~

~~(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.~~

~~(ii) Public officers while performing their official duties.~~

~~(iii) Employees of persons, corporations, or associations enumerated in the definition of "used motorcycle or all-terrain vehicle dealer" when engaged in the specific performance of their duties as such employees.~~

~~(iv) Mortgagees or secured parties as to sales of motorcycles or all-terrain vehicles constituting collateral on a mortgage or security agreement and who do not maintain a used car lot or building with one or more employed motorcycle or all-terrain vehicle salesman.~~

~~(v) Insurance companies who sell motorcycles or all-terrain vehicles to which they have taken title as an incident of payments made under policies of insurance and who do not maintain a used car lot or building with one or more employed motorcycle or all-terrain vehicle salesman.~~

~~(vi) Used motorcycle or all-terrain vehicle dealers licensed pursuant to R.S. 32:781 et seq.~~

~~(66) "Used motorcycle or all-terrain vehicle facility" means any facility which is owned and operated by a licensee of the commission and offers for sale used motorcycles or all-terrain vehicles.~~

~~(67)~~(85) "Used motor vehicle" means a motor vehicle, recreational product, or specialty vehicle, the legal title of which has been transferred by a ~~manufacturer, distributor, or~~ motor vehicle, recreational products, or specialty vehicle dealer to an ultimate purchaser.

~~(68)~~(86)(a) "Used motor vehicle dealer" means any person ~~whose business is to sell, or offer for sale, display, or advertise used motor vehicles, recreational products, or specialty vehicles, or any person who holds a license from the commission and is not excluded by Subparagraph (b) of this Paragraph who, for a commission or with intent to make a profit or gain of money or other thing of value, buys, sells, exchanges, offers, or attempts to negotiate a sale or exchange of an interest in used motor vehicles and who is engaged wholly or in part in the business of buying and selling used motor vehicles, whether such used motor vehicles are owned by such person and whether the used motor vehicles are sold from a dealership location or through any form of advertising, including but not limited to the internet. A person shall be presumed to be engaged in the business of selling used motor vehicles if he sells five or more used motor vehicles in any twelve-month period which vehicles are not registered to and insured by members of the individual's household, immediate family members, or legal entities in which the individual has an ownership interest or which employ the individual. An entity shall be presumed to be engaged in the business of selling used motor vehicles if the entity sells five or more used motor vehicles which are not registered to and insured by the entity or by an entity affiliated with the entity receiving anything of value.~~

(b) "Used motor vehicle dealer" shall not include any of the following:

(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

(ii) Public officers while performing their official duties.

(iii) Employees of persons, corporations, or associations enumerated in the definition of "used motor vehicle dealer" when engaged in the specific performance of their duties as such employees.

(iv) Mortgagees or secured parties as to sales of motor vehicles constituting

collateral on a mortgage or security agreement and who do not maintain a used car lot or building with one or more employed motor vehicle salesman.

(v) Insurance companies who sell motor vehicles to which they have taken title as an incident of payments made under policies of insurance and who do not maintain a used car lot or building with one or more employed motor vehicle salesman.

~~(vi) Used motor vehicle dealers licensed pursuant to R.S. 32:781 et seq.~~  
Auctioneers or auction houses who are not engaged in the auction of used motor vehicles as the principal part of their business, including but not limited to the following auctions: estate auctions, bankruptcy auctions, farm equipment auctions, or government auctions.

~~(69)(87)(a) "Used motor vehicle facility" means any facility which is owned and operated by a licensee of the commission and offers for sale used motor vehicles, recreational products, or specialty vehicles~~ licensed motor vehicle dealer, recreational products dealer, motor vehicle lessor, or specialty vehicle dealer at a location other than their licensed motor vehicle dealer, recreational products dealer, motor vehicle lessor, or specialty vehicle dealer location and whose business is to sell, or offer for sale, display, or advertise used motor vehicles, recreational products, or specialty vehicles, and is not excluded by Subparagraph (b) of this Paragraph.

(b) "Used motor vehicle facility" shall not include any of the following:

(i) Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

(ii) Public officers while performing their official duties.

(iii) Employees of persons, corporations, or associations enumerated in the definition of "used motor vehicle facility" when engaged in the specific performance of their duties as such employees.

(iv) Mortgagees or secured parties as to sales of motor vehicles constituting collateral on a mortgage or security agreement and who do not maintain a used car lot or building with one or more employed motor vehicle salesman.

(v) Insurance companies who sell motor vehicles to which they have taken

title as an incident of payments made under policies of insurance and who do not maintain a used car lot or building with one or more employed motor vehicle salesman.

(vi) Auctioneers or auction houses who are not engaged in the auction of used motor vehicles as the principal part of their business, including but not limited to estate auctions, bankruptcy auctions, farm equipment auctions, or government auctions.

(88) "Used motor vehicle salesperson" means any natural person employed by an used motor vehicle dealer, used motor vehicle facility, daily rental dealer, motor vehicle crusher, rent-to-own dealer, dismantler and parts recycler, public or retail motor vehicle auctions, wholesale motor vehicle auctions, or salvage pools that deal in used motor vehicles, catalytic converter dealer as defined in R.S. 37:1892, or dealer in used parts and accessories of motor vehicles licensed by the commission whose duties include the selling, offering for sale, or negotiation to sell a used motor vehicle or used parts and accessories of motor vehicles, including those engaged in management or finance and insurance on behalf of said licensee, or renting, offering for rent, or negotiating to rent a used motor vehicle on behalf of said licensee. For the purposes of this Chapter, "compensation" means anything of value including money, merchandise, rebates on purchases, trading stamps, or any other thing of value.

~~(70)~~(89) "Used recreational vehicle" means a recreational vehicle, the legal title of which has been transferred by a ~~manufacturer, distributor, or recreational vehicle dealer~~ to an ultimate purchaser.

~~(71)(a) "Used recreational vehicle dealer" means any person whose business is to sell, or offer for sale, display, or advertise used recreational vehicles, or any person who holds a license from the commission and is not excluded by Subparagraph (b) of this Paragraph:~~

~~(b) "Used recreational vehicle dealer" shall not include any of the following:~~

~~(i) Receivers, trustees, administrators, executors, guardians, or other persons~~

~~appointed by or acting under the judgment or order of any court.~~

~~(ii) Public officers while performing their official duties.~~

~~(iii) Employees of persons, corporations, or associations enumerated in the definition of "used recreational vehicle dealer" when engaged in the specific performance of their duties as such employees.~~

~~(iv) Mortgagees or secured parties as to sales of recreational vehicles constituting collateral on a mortgage or security agreement and who do not maintain a used car lot or building with one or more employed recreational vehicle salesman.~~

~~(v) Insurance companies who sell recreational vehicles to which they have taken title as an incident of payments made under policies of insurance and who do not maintain a used car lot or building with one or more employed recreational vehicle salesman.~~

~~(vi) Used recreational vehicle dealers licensed pursuant to R.S. 32:781 et seq.~~

~~(72) "Used recreational vehicle facility" means any facility which is owned and operated by a licensee of the commission and offers for sale used recreational vehicles.~~

(90) "Used wrecker" means a truck, the legal title of which has been transferred, by a motor vehicle and specialty vehicle dealer to an ultimate purchaser, with a hoist and towing apparatus used in towing wrecked or disabled vehicles.

(91) "Used parts and accessories" means any item removed from a used motor vehicle for the purpose of resale.

~~(73)~~(92) "Vehicle" means any motor vehicle, specialty vehicle, or recreational product subject to regulation by this Chapter.

~~(74)~~(93) "Watercraft" means any contrivance used or designated for navigation on water, including but not limited to a personal watercraft as defined in R.S. 34:855.2.

(94) "Water-damaged vehicle" means any new or used motor vehicle, or specialty vehicle, or recreational product whose power train, computer, or electrical system has been damaged by flooding.

(95) "Wholesale motor vehicle auction" means the act of any person, partnership, corporation, limited liability company, or other entity engaging in, for a commission, compensation, or other consideration, the business of providing wholesale vehicle auction services at an established place of business which is open exclusively to licensed motor vehicle dealers, recreational product dealers, dismantlers, and parts recyclers.

~~(75)~~(96) "Wrecker" means any motor vehicle equipped with a boom or booms, winches, slings, tilt beds, or similar equipment designed for towing or recovery of vehicles and other objects which cannot operate under their own power or for some reason must be transported by means of towing.

§1253. Motor Vehicle Commission; appointment and qualifications of members; terms of office; organization; oath; official bond; compensation; powers and duties; dispute resolution panel

A. The Louisiana ~~Motor~~ Vehicle Commission is hereby created within the office of the governor and shall be composed of ~~eighteen~~ twenty-three members appointed by the governor, as follows:

(1) A chairman of the commission shall be appointed from the state at large. ~~Fourteen~~ Ten members shall be appointed in such manner that ~~at least one shall be from each of the commission districts as listed below:~~ one licensed franchised motor vehicle dealer and one licensed used motor vehicle dealer represents each of the five public service commission districts.

~~(a) Commission District 1 shall consist of the following parishes: Orleans, Plaquemines, St. Bernard, St. Tammany, and Washington.~~

~~(b) Commission District 2 shall consist of the following parishes: Jefferson, St. Charles, St. John, St. James, and Tangipahoa.~~

~~(c) Commission District 3 shall consist of the following parishes: East Baton Rouge, West Baton Rouge, Iberville, Ascension, East Feliciana, West Feliciana, St. Helena, Livingston, Assumption, and Pointe Coupee.~~

~~(d) Commission District 4 shall consist of the following parishes: Richland, Franklin, Union, Lincoln, Jackson, Winn, Caldwell, Ouachita, Morehouse, West~~

~~Carroll, East Carroll, and Madison.~~

~~(e) Commission District 5 shall consist of the following parishes: Caddo, Bossier, Webster, DeSoto, Red River, Bienville, Claiborne, and Sabine.~~

~~(f) Commission District 6 shall consist of the following parishes: Rapides, Grant, LaSalle, Catahoula, Concordia, Avoyelles, Vernon, Tensas, and Natchitoches.~~

~~(g) Commission District 7 shall consist of the following parishes: Beauregard, Allen, Calcasieu, Cameron, Jefferson Davis, Acadia, and Evangeline.~~

~~(h) Commission District 8 shall consist of the following parishes: Lafayette, St. Landry, St. Martin, St. Mary, Iberia, Terrebonne, Lafourche, and Vermilion.~~

(2)(a) Of the ~~eighteen~~ twenty-three members appointed pursuant to this Subsection, ~~fifteen~~ twenty members shall meet all of the following qualifications:

(i) Has held an active license issued by the commission or by its previous Louisiana licensing commission for at least five consecutive years immediately prior to the appointment.

\* \* \*

(b) Among the ~~fifteen~~ twenty members, there shall be representation from the following:

\* \* \*

(vii) At least one member shall be primarily engaged in dismantlers, recyclers, or auctions.

(viii) At least one member shall be primarily engaged in used vehicle sales.

(ix) At least one member shall be primarily engaged in new vehicle sales.

\* \* \*

(4)

\* \* \*

(b) The dispute resolution panel shall exclusively exercise the adjudicatory authority of the commission, including the power to issue subpoenas, compel the attendance of witnesses, administer oaths, receive evidence in connection with any hearing or other proceeding within its jurisdiction, and render final decisions. This authority includes the power to order remedies and impose fines as authorized by this

Chapter and Chapter 6-A of this Title, ~~and Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37~~ of the Louisiana Revised Statutes of 1950.

(c) The jurisdiction of the dispute resolution panel shall include all disputes, protests, complaints, or other contested matters involving licensees of the commission and also matters involving any person or entity operating without a required license, including those subject to licensure pursuant to this Chapter and Chapter 6-A of this Title, ~~and Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37~~ of the Louisiana Revised Statutes of 1950.

\* \* \*

C. The chairman and members of said commission shall receive ~~forty~~ one-hundred dollars per diem for each and every day necessarily spent in conducting the business of the commission, with an increased per diem of two-hundred per day to reimburse lodging expenses when travel more than 75 miles, and shall be reimbursed for actual expenses incurred in the performance of their duties under this Chapter, ~~and Chapter 6-A of this Title, and Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37~~ of the Louisiana Revised Statutes of 1950.

D. The commission shall appoint a qualified person to serve as executive director thereof, to serve at the pleasure of the commission and shall fix his salary and shall define and prescribe his duties. The executive director shall be in charge of the commission's office and shall devote such time to the duties thereof, as may be necessary. Said commission may employ such clerical and professional help and incur such expenses as may be necessary for the proper discharge of its duties under this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950. The commission shall maintain its primary office and transact its business in Jefferson Parish, and it is authorized to adopt and use a seal. The commission may, at its discretion, utilize additional offices, in other parishes.

E. The commission is hereby vested with the powers and duties necessary and proper to enable it to fully and effectively carry out the provisions and objects of this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of

Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950 and is hereby authorized and empowered to make and enforce all reasonable rules and regulations and to adopt and prescribe all forms necessary to accomplish said purpose, and the enumeration of any power or authority herein shall not be construed to deny, impair, disparage, or limit any others necessary to the attainment thereof, provided no rule or regulation of the commission, ~~including but not limited to Chapter 7 (Advertising) of Subpart 1 of Part V of Title 46, comprised of LAC 46:V:701 through 741, of the Louisiana Administrative Code,~~ shall prohibit a ~~dealer~~ licensee from making a monetary donation or contribution that does not directly involve the sale or lease of a motor vehicle in connection with an advertising campaign. A copy of all rules and regulations adopted by the commission shall be published in the Louisiana Administrative Code, as they may be amended, modified, or repealed from time to time.

F. All fees and charges under the provisions of this Chapter shall be collected and received by the executive director of the commission and shall be disbursed by him at the direction of the commission in administering and enforcing the provisions of this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950.

G. All expenses incurred by the commission in carrying out the provisions of this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, including but not limited to per diem, wages, salaries, rent, postage, supplies, bond premiums, travel and subsistence, and printing and utilities, shall be a proper charge against said fund.

\* \* \*

I. The commission shall have exclusive authority to:

(1) Take possession of certificates of title and further distribute those titles to the rightful owners pursuant to R.S. 32:705 from:

(a) A used motor vehicle dealer or used motor vehicle facility who has failed or refused to provide a certificate of title to his customer or to the rightful owners pursuant to R.S. 32:705.

(b) A floor plan financier or other similar holder of a security interest relative to a used motor vehicle who has failed or refused to provide a certificate of title to a bona fide retail purchaser in actual good faith in accordance with R.S. 32:710(D).

(2) Empower the executive director take any and all actions necessary to obtain and deliver a certificate of title to a retail purchaser in actual good faith including instituting or participating in any legal action to obtain a certificate of title and endorsing a certificate of title on behalf of any used motor vehicle dealer or used motor vehicle facility who either refuses or is unavailable to sign or endorse the certificate of title.

(a) If the commission institutes or participates in a legal action to obtain a certificate of title for delivery to a retail purchaser in actual good faith, the commission is entitled to an award of reasonable attorney fees and court costs to be paid by the individual or entity responsible for delivery of the certificate of title.

