

2017 Regular Session

HOUSE BILL NO. 606

BY REPRESENTATIVE HAVARD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MOTOR VEHICLES: Increases charges and clarifies contract requirements relative to public license tag agents

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AN ACT

To amend and reenact R.S. 6:969.18(A)(3), R.S. 9:3530(F)(1) and (2), and R.S. 47:532.1(A)(7)(c), (C), (D), and (E), relative to public license tag agents; to authorize a maximum convenience charge for certain transactions; to increase the convenience charges collected by public license tag agents; to authorize the collection of a convenience charge in addition to other authorized fees, sales taxes, and transactions; to establish contract renewal requirements for contracts between the Department of Public Safety and Corrections, office of motor vehicles, and public license tag agents; to require notice and cause if the Department of Public Safety and Corrections, office of motor vehicles, fails to renew a contract; to impose a penalty; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 6:969.18(A)(3) is hereby amended and reenacted to read as follows:

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

A.

\* \* \*

(3) The seller or extender of credit may additionally charge the consumer a convenience ~~fee~~ charge, as provided by R.S. 47:532.1(A)(7)(c), for services performed in obtaining a motor vehicle license or title on the consumer's behalf.

\* \* \*

1 Section 2. R.S. 9:3530(F)(1) and (2) are hereby amended and reenacted to read as  
2 follows:

3 §3530. Fees; origination; notary, documentation; over-the-credit-limit fee

4 \* \* \*

5 F.(1) A lender may ~~charge the consumer the~~ collect a convenience fee charge  
6 authorized by R.S. 47:532.1(C) for services performed by a public license tag agent  
7 as well as any E.L.T. fees pursuant to R.S. 32:707.2. Such fees shall not be charged  
8 to the consumer more than once.

9 (2) Notwithstanding any other law to the contrary, the convenience ~~fee~~  
10 charge authorized by R.S. 47:532.1(C) as well as any E.L.T. fees shall not be  
11 considered as interest, nor shall they be included in the calculation of interest.

12 \* \* \*

13 Section 3. R.S. 47:532.1(A)(7)(c), (C), (D), and (E) are hereby amended and  
14 reenacted to read as follows:

15 §532.1. Public license tag agents; auto title companies; rules and regulations; surety  
16 bonds; fees

17 A.

18 \* \* \*

19 (7)

20 \* \* \*

21 (c) Public license tag agents shall also be authorized to provide information  
22 on the status of registration privileges and to process reinstatements of driving and  
23 motor vehicle registration privileges when these privileges were revoked due to the  
24 failure to maintain the compulsory motor vehicle liability security or the failure to  
25 provide proof of such security. Public license tag agents shall be authorized to  
26 ~~charge~~ collect a convenience fee charge not to exceed ~~eighteen~~ twenty-eight dollars,  
27 to provide information on the status of registration privileges and a ~~fee~~ charge not  
28 to exceed ~~eighteen~~ twenty-eight dollars per reinstatement, provided that the ~~fees~~  
29 charges are disclosed immediately to the consumer prior to the initiation of the

1 transaction, and ~~the fees~~ are posted in a conspicuous manner in the business office  
2 of the public license tag agent.

3 \* \* \*

4 C. Public license tag agents shall be authorized to collect a convenience ~~fee~~  
5 charge in addition to the registration license tax, other authorized fees, sales taxes,  
6 and transactions. The convenience ~~fee~~ charge shall not exceed ~~eighteen~~ twenty-eight  
7 dollars per license. However, the public license tag agents shall collect and retain  
8 the full amount of the convenience ~~fee~~ charge. The seller is authorized to ~~charge~~  
9 collect the convenience ~~fee~~ charge authorized by this Subsection in connection with  
10 any retail sale, in addition to the fees authorized in Chapter 10-B of Title 6 of the  
11 Louisiana Revised Statutes of 1950.

