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LOUISIANA USED MOTOR VEHICLE COMMISSION

STATE OF LOUISIANA

REGULAR MEETING

August 21, 2023

BEGINNING AT 9:30 A.M.

3132 VALLEY CREEK

BATON ROUGE, LOUISIANA

REPORTED BY:

BETTY D. GLISSMAN, CCR

1 APPEARANCES:

2

3 CHAIRMAN:

MR. RICHARD WATTS

4

5 COMMISSIONERS PRESENT:

MR. OBAYDAH ALSALEMEH

6

MR. TRAVIS BROWN

7

MR. RICKY DONNELL

8

MR. GEORGE FLOYD

9

MR. ROBERT "BOBBY" HINES

10

11

12

13 REPRESENTING THE LOUISIANA USED MOTOR

14 VEHICLE COMMISSION:

15

16 ROBERT W. HALLACK, ESQUIRE

HALLACK LAW OFFICE

17 13007 JUSTICE AVENUE

BATON ROUGE, LOUISIANA 70816

18

SHERI MORRIS, ESQUIRE

19 DAIGLE, FISSE & KESSENICH, PLC

8480 BLUEBONNET BOULEVARD, SUITE F

20

BATON ROUGE, LOUISIANA 70810

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22

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24

25

1 ALSO PRESENT:

2 MS. KIM BARON

3 MR. DEREK PARNELL

4 MR. MONTIE WISENOR

5 MS. TONYA BURKS

6 MS. RHONDA ROBERTSON

7 MR. MONTIE WISENOR

8 MS. TONYA BURKS

9 MS. STACY GAUDIN

10 MR. PERRY ESPONGE

11 MR. MONROE ALLMOND

12 MR. TRAVIS GALLOW

13 MR. STEVE OLAVE

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1 (Pledge of Allegiance.)
2 MR. WATTS:
3 Roll call.
4 MS. BARON:
5 Richard Watts?
6 MR. WATTS:
7 Here.
8 MS. BARON:
9 George Floyd?
10 MR. FLOYD:
11 Here.
12 MS. BARON:
13 Obaydah Alsalemeh?
14 MR. ALSALEMEH:
15 Here.
16 MS. BARON:
17 Matthew Pederson?
18 MR. PEDERSON:
19 (No response.)
20 MS. BARON:
21 Jefferey Britt?
22 MR. BRITT:
23 (No response.)
24 MS. BARON:
25 Ricky Donnell?

1 MR. DONNELL:

2 Here.

3 MS. BARON:

4 Travis Brown?

5 MR. BROWN:

6 Here.

7 MS. BARON:

8 Bobby Hines?

9 MR. HINES:

10 Here.

11 MS. BARON:

12 Wydette Williams?

13 MR. WILLIAMS:

14 (No response.)

15 MS. BARON:

16 Mr. Chairman, we have a quorum.

17 MR. WATTS:

18 All right. Anybody here for public

19 comments?

20 MS. BARON:

21 Yes, sir, we do. Mr. Steve Olave.

22 MR. OLAVE:

23 Good morning. And please,

24 respectfully, Commissioners, I am partially

25 disabled so if you don't mind I would like to

1 stay sitting if that's possible.

2 MR. WATTS:

3 Okay.

4 MR. OLAVE:

5 My first question --

6 MR. DONNELL:

7 Hold on for a second. Out of an
8 abundance of caution, Mr. Chairman asked me was
9 I was going to recuse myself while Mr. Olave
10 talked. So I am asking you two lawyers if that
11 is what I should do.

12 MS. MORRIS:

13 I don't know the subject matter or
14 anything.

15 MR. DONNELL:

16 I don't either.

17 MR. OLAVE:

18 Not on public comments.

19 MS. MORRIS:

20 Are you commenting on something on
21 the agenda? Or is it something else?

22 MR. OLAVE:

23 No, no. I wanted to ask a question
24 on the record about Article 699. Who can best
25 explain that and how it works?

1 MS. MORRIS:

2 Okay.

3 MR. DONNELL:

4 So y'all are good with it?

5 MR. WATTS:

6 I am good with it if you are good
7 with it.

8 MR. DONNELL:

9 I am good with you.

10 MR. WATTS:

11 Proceed.

12 MR. OLAVE:

13 I would like who can best explain
14 Article 699. How it works.

15 MR. HINES:

16 Do we have a copy of 699 so we can
17 look at it?

18 MS. MORRIS:

19 Kim, can you pull it up? Act 699?

20 MR. OLAVE:

21 Yes. I am sorry, Act 699. I am -- I
22 am more interested in what the Commission's
23 process is, not necessarily the statute.

24 MR. PARNELL:

25 Chairman, I have Kim. She will

1 explain that process. She is the one that
2 processes Act 699 that comes through our
3 office.