(3) Administer all claims made against the bond required by this Chapter, including the denial or rejection of any claim.

(a) The executive director of the commission is authorized to take any action necessary to administer claims against any bond, including instituting or intervening in legal action to obtain payment of a claim or to prevent payment of an unauthorized claim.

(4) Hear complaints filed by a consumer against a licensee through an informal process on the following but not limited to a condition of sale, implied and written warranties, collection of fees and taxes, and disclosures. The commission may issue remedies to resolve the consumer complaint, which may include ordering restitution, delivery of title and registration, and repurchase of vehicle. The intent of restitution is to restore the complainant to their position as it existed prior to the licensee's violation.

J.(1) The commission may assess restitution against the licensee in favor of the consumer if the licensee agrees by stipulation to the violation and the amount of restitution, or if, after an adjudication hearing on the violation, the dispute resolution

panel finds the dealer has committed violations of this Chapter.

(2) Restitution may only be assessed for the actual loss suffered by the consumer based on reliable proof provided by the consumer who is the complainant of the actual loss. Restitution may only be awarded for compensatory or actual loss incurred by the complainant as a direct result of the licensee's violation and shall not include general damages.

(3) The dispute resolution panel may order restitution only through the formal adjudication hearing and only upon proof submitted by the consumer who is the complainant of the actual loss.

K. If the commission institutes or intervenes in any legal action as authorized by this Chapter, Chapter 6-A of this Title, and Chapter 10-B of Title 6 and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes as amended and prevails, the court shall award the commission reasonable attorney fees and court costs to be paid by the licensee, surety, or both.

§1254. Application for license; requirements for licensure; contents; licenses; franchise filings; exceptions

A. The following persons shall be licensed by the commission in order to engage in business in the state of Louisiana, regardless of whether or not said person maintains or has a place or places of business in this state, and it is a violation of this Chapter to operate without first obtaining a license:

\* \* \*

~~(6) Used motor vehicle facilities operated by new motor vehicles dealers, motor vehicle lessors, specialty vehicles dealers, or recreational products dealers.~~

\* \* \*

(20) Dismantler and parts recycler.

(21) Daily rental dealer.

(22) Public or retail motor vehicle auctions, wholesale motor vehicle auctions, or salvage pools that deal in used motor vehicles.

(23) Catalytic converter dealer, as defined in R.S. 37:1892.

(24) Motor vehicle crusher.

- (25) Rent-to-own dealer.
- (26) Used motor vehicle dealer.
- (27) Used motor vehicle salesman.
- (28) Dealer in used parts and accessories of motor vehicles.
- (29) Vehicle protection product warrantor or warrantor, as defined in R.S.

32:1272.

- (30) Motor vehicle sales finance pursuant to Chapter 10-B of Title 6.
- (31) Administrator as defined in R.S. 6:969.6.
- (32) Salesman or agent as defined in R.S. 6:969.6.

B.(1)~~(a)~~ All applications for license or licenses shall be accompanied by the appropriate fee or fees in accordance with the schedule set out in R.S. 32:1255. All such fees shall be nonrefundable. ~~Except as provided in Subparagraph (b) of this Paragraph and Paragraph (2) of this Subsection, all~~ All licenses issued under the provisions of this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950 in accordance with the geographical location of the licensee will be for the year beginning and ending as follows:

- ~~(i) 1st Commission District--April 1 through March 31.~~
- ~~(ii) 2nd Commission District--May 1 through April 30.~~
- ~~(iii) 3rd Commission District--June 1 through May 31.~~
- ~~(iv) 4th Commission District--July 1 through June 30.~~
- ~~(v) 5th Commission District--August 1 through July 31.~~
- ~~(vi) 6th Commission District--September 1 through August 31.~~
- ~~(vii) 7th Commission District--October 1 through September 30.~~
- ~~(viii) 8th Commission District--November 1 through October 31.~~

~~(b) Commencing January 1, 2011, licenses shall be issued for a term of two years initially staggering the two-year license so Commission Districts 1, 3, 5, and 7 will be issued a one-year license in 2011 and a two-year license thereafter.~~

~~Recreational product license fees shall be prorated to cover the period from December 31, 2010, until license renewal.~~

(a) Licensing District 1 shall consist of the following parishes: Orleans, Plaquemines, St. Bernard, St. Tammany, and Washington. April 1st through March 31st.

(b) Licensing District 2 shall consist of the following parishes: Jefferson, St. Charles, St. John, St. James, and Tangipahoa. May 1st through April 30th.

(c) Licensing District 3 shall consist of the following parishes: East Baton Rouge, West Baton Rouge, Iberville, Ascension, East Feliciana, West Feliciana, St. Helena, Livingston, Assumption, and Pointe Coupee. June 1st through May 31st.

(d) Licensing District 4 shall consist of the following parishes: Richland, Franklin, Union, Lincoln, Jackson, Winn, Caldwell, Ouachita, Morehouse, West Carroll, East Carroll, and Madison. July 1st through June 30th.

(e) Licensing District 5 shall consist of the following parishes: Caddo, Bossier, Webster, DeSoto, Red River, Bienville, Claiborne, and Sabine. August 1st through July 31st.

(f) Licensing District 6 shall consist of the following parishes: Rapides, Grant, LaSalle, Catahoula, Concordia, Avoyelles, Vernon, Tensas, and Natchitoches. September 1st through August 31st.

(g) Licensing District 7 shall consist of the following parishes: Beauregard, Allen, Calcasieu, Cameron, Jefferson Davis, Acadia, and Evangeline. October 1st through September 30th.

(h) Licensing District 8 shall consist of the following parishes: Lafayette, St. Landry, St. Martin, St. Mary, Iberia, Terrebonne, Lafourche, and Vermilion. November 1st through October 31st.

~~(2) The license of any recreational products dealer shall expire December 31, 2010, and the license of any licensee who does not maintain a place of business in this state shall expire on December thirty-first of each year.~~

(2) The term of licenses issued pursuant to this Chapter shall be as follows:

(a) Any licensee who maintains a place of business in this state shall be

issued a license for a two-year term.

(b) Any licensee who does not maintain a place of business in this state license shall expire on December 31st of each year.

(c) For those licensees located in Louisiana with licenses expiring on December 31st, the license fees shall be prorated to cover the period from December 31st, until the license renewal. The provisions of this Subsection shall not occur until the commission's technical infrastructure can support this change.

C. General licensing and compliance requirements for all license applicants and holders:

\* \* \*

(13) Any licensee that ceases to maintain its business shall surrender the license to the commission within ten days of cessation and any failure to do so shall constitute a violation of this Chapter.

(14) A change in corporate ownership or majority ownership, the name of a licensee, the dealer-operator, or control shall require the licensee to submit a fee in accordance with R.S. 32:1255 and file an amendment application which shall contain such information and requirements as the commission deems necessary to amend, update and issue a license reflecting the change. The requirement to designate the dealer-operator is for motor vehicle and recreational product dealers.

(a) The amendment application and all requirements shall be submitted within five business days of the change, or a late filing penalty fee may be assessed, in addition to a civil penalty pursuant to this Chapter.

(b) Notwithstanding the provisions of this Subsection, a licensed motor vehicle or recreational products dealer shall not be required to submit an amendment application for and issue a license if ownership interests in the dealership changes among existing family member owners, as long as the identity of the majority owner does not change, no additional persons are added as owners, and all changes in ownership interest are declared in the renewal application. For the purposes of this Subparagraph, "family member owners" shall include the majority owner's children, the spouses of his children, his brothers and their spouses, his sisters and their

spouses, parents, his spouse, the parents of his spouse, and his grandchildren.

(15) A change in location of a licensee shall require a new license and application.

D. Additional licensing and compliance requirements for manufacturers, distributors, wholesalers, converters or secondary manufacturers, distributors or wholesalers, factory branches, ~~and distributor branches,~~ and converter branches:

\* \* \*

(4)

\* \* \*

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a licensee, or a change by a licensee in the makes, models, or classifications, requiring an addendum to a franchise agreement, of motor vehicles, recreational products, or specialty vehicles manufactured, distributed, or converted, or the addition of a make of motor vehicle or recreational product manufactured, distributed, or converted shall require a new license and application therefor.~~

\* \* \*

E.

\* \* \*

(2) All motor vehicle and recreational products dealers must provide a suitable office and have a permanently affixed sign, at a minimum of sixteen square feet, in front of the establishment of offices which denotes that vehicles are offered for sale, lease or rent at the location to which the sign is affixed.

\* \* \*

(9)(a) The license issued to each motor vehicle or recreational products dealer shall specify the location of the office and the makes, models, or classifications of motor vehicles or recreational products to be sold, and the name of the dealer-operator. The license issued to a motor vehicle dealer shall specify the licensee's established place of business. The license of a motor vehicle or recreational products dealer shall be posted in a conspicuous place in the licensed location.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a licensee, or a change by a licensee in the makes, models, or classifications, requiring an addendum to a franchise agreement, of motor vehicles or recreational products sold, or the addition of a make of motor vehicles or recreational products sold or a change in the designation of the dealer-operator shall require a new license and application therefor.~~

~~(c) Notwithstanding the provisions of Subparagraph (b) of this Paragraph, a licensed motor vehicle or recreational products dealer shall not be required to submit an application for and obtain a new license if ownership interests in the dealership changes among existing family member owners, as long as the identity of the majority owner does not change, no additional persons are added as owners, and all changes in ownership interest are declared in the renewal application. For the purposes of this Subparagraph, "family member owners" shall include the majority owner's children, the spouses of his children, his brothers and their spouses, his sisters and their spouses, parents, his spouse, the parents of his spouse, and his grandchildren.~~

~~(d)~~(c) Notwithstanding any other provisions of law to the contrary, any motor vehicle or recreational products dealer holding a license hereunder shall not be required to obtain a license as a motor vehicle lessor, used motor vehicle dealer, or specialty vehicle dealer or converter, when modifying or selling those vehicles or products he is duly franchised and licensed to sell, provided such operations are conducted from the location from which such motor vehicle or recreational products dealer is licensed to do business.

~~(10)(a) Before any motor vehicle or recreational products dealer license is issued to an applicant under the provisions of this Chapter, a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in Louisiana as surety, in the sum of twenty thousand dollars, shall be delivered to the commission. Applicants for and holders of motor vehicle dealer or recreational products dealer licenses shall obtain and maintain~~  
bonds in accordance with the provisions of this Chapter.

~~(b) Such bond shall be in a form to be approved by the commission and shall be conditioned so that the licensee shall comply with the conditions of any written contract made by such licensee and shall not violate any of the provisions of this Chapter or any other law of Louisiana in the conduct of the business for which he is licensed. Such bond shall be made payable to the secretary of the Department of Public Safety and Corrections or to his successor in office, for the use, benefit, and indemnity of any persons who shall suffer any loss as a result of any violation of the conditions hereinabove contained. Such bond shall be for the license period and a new bond or a proper continuation certificate shall be delivered to the commission at the beginning of each license period. However, the aggregate liability of the surety in any one year shall in no event exceed the sum of such bond. Failure to maintain such bond shall result in the immediate suspension of the license, which suspension shall be effective as of the date of the failure to maintain the bond until proof of the required bond is furnished to the commission. Should no proof of a bond be furnished to the commission within thirty days, the license shall be revoked.~~

\* \* \*

(12) Every application for the issuance of a motor vehicle dealer or recreational product dealer license shall be accompanied by a certificate, as required by the commission pursuant to the provisions of this Chapter, showing that the applicant has completed an approved educational seminar when the commission implements such requirement.

(13) All licensees referenced in this Subsection shall maintain their records for a period of three years and keep their records, vehicles, and places of business open to inspection by the commission during reasonable hours. Such records shall include all documentation pertaining to the buying and selling of vehicles, monthly sales reports, and any other requirements as defined in promulgated rules. The records may be retained electronically.

(14) All licensees of this Subsection may advertise only under the name that appears on their franchise or dealer agreement and dealer license issued by the commission.

F. Additional licensing and compliance requirements for used motor vehicle facilities and used motor vehicle dealers ~~operated by new motor vehicle dealers, motor vehicle lessors and specialty vehicle dealers:~~

(1) The commission shall also require, in all used motor vehicle facility and used motor vehicle dealer applications or otherwise, information relating to the applicant's financial standing and whether the applicant has an established place of business.

(2) All used motor vehicle facilities and used motor vehicle dealers licensed by the commission must provide a suitable office and have a permanently affixed sign, at a minimum of sixteen square feet, in front of the establishment, which denotes that vehicles are offered for sale at the location to which the sign is affixed. Used motor vehicle dealers and used motor vehicle facilities shall maintain an office reasonably suited to conduct the business of a used motor vehicle dealership and shall have an enclosed building or structure easily accessible to the public at which place the books, records, files and electronic data shall be maintained for inspection.

(3) All used motor vehicle facilities and used motor vehicle dealers licensed by the commission must have a useable telephone at the place of business, the number of which should be listed on the application for license and in a local directory accessible to the public. The commission must be notified of any change in the telephone number.

(4) All used motor vehicle facilities and used motor vehicle dealers licensed by the commission shall furnish, in their application for license pursuant to this Chapter, evidence the applicant has insurance covering its place of business and its operation that complies with the financial responsibility laws of this state and as determined by the applicant and its insurance agent, that is necessary to provide coverage to the place and nature of the business sought to be licensed to protect the applicant and the consumers of this state. Such insurance shall be maintained throughout the period of licensure. All used motor vehicle facilities and used motor vehicle dealers are required to furnish and keep in force a garage liability policy, which would provide coverage for all vehicles offered for sale or used in any other

capacity in demonstrating or utilizing the streets and roadways in accordance with the financial responsibility laws of this state. Failure to maintain such insurance shall result in the immediate suspension of license, which suspension shall be effective as of the date of the failure to maintain such insurance coverage until proof of the required insurance is furnished to the commission. Should no proof of insurance be furnished to the commission within thirty days, the license of such licensee shall be revoked.

(5) In determining whether or not to issue a license to a used motor vehicle facility and used motor vehicle dealer licensed by the commission, the commission shall also consider the financial standing of the used motor vehicle facility and the adequacy of the used motor vehicle facility's established place of business for the purpose for which a license is sought, the effect on the used motor vehicle sales business and the consuming public in the state of Louisiana.

(6)(a) The license issued to any used motor vehicle facility and used motor vehicle dealer licensed by the commission shall specify the location of such licensee's established place of business. The license of a used motor vehicle facility and used motor vehicle dealer shall be posted in a conspicuous place in the licensed location.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a used motor vehicle facility licensed by the commission shall require a new license and application therefor.~~

(7) Applicants for and holders of used motor vehicle dealer or used motor vehicle facility licenses shall obtain and maintain bonds in accordance with the ~~following provisions:~~ provisions of this Chapter.

