

2015 Regular Session

HOUSE BILL NO. 533

BY REPRESENTATIVE PRICE

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

MOTOR VEHICLES: Provides relative to the regulation of used motor vehicles

1 AN ACT

2 To amend and reenact R.S. 32:781(9), to enact R.S. 32:792(B)(17)(j), and to repeal R.S.
3 32:781(1) and 792(C), relative to the regulation of used motor vehicles; to provide
4 for definitions; to require a bona fide certification process for certain advertising; to
5 eliminate references to "brokers"; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 32:781(9) is hereby amended and reenacted and R.S.
8 32:792(B)(17)(j) is hereby enacted to read as follows:

9 §781. Definitions

10 As used in this Chapter:

11 * * *

12 (9) "Scrap metal processor" means any person, ~~firm,~~ or ~~corporation~~ entity
13 engaged ~~in whole or in part~~ in the business of obtaining and storing scrap metal, as
14 defined by R.S. 37:1962, whose origin ~~may have~~ included abandoned, wrecked, or
15 junked motor vehicles for ~~scrap, shredding, or recycling as scrap metal.~~

16 * * *

17 §792. Denial, revocation, or suspension of license; grounds; unauthorized acts

18 * * *

19 B. The commission may revoke or suspend a license, issue a fine or penalty,
20 or enjoin a used motor vehicle dealer, dealer in used parts or used accessories of

1 motor vehicles, used motor vehicle auctioneer, or salesperson for any of the
2 following conduct:

3 * * *

4 (17) Use of false, misleading, or unsubstantiated advertising in connection
5 with his business. For the purpose of this Paragraph, false, misleading, or
6 unsubstantiated advertising in connection with the sale of a used motor vehicle shall
7 include but not be limited to the following:

8 * * *

9 (j) Use of the words "certified", "certification", or other similar terms
10 without having proof of a certification process approved by the commission.

11 * * *

12 Section 2. R.S. 32:781(1) and 792(C) are hereby repealed in their entirety.

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 533 Engrossed 2015 Regular Session Price

Abstract: Provides for definitions and amends restrictions imposed on advertising relative to the regulation of used motor vehicles.

Present law defines the term "scrap metal processor". Proposed law modifies the definition by adding that any person or entity engaged in the business of storing scrap metal will also be considered a "scrap metal processor". Proposed law also adds a statutory reference to the definition of "scrap metal" within this definition of "scrap metal processor".

Present law authorizes the Louisiana Used Motor Vehicle Commission (commission) to revoke or suspend a license, issue a fine or penalty, or enjoin a used motor vehicle dealer, dealer of used parts or used accessories of motor vehicles, used motor vehicle auctioneer, or salesperson for the use of false, misleading, or unsubstantiated advertising in connection with his business. Present law includes a nonexclusive list enumerating examples of false, misleading, or unsubstantiated advertising. Proposed law adds advertising that uses the words "certified" or "certification" or other similar terms without having proof of a certification process approved by the commission to the enumerated list of false, misleading, or unsubstantiated advertising.

Present law defines "broker". Present law provides for circumstances in which the commission may revoke or suspend a license, issue a fine or penalty, or enjoin a used motor vehicle broker. Proposed law removes the definition of and all references to "broker".

(Amends R.S. 32:781(9); Adds R.S. 32:792(B)(17)(j); Repeals R.S. 32:781(1) and 792(C))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.
2. Restore present law provisions regarding the rent with option-to-purchase program.
3. Clarify that it is considered false, misleading or unsubstantiated advertising to use the terms "certified" or "certification" without having proof of a certification process approved by the commission.