4 MR. HALLACK:

5 This is an administrative function.
6 So lawyers don't ordinarily get involved with
7 it at all unless they have a legal problem.

8 MR. OLAVE:

9 Let me ask a follow-up question for
10 the commissioners. The reason that I am asking
11 this question is there have been several
12 scenarios -- different scenarios both from the
13 DMV from Jill Jarreau's office and from the
14 Commission and consumers and so forth. So I
15 would just like to have an idea of what the
16 process here is for the Commission as far as it
17 pertains to 699.

18 MS. BARON:

19 The 699 pertains to if a consumer --
20 the two most used scenarios of 699 is if a
21 consumer purchases a vehicle and it's financed
22 and the dealer does not -- and all of that
23 money goes to the dealer. The purchase of the
24 price of the car, the tax, title, and license,
25 all of that goes to the dealer. And he is

1 supposed to in turn take the title and remit
2 the sales tax and all of that to the State,
3 have the lien perfected, and get the vehicle
4 registered in the consumer's name. When this
5 does not happen, then the 699 comes into play.
6 And when they get -- when they find out this is
7 not going to happen, I have to take in
8 information from the consumer and we send in
9 the application for claim against the surety
10 which is the Act 699.

11 MR. OLAVE:

12 And how long does that usually take,
13 Kim?

14 MS. BARON:

15 Well, I send it -- once I get it
16 processed and send it to the Office of Motor
17 Vehicles, there is an extended period of time
18 before they can even touch it. They have to
19 wait -- what is it? 6 months? I send it to
20 the Office of Motor Vehicles and they cannot
21 touch it for 6 months.

22 MR. WISENOR:

23 I believe it is 6 months from the
24 date of the sale.

25 MS. BARON:

1 From the date of the sale, yes. 6
2 months from the date of the sale so they cannot
3 do anything with it until 6 months.

4 MR. OLAVE:

5 So does that mean they can't even
6 operate the vehicle?

7 MS. BARON:

8 Once I get it sent over to the Office
9 of Motor Vehicles, I contact the consumer and
10 tell them your stuff is sent over. You need to
11 go over or call or contact the Office of Motor
12 Vehicles, the main office, they have to go
13 through the headquarters and tell them that you
14 need an extended temporary tag until their hard
15 plate comes in. And for \$12 and proof of
16 insurance, they can -- they can get a temporary
17 tag, an extended temporary tag until the hard
18 plate comes in so that they can, you know,
19 drive their vehicle.

20 MR. OLAVE:

21 And they will give them the temp tag
22 before the 6 months?

23 MS. BARON:

24 Yes, yes. As soon as it is processed
25 and sent over, they can get it.

1 MR. OLAVE:

2 Is it a temp tag or just permission
3 to operate?

4 MS. BARON:

5 It is permission to operate letter.

6 MR. WISENOR:

7 I think they were issuing temp tags.

8 MS. BARON:

9 Are they issuing temp tags now? At
10 one time it was a letter.

11 MR. ESPONGE:

12 A small fee they charge them.

13 MS. BARON:

14 It is \$12. So they are doing the
15 actual temp tag.

16 MR. OLAVE:

17 That's one of the -- again, one of
18 the difference of information. Again, just
19 offering it as to gain some continuity here.
20 From Jill Jarreau's office, it's actually --
21 she told me it's permission to operate, not a
22 temp tag.

