2015 Regular Session

### HOUSE BILL NO. 445

### BY REPRESENTATIVE MACK

#### 1 AN ACT 2 To amend and reenact R.S. 32:728(introductory paragraph), (1) and (8) and R.S. 3 47:532.1(A)(1), (3)(a), and (6) and to enact R.S. 47:532.2 and 532.3, relative to 4 motor vehicles and public tag agents; to provide relative to certain fees for motor 5 vehicle titles and permits; to provide relative to persons who may undertake duties 6 of public tag agents; to provide relative to bonds required to be executed by public 7 tag agents; to provide relative to qualifications for public tag applicants; to provide 8 relative to the suspension, revocation, or cancellation of contracts of public tag 9 agents; to authorize the office of motor vehicles to issue cease and desist order to 10 public tag agents for certain activity; and to provide for related matters. 11 Be it enacted by the Legislature of Louisiana: 12 Section 1. R.S. 32:728(introductory paragraph), (1) and (8) are hereby amended and 13 reenacted to read as follows: 14 §728. Fees 15 Unless required to be waived pursuant to R.S. 32:1729, the The commissioner 16 shall charge the following fees and no others: 17 (1) Each certificate of title--eighteen sixty-eight dollars and fifty cents. \* \* \* 18 19 (8) Each salvage title--eighteen sixty-eight dollars and fifty cents. \* 20 \* \* 21 Section 2. R.S. 47:532.1(A)(1), (3)(a), and (6) are hereby amended and reenacted 22 and R.S. 47:532.2 and 532.3 are hereby enacted to read as follows:

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

3 A.(1) The commissioner may establish a system of public license tag agents 4 to collect the registration license taxes authorized by this Chapter. The system shall 5 consist of municipal and parish governing authorities or new motor vehicle dealers 6 or their agents licensed pursuant to the provisions of R.S. 32:1254 and authorized 7 auto title companies pursuant to the provisions of R.S. 32:735 et seq. No persons, 8 natural or juridical, except public license tag agents, auto title companies, financial 9 institutions, licensed new or used car dealers, recreational product dealers, state 10 departments, offices, or entities and those included in the system established 11 pursuant to this Section shall collect registration license taxes authorized by this 12 Chapter.

\* \* :

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

17 (a) Each public license tag agent other than a municipal governing authority 18 shall execute a good and sufficient surety bond with a surety company qualified to 19 do business in Louisiana as surety, in a sum of not less than ten thousand dollars nor 20 more than one hundred thousand dollars one hundred thousand dollars should the 21 public tag agent have only one office in this state and in a sum of one hundred 22 twenty-five thousand dollars should the public tag agent have more than one office 23 in this state, if surety bond is available for purchase, which bond shall name the 24 Department of Public Safety and Corrections, office of motor vehicles as obligee and 25 shall be subject to the condition that, if such public license tag agent shall, 26 throughout the entire term of the bond, timely file with the office of motor vehicles 27 all applications delivered to such public tag agent for filing, and all fees and taxes 28 collected by such public license tag agent, the obligation shall be void. If the 29 company does not do so, the obligation of the surety shall remain in full force and 30 effect. A public license tag agent having multiple locations need furnish only a

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1	single ten thousand dollar surety bond in addition to any other bonds required by
2	<del>law.</del>
3	* * *
4	(6)(a) No elected state official or employee of the state shall be allowed to
5	become a public license tag agent.
6	(b) The office of motor vehicles may deny a contract to any person, natural
7	or juridical, seeking to be a public tag agent if that person has been found to be in
8	violation of any rule or regulation promulgated by the office of motor vehicles
9	pertaining to the issuance of a motor vehicle title, registration, or driver's license
10	within the two-year period prior to the date of application.
11	* * *
12	§532.2. Public tag agents; causes for suspension, revocation, cancellation, or
13	restrictions; reinstatement
14	A. The office of motor vehicles may suspend, revoke, cancel, or impose
15	other restrictions on any contract confected pursuant to R.S. 47:532.1 for the
16	following causes:
17	(1) Failure to remit taxes and fees collected from applicants for title
18	transfers.
19	(2) Operating as a public tag agent without a contract for each location, with
20	an expired contract, or without a valid surety bond on file with the office of motor
21	vehicles.
22	(3) Issuance of more than one temporary registration, T-Marker, to a title
23	applicant, or issuing a T-Marker without first collecting all taxes and fees.
24	(4) Operating from an unapproved location.
25	(5) Changing the ownership of the public tag agent and not reporting in
26	writing to the office of motor vehicles within thirty days from the date of such
27	change.
28	(6) Changing the officers or directors of the public tag agent and not
29	reporting in writing to the office of motor vehicles within thirty days from the date
30	of such change.