(8) Every application for the issuance of a used motor vehicle dealer facility or used motor vehicle dealer license shall be accompanied by a certificate, as required by the commission pursuant to the provisions of this Chapter, showing that the applicant has completed an approved educational seminar when the commission implements such requirement.

(9) All licensees shall maintain their records for a period of three years and keep their records, vehicles, and places of business open for inspection by the commission during reasonable hours. Such records shall include all documentation pertaining to the buying and selling of vehicles, monthly sales reports, and any other requirements as defined by promulgated rules. The records may be retained electronically.

(10) Used motor vehicle facilities and used motor vehicle dealers may advertise only under the name that appears on the license issued by the commission.

G. Additional licensing and compliance requirements for satellite warranty and repair centers.

\* \* \*

(5)(a) The license issued to any satellite warranty and repair center shall specify the location of such satellite warranty and repair center's established place of business.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a satellite warranty and repair center shall require a new license and application therefor.~~

\* \* \*

(7) Applicants for and holders of satellite warranty and repair center licenses shall obtain and maintain bonds in accordance with ~~the following provisions:~~ this Chapter.

~~(a) Before any satellite warranty and repair center license is issued to an applicant under the provisions of this Chapter, a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in Louisiana as surety, in the sum of twenty thousand dollars, shall be delivered to the commission.~~

~~(b) Such bond shall be in a form to be approved by the commission and shall be conditioned so that the licensee shall comply with the conditions of any written contract made by such licensee and shall not violate any of the provisions of this Chapter or any other law of Louisiana in the conduct of the business for which he is~~

~~licensed. Such bond shall be made payable to the secretary of the Department of Public Safety and Corrections or to his successor in office, for the use, benefit, and indemnity of any persons who shall suffer any loss as a result of any violation of the conditions hereinabove contained. Such bond shall be for the license period and a new bond or a proper continuation certificate shall be delivered to the commission at the beginning of each license period. However, the aggregate liability of the surety in any one year shall in no event exceed the sum of such bond. Failure to maintain such bond shall result in the immediate suspension of the license, which suspension shall be effective as of the date of the failure to maintain the bond until proof of the required bond is furnished to the commission. Should no proof of a bond be furnished to the commission within thirty days, the license shall be revoked.~~

(8) The licensee shall maintain his records for a period of three years and keep their records, vehicles, and places of business open for inspection by the commission during reasonable hours. Such records shall include all documentation pertaining to the warranty and repair of the vehicle and any other requirements as defined by promulgated rules. The records may be retained electronically.

H. Additional licensing and compliance requirements for brokers.

\* \* \*

(4)(a) The license issued to any broker shall specify the location of such broker's established place of business.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a broker shall require a new license and application therefor.~~

\* \* \*

(6) Applicants for and holders of broker licenses shall obtain and maintain bonds in accordance with the following provisions: this Chapter.

~~(a) Before any broker license is issued to an applicant under the provisions of this Chapter, a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in Louisiana as surety, in the sum of twenty thousand dollars, shall be delivered to the commission.~~

~~(b) Such bond shall be in a form to be approved by the commission and shall be conditioned so that the licensee shall comply with the conditions of any written contract made by such licensee and shall not violate any of the provisions of this Chapter or any other law of Louisiana in the conduct of the business for which he is licensed. Such bond shall be made payable to the secretary of the Department of Public Safety and Corrections or to his successor in office, for the use, benefit, and indemnity of any persons who shall suffer any loss as a result of any violation of the conditions hereinabove contained. Such bond shall be for the license period and a new bond or a proper continuation certificate shall be delivered to the commission at the beginning of each license period; however, the aggregate liability of the surety in any one year shall in no event exceed the sum of such bond. Failure to maintain such bond shall result in the immediate suspension of the license, which suspension shall be effective as of the date of the failure to maintain the bond until proof of the required bond is furnished to the commission. Should no proof of a bond be furnished to the commission within thirty days, the license shall be revoked.~~

~~(7) A person acting as a broker in a transaction involving the sale for purposes other than resale, of a used motor vehicle must be licensed and regulated under the provisions of Chapter 4-B of Title 32 of the Louisiana Revised Statutes of 1950. A broker shall provide the commission with a copy of the broker's agreement.~~

~~(8) Compensation shall be paid by the consumer to the broker. The broker cannot be paid by the motor vehicle dealer, recreational products dealer, specialty vehicle dealer, used motor vehicle dealer, or used motor vehicle facility.~~

~~(9) A broker may only advertise under the name that appears on the broker's license issued by the commission.~~

~~(10) A broker shall maintain records for a period of three years and keep his records open for inspection by the commission. Such records shall include all documentation pertaining to the brokering of a vehicle and any other requirements as defined by promulgated rules.~~

I. Additional licensing and compliance requirements for motor vehicle lessor franchisors.

\* \* \*

(4)(a) The license issued to any motor vehicle lessor franchisor shall specify the location of such motor vehicle lessor franchisor's established place of business.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a motor vehicle lessor franchisor shall require a new license and application therefor.~~

\* \* \*

J. Additional licensing and compliance requirements for motor vehicle lessors:

\* \* \*

(6)(a) The license issued to a motor vehicle lessor shall specify the licensee's established place of business.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a motor vehicle lessor shall require a new license and application therefor.~~

\* \* \*

(8) Applicants for and holders of motor vehicle lessor licenses shall obtain and maintain bonds in accordance with the provisions of this Chapter.

(9) All motor vehicle lessors shall maintain records one year after the motor vehicle lessor received the final payment from the lessee or renter pursuant to the lease agreement or rental agreement. Such records shall include all documentation, which may be retained electronically, pertaining to the leasing and renting of vehicles and any other requirements as defined by promulgated rules.

(10) Motor vehicle lessors may advertise only under the name that appears on the motor vehicle lessor license issued by the commission.

(11) A motor vehicle lessor shall submit a copy of the leasing or rental agreement to the commission.

K. Additional licensing and compliance requirements for motor vehicle lease facilitators.

\* \* \*

(5)(a) The motor vehicle lease facilitators shall specify the location of such motor vehicle lease facilitator's established place of business.

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a motor vehicle lease facilitator, shall require a new license and application therefor.~~

L. Additional licensing and compliance requirements for specialty vehicle dealers:

\* \* \*

(2) All specialty vehicle dealers must provide a suitable office and have a permanently affixed sign, at a minimum of sixteen square feet, in front of the establishment ~~of offices~~ which denotes that vehicles are offered for sale at the location to which the sign is affixed.

\* \* \*

(6)

\* \* \*

~~(b) A change of location, or a change in corporate ownership or majority ownership, or a change in the name of a licensee, or a change by a licensee in the makes, models or classifications, requiring an addendum to a franchise agreement of specialty vehicles sold, or the addition of a make of motor vehicle sold shall require a new license and application therefor.~~

\* \* \*

(8) Applicants for and holders of specialty vehicle dealer licenses shall obtain and maintain bonds in accordance with ~~the following provisions:~~ this Chapter.

~~(a) Before any specialty vehicle dealer license is issued to an applicant under the provisions of this Chapter, a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in Louisiana as surety, in the sum of twenty thousand dollars, shall be delivered to the commission.~~

~~(b) Such bond shall be in a form to be approved by the commission and shall be conditioned so that the licensee shall comply with the conditions of any written contract made by such licensee and shall not violate any of the provisions of this Chapter or any other law of Louisiana in the conduct of the business for which he is licensed. Such bond shall be made payable to the secretary of the Department of Public Safety and Corrections or to his successor in office, for the use, benefit, and indemnity of any persons who shall suffer any loss as a result of any violation of the conditions hereinabove contained. Such bond shall be for the license period and a new bond or a proper continuation certificate shall be delivered to the commission at the beginning of each license period. However, the aggregate liability of the surety in any one year shall in no event exceed the sum of such bond. Failure to maintain such bond shall result in the immediate suspension of the license, which suspension shall be effective as of the date of the failure to maintain the bond until proof of the required bond is furnished to the commission. Should no proof of a bond be furnished to the commission within thirty days, the license shall be revoked.~~

(9) All licensees referenced in this Subsection shall maintain their records for a period of three years and to keep their records, vehicles, and places of business open to inspection by the commission during reasonable hours. Such records shall include all documentation pertaining to the buying and selling of specialty vehicles, monthly sales reports, and any other requirements as defined in promulgated rules. The records may be retained electronically.

(10) All licensees referenced in this Subsection may advertise only under the name that appears on their franchise or contract with the secondary manufacturer or converter and dealer license issued by the commission.

M. Additional licensing and compliance requirements for motor vehicle salesmen, motor vehicle lessor agents, used motor vehicle salesmen, converter representatives, factory representatives, and distributor representatives.

(1) Every motor vehicle salesman, used motor vehicle salesmen, converter representatives, factory representative, distributor representative, and motor vehicle lessor agent shall have his license upon his person when engaged in his business and

shall display same upon request. The name of said licensee's employer shall be stated in said license.

(2) In determining whether or not to issue a license to any motor vehicle salesman, used motor vehicle salesmen, or motor vehicle lessor agent, the commission shall also consider the effect of such licensure on the motor vehicle leasing/rental business and the consuming public.

(3) A license for a motor vehicle and used motor vehicle salesperson shall not be issued, renewed or endorsed until the employing dealer is licensed and has certified that the applicant for said license is in his employ and applicant is covered under the dealer's garage liability insurance policy. All salesperson's licenses will be sent to the dealer for distribution to the respective applicants, and the dealer will determine that all its personnel required to obtain licenses have done so.

(4) Each licensed location shall maintain at least one individual in a licensable position.

\* \* \*

Q. Multi-location salesman license

(1) When used in this Section, the following words and phrases have the meanings ascribed to them, unless the context clearly indicates a different meaning:

(a) "Same entity" means the identical legal entity that owns or operates more than one dealer location.

(b) "Common ownership" means that the same person, persons, or legal entity directly or indirectly owns a controlling interest in two or more dealer locations or dealerships.

(c) "Common control" means the direct or indirect power to direct or cause the direction of the management, policies, or operations of two or more dealer locations or dealerships, whether through ownership, voting rights, contract, or otherwise.

(d) "Controlling interest" means an ownership interest that gives a person or legal entity the power to direct or control the management, policies, or operations of

the business entity, whether by majority ownership, voting rights, membership interest, partnership interest, or otherwise.

(2) The provisions of this Section shall not become effective until the commission certifies that a fully operational statewide electronic licensing system has been implemented.

(3) Notwithstanding any other provision of law to the contrary, a person licensed as a motor vehicle salesman or a used motor vehicle salesman may be issued a salesman license authorizing the person to engage in the business of selling motor vehicles, recreational products, specialty vehicles, or used motor vehicles at more than one dealer location, provided that each such location is operated by the same legal entity, is under common ownership, or is under common control.

(4) A license issued pursuant to this Section shall be valid for a period of two years. Unless suspended, revoked, or otherwise terminated as provided by law, the license shall expire on December 31st of the second calendar year following the date of issuance, or on such other uniform expiration date as may be established by the commission by rule.

(5) Prior to the salesman engaging in business at any location covered by the license, the dealer shall endorse the license in a manner prescribed by the commission. The endorsement shall certify each location at which the salesman is authorized to work. The fee to endorse a salesman license shall be established by the commission by rule. The late penalty associated with a salesman license shall not exceed fifty dollars. The late penalty may be assessed when a salesman fails to obtain a license or a dealer fails to endorse a license, in addition to a civil penalty issued pursuant to this Chapter.

(6) The license shall identify all dealer locations at which the salesman is authorized to engage in business. No salesman shall engage in business at any location not listed on the license and endorsed by the dealer as required by this Section.

(7) A salesman may work at more than one location only when each location is operated by the same legal entity, share common ownership, or is under common control.

(8) It shall be the responsibility of the dealer and the salesman to ensure that the license remains current and accurately reflects all authorized locations. Any change in the number of locations shall be reported to the commission, and the license shall be updated and endorsed, prior to the salesman engaging in business at newly added location.

(9) The commission may promulgate rules in accordance with the Administrative Procedure Act as necessary to implement the provisions of this Section, including rules governing the form of endorsement, reporting of additional locations, and procedures for amending a multi-location salesman license.

R. Additional licensing and compliance requirements for daily rental dealers and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicles.

(1) The commission shall also require, in all daily rental dealer and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicles applications or otherwise, information relating to the applicant's financial standing and established place of business.

(2) All daily rental dealers and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicles must provide a suitable office and have a permanently affixed sign, a minimum of sixteen square feet, in front of the establishment which denotes that vehicles are offered for sale or rent at the location to which the sign is affixed.

(3) All daily rental dealers and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicles must have a usable telephone at the place of business, the number of which should be listed on the application for license and in a local directory accessible to the public. The commission must be notified of any change in the telephone number.

(4) Every application for the issuance of daily rental dealer and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicles licensure shall be accompanied by a certificate, as required by the commission pursuant to the provisions of this Chapter, showing that the applicant has completed an approved educational seminar.

(5) The license issued shall specify the location of the place of business. The license of each daily rental dealer and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicle shall be posted in a conspicuous place in the licensed location.

(6) All daily rental dealers and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicle licensed by the commission shall furnish, in their application for license pursuant to this Chapter, evidence the applicant has garage liability insurance covering its place of business and its operation that complies with the financial responsibility laws of this state and as determined by the applicant and its insurance agent, that is necessary to provide coverage to the place and nature of the business sought to be licensed to protect the applicant and the consumers of this state. For those daily rental dealers, a separate renter's policy, scheduled auto insurance, must be in effect. Such insurance shall be maintained throughout the period of licensure. Failure to maintain such insurance shall result in the immediate suspension of license, which suspension shall be effective as of the date of the failure to maintain such insurance coverage until proof of the required insurance is furnished to the commission. If proof of insurance is not furnished to the commission within thirty days, the license of such licensee shall be revoked.

(7) Applicants for and holders of licenses for daily rental dealers and public or retail motor vehicle auctions, wholesale motor vehicle auctions or salvage pools that deal in used motor vehicles shall obtain and maintain bonds in accordance with the provisions of this Chapter.

(8)(a) Licensees of salvage pools that deal in used motor vehicles shall keep a register of all sales of motor vehicles for three years from the date of sale, showing

the make, model, year, body style, vehicle identification number, odometer reading, and the name and address of the seller and buyer. The register shall be made available when requested by the commission within a reasonable period of time. The register shall be made available for inspection by identified law enforcement officers of the state, parish, or municipality or agents of the commission at the salvage pool or salvage disposal sale location during regular business hours on business days.

(b) In the event a bid card is not required in order to purchase a vehicle, a transaction fee of five dollars shall be collected and remitted monthly, electronically or otherwise, and transmitted to the commission by the owner or operator of the salvage pool in connection with the sale of each vehicle.

(9) Public or retail motor vehicle auctions, and wholesale motor vehicle auctions shall maintain a register of all purchases and sales of motor vehicles for three years from the date of purchase or sale indicating the make, model, year, body style, vehicle identification number, odometer reading, and name and address of the purchaser and sellers, provided that any person, firm, or corporation purchasing a motor vehicle from a licensee of this commission.