23 MS. BARON:

24 That's what I thought they were
25 doing.

1 MR. OLAVE:

2 It's a letter, permission to operate,
3 okay.

4 All right. That's all. I just
5 wanted to clear that up. Thank you for your
6 time.

7 MR. DONNELL:

8 I just got a text from Wydette and
9 said he won't be here.

10 MR. WATTS:

11 Anybody for public comments?

12 MR. PARNELL:

13 That was it.

14 MR. WATTS:

15 Adoption and approval of minutes from
16 the June 23, 2023, meeting. I need a motion.

17 MR. HINES:

18 Motion.

19 MR. WATTS:

20 I need a second.

21 MR. DONNELL:

22 Second.

23 I hate to interrupt, but are y'all
24 going to introduce this young man to everybody?

25 MR. WATTS:

1 I thought that I did.

2 MR. ALSALEMEH:

3 My name is Obaydah Alsalemeh. It is
4 my first day on the commission so I am just
5 going to be watching.

6 MR. PARNELL:

7 Welcome. Glad to have you.

8 MR. WATTS:

9 Glad you come aboard. That's
10 Mr. Donnell over here.

11 MR. DONNELL:

12 Good morning.

13 MR. HINES:

14 I am glad that you are here because I
15 am not the new guy anymore.

16 MR. WATTS:

17 All right. Items for discussion and
18 action, presentation of the monthly finance
19 report, July 2023.

20 Rhonda.

21 MS. ROBERTSON:

22 Good morning, Commissioners.

23 MR. WATTS:

24 Good morning.

25 MS. ROBERTSON:

1 If everyone would please turn with me
2 to page 1 on our financial document and that is
3 our statement of net position. And it shows
4 that the balance in the bank on July 31 was
5 \$2,061,774.84. The current liabilities on
6 page 2 is \$66,599.27 while the total
7 liabilities were \$5,111,954.31. The total net
8 position is a negative \$904,160.98. But let's
9 keep in mind that that also includes the OPEB
10 liability that Roy spoke on in the June
11 meeting. That's something that the State wants
12 us to carry, but it's not an actual liability
13 that we have to pay back. So unfortunately
14 that makes our number look worse than what it
15 actually is.

16 And then if we turn to page 3 on our
17 revenue, expenses statement. During the first
18 month of the fiscal year the month-to-date and
19 year-to-date figures are the same. The
20 year-to-date figures were \$61,268.99 compared
21 to \$140,092.23 cents last year. Last year's
22 amount was a bit higher due to us collecting on
23 old funds that we were previously not able to
24 collect on due to the HCR-71.

25 And on pages 4 and 5, you will notice

1 currently? Do you know that?

2 MS. BURKS:

3 That paid?

4 MR. WATTS:

5 Yes. In the state of Louisiana, how
6 many? I am just trying to get a number. Like
7 3,000?

8 MR. PARNELL:

9 Actual dealerships is about 2500.
10 And actual salespersons, which is the majority,
11 is probably about 4,000.

12 MR. WATTS:

13 Has that increased? I am just trying
14 to see if we are going up or down?

15 MR. PARNELL:

16 It is kind of a decrease actually.

17 MR. WATTS:

18 From last year?

19 MR. PARNELL:

20 Last year to this year, it is kind of
21 the same. But in years past, it has definitely
22 been a decrease.

23 MR. WATTS:

24 Decrease.

25 MR. PARNELL:

1 At some point we had about 3500 or so
2 dealerships in the state.

3 MS. BURKS:

4 I think the decrease is more because
5 for the dealer, it is hard to find the vehicles
6 at a good price -- at a good price and it is
7 hard to sell them. So everybody has vehicles.
8 It is just too expensive.

9 MR. WATTS:

10 Yes, a lot of them. It is changing,
11 I can tell you.

12 All right. Do we have questions for
13 Rhonda? Commissioners?

14 MS. ROBERTSON:

15 Before I take my seat, we are gearing
16 up for the 2023 financial audit. We are going
17 to be using the same auditor as last year,
18 Mr. Andrew Kraus. So I have included in your
19 package your third-party questionnaire. So I
20 just need you to get those filled out. And you
21 can return them to me or I attached an envelope
22 to it and you can mail it directly to the
23 auditor.

24 And that concludes my report.

25 MR. WATTS:

1 Thank you very much.

2 MS. ROBERTSON:

3 Thank you. I need a motion.

4 MR. DONNELL:

5 So move.

6 MR. WATTS:

7 I need a second.

8 MR. BROWN:

9 Second.

10 MR. WATTS:

11 Ratification of imposed penalties.

12 MR. PARNELL:

13 All right. Commissioners, you can
14 find in your packet a chart that illustrates
15 the licensees that were in violation of state
16 law. These cases have been investigated and I
17 have determined that the public interest can be
18 served without further administrative
19 proceedings; thus, civil penalties were
20 imposed. As normal, I will announce the name
21 of the dealer that has been imposed civil
22 penalties for the record.

23 Do we have any representation from
24 any dealers listed?

25 MS. BARON:

1 No. I was just out there and there
2 was no one out there.

3 MR. PARNELL:

4 I will just go through it. Simpson
5 Car Care, LLC, from Bossier City, city fine
6 amount was \$200. Failing to maintain records
7 for a period of up to three years.

8 Thomas M. Robinson doing business as
9 Corky Robinson Motor Company from Monroe,
10 Louisiana. Fine amount was \$1200. Two counts
11 of committing a fraudulent act employing an
12 unlicensed salesperson, non-delivery of title,
13 and failure to submit monthly sales reports.

14 First Choice Automotive, LLC, from
15 New Iberia, Louisiana. Fine amount was \$500.
16 Failing to maintain records for a period of up
17 to three years.

18 Car Zone USA from West Monroe,
19 Louisiana. Fine amount was \$3,000. Use of
20 false and misleading and unsubstantiated
21 advertising in connection with their business.
22 There was their offense and that is why their
23 fine amount was \$3,000.

24 MR. DONNELL:

25 What were they doing? I am hearing

1 more complaints about them.

