

2024 Regular Session

HOUSE BILL NO. 475

BY REPRESENTATIVE BOURRIAQUE

REVENUE/TAXATION DEPT: Provides for digital transaction providers

1 AN ACT

2 To amend and reenact R.S. 47:532.1(A)(1) and to enact R.S. 47:532.4, relative to digital
3 transaction providers; to authorize the commissioner to enter into agreements related
4 to digitized credentials; to authorize digital transaction providers to collect fees and
5 process applications and transactions; to provide for terms of contracts with digital
6 transaction providers; to require a surety bond and insurance for digital transaction
7 providers; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:532.1(A)(1) is hereby amended and reenacted and R.S. 47:532.4
10 is hereby enacted to read as follows:

11 §532.1. Public license tag agents; auto title companies; rules and regulations; surety
12 bonds; fees

13 A.(1) The commissioner may establish a system of public license tag agents
14 to collect the registration license taxes authorized by this Chapter. The system shall
15 consist of municipal and parish governing authorities or new motor vehicle dealers
16 or their agents licensed pursuant to the provisions of R.S. 32:1254 and authorized
17 auto title companies pursuant to the provisions of R.S. 32:735 et seq. No persons,
18 natural or juridical, except public license tag agents, auto title companies, financial
19 institutions, licensed new or used car dealers, recreational product dealers, digital
20 transaction providers, state departments, offices, or entities and those included in the

1 system established pursuant to this Section shall collect registration license taxes
2 authorized by this Chapter.

3 * * *

4 §532.4. Digital transaction provider

5 A.(1) The commissioner may enter into an agreement with digital transaction
6 providers, who may be private persons or public or private agencies, for the purpose
7 of carrying out the provisions authorized in R.S. 39:17.2 and R.S. 39:17.5.

8 (2) The Department of Public Safety and Corrections, office of motor
9 vehicles, may deny a contract to any person, natural or juridical, seeking to be a
10 digital transaction provider if that person has been found to be in violation of any
11 rule or regulation promulgated by the Department of Public Safety and Corrections,
12 office of motor vehicles.

13 B.(1) Digital transaction providers may collect the registration and renewal
14 license taxes and fees associated with issuance of vehicle registration, driver's
15 license, or identification cards or for reinstatement of driving and motor vehicle
16 registration privileges.

17 (2) Digital transaction providers shall be authorized to collect a convenience
18 charge not to exceed ninety percent of the amount authorized by R.S. 47:532.1(C),
19 provided that the charges are disclosed immediately to the consumer prior to the
20 initiation of the transaction.

21 C. The commissioner may authorize the digital transaction provider to
22 process additional applications or transactions.

23 D. The contract between the Department of Public Safety and Corrections,
24 office of motor vehicles, and a person who contracts to perform services pursuant to
25 this Section shall be for a term of two years and may be automatically renewed by
26 the Department of Public Safety and Corrections, office of motor vehicles.

27 E.(1) Each digital transaction provider shall execute a good and sufficient
28 surety bond with a surety company qualified to do business in Louisiana as surety
29 in a sum of one hundred thousand dollars, if a surety bond is available for purchase,

1 which bond shall name the Department of Public Safety and Corrections, office of
 2 motor vehicles, as obligee and shall be subject to the condition that, if such digital
 3 transaction provider shall, throughout the entire term of the bond, timely file with the
 4 Department of Public Safety and Corrections, office of motor vehicles, all
 5 applications delivered to such digital transaction provider for filing, and all taxes and
 6 fees collected by such digital transaction provider, the obligation shall be void. If
 7 the company does not do so, the obligation of the surety shall remain in full force
 8 and effect.

9 (2) The surety bond furnished pursuant to this Paragraph shall be delivered
 10 to and filed with the Department of Public Safety and Corrections, office of motor
 11 vehicles.

12 F. Digital transaction providers shall obtain a cyber liability insurance policy
 13 with a company qualified to do business in Louisiana in the amount of one million
 14 dollars, which names the state of Louisiana, the department, the department's
 15 employees, and the office of technology services and its employees as additional
 16 insureds.

17 G. The commissioner shall promulgate rules necessary to implement the
 18 provisions of this Section.

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 475 Engrossed

2024 Regular Session

Bourriaque

Abstract: Authorizes the commissioner to enter into agreements related to digitized credentials. Provides for digital transaction providers to collect fees and process applications and transactions and provides for terms of contracts with digital transaction providers. Requires a surety bond and insurance for digital transaction providers.

Proposed law allows the commissioner to enter into an agreement with public or private persons or agencies to be digital transaction providers who can provide and renew digital credentials and provides a contract can be denied if the person or organization has violated any rule or regulation of the office of motor vehicles.

Proposed law adds digital transaction providers to the system of public tag agents regulated by the commissioner of the office of motor vehicles as provided in present law (R.S. 47:532.1(A)(1)).

Proposed law provides that digital transaction providers may collect registration and renewal license taxes and fees associated with the issuance of vehicle registration, driver's license, or identification cards and may collect a convenience charge not to exceed 90% of the fee provided in present law.

Proposed law allows the commissioner to authorize the digital transaction provider to process additional applications or transactions.

Proposed law provides for the term of the contract to be for a term of two years and to be automatically renewed.

Proposed law provides that the digital transaction provider must execute a surety bond of \$100,000 naming the Dept. of Public Safety and Corrections, office of motor vehicles, as obligee. Requires the surety bond be delivered to the Dept. of Public Safety and Corrections, office of motor vehicles. Specifies that if the digital transaction provider, throughout the term of the bond, timely files all applications and pays all taxes and fees the obligation will be void.

Proposed law requires the digital transaction provider to acquire a cyber liability insurance policy for \$1,000,000 that names the state of La., the Dept. of Public Safety and Corrections, office of motor vehicles, department employees, and the office of technology services and its employees as additional insureds.

Proposed law requires the commissioner to promulgate rules as necessary to implement proposed law.

(Amends R.S. 47:532.1(A)(1); Adds R.S. 47:532.4)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Transportation, Highways and Public Works to the original bill:

1. Add digital transaction providers to the system of public tag agents regulated by the commissioner of the office of motor vehicles as provided in present law (R.S. 47:532.1(A)(1)).
2. Add vehicle registration to proposed law for what fees digital transaction providers are authorized to collect.
3. Change the convenience fees digital transaction providers are required to collect in proposed law from the amount authorized by present law (R.S. 47:532.1(C)) to up to 90% of the amount authorized by present law (R.S. 47:532.1(C)).
4. Change the authorization for the commissioner to promulgate the necessary rules to implement proposed law to a requirement for the commissioner to promulgate the necessary rules to implement proposed law.
5. Require all taxes, in addition to fees and certain other requirements, be paid by the digital transaction provider for the bond obligation to be void.
6. Make technical changes.