

LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING
AUGUST 20, 2012
BEGINNING AT 9:58 A.M.

3132 VALLEY CREEK
BATON ROUGE, LOUISIANA

REPORTED BY:
BETTY D. GLISSMAN, CCR

Betty D. Glissman, CCR
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1 APPEARANCES:

2

3 CHAIRMAN:

4 MR. JOHN POTEET

5

6 COMMISSIONERS PRESENT:

7 MR. RON DUPLESSIS

8 MR. GEORGE FLOYD

9 MR. KIRBY ROY

10 MR. DINO TAYLOR

11 MR. DOUGLAS TURNER

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14 REPRESENTING THE LOUISIANA USED MOTOR

15 VEHICLE COMMISSION:

16

17 ROBERT W. HALLACK, ESQUIRE
18 HALLACK LAW OFFICE
19 13007 JUSTICE AVENUE
20 BATON ROUGE, LOUISIANA 70816

21 SHERI MORRIS, ESQUIRE
22 ROEDEL, PARSONS, KOCH, BLACHE,
23 BALHOFF & McCOLLISTER
24 8440 JEFFERSON HIGHWAY, SUITE 301
25 BATON ROUGE, LOUISIANA 70809

1 ALSO PRESENT:

2

3 MS. KIM BARON

4 MR. DEREK PARNELL

5 MS. MONA ANDERSON

6 MR. KEVIN REMBERT

7 MS. TONYA BURKS

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1 MR. POTEET:

2 Let's go ahead and get
3 started. Let's have the Pledge of
4 Allegiance.

5 (Pledge of Allegiance)

6 MR. POTEET:

7 Kim, would you do the roll
8 call, please?

9 MS. BARON:

10 John Poteet?

11 MR. POTEET:

12 Here.

13 MS. BARON:

14 George Brewer?

15 MR. BREWER:

16 (No response.)

17 MS. BARON:

18 Louis Bourgeois?

19 MR. BOURGEOIS:

20 (No response.)

21 MS. BARON:

22 Tony Cormier?

23 MR. CORMIER:

24 (No response.)

25 MS. BARON:

1 Ron Duplessis?
2 MR. DUPLESSIS:
3 Here.
4 MS. BARON:
5 George Floyd?
6 MR. FLOYD:
7 Here.
8 MS. BARON:
9 Kirby Roy?
10 MR. ROY:
11 Here.
12 MS. BARON:
13 Darty Smith?
14 MR. SMITH:
15 (No response.)
16 MS. BARON:
17 Douglas Turner?
18 MR. TURNER:
19 Here.
20 MS. BARON:
21 Dino Taylor?
22 MR. TAYLOR:
23 Here.
24 MS. BARON:
25 Mr. Chairman, we have a

1 quorum.

2 MR. POTEET:

3 Thank you.

4 I think now would be a good
5 time to mention to everybody that we have
6 lost a member. Mr. Bourgeois has decided
7 not to stay on the Commission for personal
8 reasons. So we will be -- Derek will be
9 working to get that spot filled as soon as
10 possible. I actually had a couple of people
11 talk to me that showed some interest. So
12 I'll talk to you about that later.

13 MR. PARNELL:

14 Okay.

15 MR. POTEET:

16 Anyone here for public
17 comments?

18 MS. BARON:

19 No, sir.

20 MR. POTEET:

21 Items for discussion, we need
22 to start off with approval of the minutes
23 from the previous meeting. I hope all of
24 you had a chance to read those.

25 MR. TURNER:

1 Motion to approve the
2 minutes.

3 MR. TAYLOR:

4 Second.

5 MR. POTEET:

6 All in favor, say "Aye."

7 (All "Aye" responses.)