2 MR. PARNELL:

3 Montie, if you want.

4 MR. WISENOR:

5 The ads that I have cited them for
6 was for listing a guaranteed down payment with
7 no -- which the law states you can't even list
8 a guaranteed amount for a trade-in. They were
9 also listing a certain down payments with no
10 other disclaimers as far as \$99 down, everybody
11 rides kind of scenario. And that's what the
12 initial complaints were.

13 MR. PARNELL:

14 Again, a guarantee of \$3,000 for
15 every vehicle that's traded in.

16 MR. DONNELL:

17 Yes. Well, most I hear they talk
18 about they have \$3 million in inventory.

19 MR. WISENOR:

20 And they also make statements --
21 that's something that I have addressed, they
22 have over 300 cars in inventory or something
23 like that, and I've never gone over there and
24 counted their cars, but.

25 MR. DONNELL:

1 Most of them are at the body shop.
2 They use the same body shop I do. Can't get
3 mine in line.

4 MR. WISENOR:

5 But that's something they started
6 recently advertising, but I will have to
7 address that.

8 MR. DONNELL:

9 Yes. I have gotten some calls about
10 that.

11 MR. PARNELL:

12 Easy Car Finance, LLC, from Kenner,
13 Louisiana. Fine amount was \$3,900. Committing
14 a fraudulent act, employing an unlicensed
15 salesperson, failing to submit monthly sales
16 reports, misuse of temp tags, and failing to
17 maintain records.

18 Commissioners, I ask that you ratify
19 the imposed civil penalties assessed. The
20 total amount of civil penalties is \$8,800.

21 MR. WATTS:

22 Or Easy Car?

23 MR. PARNELL:

24 That's all.

25 MS. MORRIS:

1 That's the total.

2 MR. PARNELL:

3 All of them. The total was 8,000.

4 MR. WATTS:

5 8,000. Did you break that down?

6 MS. MORRIS:

7 It is in here.

8 MR. DONNELL:

9 Going back to this advertising deal
10 again. What do we do if he gets a fourth
11 offense?

12 MR. WISENOR:

13 Once we've determined what the
14 violation is, I mean --

15 MR. PARNELL:

16 If it's the same violation, I will
17 bring them in for you guys to discuss it with
18 them.

19 MR. DONNELL:

20 Okay.

21 MR. WATTS:

22 I need a motion.

23 MR. DONNELL:

24 I make a motion.

25 MR. WATTS:

1 I need a second.

2 MR. HINES:

3 Second.

4 MR. WATTS:

5 Moving right along. Legal matters,
6 Counsel.

7 MS. MORRIS:

8 The first one, Federated Mutual
9 Insurance Company versus H and N Auto Sales.
10 That's being defended by the Office of the
11 Attorney General. It is set for a hearing in
12 May. It appears from the docket that that
13 hearing was passed and that no further action
14 was taken, so. There is no action and no
15 judgment.

16 MR. DONNELL:

17 So where does that leave us? Is it
18 still in litigation?

19 MS. MORRIS:

20 Well, it is still pending, but it
21 doesn't look like anybody is taking any action.

22 MR. HALLACK:

23 I just happened to be in Judge
24 Field's courtroom when that matter came up and
25 nobody was there.

1 MS. MORRIS:

2 So probably by agreement of the
3 parties.

4 MR. PARNELL:

5 In this instance, will it just fade
6 away?

7 MS. MORRIS:

8 It stays and the parties could be in
9 discovery and something off the record. I will
10 email the AG's office while we are here and
11 maybe by the end of the meeting we will have an
12 update. But sometimes suits get abandoned, but
13 it takes three years for them to be dismissed
14 for abandonment. So we are a ways away from
15 that at this point. But they have not
16 requested any information from us or any
17 further communication with us since that May
18 hearing was set.

19 MR. WATTS:

20 Next. Kandice Burnett Crain and the
21 used car commission.

22 MR. HALLACK:

23 I think that matter is just quietly
24 going away, too.

25 MR. WATTS:

1 You hadn't heard nothing?

2 MR. HALLACK:

3 No.

4 MR. HINES:

5 Did we give her a refund?

6 MR. HALLACK:

7 Yes, we did.

8 MS. BARON:

9 And she never reapplied.

10 MR. PARNELL:

11 She never reapplied.

12 MR. WATTS:

13 She files suit, but she never did
14 reapply.

15 MR. HALLACK:

16 She filed an appeal from the
17 decision.

18 MR. WATTS:

19 An appeal. Was it supposed to go to
20 court?

21 MR. HALLACK:

22 Yes, we did go to court. They said
23 that they were going to agree and --

24 MR. WATTS:

25 Agree to disagree more or less.

1 MR. HALLACK:

2 Right. To keep from incurring any
3 more legal fees and court costs and that
4 matter, but then all of a sudden she never
5 reapplied and then asked for a refund we just
6 assumed that she had no interest in becoming a
7 used motor vehicle dealer.