(10) Daily rental dealers shall maintain their records for a period of three years and keep their records, vehicles, and places of business open for inspection by the commission during reasonable hours. Such records shall include all documentation pertaining to the daily rental of vehicles and any other requirements as defined in promulgated rules. The records may be retained electronically.

(11) A public or retail motor vehicle auction, wholesale motor vehicle auction or salvage pool that deals in used motor vehicle, or daily rental dealer licensures require the applicant to maintain a used motor vehicle dealer license or a used motor vehicle facilities license.

(12) A public or retail motor vehicle auction shall not be required to obtain an off-premises permit to auction, via an Internet site, a used motor vehicle for a third party which is in the possession of the third party.

(13) A daily rental dealer shall only rent used motor vehicles, which shall be properly titled in the name of the daily rental dealer's name.

(14) A daily rental dealer shall submit a copy of the rental agreement to the commission.

(15) A public or retail motor vehicle auction, wholesale motor vehicle auction or salvage pool and daily rental dealer may advertise only under the name that appears on their license issued by the commission.

S. Additional licensing and compliance requirements for rent-to-own dealers:

(1) The commission shall also require, in all rent-to-own dealer applications or otherwise, information relating to the applicant's financial standing and established place of business.

(2) All rent-to-own dealers must provide a suitable office and have a permanently affixed sign, a minimum of sixteen square feet, in front of the establishment's office which denotes that vehicles are offered for sale, lease or rent at the location to which the sign is affixed.

(3) All rent-to-own dealers must have a usable telephone at the place of business, the number of which should be listed on the application for license and in a local directory accessible to the public. The commission must be notified of any change in the telephone number.

(4) Every application for the issuance of a rent-to-own dealer shall be accompanied by a certificate, as required by the commission pursuant to the provisions of this Chapter, showing that the applicant has completed an approved educational seminar.

(5) The license issued shall specify the location of the place of business. The change of location shall require a new license and application. The license of each rent-to-own dealer shall be posted in a conspicuous place in the licensed location.

(6) All rent-to-own dealers licensed by the commission shall furnish, in their application for license pursuant to this Chapter, evidence the applicant has insurance covering its place of business and its operation that complies with the financial responsibility laws of this state and as determined by the applicant and its insurance agent, that is necessary to provide coverage to the place and nature of the business sought to be licensed to protect the applicant and the consumers of this state. Every

rent-to-own dealer shall maintain a contingent automobile liability policy of insurance with minimum limits of one hundred thousand dollars per occurrence, three hundred thousand dollars aggregate, and fifty thousand dollars in property damage. It shall not be sufficient for any rent-to-own dealer to share in a policy of insurance, which could, under any circumstance, create a limit of less than that set forth in this Paragraph. The policy may be surplus lines insurance as defined in R.S. 22:46. This insurance shall be maintained throughout the period of licensure. Failure to maintain this insurance shall result in the immediate suspension of their license, which suspension shall be effective as of the date of the failure to maintain the required insurance coverage until proof of the required insurance is furnished to the commission. If proof of insurance is not furnished to the commission within thirty days, the license of such licensee shall be revoked.

(7) Applicants for and holders of rent-to-own dealer licenses shall obtain and maintain bonds in accordance with the provisions of this Chapter.

(8) For rent-to-own dealers, a copy of the rental purchase agreement is required to be submitted to the commission.

(a) All rental purchase agreements shall meet the following requirements:

(i) Be made in clear and conspicuous language.

(ii) Be in writing, a copy of which shall be delivered to the rental consumer.

(iii) Have a condition report which sets forth in detail the physical condition and appearance of the vehicle prior to rental which shall be completed and signed by both the rental consumer and an authorized representative of the rental-to-own dealer and promptly delivered to the rental consumer.

(iv) Have provisions substantially equivalent to the following:

(aa) A description of the vehicle rented, particularly to the year, make, model, vehicle identification number, color, and odometer reading.

(bb) An itemization of all costs relative to detail, delivery, or destination of the vehicle, which shall not exceed the sum of one hundred fifty dollars.

(cc) An itemization of the processing fee charged by the rent-to-own dealer, if any, which shall not exceed the sum of one hundred fifty dollars.

(dd) The amount of the security deposit required by the rent-to-own dealer and the conditions under which the said security deposit shall be refundable or nonrefundable; however, no security deposit shall exceed the rent-to-own dealer's documented cost of the vehicle.

(ee) An indication that the rent-to-own dealer cannot add repair costs to the rental purchase agreement. Further, that the rent-to-own dealer shall warrant the powertrain of the motor vehicle for any defects which existed at the time of sale for a period of thirty days or one thousand miles, whichever occurs first.

(ff) An offer to the rental consumer the right to secure a warranty, if one is available, for the used motor vehicle and the price of such warranty, and the cost of any deductible under the warranty.

(gg) The total amount of payments due, the number of total periodic payments, and the amount of each such periodic payment.

(hh) An indication of whether the title transfer and licensing fees are included in the payments charged at consummation by the rent-to-own dealer or are to be considered additional charges.

(ii) An indication of whether a late payment is due from the rental consumer after a certain date selected for periodic payment, the amount of which payment shall not exceed the sum of fifty dollars or ten percent of the monthly payment price, whichever is less.

(jj) An indication of whether a reinstatement fee shall be required in the event that the rental consumer fails to make timely rental payments and desires to reinstate the rental purchase agreement, which reinstatement fee shall not exceed the sum of fifty dollars plus any legitimate recovery fees or expenses.

(kk) An indication of whether the rental consumer is liable for loss or damage to the rental property and, if so, the maximum amount for which the rental consumer may be liable.

(ll) The rights of the rental consumer to terminate the rental purchase agreement and the consequences of such termination, if any.

(mm) Regarding the maintenance and repair of the rental during the rental term and whether the rental consumer is responsible for such repairs absent the purchase of a warranty.

(nn) An indication of whether the rental consumer is required to secure automobile liability insurance from a licensed insurance agent in the state of Louisiana, and the minimum limits required by the rent-to-own dealer for both bodily injury and property damage, which in any event shall not be less than minimum limits required by state law.

(oo) An indication that when a rent-to-own consumer is in default on his rental purchase agreement, the rent-to-own dealer will mail a notice of default to the rental consumer, provided there is proof of mailing giving the consumer five days to bring the account current.

(pp) An indication that when the rent-to-own consumer returns the vehicle that the rent-to-own dealer shall complete a condition report at the time of the vehicle's return which sets forth the physical condition and appearance of the vehicle and which shall be completed and signed by an authorized representative of the rental-to-own dealer and the rental consumer and promptly delivered to the rental consumer.

(b) A rental purchase agreement shall not contain a provision:

(i) Requiring a confession of judgment.

(ii) Authorizing a rent-to-own dealer or an agent of the rent-to-own dealer to commit a breach of the peace in the repossession of rental property or to take repossession of the rental property in any manner other than what is permitted in R.S. 14:220.

(9) All rent-to-own dealers are required to maintain their records for a period of three years and to keep their records, vehicles, and places of business open to inspection by any peace officer or agent of the Department of Public Safety and Corrections or of the commission during reasonable hours. Such records shall include all documentation pertaining to the rent-to-own transactions, monthly sales reports, and any other requirements as defined in rules.

(10) A rent-to-own dealer shall not rent with an option to purchase a used motor vehicle that has a recorded lien on file. The lien shall be removed through the office of motor vehicles prior to placing the used motor vehicle in the rental program. A rent-to-own dealer shall only rent with an option-to-purchase vehicle which shall be properly titled in the name of the rent-to-own dealer.

(11) All rent-to-own dealers may advertise only under the name that appears on their rent-to-own dealer license issued by the commission.

T. Additional licensing and compliance requirements for dealers of used motor vehicle parts and accessories, dismantler and parts recycler, motor vehicle crusher, and scraped metal processor:

(1) The commission shall require, of all dealers of used motor vehicle parts and accessories, dismantler and parts recycler, motor vehicle crusher, and scrap metal processor applications or otherwise, information relating to the applicant's financial standing and whether the applicant has an established place of business.

(2) All dealers of used motor vehicle parts and accessories, dismantler and parts recyclers, motor vehicle crushers, and scrap metal processors must provide a suitable office and have a permanently affixed sign, a minimum of sixteen square feet, in front of the establishment.

(3) All dealers of used motor vehicle parts and accessories, dismantler and parts recyclers, motor vehicle crushers, and scrap metal processors must have a usable telephone at the place of business, the number of which should be listed on the application for license, and also in a local directory accessible to the public, where applicable. The commission shall be notified of any change in the telephone number.

(4) The dealer of used motor vehicle parts and accessories, dismantler and parts recyclers, motor vehicle crushers, and scraped metal processor license shall specify the location of such established place of business.

(5) All dealers of used motor vehicle parts and accessories, dismantler and parts recyclers, motor vehicle crushers, and scrap metal processors licensed by the commission shall furnish, in their application for licensure pursuant to this Chapter,

evidence the applicant has insurance covering its place of business and its operation that complies with the financial responsibility laws of this state and as determined by the applicant and its insurance agent, that is necessary to provide coverage to the place and nature of the business sought to be licensed to protect the applicant and the consumers of this state. The insurance shall be maintained throughout the period of licensure. Failure to maintain the required insurance shall result in the immediate suspension of license, which suspension shall be effective as of the date of the failure to maintain such insurance coverage until proof of the required insurance is furnished to the commission. If proof of insurance is not furnished to the commission within thirty days, the license of such licensee shall be revoked.

(6) Applicants for dealer of used motor vehicle parts and accessories, dismantler and parts recycler, motor vehicle crusher, and scraped metal processor licensure shall also submit such evidence as the commission shall prescribe, documenting that either the applicant or his general manager, office manager, title clerk, or other responsible representative of the applicant has attended a four-hour educational seminar or has registered to attend such seminar pursuant to this Chapter.

(7) All licensees are required to maintain their records for a period of three years and to keep their records, vehicles, and places of business open to inspection by any peace officer or agent of the Department of Public Safety and Corrections or of the commission during reasonable hours.

(a) Every dismantler and parts recycler, motor vehicle crusher, and scrap metal processor shall keep a register of all purchases and sales of motor vehicles for three years from the date of purchase or sale indicating the make, model, year, body style, vehicle identification number, odometer reading, and name and address of the purchaser and sellers, provided that any person, firm, or corporation purchasing a motor vehicle from a licensee of this commission is exempted from the requirement of keeping records on such purchases as are required in this Section. Scrap metal processors shall provide the information concerning the vehicle purchased, as required in this Section, only to the extent the information is readily available or

ascertainable from the motor vehicle itself, as determined by the scrap metal processor.

(b) Such registers and any vehicles or parts of vehicles still in the possession of the dismantler and parts recycler, motor vehicle crusher, and scrap metal processor shall be made available for inspection to identified representatives of the commission and to identified law enforcement officers of the state, parish, and municipality during reasonable business hours on business days.

(8) A licensed dismantler and parts recycler shall not be required to obtain a separate license as a used motor vehicle dealer and dealer in used parts and accessories to engage in the business of a dismantler and parts recycler as set forth in this Chapter.

(9) An automotive dismantler and parts recycler, motor vehicle crusher, and scrap metal processor shall obtain a used motor vehicle license to sell a vehicle at retail.

(10) In all transfers of motor vehicles at wholesale as authorized herein, a dismantler and parts recycler, duly licensed hereunder, shall have the authority to transfer the certificates of title to such motor vehicles as a dealer under the Louisiana Certificate of Title Law.

(a) Unless transferred by a dismantler and parts recycler or motor vehicle crusher licensed by this commission, all transfers of motor vehicles shall be accompanied by the delivery of possession of the certificate of title, a permit to sell, or the permit to dismantle the motor vehicle, as required under R.S. 32:716 or 717, whichever is applicable, by the transferor to the transferee.

(b) No motor vehicle crusher or scrap metal processor acquiring a motor vehicle from any person who is not licensed under the provisions of this Chapter as a dismantler and parts recycler or as a motor vehicle crusher shall crush, compact, demolish, shred, or otherwise recycle for scrap such motor vehicle until after applying with the Department of Public Safety and Corrections, office of motor vehicles, for a permit to dismantle the motor vehicle for scrap in accordance with the applicable provisions and procedures set forth in R.S. 32:716 or 717, unless a permit

to dismantle or a permit to sell such motor vehicle has previously been issued to the seller and transferred to the purchaser of the motor vehicle.

(c) A scrap metal processor, upon receiving a copy of the license from an used motor vehicle dealer or used motor vehicle facility, dismantler and parts recycler, or motor vehicle crusher, with the confirmation from the commission shall be authorized to rely on the validity of said license for the term of said license.

§1254.1. Surety bond requirements

A. Before any license is issued to an applicant under the provisions of this Chapter, a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in Louisiana as surety, in the sum of fifty thousand dollars, shall be delivered to the commission.

B. The bond required by this Section shall be in a form approved by the commission and shall be conditioned so that the licensee complies with the conditions of any written contract made by such licensee and shall not violate any of the provisions of this Chapter or any other law of Louisiana in the conduct of the business for which he is licensed.

C. The bond shall be made payable the state of Louisiana through the commission, or its successor in office, for the use, benefit, and indemnity of any persons and indemnity of any persons who shall suffer any loss as a result of any violation of the conditions hereinabove contained.

D. The bond shall be for the license period and a new bond or a proper continuation certificate shall be delivered to the commission at the beginning of each license period. However, the aggregate liability of the surety in any one year shall in no event exceed the sum of such bond.

E. Failure to maintain the bond required by this Section shall result in the immediate suspension of the license, which shall be effective as of the date of the failure to maintain the bond until proof of the required bond is furnished to the commission. If proof of a bond is not furnished to the commission within thirty days, the license shall be revoked.

F. The bond shall be made payable to the state of Louisiana through the commission for the following purposes:

- (1) The proper disposition of taxes, license fees, tags, or certificates of title.
- (2) Indemnification to any person who suffers any loss, damage, or expense due to the failure of the licensee to comply with any of the provisions of this Chapter or any other law of Louisiana in the conduct of the business for which he is licensed.
- (3) Restitution imposed by the commission in accordance with this Chapter.
- (4) Unpaid penalties, fines, and hearing costs imposed by the commission not to exceed twenty-five thousand dollars.
- (5) Attorney fees or court costs assessed pursuant to this Chapter.

G. The bond required shall be maintained throughout the period of licensure.

H. The bond shall be nontransferable.

I. Should the bond be canceled for any reason, the license shall be revoked as of the date of cancellation unless a new bond is furnished prior to such date.

§1254.2. Educational seminars; authority; initial license application seminar; renewal application seminar; exceptions

A. The commission has authority to do all of the following:

- (1) Require both initial applicants and licensees seeking a renewal of their licenses, pursuant to 32:1254, to attend educational seminars.
- (2) Promulgate and adopt any rule for establishing educational seminar curriculum, requiring certain materials to be used, employing any person, establishing a registration fee, and incurring any expense necessary to administer the seminars.
- (3) Require seminar attendees to complete a test comprised of ten questions approved by the commission and to obtain a minimum score of seventy percent to receive credit for satisfactory completion of the seminar.
- (4) Require an initial license application seminar that shall not exceed six hours in length and a renewal application seminar that shall not exceed four hours in length.