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1	(7) Being a principal or accessory to the alteration of documents relevant to
2	a registration or titling transaction that results in a material injury to the public
3	records or a shortfall in the collection of taxes owed.
4	(8) The forwarding to the office of motor vehicles by a public tag agent of $(3)$
5	a document relevant to a registration or titling transaction that results in a material
6	injury to the public records, or a shortfall in the collection of taxes owed when the
7	public tag agent had knowledge of facts causing such injury or shortfall, and failed
8	to disclose same to the office of motor vehicles.
9	(9) Conviction of, or entry of a plea of guilty or nolo contendere to, any
10	felony or conviction of, or entry of a plea of guilty or nolo contendere to, any
11	criminal charge an element of which is fraud.
12	(10) Fraud, deceit, or perjury in obtaining any contract perfected pursuant
13	to R.S. 47:532.1.
14	(11) Failure to maintain at all times during the term of the contract all
15	qualifications required by R.S. 47:532.1 or by rule adopted by the office of motor
16	vehicles.
17	(12) Any other cause the office of motor vehicles may establish through the
18	adoption of a rule.
19	B. Any person whose contract has been suspended, canceled, or revoked
20	during the effective term of the contract may request an administrative hearing to
21	review the office of motor vehicles' action. A request for administrative review shall
22	stay the action of the office of motor vehicles.
23	§532.3. Public tag agents; cease and desist order; injunctive relief
24	A. In addition to or in lieu of the administrative sanctions provided in R.S.
25	47:532.1, 532.2, or any rules or regulations adopted pursuant to either, and any
26	criminal sanctions otherwise provided by law, the office of motor vehicles is
27	empowered to issue an order to any person engaged in any activity, conduct, or
28	practice constituting a violation of R.S. 47:532.1, 532.2, or any rules or regulations
29	adopted pursuant to either, directing such person to cease and desist from such
30	activity, conduct, or practice. Such order shall be issued in the name of the state of

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1	Louisiana under the official seal of the Department of Public Safety and Corrections,
2	office of motor vehicles.
3	B. If the person to whom the office of motor vehicles directs a cease and
4	desist order does not cease and desist the proscribed activity, conduct, or practice
5	within ten days from service of such cease and desist order by certified mail, the
6	office of motor vehicles may cause to issue a writ of injunction enjoining such
7	person from engaging in any activity, conduct, or practice proscribed by R.S.
8	47:532.1, 532.2, or any rules or regulations adopted pursuant to either. Such
9	proceeding shall be brought in the district court having civil jurisdiction in any parish
10	in which such person resides, or is domiciled or has his principal place of business.
11	If the person whose contract is to be suspended, revoked, canceled, or otherwise
12	restricted is a nonresident and is not domiciled within the state, such proceeding may
13	be brought in the Nineteenth Judicial District Court for the parish of East Baton
14	Rouge.
15	C. Upon a proper showing by the office of motor vehicles that such person
16	has engaged or is engaged in any activity, conduct, or practice proscribed by R.S.
17	47:532.1, 532.2, or any rules or regulations adopted pursuant to either, the court shall
18	issue a temporary restraining order restraining the person from engaging in unlawful
19	activity, conduct, or practices pending the hearing on a preliminary injunction, and
20	in due course a permanent injunction shall issue after a hearing, commanding the
21	cessation of the unlawful activity, conduct, or practice complained of, all without the
22	necessity of the office of motor vehicles having to give bond as usually required in
23	such cases.
24	D. The trial of the proceeding by injunction shall be a summary proceeding,
25	and shall be tried by the judge alone without a jury.
26	Section 3. A public tag agent with an existing contract with the Department of Public
27	Safety and Corrections, office of motor vehicles, as of August 1, 2015, shall not be required
28	to obtain a surety bond in the amounts required by R.S. 47:532.1(A)(3)(a) as amended by
29	this Act until the renewal date of the contract. Thereafter, all public tag agents shall be

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- 1 required to obtain surety bonds in the amounts required by the provisions of R.S.
- $2 \qquad 47:532.1(A)(3)(a) as amended by this Act.$
- 3 Section 4. This Act shall become effective on July 1, 2015.

## SPEAKER OF THE HOUSE OF REPRESENTATIVES

## PRESIDENT OF THE SENATE

### GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_

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