8 MR. WATTS:

9 Okay. So what do we do? We keep it?

10 MR. HALLACK:

11 We will address it when she applies.

12 MR. WATTS:

13 When she applies, okay.

14 MR. HALLACK:

15 Her husband's lot in Mississippi, I
16 passed by there the other day and he had about
17 7 cars there.

18 MR. WISENOR:

19 I have not seen a lot of activity
20 there. I never stopped by there to ask.

21 MR. DONNELL:

22 I didn't even look when I came by.

23 MR. BROWN:

24 He has got a few. About 10 or 15 out
25 there.

1 MR. WATTS:

2 With that being said, the enforcement
3 report.

4 MR. WISENOR:

5 Yes, sir. These are the monthly
6 production reports for the field for the months
7 of May, June, and July of 2023. I was not
8 present for the May meeting and we didn't have
9 one in June. So the number -- the totals for
10 May were, there were six audits conducted.
11 There were two notice of revocations issued.
12 There were 65 site visits or work audits
13 conducted. There were no cease and desist
14 issued. There were 16 titles or registrations
15 that were -- consumers were assisted in
16 receiving. There were two violations issued.
17 One refund of \$180.72. There were 11 cases
18 that were closed that were assigned cases.
19 There were 29 cases closed that were
20 non-assigned and there were 20 physical
21 inspections conducted. That was May of '22 --
22 May of '23 -- I am sorry, June of '23, there
23 were 11 audits conducted. There were no notice
24 of revocations issued. There were 79 site
25 visit or work orders conducted. There were two

1 cease and desist issued. There were 26 titles
2 or registrations that were assisted in
3 consumers receiving. There were five
4 violations issued. There was one refund that
5 was issued for the amount of \$300. There were
6 19 cases closed that were assigned cases.
7 There were 33 cases closed that were not
8 assigned. And there were 23 physical
9 inspections conducted.

10 For July of '23, there were 8 audits
11 conducted. There were -- let's see, there were
12 no notice of revocations issued. I am sorry.
13 There was one notice of revocation issued. I
14 apologize. There were 78 site visits
15 conducted. There was one cease and desist
16 issued. There was 21 titles or registrations
17 that were assisted in consumers receiving.
18 There were no violations issued. There were
19 three refunds issued which total \$5,202.54.
20 There were 23 cases that were closed that were
21 assigned. So there were 22 cases that were
22 closed that were not assigned, and 21 physical
23 inspections conducted.

24 And those are the totals for those
25 three months.

1 MR. WATTS:

2 Any questions?

3 MR. WISENOR:

4 As far as the audits, a lot of these
5 are ongoing audits that were carried over from
6 month to month. And right now we are looking
7 at about 8 total that are still ongoing that
8 are being put together to come before the
9 board.

10 And while -- I am sorry, while I was
11 doing my report, I don't know if Mr. Parnell
12 wanted me to introduce -- we have all of our
13 field investigators here today.

14 MR. PARNELL:

15 Go ahead.

16 MR. WISENOR:

17 I didn't know who had met who. Would
18 you like me to introduce them?

19 MR. PARNELL:

20 Yes.

21 MR. WISENOR:

22 This is Travis Gallow. He is our
23 investigator in District 3, which is Lafayette,
24 Lake Charles, surrounding parishes. Monroe
25 Allmond, he works District 4 which is right

1 here in Baton Rouge pretty much. Stacy Gaudin,
2 District 5, the New Orleans area. Perry
3 Sponge, which is -- I guess District 6, but we
4 have it broken down on our map. But he pretty
5 much goes in between New Orleans and Baton
6 Rouge depending on the overflow of complaints.

7 MS. GAUDIN:

8 We work together.

9 MR. WISENOR:

10 But he also works in the Slidell
11 area. And Ronnie Wisenor, he is still working,
12 my dad, actually. He is retired but he is
13 still working Central Louisiana, which is
14 District 2.

15 MR. DONNELL:

16 I think we all know him.

17 MR. WISENOR:

18 Everybody knows him.

19 Any questions?

20 MR. WATTS:

21 Yes. For the field investigators,
22 what has changed out there in the real world?
23 Anything that y'all see a heads-up on? Or
24 compliance-wise?

25 MR. WISENOR:

1 We are seeing a lot of -- we are
2 seeing a lot of dealers -- I say "a lot," I
3 mean, that's what these ongoing audits are
4 surfacing with dealers who are going out of
5 business and leaving a lot of consumers without
6 titles and going out of trust with their floor
7 planner. I am seeing a lot of these dealers
8 have multiple floor plans going at the same
9 time, three to four floor plans at one time.
10 So as we receive complaints, we just direct
11 each customer in whichever direction, you know,
12 as far as we can assist them through Act 699.
13 Or if there is a cash sale, we can acquire the
14 title. We get it into the customer's
15 possession.