(5) Approve and create a uniform certificate to be issued upon satisfactory completion of an educational seminar.

B. Each initial license application shall be accompanied by a certificate issued by the commission documenting that at least one owner, partner, officer, or local manager of the applicant has completed an educational seminar. For each initial license application seminar, the seminar may include materials from the Department of Public Safety and Corrections, office of motor vehicles, the Department of Revenue, advertising regulations, disclosures, collection of official fees, and any other information the commission deems necessary to educate attendees and their employees regarding compliance with the law. The commission has the exclusive authority to administer educational seminars for initial applicants.

C. Each licensee seeking to renew his license shall certify that the owner, partner, officer, or local manager has completed an educational seminar prior to filing the renewal application with the commission. Any renewal application and seminar certification shall be completed during the license period.

D. Post-license and continuing educational seminar.

(1) The commission may approve any educational institution, private vocational school, correspondence school, or trade association that meets its requirements to conduct educational seminars for licensees as required by this Chapter.

(2) Any educational institution, private vocational school, correspondence school, or trade association approved pursuant to Paragraph (1) of this Subsection shall apply for approval with the commission every two years.

(3) Any educational institution, private vocational school, correspondence school, or trade association administering an educational seminar shall issue a uniform certificate of completion approved by the commission upon an attendee's satisfactory completion of the seminar.

(4) Every applicant seeking to renew a license requires attendance and completion of a post-license and continuing educational seminar prior to renewal of the license.

- (5) The post-license and continuing educational seminar shall:
- (a) Have a program and materials approved by the commission.
  - (b) Focus on developments and changes in the law, rules and regulations, and policy and procedures which effect their business and which arise in the two years since the renewal of their license.
  - (c) Not exceed four hours in length.
  - (d) Be conducted in person or online via the Internet.
  - (e) Require attendees or participants to complete a test comprised of ten questions, approved by the commission, and obtain a minimum score of seventy percent to receive credit for satisfactory completion of the seminar.
- (6) Any educational institution, private vocational school, correspondence school, or trade association seeking to conduct a post-license and continuing educational seminar must apply to and obtain approval from the Commission prior to providing the post-seminar and continuing educational seminar.
- (7) To obtain approval to conduct a post-license and continuing educational seminar, the applicant-instructor shall:
- (a) Complete an application in such form and detail as prescribed by the commission and shall be accompanied by any documentation requested.
  - (b) Submit an application fee of six-hundred dollars.
- (8) The commission may deny the application of a post-license and continuing educational seminar instructor for any of the following reasons:
- (a) The applicant has been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or theft, or has been convicted of a felony or crime involving moral turpitude in any court of competent jurisdiction.
  - (b) An application contains a false statement of material fact.
  - (c) A professional license suspension or has been revoked.
  - (d) The applicant fails to meet the requirements established by the commission.

(9) Once approved, the post-license and continuing education seminar instructor will be given a certificate as issued by the commission.

(10) No fee for a post-license and continuing education seminar may be charged unless the seminar is approved by the commission.

(11) The certificate of the post-license and continuing educational seminar instructor is valid for only two years from the date of approval and shall be reapproved every two years.

(12) The certificate of the post-license and continuing educational seminar instructor may be revoked or suspended for good cause upon thirty-day written notice.

(13) The post-license and continuing educational seminar instructor shall issue a uniform certificate of completion to all attendees and participants who successfully completed the course on a form approved by the commission.

E. Failure to satisfactorily complete an educational seminar as required by Subsection D of this Section is considered a violation.

F. Notwithstanding any provision of this Section, this Section shall not apply to any licensee who does not broker, sell, lease, or rent new motor vehicles, new recreational products, or used motor vehicles to consumers.

§1254.3. Deposit and down payment disclosure; conditional sale; delivery of vehicle pending the sale

A. For every transaction between a dealer and a customer in which the customer provides a down payment or a deposit for the purchase of a new or used vehicle on a conditional sale from a prospective purchaser or purchaser, the dealer shall complete a conditional sales contract, other written notification, or bill of sale including, but not limited to, the following terms and conditions:

(1) The amount of the deposit or down payment, clearly indicating whether the money given is either a deposit or down payment.

(2) Terms and conditions for return or forfeiture of the customer's deposit or down payment.

(3) A time limit in which to complete the transaction not to exceed twenty-five days.

(4) A complete description of the motor vehicle to be sold including the make, model, year, and any identification and serial numbers, along with its condition.

(5) The amount of the trade-in allowance and a description of the trade-in vehicle including the make, model, year, and any identification and serial numbers, along with its condition.

B. When the dealer delivers to a prospective purchaser a new or a used vehicle on a sale conditioned on financing, including, a spot delivery or another certain identifiable event, the conditional sales contract or other written notification signed by the purchaser shall be in writing and include the following terms and conditions:

(1) That if the sale is not concluded by the financing of the sale or another certain identifiable event to the purchaser within twenty-five days of the delivery, the sale contract shall be null and void.

(2) That the vehicle being offered for trade-in by the purchaser shall not be sold by the dealer until the conditional sale is complete.

(3) That if the customer withdraws from the agreement to purchase or fails to return the vehicle at the expiration of the term of the agreement:

(a) The customer shall be responsible not only for damages occurring during the customer's use of the vehicle but also for usage of the vehicle at a day rate not to exceed twenty-five dollars per day and thirty-five cents per mile, which may be deducted from the deposit or down payment. A customer shall be considered as having withdrawn from the agreement if the customer intentionally provided false or fraudulent information to the dealer in connection with the transaction.

(b) The dealer may seek repossession of the vehicle by any lawful means.

(4) That if the dealer withdraws from the agreement to purchase a new or a used vehicle on a sale conditioned on financing:

(a) That there shall be no charge to the purchaser should the conditional sale not be completed, including but not limited to mileage charges or charges to refurbish the vehicle offered for trade-in. However, the purchaser shall be responsible for any and all damages to the vehicle or other vehicles damaged by the fault of the purchaser and any and all liability incurred by the purchaser during the purchaser's custody of the vehicle to the extent provided for in R.S. 22:1296.

(b) That if the conditional sale is not completed, the dealer shall immediately refund to the purchaser upon return of the vehicle all sums placed with the dealership as a deposit or any other purpose associated with the attempted sale of the vehicle.

(5) A condition report which clearly identifies any noticeable damage to the vehicle before it is released to the customer.

(6) That the prospective purchaser shall return the vehicle to the dealership within forty-eight hours of notification of written notice, by certified or registered mail by the dealer that the conditional sale will not be completed. If the prospective purchaser does not return the vehicle to the dealership within forty-eight hours of notification by the dealer, an authorized agent of the dealer shall have the right to recover the vehicle without the necessity of judicial process, provided that such recovery can be accomplished without unauthorized entry into a closed dwelling, whether locked or unlocked, and without a breach of peace.

C.(1) When a dealer accepts a deposit to merely intend as a hold on a vehicle from a prospective purchaser, a conditional sales contract or other written notification signed by the purchaser is required and the dealer is required to provide a statement that the deposit given is on an agreement to purchase, and not an actual sale.

(2) The agreement shall clearly state that no transaction has occurred, that no sales documents have been completed, and that the deposit is merely intended as a hold on a vehicle and clearly defines the terms and conditions for return or forfeiture of the customer's deposit.

D. The provisions of this Section shall apply to a motor vehicle dealer, recreational products dealer, used motor vehicle dealer, used motor vehicle facility,

and specialty vehicle dealer. It shall be a violation of this Chapter for any dealer to fail to follow any of the provisions of this Section.

§1255. Fees; penalties

A. To defray the cost of issuing licenses and administering this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, the commission shall fix reasonable fees to be assessed under this Chapter as follows:

(1) The license for each manufacturer, distributor, converter, motor vehicle lessor franchisor, or wholesaler, and converter branch, factory branch or distributor branch, shall not exceed one thousand dollars for each year covered by the license.

(2) The license for each motor vehicle dealer, specialty vehicle dealer, recreational products dealer, motor vehicle lessor, used motor vehicle dealer, used motor vehicle facility, automotive dismantler and parts recycler, daily rental dealer, public or retail motor vehicle auctions, wholesale motor vehicle auctions, salvage pools that deal in used motor vehicles, motor vehicle crusher, rent-to-own dealer, dealer in used parts and accessories of motor vehicle, catalytic converter dealer as defined in R.S. 37:1892, factory representative, broker, distributor representative, converter representative, or lease facilitator shall not exceed three hundred dollars for each year covered by the license.

(3) The license fee for each motor vehicle salesman, used motor vehicle salesman, and motor vehicle lessor agent shall not exceed thirty dollars for each year covered by the license.

(4) The fee for vehicle protection product warrantors or warrantors as defined in R.S. 32:1272, auto shows, trade shows, and expositions shall not exceed five hundred dollars.

\* \* \*

(6) Pursuant to Chapter 10-B of Title 6, the license fee for motor vehicle sales finance shall not exceed four hundred dollars for each year covered by the license.

(7) Pursuant to Chapter 10-B of Title 6, the license fee for administrator of debt waiver or debt forgiveness agreement shall not exceed fifteen hundred dollars for each year covered by the license. The fee for salesman or agent shall not exceed seventy-five dollars for each year covered by the license.

\* \* \*

C. A portion of the license fee revenue shall be reserved for ongoing technology maintenance, future system enhancements, and educational training programs.

D. The fee to submit an amendment application to change the corporate ownership, majority ownership, dealer operator, control, or the name of licensee shall not exceed the amount of the annual license fee per amendment application. The late filing penalty shall not exceed the amendment application fee by fifty percent. In addition to the late filing fee, civil penalties may be accessed pursuant to this Chapter, Chapter 6 of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950.

§1258. Denial, revocation, grounds, imposition of a civil penalty, or suspension of license; grounds; expiration

A. The commission may, in addition to imposing a civil penalty pursuant to the provisions of this Chapter, deny an application for a license or revoke or suspend a license after it has been granted for any of the following reasons:

\* \* \*

(9) Failure to provide or maintain any bond or insurance required by this Chapter.

\* \* \*

(11) Where the applicant has, under a previous license of the commission or its previous Louisiana licensing commission, committed a violation of any law or rule or regulation adopted and promulgated by the commission or its previous Louisiana licensing commission.

(12) Where the applicant ownership is an immediate family member of, the former employee of, or a former business associate of a licensee whose license was

previously revoked or suspended by the commission or its previous Louisiana licensing commission, and the applicant intends to operate the same or substantially the same business as operated by the revoked licensee, or the revoked licensee will be participating in the business with the applicant. As used in this Paragraph, "immediate family" shall have the meaning ascribed in R.S. 42:1102.

(13) For violations of any statutes related to the title and registration of motor vehicles, including the use of temporary license plates, failing to properly register the temporary license plates, dealer inventory plates, and the collection of sales and use tax.

\* \* \*

C. The commission may suspend or revoke a license issued or impose a civil penalty only after a hearing of which the licensee affected shall be given at least ten days written notice specifying the grounds or reasons for suspension, revocation, or penalty. Such notice may be served as provided by law for the service of notices or by mailing a copy by registered or certified mail, by personal physical service by the posting of a notice on the front door of the last known residence or business address of such licensee of the business, or by personal physical service on an employee of the licensee at to the last known residence or business address of such licensee.

\* \* \*

E. All licenses shall be granted or refused within thirty days after application therefor, and shall expire as provided in this Chapter, unless sooner revoked or suspended, except that where a complaint of unfair cancellation of a motor vehicle, specialty vehicle, or recreational products dealer franchise is in process of being heard, no replacement application for such franchise shall be considered until a decision is rendered by the commission.

F.(1) When the licensed established place of business of a dismantler and parts recycler, daily rental dealer, public or retail motor vehicle auctions, wholesale motor vehicle auctions, or salvage pools that deal in used motor vehicles, motor vehicle crusher, rent-to-own dealer, used motor vehicle dealer, used motor vehicle facility, dealer in used parts and accessories of motor vehicles, motor vehicle dealer,

recreational products dealer, specialty vehicle dealer, or motor vehicle lessor are abandoned, the license of the place of business along with any salespersons, agents, and representatives licenses assigned to the licensed location shall be revoked without a hearing if a request or application for a hearing on the revocation is not made within five business days following the posting of a notice on the front door of the business that the license will be revoked for abandonment.

(2) A licensed establishment or place of business shall be considered abandoned if any one of the following exists:

(a) There are no licensed individuals or an owner on the premises during the posted business hours for a period of more than one week without notice to the commission.

(b) The business telephone, as provided on the licensee application, is disconnected or no longer in service.

(c) The business sign has been removed.

§1258.1. Criminal penalties

Any person who is required to be licensed under the provisions of this Chapter, committing a violation of this Chapter shall, upon conviction, be fined not less than five hundred dollars nor more than one thousand dollars, and each day that a person, firm, association, corporation, or trust violates this Chapter shall constitute a separate offense.

\* \* \*

§1260. Penalties; other relief

A.(1) No civil penalty imposed for the violation of the provisions of this Chapter or the rules and regulations of the commission shall exceed ~~five~~ two thousand dollars for each day such violation continues.

(2) On a second or subsequent violation, no civil penalty imposed shall exceed ~~ten~~ three thousand dollars for each day such second or subsequent violation continues.

\* \* \*

F. Upon the failure of any person to comply with any order of the commission issued as a result of a violation of this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, or a rule or regulation adopted by the commission, the commission is authorized to file civil proceedings to enforce its order in the Twenty-Fourth Judicial District Court for the parish of Jefferson by rule to show cause conducted pursuant to the relevant provisions of the Louisiana Code of Civil Procedure. The commission shall be entitled to recover from such party all costs of the proceeding, including but not limited to court costs, discovery costs, and reasonable attorney fees incurred by the commission in enforcing its order.

G. In addition to the penalties provided pursuant to this Chapter, the commission is expressly empowered and authorized, after following the procedures of this Chapter, Chapter 6-A of this Title, Chapter 10-B of Title 6, and Part II-B of Chapter 21 of Title 37 of the Louisiana Revised Statutes of 1950, to order restitution, and to impose sanctions including the imposition of restrictions on any license, the revocation or suspension of any license, the imposition of civil fines, the injunction relief, the declaratory relief, reasonable costs and attorney fees, and the requirement that the licensee attend a four-hour educational seminar within three months of the hearing decision. The commission may also enter into stipulations.

§1260.1. Black market sales; prohibition

A. No person shall sell new or used motor vehicles, recreational products, or specialty vehicles by using fraudulent practices, such as forgery or providing a false or fraudulent name on a certificate of title, to escape the licensing requirements and the payment of license fees provided for in Parts II and IV of this Chapter and to escape the payment of state and local sales and use tax.

