

New law, for the purposes of regulation by the La. Used Motor Vehicle Commission, clarifies that the term "used motor vehicle dealer" does not include anyone licensed by the La. Motor Vehicle Commission who sells used motor vehicles and who rents on a daily basis used motor vehicles.

New law deletes prior law penalties specified for violations of the provisions regulating dismantlers, parts recyclers, motor vehicle crushers, and scrapped motor vehicle dealers, subjecting those violations to the same penalties as all other violations under the used motor vehicle regulatory provisions.

Existing law allows the commission to revoke or suspend a license, issue a fine or penalty, or enjoin a used motor vehicle dealer, used parts or accessories dealer, used motor vehicle auctioneer or salesperson for certain violations of the regulatory provisions.

New law retains existing law and includes the violating of provisions relating to the proper disposition of certificates of title or permits to dismantle in connection with the purchase or sale of any used motor vehicle in the list of violations subject to penalty by the commission.

Existing law provides for regulation of a rent with option-to-purchase program and defines "default" as the failure of a rental consumer to bring the account current within five days after the rent to own payment is due.

New law retains existing law and provides that "default" also means the failure of the rental consumer to maintain the minimum insurance required pursuant to the rental purchase agreement.

New law defines "rent-to-own dealer" as any used motor vehicle dealer who rents used motor vehicles under a rental purchase agreement.

New law requires every used motor vehicle dealer who accepts a deposit or down payment from a consumer to provide the consumer with a purchase agreement statement containing:

- (1) A complete description of the motor vehicle subject to the purchase agreement, including the make, model, year, and vehicle identification number.
- (2) The purchase price of the vehicle.
- (3) The amount of the deposit or down payment.
- (4) A statement identifying whether the funds received by the dealer are for deposit or down payment.
- (5) Any conditions necessary to complete the sale.

New law further requires every used motor vehicle dealer who accepts a deposit or down payment from a consumer conditioned upon the consumer's ability to obtain financing of the remainder of the purchase price to return the deposit or down payment once it is determined that the consumer does not qualify for financing. Requires that if no determination regarding financing is made within 20 days, the deposit or down payment must be returned to the consumer.

Effective August 1, 2012.

(Amends R.S. 32:781(5), (12), and (13)(a), 788(B), 793(A)(intro. para.), (2), and (5); Adds R.S. 32:792(B)(16) and 795)