16 There are certain circumstances that
17 I have been seeing where dealers were taking in
18 trade-ins, not paying the trade-ins off. Those
19 say, are harder to resolve because the original
20 lienholder is not going to release the title
21 until their lien is satisfied.

22 That's what I have been dealing with
23 along with -- I have been assisting some of the
24 other investigators with audits and that's what
25 we are dealing with right now.

1 MR. ALLMOND:

2 One thing that I am finding more and
3 more dealers are changing to by appointment
4 only and they are using --

5 MR. WATTS:

6 Excuse me. I didn't hear.

7 MR. ALLMOND:

8 They are changing their business
9 hours to by appointment only. Which is in
10 essence is a way that they are using to avoid
11 us. Because we go by there, they are not
12 maintaining a business operation. Well, I am
13 by appointment only. Well, if I called you
14 yesterday and told you I am going to be there
15 specifically tomorrow or sometime this week,
16 they say, well, I got to know a definite time.
17 And then you show up and, oh, you didn't tell
18 me you wanted to see my records. I got all of
19 my records at home.

20 MR. WATTS:

21 That's a violation there.

22 MR. ALLMOND:

23 We are bringing that dealer in.
24 Well, actually --

25 MR. WATTS:

1 On the application, you don't have to
2 put their times opened and closed and all of
3 that?

4 MR. ALLMOND:

5 You do but at the same time you can
6 change it to by appointment only. And there
7 you are utilizing by appointment only as a
8 means to avoid us. We can't just drop by
9 during the week, for instance.

10 MR. DONNELL:

11 That specific dealer that you are
12 talking about, how many --

13 MR. ALLMOND:

14 Oh, I have several of them.

15 MR. DONNELL:

16 How many sales licenses does that
17 dealership have? I can understand by
18 appointment only if it is just one licenser.

19 MR. PARNELL:

20 Right. But if it's multiple.

21 MR. DONNELL:

22 But if it's multiple.

23 MR. ALLMOND:

24 At least two.

25 MR. WISENOR:

1 I think a girlfriend and a boyfriend
2 ownership. So I believe they have licenses.
3 As a matter of fact, this is going -- the one
4 specifically I believe we are talking about or
5 Investigator Allmond is talking about is one
6 that we are actually going to be discussing
7 upcoming on a cease and desist that we have on
8 the agenda. So I don't know if we can get into
9 a little detail.

10 MR. PARNELL:

11 That was something that we kind of
12 put in place to kind of assist these dealers,
13 like, what Commissioner Donnell is talking
14 about they are by themselves. But I agree with
15 you 100 percent, like, if we shouldn't moving
16 forward allow those dealers to have by
17 appointment only if he has four or five
18 salespersons.

19 MR. DONNELL:

20 That's exactly right. It shouldn't
21 be no reason why nobody should be at the
22 dealership.

23 MR. ALLMOND:

24 And the other issue is most of my
25 dealers don't have voicemail set up on their

1 phones and that's their convenient way of
2 avoiding their own customers that they messed
3 over as well as avoiding answering us. Oh, I
4 didn't get your phone call. I didn't get a
5 message. Well, I called. I couldn't leave a
6 message. Your voice mailbox is full. I even
7 called your personal cell phone and you don't
8 have a voice mailbox set up on it.

9 So, I mean, I think we need to do
10 some tweaking on some of the license
11 information to force them to have to be
12 accountable to us some kind of way. I mean, I
13 can't just send a letter out to them and hope
14 they are going to get it saying I am going to
15 come in next Monday and do an audit.

16 MR. BROWN:

17 That was going to be my question. If
18 the license says they are open a certain period
19 of the time and then they couldn't be
20 appointment only. And appointment only should
21 only be to a consumer anyway and not to the
22 agents.

23 MR. PARNELL:

24 Right. That's correct.

25 MR. ALLMOND:

1 We agree 100 percent but that's not
2 how they interpret it.

3 MR. PARNELL:

4 That's how it is supposed to go, yes.
5 But it should be open for any investigator.

6 MR. BROWN:

7 We need to be enforcing the law.

8 MR. ALSALEMEH:

9 I am by appointment only and people
10 come in for business, I am not there a lot of
11 times because I have mechanics, but I am the
12 only person who is handling the cars.