B. Any person who violates this Section shall be liable for a fine of up to three thousand dollars.

§1261. Unauthorized acts

A. It shall be a violation of this Chapter:

\* \* \*

(1) For a manufacturer, a distributor, a wholesaler, distributor branch, factory branch, converter or officer, agent, or other representative thereof:

\* \* \*

(t)(i) To operate a satellite warranty and repair center, to authorize a person to perform warranty repairs, including emergency repairs, who is not a motor vehicle dealer, fleet owner, or an emergency services company or emergency services related company, or to authorize a motor vehicle dealer to operate a satellite warranty and repair center within the community or territory of a same-line or make motor vehicle dealer. This Subparagraph shall not apply to recreational product manufacturers. For the purposes of this Subparagraph, "fleet owner" means a person, including a governmental entity, who is approved and authorized by a manufacturer to perform warranty repairs and owns or leases vehicles for its own use or a renting or leasing company that rents, maintains, or leases vehicles to a third party. For the purposes of this Subparagraph, "emergency services company or emergency services related company" means a person who operates any vehicle designated and authorized to respond to an emergency. An emergency vehicle includes but is not limited to police and security vehicles, fire and rescue vehicles, medical vehicles, and civil emergency vehicles, including public utility crews dealing with gas, electricity, or water, or the repair of defective equipment on a scene. However, notwithstanding the provisions of this Subparagraph, a manufacturer or distributor who, as of January 1, 2024, was licensed by the ~~Louisiana Motor Vehicle Commission~~ commission, either directly or through a subsidiary, to lease motor vehicles, may operate one or more licensed satellite warranty and repair centers in the state, if neither it, nor any common entity, has any franchised motor vehicle dealers within this state, or has ever had franchised motor vehicle dealers licensed in this state. This exception does not apply if the manufacturer or distributor acquires a controlling interest in a franchisor or a subsidiary or other entity controlled by the franchisor, or sold or transferred a controlling interest in the manufacturer or distributor to a franchisor or subsidiary or other entity controlled by the franchisor. "Common entity" means a person who is either directly or indirectly controlled by or has more than thirty percent of its equity

interest directly or indirectly owned, beneficially or of record, through any form of ownership structure, by a manufacturer, a distributor, or a licensee, or an affiliate thereof or a person who has more than thirty percent of its equity interest directly or indirectly controlled or owned beneficially or of record, through any form of ownership or structure, by one or more persons who also directly or indirectly control or own, beneficially or of record, more than thirty percent of the equity interests of a manufacturer, a distributor, or any affiliate thereof.

\* \* \*

(2) For a motor vehicle dealer, specialty vehicle dealer, recreational product dealer, used motor vehicle dealer, ~~or a motor vehicle salesman~~ used motor vehicle facility, auction, daily rental dealer, rent-to-own dealer, or a motor vehicle salesman, or used motor vehicle salesman:

\* \* \*

~~(f) To deliver to a prospective purchaser a new or a used vehicle on a sale conditioned on financing, i.e., a spot delivery, except on the following terms and conditions which shall be in writing and shall be a part of the conditional sales contract or other written notification signed by the purchaser:~~

~~(i) That if the sale is not concluded by the financing of the sale to the purchaser within twenty-five days of the delivery, the sale contract shall be null and void.~~

~~(ii) That the vehicle being offered for trade-in by the purchaser shall not be sold by the dealer until the conditional sale is complete.~~

~~(iii) That there shall be no charge to the purchaser should the conditional sale not be completed, including but not limited to mileage charges or charges to refurbish the vehicle offered for trade-in. However, the purchaser shall be responsible for any and all damages to the vehicle or other vehicles damaged by the fault of the purchaser and any and all liability incurred by the purchaser during the purchaser's custody of the vehicle to the extent provided for in R.S. 22:1296.~~

~~(iv)~~ That if the conditional sale is not completed, the dealer shall immediately refund to the purchaser upon return of the vehicle all sums placed with the dealership as a deposit or any other purpose associated with the attempted sale of the vehicle.

~~(v)~~ That the prospective purchaser shall return the vehicle to the dealership within forty-eight hours of notification by the dealer that the conditional sale will not be completed. If the prospective purchaser does not return the vehicle to the dealership within forty-eight hours of notification by the dealer, an authorized agent of the dealer shall have the right to recover the vehicle without the necessity of judicial process, provided that such recovery can be accomplished without unauthorized entry into a closed dwelling, whether locked or unlocked and without a breach of peace.

~~(g)~~(f) To pay a fee to any person in return for the solicitation, procurement, or production by that person of prospective purchasers for new and used vehicles, except to a salesman licensed under the provisions of this Chapter.

~~(h)~~(g) To fail to fully and completely explain each charge listed on a retail buyer's order or vehicle invoice prior to the purchase of a vehicle.

~~(i)~~(h) When selling a vehicle to a consumer, to assess any consumer services fees, which shall include fees for treating the interior upholstery of the vehicle, oil changes, roadside assistance, dealer inspections, or any other service offered by the dealer, without allowing the buyer to refuse such services and be exempt from payment for such services. The provisions of this Subparagraph shall not apply to dealer-added options or accessories which are permanently affixed to the vehicle.

~~(j)~~(i) To fail to disclose to a purchaser, in writing, which components of a specialty vehicle are subject to a manufacturer's or distributor's warranty agreement and which components are subject to a specialty vehicle dealer's or other warranty agreement. The specialty vehicle dealer shall identify in writing the location of the two nearest authorized manufacturer or distributor warranty service providers. School bus warranty repair work, except for engine and transmission repair work, may also be performed by repair facilities, authorized by the manufacturer or distributor, which are not school bus dealers. Further, nothing in this Chapter shall

prohibit a manufacturer of school buses licensed by the ~~Louisiana Motor Vehicle Commission~~ commission from authorizing warranty and other repair or maintenance services to be performed at any location of a motor vehicle dealer licensed under this Chapter which holds a franchise from any affiliate or subsidiary of the school bus manufacturer.

~~(k)~~(j)(i) To fail to disclose to a purchaser in writing on the sales contract, buyer's order, or any other document that the dealer may be participating in finance charges associated with the sale.

(k) To park vehicles on any public roadway or right-of-way for the purpose of displaying vehicles for sale.

(l) To commit a fraudulent act in selling, purchasing, renting, or dealing in used motor vehicles or misrepresenting the terms and conditions of a sale, purchase, or contract for sale or purchase of a used motor vehicle or any interest including an option to purchase.

(m) To knowingly engage in tampering with, adjusting, altering, changing, setting back, disconnecting, or failing to connect the odometer of any motor vehicle, or causing any of the foregoing to occur to an odometer of a used motor vehicle, so as to reflect a lower mileage than the true mileage driven by the used motor vehicle. The foregoing shall be applicable to any motor vehicle whether sold wholesale or retail or whether or not the foregoing occurred within or outside the state of Louisiana.

(n) To sell a used motor vehicle either with a waiver of warranties or "as is" without completing and providing to the purchaser a buyer's guide if required by the Federal Trade Commission.

(o) To fail to comply with R.S. 32:705, and any statutes related to the title and registration of motor vehicles, including the use of temporary license plates, failing to properly register the temporary license plates, dealer inventory plates, and the collection and submission of sales and use tax.

(p) To require a consumer to sign and execute a voluntary surrender or other similar document at the time of the sale of a used motor vehicle.

\* \* \*

(5) For a broker:

\* \* \*

(b) To sell, or offer to sell, or display a ~~new~~ vehicle.

\* \* \*

(n) To sign a title of a vehicle, accept an assignment of title to a vehicle, or otherwise assume any element of title of a vehicle.

\* \* \*

(8) For a dismantler and parts recycler, dismantler and parts recycler salesperson, scrapped motor vehicle processor, dealer of used motor vehicle parts and accessories, or a motor vehicle crusher:

(a) To operate from the address shown on the license or from an unlicensed location.

(b) To employ unlicensed salespersons or other unlicensed persons in connection with the sales of used motor vehicle parts.

(c) To violate any provision relating to the proper disposition of certificates of title or permits to dismantle in connection with the purchase or sale of any motor vehicle, or with any rule or regulation adopted and promulgated by the commission

(d) To resort to or use any false or misleading advertising in connection with his business.

(e) To commit a fraudulent act in selling, purchasing, or otherwise dealing in motor vehicles or motor vehicle parts, or has misrepresented the terms and conditions of a sale, purchase, or contract for sale or purchase of used motor vehicle parts, motor vehicles, or any interest therein including an option to purchase such motor vehicles.

(f) To fail to maintain a register of all purchases and sales of motor vehicles for three years pursuant to the requirements of this Chapter.

(g) To sell a motor vehicle at retail without a used motor vehicle dealer or used motor vehicle dealer license

(h) To violate any provision of this Chapter, any rule or regulation adopted by the commission

(9) For any wholesale motor vehicle auction:

(a) To fail to comply with the licensing requirements of this Chapter, any rule or regulation adopted by the commission, and any provision relating to the proper disposition of license tags or registrations, transfers of title, or payment of sales taxes in connection with the purchase or sale of any new or used motor vehicle, or with any rule or regulation adopted and promulgated by the commission pursuant to the authority vested in it by this Chapter.

(b) To permit any person other than a licensed dealer or a person who holds a current authorization to bid for a licensed dealer, to bid, offer to bid, participate in the bid process, purchase, or offer to purchase a used motor vehicle placed up for bid at the auction.

(c) To accept cash for a sale from anyone other than a licensed dealer or his agent.

(d) To permit any person other than a mechanic or technical expert to accompany a licensed dealer to inspect used motor vehicles prior to the vehicle being placed up for bid at the auction.

(e) To fail to disclose that a sale took place off the block or out of the auction ring by providing red-stamped verification on the auction bill of sale or invoice, with the lettering on the stamp to be no less than half-inch print size.

(f) To fail to implement, an audio video recording system which will properly verify sales occurring in the lanes at the auction and fail to maintain those video recordings for at least thirty days following the sale.

(g) To fail to use an industry-recognized damage classification system for all vehicles sold at auction.

(h) To engage in fraudulent activity in the auction process.

§1262. Warranty; compensation; audits of dealer records

A.

\* \* \*

(11) If the dealer and the manufacturer, distributor, wholesaler, factory branch, or distributor branch do not agree on the parts mark-up or labor rate, the dealer may file a protest with the ~~Louisiana Motor Vehicle Commission~~ commission within sixty days of receiving the manufacturer's rejection and proposal. The commission shall notify the manufacturer, distributor, wholesaler, factory branch, or distributor branch and schedule a hearing. The manufacturer, distributor, wholesaler, factory branch, or distributor branch shall have the burden of proving by a preponderance of the evidence that the dealer's submitted parts mark-up or labor rate was materially inaccurate as described in Paragraph (9) of this Subsection. If the ~~Louisiana Motor Vehicle Commission~~ commission decides in favor of the dealer, any increase in the dealer's parts mark-up or labor rate shall be effective, retroactively, forty-five days following the manufacturer, distributor, wholesaler, factory branch, or distributor branch's receipt of the original submission.

\* \* \*

§1270.1. Unauthorized acts; marine products

It shall be a violation of this Part:

\* \* \*

(2) For a marine dealer, ~~used marine product dealer~~, marine product salesman:

\* \* \*

§1270.11. Unauthorized acts

It shall be a violation of this Part:

\* \* \*

(2) For a motorcycle or all-terrain vehicle dealer, ~~used motorcycle or all-terrain vehicle dealer~~, or a motorcycle or all-terrain vehicle salesman:

\* \* \*

§1270.32. Definitions

The following words, terms, and phrases, when used in this Part, shall have the meanings respectively ascribed to them in this Section, except where the context clearly indicates a different meaning:

\* \* \*

(2) "Commission" means the Louisiana ~~Motor~~ Vehicle Commission.

\* \* \*

§1272. Definitions

The following words, terms, and phrases, when used in this Chapter, shall have the following meaning:

\* \* \*

(2) "Commission" means the Louisiana ~~Motor~~ Vehicle Commission.

(3) "Executive director" means the executive director of the Louisiana ~~Motor~~ Vehicle Commission.

\* \* \*

§1274. License and filing requirements; licensing fees

\* \* \*

E.(1) The licensing fee for a warrantor for each calendar year or part thereof shall not exceed ~~five hundred dollars~~ in the amount provided for in R.S. 32:1255 ~~as fixed by the commission.~~

\* \* \*

(3) Upon approval of an application and the payment of a fee, the commission shall issue a license to the applicant to engage in business as a warrantor under and in accordance with the provisions of Chapter 6 of this Title and this Chapter for a period ~~which shall expire the last day of December~~ as defined in R.S. 32:1254 following the date of issuance. Such license shall not be transferable or assignable.

(4) A change in the warrantor's executive officer or officers directly responsible for the warrantor's vehicle protection product business, a change in the name of a licensee, corporate ownership, majority ownership, or principal address shall require the licensee to submit a fee to not exceed the annual license fee pursuant to R.S. 32:1255, and file an amendment application, which shall contain such information and requirements as the commission deems necessary to amend, update and issue a license reflecting the change.

Section 3. R.S. 37:1892(3) and (4), 1893(C)(4)(a), (b), and (d), 1893.1(A)(4) and (5) and (D) through (H), 1893.4(A) and (B), and 1894 are hereby amended and reenacted, and R.S. 37:1892(5), 1893.1(D) through (H) and 1893.5(B)(3) are hereby enacted to read as follows:

§1892. Definitions

For purposes of this Part, the following words have the following meanings:

\* \* \*

(3) "Commission" means the Louisiana ~~Used Motor~~ Vehicle Commission.

(4) "Established place or established place of business" shall mean a permanently enclosed building or structure either owned, leased, or rented, which meets local zoning or municipal requirements, and regularly occupied by a person, easily accessible to the public at which the regular business of a licensee will be carried on in good faith, and, at which place of business shall be kept and maintained the books, records, and files necessary to conduct the business; and shall not mean residences, tents, temporary stands, lots, or any temporary quarters."

~~(4)~~(5) "Person" means any natural or juridical person and includes any firm, association, corporation, limited liability company, partnership, trust, or two or more natural or juridical persons having a joint or common interest. "Person" also includes a transient merchant as defined by R.S. 37:1901.

§1893. License required; application

\* \* \*

C.

\* \* \*

(4)(a) Upon submission of an application, an applicant shall pay all applicable fees in accordance with ~~R.S. 32:791(D)~~ R.S. 32:1255. ~~If an application is denied and the license is not issued, the commission shall return all licensing fees to the applicant~~ All such fees shall be nonrefundable.

(b) Any licensee that submits a renewal application after the expiration date of an existing license shall be subject to a late penalty ~~of one hundred dollars~~ in

accordance with R.S. 32:1255 in addition to any penalty, fine, or cost assessed for operating without a license which shall be paid to the commission.

