2023 Regular Session

HOUSE BILL NO. 539

1

## BY REPRESENTATIVE MACK

2	To amend and reenact R.S. 32:702(4) and R.S. 47:532.1(A)(3)(a), 532.2(A)(introductory
3	paragraph) and (B) and to enact R.S. 47.532.1(A)(3)(c), relative to public tag agents;
4	to authorize the office of motor vehicles to impose fines, in addition to other
5	restrictions, on any contracts; to provide for definitions; to provide exceptions to
6	public license tag agent surety bond requirements; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 32:702(4) is hereby amended and reenacted to read as follows:
9	§702. Definitions
10	* * *
11	(4) "Auto title company" means any person, firm, association, or corporation
12	which is engaged primarily in the transfer and recordation of sales, leases, or
13	mortgages of vehicles including but not limited to mobile homes, trailers, and motor
14	vehicles. The term "auto title company" also means any person, firm, association,
15	or corporation, local governmental subdivision, political subdivision, or state agency
16	which has been licensed entered into a contract in accordance with the provisions of
17	R.S. 32:735 et seq. An auto title company shall not mean an insurance company
18	transferring titles to wrecked vehicles, or a licensed motor vehicle dealer, lending
19	institution, financial institution regulated by state or federal authorities, notary,
20	attorney, or individual applicant unless it or he is doing business as an auto title
21	company.
22	* * *

AN ACT

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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Section 2. R.S. 47:532.1(A)(3)(a) and 532.2(A)(introductory paragraph) and (B) are hereby amended and reenacted and R.S. 47:532.1(A)(3)(c) is hereby enacted to read as follows:

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

A.

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(3) The commissioner shall promulgate rules and regulations to require all public license tag agents other than municipal and parish governing authorities to furnish security for the faithful performance of their duties as follows:

(a) Each public license tag agent other than a <u>local governmental subdivision</u>, including a municipal governing authority, a political subdivision, or a <u>state agency</u>, shall execute a good and sufficient surety bond with a surety company qualified to do business in Louisiana as surety, in a sum of one hundred thousand dollars should the public tag agent have only one office in this state and in a sum of one hundred twenty-five thousand dollars should the public tag agent have more than one office in this state, if surety bond is available for purchase, which bond shall name the Department of Public Safety and Corrections, office of motor vehicles as obligee and shall be subject to the condition that, if such public license tag agent shall, throughout the entire term of the bond, timely file with the office of motor vehicles all applications delivered to such public tag agent for filing, and all fees and taxes collected by such public license tag agent, the obligation shall be void. If the company does not do so, the obligation of the surety shall remain in full force and effect.

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(c) The commissioner shall promulgate rules and regulations to adopt and levy fines for violations of R.S. 47:532.1 and R.S. 47:532.2, any rule or regulation adopted pursuant to R.S. 47:532.1 and R.S. 47:532.2, or of any violation of a contract between the department and the public license tag agent. The administrative fine for each violation of R.S. 47:532.1 and R.S. 47:532.2, any rule or regulation adopted

1 pursuant to R.S. 47:532.1 and R.S. 47:532.2, or of any violation of a contract 2 between the department and the public license tag agent shall not exceed the sum of 3 five hundred dollars. 4 5 §532.2. Public tag agents; causes for suspension, revocation, cancellation, fines, or 6 restrictions; reinstatement 7 A. The office of motor vehicles may suspend, revoke, cancel, impose a fine, 8 or impose other restrictions on any contract confected pursuant to R.S. 47:532.1 for 9 the following causes: 10 11 B. Any person whose contract has been suspended, canceled, or revoked 12 during the effective term of the contract or who has been assessed a fine pursuant to 13 rules promulgated by the department may request an administrative hearing to 14 review the office of motor vehicles' action. A request for administrative review shall 15 stay the action of the office of motor vehicles. SPEAKER OF THE HOUSE OF REPRESENTATIVES PRESIDENT OF THE SENATE GOVERNOR OF THE STATE OF LOUISIANA

**ENROLLED** 

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APPROVED: \_\_\_\_