13 MR. DONNELL:

14 You have the only sales license.

15 MR. ALSALEMEH:

16 Yes, I have the sales license. But
17 in my case it is legitimate.

18 MR. BROWN:

19 Right. You can be appointment only,
20 but to the agents should be able to come in and
21 talk to you.

22 MR. ALSALEMEH:

23 I would be there. That's why I am
24 not always there.

25 MR. WISENOR:

1 Well, we initially tried to serve
2 notice of revocation on this same dealer that
3 is in question for that reason because the gate
4 was closed, the time I actually went by the
5 dealership, the grass was growing up like it
6 was not being kept up. The property was not
7 being kept up. I felt like that was pretty
8 much an abandonment or statute states you meet
9 three criteria, but it says not having a
10 licensed salesman on the premises for more than
11 a week, your sign is down, your phone is
12 disconnected. Those are the three.

13 MR. DONNELL:

14 What about certified letters? Are we
15 doing that?

16 MR. WISENOR:

17 We normally do, yes. And that is
18 another one we issued a violation to that
19 dealer and certified mailed it and it came back
20 undelivered. And I felt like that was a way
21 for them if they are not receiving their mail,
22 if they are not answering -- I mean, numerous
23 attempts were made to this dealer to try to get
24 the records that we needed to work complaints
25 that we were receiving. And every time Mr.

1 Allmond would get in touch with the owner, he
2 would say, yes, I will get that information and
3 then he would never hear back from him. So all
4 of the communication was initiated from our
5 side. The dealer would never reach out to us
6 and say, yes, I got this information or I
7 satisfied this complaint. That's why we were
8 addressing this particular issue.

9 MR. PARNELL:

10 But what you are saying, Commissioner
11 Brown, by appointment only is really only
12 towards the consumer. It is not at all towards
13 the agency.

14 MR. DONNELL:

15 I think we send him certified mail
16 and tell him when we are going to be there, he
17 needs to be there.

18 MR. WATTS:

19 I think we need to touch up our law.
20 If you don't show up, we are going to close you
21 down in 30 days, or something like that.

22 MR. DONNELL:

23 Certified mail is something written
24 that we have tried to serve it and we can't
25 serve, then shut him down.

1 MR. WISENOR:

2 That's why I wanted the notice of
3 revelation in place because it would suspend
4 his license to where it would cut him off at
5 the auctions. He couldn't process anything at
6 Motor Vehicles. That's the only thing that
7 really negotiated a response because I think
8 Ms. Baron received an email or a call -- I
9 forgot how she -- but as soon as we served
10 that, oh, yes, it woke him up because he knew.

11 MR. WATTS:

12 Did we post it on the door or
13 anything?

14 MR. WISENOR:

15 We posted it on a gate, a locked
16 gate.

17 MR. DONNELL:

18 Nothing riles a dealer -- and this is
19 when I start getting phone calls -- invariably
20 did something and they are late and they get
21 cut off at the auction. That's when the cream
22 comes to the top. So if we got a way to notify
23 all of our state auctions, we did a cease and
24 desist.

25 MS. BARON:

1 I don't think we did a cease and
2 desist.

3 MR. DONNELL:

4 That should be an easy way to do it.

5 MR. PARNELL:

6 We can do that.

7 MR. DONNELL:

8 You shut them down at that auction,
9 you are going to start to get some
10 correspondence.

11 MR. PARNELL:

12 For every instance we do a cease and
13 desist, and we send notice.

14 MR. WISENOR:

15 That's what we wanted to clear up
16 with Mr. Hallack about. With a cease and
17 desist, can we suspend their license and he
18 mentioned that we could do so.

19 MR. DONNELL:

20 Yes, sir. If y'all have done every
21 legal means, then I think y'all should.

22 MR. HALLACK:

23 We have also subpoena power. The
24 Agency has subpoena power so we can issue a
25 subpoena demanding that this dealer submit his

1 records by a certain date. And if he doesn't
2 and then he is in violation of that subpoena
3 and he can be held in contempt of court. While
4 we have subpoena powers, we can issue a
5 subpoena, we don't have subpoena enforcement
6 powers. So we will have to go to court, but
7 that's kind of a serious thing that if he
8 doesn't comply with a subpoena from us, then
9 district court can hold him contempt to make
10 him submit those documents.

11 MR. ALLMOND:

12 Well, I think in this case, Robert,
13 that a lot of -- this one particular dealer's
14 issues, he's been learning from the master
15 about how to get around all of that. And they
16 know that, for instance, if you send them a
17 subpoena then that means if they don't comply
18 then you are going to have to bring them to
19 district court.

20 MR. HALLACK:

21 Right.

22 MR. ALLMOND:

23 And I don't know of anybody we have
24 brought to district court in my almost seven
25 years here to where that has any teeth to it

1 to, you know, instill a sense of urgency into
2 them to comply. And that's the biggest problem
3 that I am having.

4 MR. HALLACK:

5 It is a very simple process. But I
6 can tell you in the last 20 years, we have
7 probably never gone to district court to
8 enforce a subpoena. Kim was responsible for
9 drawing up the subpoena and the field
10 investigator normally hand delivers it. What's
11 our success rate, Kim? Do they usually comply?
12 Not comply at all?