\* \* \*

(d) Any licensee that changes its name, ~~mailing address~~, or ownership shall notify the commission within ~~ten calendar~~ five business days of the change. Failure to timely notify the commission of a change of name, ~~mailing address~~, or ownership shall be in violation of this Part. A change in corporate ownership or majority ownership, or a change in the name of a Catalytic converter dealer licensed by the commission shall require the licensee to submit a fee in accordance with R.S. 32:1255 and file an amendment application and shall contain such information and requirements as the commission deems necessary to amend, update and issue a license reflecting the change.

\* \* \*

§1893.1. Denial, revocation, or suspension of license; grounds; unauthorized acts, imposition of a civil penalty; other relief

A.

\* \* \*

(4) Finding that the applicant has, under a previous license or its previous Louisiana licensing commission, committed a violation of any law or rule or regulation adopted and promulgated by the commission.

(5) Finding that the applicant is an immediate family member, the former employee, or a former business associate of a dealer whose license was previously revoked or suspended by the commission or its previous Louisiana licensing commission and that the applicant intends to operate the same or substantially the same business as operated by the revoked licensee or the revoked licensee will be participating in the business with the applicant. As used in this Paragraph, "immediate family" shall have the meaning ascribed in R.S. 42:1102.

\* \* \*

D. The commission may without prior notice deny the application for a license within thirty days after receipt thereof by written notice to the applicant

stating the grounds for such denial. Upon request by the applicant whose license has been so denied, the commission shall set the time and place of hearing a review of such denial, the same to be heard with reasonable promptness.

E. The commission may suspend or revoke a license issued or impose a civil penalty only after a hearing of which the licensee affected shall be given at least ten days written notice specifying the grounds or reasons for suspension, revocation, or penalty. The notice may be served as provided by law for the service of notices or by mailing a copy by registered or certified mail, by personal physical service on the licensee to the last known residence or business address, by personal physical service on an employee of the licensee at the last known business address of such licensee, or by posting notice at the entrance of the licensed premises where the alleged violation occurred.

F.(1) The hearing on denial of a license, suspension or revocation of a license, or imposition of a civil penalty shall be at such time and place as the commission may prescribe and the affected applicant or licensee shall be notified of such time and place at least ten days prior to the date of hearing. The hearing shall be scheduled to be held within sixty days of notification to the licensee or applicant of the violation. The commission shall in like manner also notify the person, firm, association, corporation, or trust with whom the applicant or licensee is associated, or in whose association he is about to enter. The commission shall have the power to compel the production of records and papers bearing upon the application or complaints. The commission shall have the power to subpoena and bring before it any person in this state, or take testimony of any such person by deposition in the same manner as prescribed by law in judicial procedure before courts of the state in civil cases. Any party to such hearing shall have the right to procure the attendance of witnesses in his behalf upon designating to the commission the person or persons sought to be subpoenaed.

(2) If the commission determines that an applicant is not qualified to receive a license, a license shall not be granted to said applicant, and if the commission determines that a licensee is guilty of a violation of any of the provisions of this Part

or the rules and regulations of the commission his or its license may be suspended or revoked, or a civil penalty may be imposed, or both.

G. The commission may render judgment for costs, or any part thereof, against any party to proceedings held or court reporter fees, commission attorney fees, the mileage and per diem of the commissioners, and other applicable and reasonable costs. In addition to the penalties provided pursuant to this Part, the commission is expressly empowered and authorized, after following the procedures of this Part, to order restitution, and to impose sanctions including the imposition of restrictions on any license, the revocation or suspension of any license, the imposition of civil fines, the injunction relief, the declaratory relief, reasonable costs and attorney fees, and the requirement that the licensee attend a four-hour educational seminar within three months of the hearing decision. The commission may also enter into stipulations.

H. Upon the failure of any person to comply with any order of the commission issued as a result of a violation of this Part, or a rule or regulation adopted by the commission, the commission is authorized to file civil proceedings to enforce its order in the Twenty-Fourth Judicial District Court for the parish of Jefferson by rule to show cause conducted pursuant to the relevant provisions of the Louisiana Code of Civil Procedure. The commission shall be entitled to recover from such party all costs of the proceeding, including but not limited to court costs, discovery costs, and reasonable attorney fees incurred by the commission in enforcing its order. All appeals of commission decisions shall be brought in the Twenty-Fourth Judicial District Court of the parish of Jefferson.

#### §1893.4. Injunctions; cease and desist orders

~~A. The commission may institute injunctive actions in courts of competent jurisdiction in the name of the state without cost, bond, or deposit to enforce the provisions of this Part.~~ The commission is hereby authorized without posting of cost, bond, or deposit to institute an injunctive action in the district court for the parish in which the commission office is located or the district court for the parish in which the alleged offender is domiciled to enforce the provisions of this Part and any other

law, rule, or regulation relating to the business for which a license is granted under this Part.

~~B.(1) A person who violates or threatens to violate any provision of this Part or rule or regulation promulgated by the commission may be enjoined from committing or continuing the violation or engaging in any business for which a license has been issued in accordance with this Part. In addition to any other proper venue, the parish of East Baton Rouge shall constitute a proper venue for the institution by the commission of judicial actions authorized pursuant to this Part. If it appears to the commission at any time that a person is violating the provisions of this Part or any rule or order of the commission issued pursuant to this Part, it shall notify the person engaged in such conduct to appear and show cause why a cease and desist order should not be issued prohibiting the proscribed conduct. An interlocutory cease and desist order may be granted with or without bond or other undertaking if one of the following occurs:~~

(a) Such an order is necessary to the performance of the duties delegated to the commission by this Part or is otherwise necessary or convenient to maintaining the status quo between two or more adverse parties before the commission.

(b) A party before the commission is entitled to relief demanded of the commission and all or part of the relief requires the restraint of some act prejudicial to the party.

(c) A person is performing or is about to perform or is procuring or allowing the performance of an act relating to the subject of a contested case pending before the commission, in violation of the rights of a party before the commission, and the act would tend to render the commission's order in that case ineffectual.

(d) Substantial injury to the rights of a person subject to the commission's jurisdiction is threatened irrespective of any remedy at law.

(2) Interlocutory cease and desist orders shall remain in effect until vacated or until incorporated into a final commission order. Permanent cease and desist orders may issue without regard to the enumerations in Paragraph (1) of this Subsection, but only in accordance with the provisions of this part pertaining to the

issuance of final commission orders. Appeal of any interlocutory cease and desist order shall be made to the commission prior to seeking judicial review under the provisions of this Part. Appeal of a permanent cease and desist order shall be conducted pursuant to the provisions of this Part pertaining to judicial review of final orders.

\* \* \*

§1893.5. Civil penalties

\* \* \*

B.

\* \* \*

(3) No civil penalty imposed for the negligent filing or the untimely updating of information as required under the provisions of this Chapter or under the rules and regulations of the commission shall exceed one hundred dollars per day.

\* \* \*

§1894. Exceptions

The provisions of this Part shall not apply to ~~either of the following:~~

~~(1) A dealer licensed by the Louisiana Motor Vehicle Commission.~~

~~(2) A~~ a person possessing not more than the used detached catalytic converters from one vehicle owned by the person.

Section 4. R.S. 44:4(65) is hereby enacted to read as follows:

§4. Applicability

This Chapter shall not apply:

\* \* \*

(65) To any records, writings, exhibits, files, documents, communications, accounts, letters, letter books, photographs, actual working papers, or copies thereof, any of which in in the custody or control of any officer, employee, or agent of the Louisiana Vehicle Commission and which pertains to an investigation of any person or entity of a motor vehicle commission authority that is under investigation; however any such record shall be public record and subject to the provisions of this Chapter when introduced as evidence before administrative or other judicial tribunal.

Section 5. R.S. 6:969.36(A)(8), 969.40(E), R.S. 32:781 through 808, 1261(A)(2)(f), 1270.1(2)(f). 1220.11(2)(f), 1270.20(2)(f), and R.S. 37:1893.2, 1893.3, 1893.4(C) and (D) are hereby repealed.

Section 6. The Louisiana State Law Institute is hereby authorized and directed to alphabetize and renumber the definitions contained in R.S. 6:969.6 and to correct any cross-references to the renumbered Paragraphs if necessary, consistent with the provisions of this Act.

Section 7. The provisions of R.S. 32:1254(M) of this Act shall become effective when the Department of Public Safety and Corrections, office of motor vehicles, electronic vehicle registration system is updated to comply with the statutory provisions contained in 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

2026 Regular Session

**Abstract:** Consolidates the Louisiana Motor Vehicle Commission and the Louisiana Used Motor Vehicle Commission. Provides for definitions; provides for the membership, powers, duties, and authority of the commission; provides for a dispute resolution panel; provides for licensee categories; provides for licensing requirements, procedures, and exemptions; provides for surety bond requirements; provides for educational seminars; provides for deposit and down payment disclosure and conditional sale; provides for fees; provides for denial, suspension, and revocation of licenses; provides for criminal and civil penalties; provides for the prohibition of black market sales; provides for unauthorized acts; provides for exclusions; provides for injunctions and cease and desist orders; provides for applicability.

Present law provides for the Louisiana Motor Vehicle Commission.

Proposed law changes present law by removing "motor" from the name of the commission.

Proposed law changes present law by amending the definitions of "broker", "commission", "converter", "dealer", "dealer-operator", "designated successor", "distributor", "distributor branch", "distributor representative", "established place of business", "factory branch", "factory representative", "financial institution", "fire truck", "franchise", "lease facilitator", "licensee", "low-speed vehicle", "manufacturer", "marine dealer", "marine motor", "marine product", "marine product line", "marine product salesman", "motorcycle", "motorcycle or all-terrain vehicle dealer", "motorcycle or all-terrain vehicle salesman", "motor home", "motor vehicle", "motor vehicle dealer", "motor vehicle lessor", "motor vehicle lessor agent", "motor vehicle lessor franchisor", "motor vehicle salesman", "new marine product", "new motorcycle or all-terrain vehicle", "new motor vehicle, new recreational product, or new specialty vehicle", "new recreational vehicle", "person", "recreational products", "recreational products dealer", "recreational vehicle", "recreational vehicle dealer", "recreational vehicle salesman", "retail sale", "satellite warranty and repair center", "selling agreement", "specialty vehicle", "specialty vehicle dealer", "subsidiary", "tow dolly", "towable equipment", "trailer", "trolling motor", "ultimate purchaser", "used marine product", "used motorcycle or all-terrain vehicle", "used motor vehicle", "used motor vehicle dealer", "used motor vehicle facility", "used recreational vehicle", "vehicle", "watercraft", "wrecker", and "executive director".

Proposed law adds the definitions of "origination", "consummation", "control" or "change of control", "converter branch" or "secondary manufacturer branch", "converter representative" or "secondary manufacturer representative", "corporate ownership", "daily rental dealer", "dealer of used motor vehicle parts and accessories", "default", "dismantler and parts recycler", "dismantler and parts recycler sales representative", "lease", "majority ownership", "motor vehicle crusher", "processing fee", "public or retail motor vehicle auction", "rental", "rental purchase agreement", "rent-to-own dealer", "rental consumer", "salvage pool or salvage disposal sale", "scrap metal", "scrap metal processor", "used motor vehicle salesperson", "used wrecker", "used parts and accessories", "water-damaged vehicle", "wholesale motor vehicle auction", "same entity", "common ownership", "common control", "controlling interest", and "established place or established place of business".

Present law provides for an 18-member commission appointed by the governor, with 14 district-based members and additional qualifications.

Proposed law changes present law by increasing the membership of the commission from 18 to 23 members, decreasing the number of district-based members from 14 to 10, providing that one licensed franchised motor vehicle dealer and one licensed used motor vehicle dealer shall represent each of the 5 public service commission districts, and providing for 8 commission districts and the parishes contained in each district.

Present law provides that 15 members of the commission shall meet specified qualifications.

Proposed law changes present law by increasing that number from 15 to 20 and requiring those members to have held an active license issued by the commission or its predecessor La. licensing commission for at least 5 consecutive years immediately prior to appointment. Proposed law further provides that, among the 20 qualified members, there shall be representation from specified industries.

Present law provides for a per diem of \$50 per day for the chairman and members of the commission.

Proposed law changes present law by increasing the per diem from \$50 to \$100 per day, with an additional \$200 per day for lodging expenses when traveling more than 75 miles, and provides for reimbursement of actual expenses incurred in the performance of duties.

Proposed law provides that the commission shall maintain its primary office in Jefferson Parish and may, at its discretion, utilize additional offices in other parishes.

Proposed law provides that no rule or regulation of the commission, including but not limited to LAC 46:V.701 through 741, shall prohibit a dealer licensee from making a monetary donation or contribution that does not directly involve the sale or lease of a motor vehicle in connection with an advertising campaign.

Proposed law establishes a dispute resolution panel within the commission and provides that the panel shall exclusively exercise the adjudicatory authority of the commission, including the power to issue subpoenas, compel the attendance of witnesses, administer oaths, receive evidence, render final decisions, order remedies, and impose fines.

Proposed law further provides that the panel's jurisdiction shall include all disputes, protests, complaints, or other contested matters involving licensees of the commission and matters involving any person operating without a required license.

Proposed law authorizes the commission to take possession of certificates of title and distribute those titles to the rightful owners, to empower the executive director to take any actions necessary to obtain and deliver a certificate of title to a retail purchaser, and to administer all claims made against the bond required by present law. Proposed law further authorizes the commission to assess restitution against a licensee in favor of a consumer based on the actual loss suffered by the consumer, and to recover reasonable attorney fees and court costs from a licensee, surety, or both, when prevailing in any legal action.

Present law provides for categories of persons required to be licensed by the commission.

Proposed law changes present law by expanding the list of licensee categories to include dismantlers and parts recyclers; daily rental dealers; public or retail motor vehicle auctions, wholesale motor vehicle auctions, and salvage pools that deal in used motor vehicles; catalytic converter dealers; motor vehicle crushers; rent-to-own dealers; used motor vehicle dealers; used motor vehicle salesmen; dealers in used parts and accessories of motor vehicles; vehicle protection product warrantors; motor vehicle sales finance; administrators; and salesmen or agents.

Present law provides that licenses issued by the commission expire on December 31st of each year.

Proposed law changes present law by providing that any licensee who maintains a place of business in this state shall be issued a license for a 2-year term, and that any licensee who does not maintain a place of business in this state shall be issued a license that expires on December 31st of each year. Proposed law further establishes 8 licensing districts annual renewal periods running from April 1 through October 31, with each district's licenses expiring at the end of a different month.

Proposed law requires any licensee that ceases to maintain its business to surrender the license to the commission within 10 days of cessation, and provides that any failure to do so shall constitute a violation of present law.

Proposed law requires a licensee, upon a change in corporate ownership, majority ownership, name of the licensee, dealer-operator, or control, to submit a fee in accordance with R.S. 32:1255 and file an amendment application within 5 business days of the change.

Present law provides for licensing and compliance requirements applicable to enumerated licensees.

Proposed law amends and adds requirements applicable to manufacturers, distributors, wholesalers, dealers, lessors, brokers, salesmen, and other licensees.

