DIGEST

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Arnold HB No. 607

Abstract: Authorizes a lender to charge a fee for electronic lien and title services or E.L.T. fee; Prohibits an E.L.T. fee from being considered as interest or being included in the calculation of interest.

Present law (R.S. 32:707.2) requires the Dept. of Public Safety to develop and implement on a statewide basis a computer system which will permit the electronic recording of information concerning the perfection and release of vehicle security interests without submitting or receiving paper title documents. Present law further authorizes the public license tag agent to charge a fee to customers utilizing this electronic media system. The procedures referred to in present law shall be referred to as electronic lien and title services or E.L.T. services.

Proposed law retains present law.

Present law provides that a lender may charge the consumer the convenience fee authorized by present law for services performed by a public license tag agent. The fee shall not be charged to the consumer more than once.

Proposed law maintains present law but adds that a lender may also charge the consumer any E.L.T. fees pursuant to proposed law. The fees shall not be charged to the consumer more than once.

Present law provides that the convenience fee shall not be considered as interest, nor shall it be included in the calculation of interest.

Proposed law maintains present law and adds that the E.L.T. fees shall not be considered as interest, nor shall they be included in the calculation of interest.

(Amends R.S. 9:3530(F))