13 MS. BARON:

14 If it's with records and stuff that
15 they need to bring to the office, they pretty
16 much complied with that. Usually, if we
17 subpoena them to a hearing, most of the time
18 they show up, you know.

19 MR. WISENOR:

20 Or if can't produce the records --
21 they claim that their building was broken into
22 and somebody stole the records. We get all
23 kind of --

24 MR. BROWN:

25 And we call that noncompliance.

1 MR. WISENOR:

2 We have a statute that we address.

3 MR. BROWN:

4 Can we suspend their license?

5 MR. HALLACK:

6 Yes.

7 MR. ALLMOND:

8 Without getting more and more -- to
9 add in more and more, my dealers are coming up
10 especially if you are wanting a bunch of
11 records during a specific time, then they turn
12 around and conveniently had a burglary over the
13 weekend and these people came in and stole all
14 of their records and what few titles they may
15 have had on the premises.

16 MR. BROWN:

17 That's still noncompliance.

18 MR. WISENOR:

19 We have a statute that states that if
20 they can't produce certain records, it is
21 failure to maintain records. That's what we
22 have as a go-to. Just by them not -- just like
23 temp tags, we have a lot of dealers that fail
24 to -- and we addressed it here, enter the temp
25 tags into the database like they are legally

1 required to and they say I don't have any of
2 that information. But if they can't produce it
3 and then it is either misuse or it is going to
4 be failure to maintain.

5 MR. DONNELL:

6 What do you do if you can't get into
7 the database? I have seen that happen.

8 MR. WISENOR:

9 If they have proof that they have
10 tried and had problems, we take that in.

11 MR. ALLMOND:

12 They should have their copy where
13 they manually wrote it up and be able to show
14 it to us. But the biggest thing is if nothing
15 else to go along with this hours thing, is to
16 hit them in their pocketbooks. If they don't
17 produce the records, don't let them slide with
18 a 50 or 100 fine. Go for the maximum. You do
19 that a couple of times -- I mean, Travis has a
20 man, he's got a dealer in his area that way
21 back when I assisted J.D. on an audit over
22 there, I mean this guy flat said, "I am not
23 going to keep those records because if I have
24 them, then you can see them. I would rather
25 just pay the fine." I got one guy that I will

1 be coming up here shortly, too, he's an ex-con
2 and all --

3 MS. MORRIS:

4 Don't tell us about a case that is
5 coming.

6 MR. ALLMOND:

7 No. I am just saying in his
8 particular case --

9 MS. MORRIS:

10 We don't want to know about any cases
11 that may be coming up.

12 MR. WATTS:

13 Bottom line, we have to charge them
14 more.

15 MR. PARNELL:

16 Yes.

17 MR. HALLACK:

18 Bottom line is you got to put them
19 out of business. You got to keep them from
20 going to the auction.

21 MR. DONNELL:

22 Shut them down and be done with it.
23 Because, you know, what we are dealing with
24 here just like any sheriff's office in any
25 parish -- I think you were a former law

1 enforcement officer, you deal with 5 percent of
2 people all of the time.

3 MR. ALLMOND:

4 Exactly.

5 MR. HALLACK:

6 But if you got a dealer who is
7 withholding his records chronically, you know
8 he's got a problem. Otherwise, he will want to
9 show how he is in compliance. If he has got
10 100 temp tags that are missing, he will want to
11 provide those sales transactions to show you
12 where he has used his temp tags. If he can't,
13 then you know something is wrong. So I think
14 we are still seeing across the board so many
15 people in this state who are selling their temp
16 tags.

17 MR. WATTS:

18 They are still selling their temp
19 tags?

20 MR. ALLMOND:

21 Yes, absolutely.

22 MR. HALLACK:

23 Yes, that gentleman agreed to pay
24 \$250,000 because he wasn't making money.

25 MR. WATTS:

1 He is the only one that paid.

2 MS. BARON:

3 He is paying pretty well.

4 MR. WATTS:

5 The meeting is adjourned.

6

7 (Meeting adjourned at 10:07 a.m.)

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1 REPORTER'S CERTIFICATE

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I, BETTY D. GLISSMAN, Certified Court Reporter, Certificate No. 86150, in and for the State of Louisiana, do hereby certify that the Louisiana Used Motor Vehicle Commission August 21, 2023, meeting was reported by me in the stenotype reporting method, was prepared and transcribed by me or under my personal direction and supervision, and is a true and correct transcript to the best of my ability and understanding.

This September 5, 2023, Baton Rouge, Louisiana.

BETTY D. GLISSMAN, CCR
CERTIFIED COURT REPORTER