Proposed law authorizes the commission to issue a multi-location salesman license for persons licensed as motor vehicle or used motor vehicle salesmen, allowing the salesman to engage in business at more than one dealer location, provided that each location is operated by the same legal entity, is under common ownership, or is under common control. Proposed law further provides that the multi-location salesman license shall be valid for 2 years and shall identify all dealer locations at which the salesman is authorized to engage in business, and that the license shall not become effective until the commission certifies that a fully operational statewide electronic licensing system has been implemented.

Proposed law provides requirements applicable to public or retail motor vehicle auctions, wholesale motor vehicle auctions, and salvage pools that deal in used motor vehicles.

Proposed law provides requirements applicable to daily rental dealers.

Proposed law provides requirements applicable to rent-to-own dealers, including a requirement to maintain a contingent automobile liability policy of insurance with minimum limits of \$100,000 per occurrence, \$300,000 aggregate, and \$50,000 in property damage; a requirement to warrant the powertrain of the motor vehicle for any defects existing at the time of sale for a period of 30 days or 1,000 miles, whichever occurs first; a prohibition against renting with an option to purchase a used motor vehicle that has a recorded lien on file; and detailed terms required to be included in any rental purchase agreement, including itemized costs not to exceed \$150 each for detail, delivery, or destination, an itemized processing fee not to exceed \$150, late payment provisions not to exceed \$50 or 10% of the monthly payment, whichever is less, reinstatement fees not to exceed \$50, and a 5-day default notice.

Proposed law provides requirements applicable to dismantlers and parts recyclers, motor vehicle crushers, and scrap metal processors, including requirements to keep a register of all purchases and sales of motor vehicles for 3 years; that a licensed dismantler and parts recycler shall not be required to obtain a separate license as a used motor vehicle dealer and dealer in used parts and accessories; that an automotive dismantler and parts recycler, motor vehicle crusher, and scrap metal processor shall obtain a used motor vehicle license to sell a vehicle at retail; and that no motor vehicle crusher or scrap metal processor acquiring a motor vehicle from any person who is not licensed as a dismantler and parts recycler or

motor vehicle crusher shall crush, compact, demolish, shred, or otherwise recycle for scrap such motor vehicle until after applying with the office of motor vehicles for a permit to dismantle.

Proposed law enacts new surety bond requirements and requires every license applicant to deliver to the commission a good and sufficient surety bond, executed by the applicant as principal and by a surety company qualified to do business in La. as surety, in the sum of \$50,000, conditioned upon the licensee's compliance with present law. Proposed law further provides that the bond shall be made payable to the state of La. through the commission for the proper disposition of taxes, license fees, tags, or certificates of title; for indemnification to any person who suffers any loss, damage, or expense due to the failure of the licensee to comply with present law; for restitution imposed by the commission; for unpaid penalties, fines, and hearing costs, not to exceed \$25,000; and for attorney fees or court costs. Proposed law further provides that the bond shall be maintained throughout the period of licensure, that failure to maintain the bond shall result in immediate suspension of the license, and that, if proof of a bond is not furnished within 30 days, the license shall be revoked.

Proposed law enacts educational seminar requirements and authorizes the commission to require both initial applicants and licensees seeking renewal to attend educational seminars; to promulgate rules establishing curriculum, materials, and registration fees; to require attendees to complete a test of 10 questions and obtain a minimum score of 70% to receive credit for satisfactory completion; to require an initial license application seminar that shall not exceed 6 hours and a renewal application seminar that shall not exceed 4 hours; and to approve and create a uniform certificate of completion.

Proposed law provides that the commission has the exclusive authority to administer educational seminars for initial applicants, and authorizes the commission to approve educational institutions, private vocational schools, correspondence schools, and trade associations meeting its requirements to conduct post-license and continuing educational seminars for licensees, with renewal of approval required every 2 years. Proposed law further provides for grounds upon which an applicant-instructor's approval may be denied, including conviction for crimes involving fraud, false statements in an application, or failure to meet the commission's requirements, and provides that proposed law relative to educational seminars shall not apply to any licensee who does not broker, sell, lease, or rent new motor vehicles, new recreational products, or used motor vehicles to consumers.

Proposed law enacts new deposit and down payment disclosure and conditional sale requirements applicable to motor vehicle dealers, recreational products dealers, used motor vehicle dealers, used motor vehicle facilities, and specialty vehicle dealers.

Proposed law requires a dealer, for every transaction in which the customer provides a down payment or deposit for the purchase of a new or used vehicle on a conditional sale, to complete a conditional sales contract, other written notification, or bill of sale that includes the amount of the deposit or down payment; the terms and conditions for return or forfeiture; a time limit not to exceed 25 days in which to complete the transaction; a complete description of the vehicle to be sold; and the amount of any trade-in allowance and a description of the trade-in vehicle.

Proposed law provides for terms applicable when a dealer delivers a vehicle on a sale conditioned on financing, including a 25-day window to conclude the sale; restrictions on selling the trade-in vehicle until the conditional sale is complete; consequences if the customer or dealer withdraws from the agreement, a 48-hour window for return of the vehicle following written notice that the conditional sale will not be completed; and the dealer's right to recover the vehicle without judicial process under specified conditions.

Proposed law also provides that, when a dealer accepts a deposit merely to hold a vehicle, a written agreement signed by the purchaser is required and shall clearly state that no

transaction has occurred, that no sales documents have been completed, and that the deposit is merely intended as a hold on the vehicle.

Present law provides for license fees applicable to enumerated licensees.

Proposed law changes present law by revising the fee schedule and providing that fees shall not exceed \$1,000 for manufacturers, distributors, converters, motor vehicle lessor franchisors, wholesalers, converter branches, factory branches, or distributor branches; \$300 for motor vehicle dealers, specialty vehicle dealers, recreational products dealers, motor vehicle lessors, used motor vehicle dealers, used motor vehicle facilities, dismantlers and parts recyclers, daily rental dealers, motor vehicle auctions, salvage pools, motor vehicle crushers, rent-to-own dealers, dealers in used parts and accessories, catalytic converter dealers, factory representatives, brokers, distributor representatives, converter representatives, or lease facilitators; \$30 for motor vehicle salesmen, used motor vehicle salesmen, and motor vehicle lessor agents; \$500 for vehicle protection product warrantors, auto shows, trade shows, and expositions; \$400 for motor vehicle sales finance; \$1,500 for administrators of debt waiver or debt forgiveness agreements; and \$75 for salesmen or agents.

Proposed law provides that the fee to submit an amendment application to change the corporate ownership, majority ownership, dealer-operator, control, or name of a licensee shall not exceed the amount of the annual license fee per amendment application, that the late filing penalty shall not exceed the amendment application fee by 50%, and that civil penalties may be assessed in addition to the late filing fee.

Present law provides for grounds upon which the commission may deny, revoke, or suspend a license, or impose a civil penalty.

Proposed law changes present law by adding additional grounds, including failure to provide or maintain any bond or insurance required by present law; commission of prior violations under a previous license of the commission or its predecessor La. licensing commission; familial, employment, or business association with a licensee whose license was previously revoked or suspended where the applicant intends to operate the same or substantially the same business; and violations of any statutes related to the title and registration of motor vehicles, including the use of temporary license plates, failing to properly register temporary license plates and dealer inventory plates, and the collection of sales and use tax. Proposed law further provides that the commission may suspend or revoke a license or impose a civil penalty only after a hearing of which the licensee shall be given at least 10 days written notice specifying the grounds for the action.

Proposed law provides that, when the licensed established place of business of certain enumerated licensees is abandoned, the license shall be revoked without a hearing if a request or application for a hearing on the revocation is not made within 5 business days following the posting of a notice on the front door of the business. Proposed law further provides that a place of business is considered abandoned if there are no licensed individuals or an owner on the premises during posted business hours for a period of more than 1 week without notice to the commission, the business telephone is disconnected or no longer in service, or the business sign has been removed.

Proposed law enacts new criminal penalties and provides that any person required to be licensed who commits a violation shall, upon conviction, be fined not less than \$500 nor more than \$1,000, with each day of violation constituting a separate offense.

Present law provides for a maximum civil penalty of \$5,000 per day for a first violation and \$10,000 per day for a second or subsequent violation.

Proposed law changes present law by decreasing the maximum civil penalty to \$2,000 per day for a first violation and \$3,000 per day for a second or subsequent violation. Proposed law further authorizes the commission to order restitution and to impose sanctions including

license restrictions, license revocation or suspension, civil fines, injunctive relief, declaratory relief, reasonable costs and attorney fees, and the requirement that the licensee attend a 4-hour educational seminar within 3 months of the hearing decision. Proposed law also authorizes the commission to file civil proceedings in the 24th Judicial District Court for the parish of Jefferson, by rule to show cause, to enforce its orders, with the commission entitled to recover all costs of the proceeding, including court costs, discovery costs, and reasonable attorney fees.

Proposed law provides for a prohibition on black market sales and prohibits any person from selling new or used motor vehicles, recreational products, or specialty vehicles by using fraudulent practices Proposed law further provides that any person who violates proposed law shall be liable for a fine of up to \$3,000.

Present law provides for unauthorized acts applicable to commission licensees.

Proposed law adds unauthorized acts applicable to motor vehicle dealers, specialty vehicle dealers, recreational product dealers, used motor vehicle dealers, used motor vehicle facilities, motor vehicle auctions, daily rental dealers, rent-to-own dealers, motor vehicle salesmen, and used motor vehicle salesmen, including parking vehicles on any public roadway or right-of-way for the purpose of displaying vehicles for sale; committing a fraudulent act in dealing in used motor vehicles or misrepresenting the terms and conditions of a sale, purchase, or contract for sale or purchase of a used motor vehicle; tampering with an odometer; selling a used motor vehicle "as is" without providing a buyer's guide if required by the Federal Trade Commission; failing to comply with R.S. 32:705 and statutes related to the title and registration of motor vehicles; and requiring a consumer to sign a voluntary surrender at the time of the sale of a used motor vehicle. Proposed law further adds unauthorized acts applicable to brokers, including selling, offering to sell, or displaying a new vehicle, or signing or accepting an assignment of a title; unauthorized acts applicable to dismantlers, parts recyclers, motor vehicle crushers, and dealers of used motor vehicle parts, including operating from an unlicensed location, employing unlicensed salespersons, failing to maintain required registers, and selling motor vehicles at retail without a used motor vehicle dealer license.

Present law provides for the resolution of disputes between dealers and manufacturers regarding parts mark-ups and labor rates.

Proposed law changes present law by providing that, if a dealer and a manufacturer, distributor, wholesaler, factory branch, or distributor branch do not agree on the parts mark-up or labor rate, the dealer may file a protest with the commission within 60 days of receiving the manufacturer's rejection and proposal. Proposed law further provides that the manufacturer or other party shall have the burden of proving by a preponderance of the evidence that the dealer's submitted parts mark-up or labor rate was materially inaccurate, and that any increase ordered by the commission shall be effective retroactively, 45 days following the manufacturer or other party's receipt of the original submission.

Present law provides for licensing fees applicable to vehicle protection product warrantors.

Proposed law changes present law by referencing the fee structure set forth in R.S. 32:1255 and revises the procedures applicable to a change in the warrantor's executive officer, name of licensee, corporate ownership, majority ownership, or principal address.

Present law provides for the regulation of consumer lending and motor vehicle sales finance.

Proposed law changes present law by revising provisions governing documentation and compliance fees, including provisions governing the calculation and publication of the adjusted maximum fee and a requirement that the office of motor vehicles transmit the updated amount to the commission by February 1st of each year, and providing additional licensing requirements for licensees subject to the chapter, including age, citizenship, character and fitness, and felony exclusion provisions.

Proposed law adds a public records exception for records, writings, exhibits, files, documents, communications, accounts, letters, photographs, and working papers in the custody or control of any officer, employee, or agent of the commission that pertain to an investigation of any person or entity under investigation. Proposed law further provides that any such record shall become a public record subject to the public records law when introduced as evidence before an administrative or judicial tribunal.

Proposed law repeals present law (R.S. 6:969.36(A)(8), 969.40(E), R.S. 32:781 through 808, 1261(A)(2)(f), 1270.1(2)(f), 1270.11(2)(f), 1270.20(2)(f), R.S. 37:1893.2, 1893.3, and 1893.4(C) and (D)).

Proposed law authorizes the La. State Law Institute to alphabetize and renumber the definitions contained in R.S. 6:969.6 and to correct any cross-references to the renumbered Paragraphs.

Proposed law provides that the effective date of R.S. 32:1254(M) of proposed law shall be when the Department of Public Safety and Corrections, office of motor vehicles, electronic vehicle registration system is updated to comply with the statutory provisions contained in proposed law.

(Amends and reenacts R.S. 6:969.3(B), 969.6(5), 969.18(A)(2)(ii), 969.35(A)(1), 969.37(B), (D), and (G), and 969.41(A), and (C), R.S. 32:1251, 1252(5) and (6) and (8) through (75), 1253(A)(introductory paragraph) and (1), (2)(a)(introductory paragraph) and (i) and (b)(introductory paragraph), (4)(b) and (c), (C) through (G), 1254(A)(6), (B), (D)(introductory paragraph) and (4)(b), (E)(2), (9) and (10), (F), (G)(5) and (7), (H)(4) through (7), (I)(4), (J)(6), (K)(5), (L)(2), (6)(b) and (8), (M), 1255(A)(1) through (4), 1258(A)(9), (C), and (E), 1260(A)(1) and (2) and (F), 1261(A)(1)(t)(i), (2)(introductory paragraph) and (f) through (k) and (5)(b), 1262(A)(11), 1270.1(2)(introductory paragraph), 1270.11(2)(introductory paragraph), 1270.32(2)(introductory paragraph), 1272(2) and (3), and 1274(E)(1) and (3), and R.S. 37:1892(3) and (4), 1893(C)(4)(a), (b), (d), 1893.1(A)(4) and (5) and (D) through (H), 1893.4(A) and (B), and 1894; Enacts R.S. 6:969.6(36) and 969.37(I), R.S. 32:1252(76) through (96), 1253(A)(2)(b)(vii) through (ix) and (I) through (K), 1254(C)(13) and (15), (E)(12) through (14), (G)(8), (H)(8) through (10), (J)(8) through (11), (L)(9) and (10), 1254.1, 1254.2, 1254.3, 1255(A)(6) and (7), (C), and (D), 1258(A)(11) through (13) and (F), 1258.1, 1260(G), 1260.1, 1261(A)(2)(l) through (p), (5)(b)(n), (8), and (9), 1274(E)(4), R.S. 37:1892(5), 1893.1(D) through (H), and 1893.5(B)(3), and R.S. 44:4(65); and repeals R.S. 6:969.36(A)(8), 969.40(E), R.S. 32:781 through 808, 1261(A)(2)(f), 1270.1(2)(f), 1270.11(2)(f), 1270.20(2)(f), R.S. 37:1893.2, 1893.3, 1893.4(C) and (D))