12 D.(1) Each public license tag agent approved by the office of motor vehicles  
13 shall disclose information to the consumer that a license tag may be purchased at the  
14 office of motor vehicles without payment of the convenience ~~fee~~ charge.

15 (2) Itemization of this convenience ~~fee~~ charge in compliance with federal  
16 laws regarding truth and lending shall be considered compliance with this Section.

17 E.(1) The contract between the Department of Public Safety and Corrections,  
18 office of motor vehicles and a person who contracts to perform services pursuant to  
19 this Section shall be for a term of two years and may be automatically renewed by  
20 the Department of Public Safety and Corrections, office of motor vehicles.

21 (2) The office of motor vehicles shall furnish license renewal information  
22 to each contracted public license tag agent at least sixty days in advance of the  
23 expiration date of the contract. The public license tag agent shall complete and  
24 return the application and any related documents to the office of motor vehicles at  
25 least thirty days in advance of the expiration date of the contract. The office of motor  
26 vehicles shall execute and return the new contract to the public license tag agent  
27 prior to the expiration date of the contract.

28 (3) If the office of motor vehicles does not intend to renew its contract with  
29 a public license tag agent, the office of motor vehicles shall send notice and cite the

1 cause for failure to renew, as provided in R.S. 47:532.2(A), to the public license tag  
2 agent at least sixty days in advance of the expiration of the contract.

3 (4) If the office of motor vehicles fails to comply with the provisions of  
4 Paragraph (2) or (3) of this Subsection, the contract shall be automatically renewed  
5 for a period of two years, subject to payment of the renewal fee and the surety bond  
6 for the renewal period.

7 Section 4. The Department of Public Safety, office of motor vehicles, shall  
8 promulgate rules and regulations in accordance with the Administrative Procedure Act to  
9 carry out the provisions of 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 606 Original

2017 Regular Session

Havard

**Abstract:** Increases fees and modifies contract requirements for contracts between the Department of Public Safety and Corrections, office of motor vehicles, and public tag agents.

Present law authorizes certain individuals and entities to collect certain convenience fees for motor vehicle related services performed.

Proposed law clarifies that the individuals and entities collect certain convenience charges rather than convenience fees.

Present law authorizes public license tag agents to charge a convenience fee, not to exceed \$18, to provide information on the status of registration privileges and a fee, not to exceed \$18, per reinstatement, provided that the fees are disclosed immediately to the consumer prior to the initiation of the transaction and the fees are posted in a conspicuous manner in the office of the public license tag agent.

Proposed law retains present law and increases the specified maximum convenience charge from \$18 to \$28.

Present law authorizes the public license tag agents to collect a convenience fee in addition to the registration license tax not to exceed \$18 per license.

Proposed law modifies present law by increasing the charge from \$18 to \$28 and specifies that a public license tag agent is authorized to collect the convenience charge in addition to other authorized fees, sales taxes, and transactions.

Proposed law requires the office of motor vehicles furnish license renewal information to each contracted public license tag agent at least 60 days prior to the expiration of the contract. Requires the public license tag agent to complete and return the application and accompanying documents to the office of motor vehicles at least 30 days prior to the

expiration of the contract. Requires the office of motor vehicles to return the new contract to the public license tag agent prior to the expiration of the contract.

Proposed law requires the office of motor vehicles send notice to the public license tag agent of intent to not renew a contract and cite causes as provided in present law at least 60 days prior to the expiration of the contract.

Proposed law provides for the automatic renewal of a contract for a two-year period, subject to payment of the renewal fee and the surety bond for the renewal period if the office of motor vehicles fails to comply with proposed law.

Proposed law requires the Dept. of Transportation and Development to promulgate rules and regulations adjusting the La. Administrative Code to appropriately conform with the provisions of this Act.

(Amends R.S. 6:969.18(A)(3), R.S. 9:3530(F)(1) and (2), and R.S. 47:532.1(A)(7)(c), (C), (D), and (E))