
DIGEST

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CONFERENCE COMMITTEE REPORT DIGEST

HB 476

2025 Regular Session

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Keyword and oneliner of the instrument as it left the House

MTR VEHICLE/DEALERS: Provides relative to an annual automatic adjustment to a fee for motor vehicle dealers based on the Consumer Price Index

Report adopts Senate amendments to:

1. Specify that beginning January 1, 2026, the base maximum fee must be adjusted yearly to equal the lesser of the following:
 - a. The four hundred twenty-five dollar, base maximum fee, adjusted by the cumulative percentage change in the annual average of the Federal Consumer Price Index for All Urban Consumers (CPI-U). The CPI-U must be calculated using the unadjusted monthly index values averaged over the calendar year, as published by the United States Department of Labor, Bureau of Labor Statistics, relative to the annual average for 2024.
 - b. The amount resulting from applying a growth rate of three percent to the adjusted maximum fee for the previous calendar year.
2. Specify that if the year-over-year percentage change in the CPI-U is negative, the adjusted maximum fee must remain the same as the amount in effect for the prior calendar year.
3. Require the division of administration to calculate the fee annually, which will be verified by the legislative auditor, and transmit the updated amount to the Louisiana Motor Vehicles Commission by February first.
4. Specify that if the calculated 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.
5. Require the Louisiana Motor Vehicle Commission to publish the adjusted fee on its website.
6. Make technical changes.

Report rejects Senate amendments which would have:

1. Provided that beginning January 1, 2026, the base maximum fee must be adjusted annually to reflect the cumulative percentage change in the annual average of the CPI-U or its successor index.
2. Specified that the CPI-U must be calculated using the unadjusted monthly index values averaged over the calendar year, as published by the United States Department of Labor, Bureau of Labor Statistics, or its successor agency, relative to the annual average for calendar year 2025.
3. Specified that the adjusted maximum fee for any calendar year cannot exceed the amount resulting from applying a compounded annual growth rate of three percent to the base maximum fee of four hundred twenty-five dollars, beginning with calendar year 2024.
4. Provided that if the cumulative percentage change in the CPI-U is negative, the adjusted maximum fee must remain the same as the amount in effect for the prior calendar year.
5. Required the legislative auditor to calculate the adjusted maximum fee in accordance with proposed law and transmit the updated amount to the Louisiana Motor Vehicle Commission by February first each year.
6. Required the fee be rounded down to the nearest whole dollar if the calculated adjustment results in a fee with a fractional dollar amount of less than fifty cents. 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.
7. Required the Louisiana Motor Vehicle Commission to publish the adjusted fee on its website.
8. Made technical changes.

Report amends the bill to:

1. Require the fee be rounded down to the nearest whole dollar if the calculated adjustment results in a fee with a fractional dollar amount of less than fifty cents.

Digest of the bill as proposed by the Conference Committee

Present 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.

Proposed law provides that beginning Jan. 1, 2026, the base maximum fee must 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 must 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 three percent to the adjusted maximum fee for the previous calendar year.

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

Proposed 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 to the La. Motor Vehicle Commission.

Proposed 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. Specifies 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.

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

Specify that the fee adjustment in proposed law will begin on Jan. 1, 2026.

Effective upon signature of governor or lapse of time for gubernatorial action.

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