

## RÉSUMÉ DIGEST

ACT 502 (HB 476)

2025 Regular Session

Fontenot

Existing law authorizes a motor vehicle seller to charge a fee for credit investigation, compliance with federal and state law, preparation of the documents necessary to perfect or satisfy a lien upon the objects sold, and any other functions incidental to the titling of the retail sale not to exceed \$425.

New law provides that beginning Jan. 1, 2026, the base maximum fee will be adjusted yearly to equal lesser of the following.

- (1) The \$425, base maximum fee, adjusted by the cumulative percentage change in the annual average of the CPI-U. The CPI-U will be calculated using the unadjusted monthly index values averaged over the calendar year, as published by the U.S. Dept. of Labor, Bureau of Labor Statistics, relative to the annual average for 2024.
- (2) The amount resulting from applying a growth rate of 3% to the adjusted maximum fee for the previous calendar year.

New law provides that if the year-over-year percentage change in the CPI-U is negative, the adjusted maximum fee will remain the same as the amount in effect for the prior calendar year.

New law requires the Division of Administration to calculate and report the adjusted maximum fee annually, which will be verified by the legislative auditor, and transmit it by Feb. 1st each year to the La. Motor Vehicle Commission.

New law requires that the fee be rounded down to the nearest dollar if the calculated adjustment results in a fee with a fractional dollar amount of less than fifty cents. Further requires that if the adjustment results in a fee with a fractional dollar amount of fifty cents or more, the fee must be rounded up to the next whole dollar.

New law requires the La. Motor Vehicle Commission to publish the adjusted maximum fee on its website.

Specifies that the fee adjustment in new law will begin on Jan. 1, 2026.

Effective upon signature of governor (July 4, 2025).

(Amends R.S. 6:969.18(A)(2)(a))