8 MR. POTEET:

9 All right. It looks like
10 that's approved.

11 We'll move on to financial
12 matters, a review of the financial report,
13 Mona.

14 MS. ANDERSON:

15 Good morning.

16 MR. POTEET:

17 How are you doing today?

18 MS. ANDERSON:

19 Good.

20 MR. POTEET:

21 Good.

22 MS. ANDERSON:

23 How are you?

24 MR. POTEET:

25 Good.

1 MS. ANDERSON:

2 If you'll turn in your packet
3 to your financial statements, Page 1 is your
4 balance sheet, and the operating account at
5 the end of July had \$1,068,030. The
6 accounts receivable hearing fines increased
7 to a balance of \$66,100.

8 And on Page 2 of the balance
9 sheet, your liabilities, total liabilities
10 were \$929,778. Of that, you have about
11 \$248,000 in deferred revenues. The revenues
12 over expenditures for the month were -- I'm
13 sorry, for the year were \$354,268 and
14 month-to-date loss was \$11,769.

15 Turning on to Page 3 is the
16 revenue and expenditure statement, and we
17 have amended this to show the 2012/13
18 budget. We're in the new fiscal year.
19 July's revenue was \$41,509 compared to
20 \$29,436 the same time last year.

21 On Page 4, the expenses, the
22 remaining in the budget should be
23 approximately 92 percent. The salaries
24 expenditures changed a little bit. The
25 retirement -- the LASERS retirement went up

1 from 25.6 percent -- that's the portion that
2 the employer contributes, from 25.6 percent
3 to 29.1 percent. So that increased our
4 retirement contributions significantly for
5 the rest of the year.

6 On Page 5, if you'll note
7 that there are no insurance expenses in
8 July. We're still waiting to hear from the
9 State. They haven't invoiced our insurance
10 for the year. So we're still waiting on
11 that. We should be getting that shortly and
12 we'll continue to follow up on it. At the
13 bottom of the page, the computer expenses
14 \$1,549 includes -- we purchased the Winmail
15 application, unlimited users for the e-mail
16 set up, which I'm sure Derek is going to
17 discuss with you later, to set up the e-mail
18 for our dealers.

19 MR. POTEET:

20 This is the private e-mail?

21 MS. ANDERSON:

22 Yes, that's unlimited users
23 there on that.

24 On the following page -- I'm
25 sorry, the loss for the month was \$11,769 on

1 Page 6, and you see that again on Page 7 in
2 the revenues and expenditures comparison.
3 The net for the 2011/12 shown there is
4 pending the audit. We should be wrapping up
5 our audit this month and be able to report
6 on that to you next month.

7 Turning on to the certificate
8 of deposit report on Page 8, all of that
9 will be the same this month. We are moving
10 -- the money that's in La Capitol comes up
11 -- matures on the 21st, which is tomorrow.
12 We have -- thanks to Commissioner Taylor, we
13 got in touch with Community Trust Bank of
14 Monroe and were able to obtain a point 90
15 percent interest on that CD, and so we will
16 be working with them to roll that over
17 tomorrow.

18 On the last page, the
19 accounts receivable report, as I said
20 earlier, at the end of July was \$66,100 and
21 that includes a \$2,000 on Sinai Used Cars
22 that was added last month.

23 We've received back the
24 Interagency Agreement from the AG's Office
25 to -- on the collections service they're

1 going to provide us on some of these older
2 accounts receivables, Crownline, Proline and
3 Sundance, and so I'm working on compiling a
4 file for them, so that they can pursue those
5 amounts for us. And we'll be collecting --
6 I'll be contacting the attorney for Double
7 Tree to collect the \$600. Robert tells me
8 that he should be amenable to go ahead and
9 getting them to pay that. So that will
10 clean up our older items there, and then
11 we'll start working the others, you know, as
12 we go.

13 And unless there are any
14 other questions, that concludes my report.

15 MR. POTEET:

16 We can't have too many
17 questions. It's the first month of the
18 year, right?

19 MS. BARON:

20 Yes, sir.

21 MR. POTEET:

22 We can't have too many
23 questions. It's the first month of the
24 year.

25 If there's no discussion --

1 MR. ROY:

2 I'll make that motion to
3 accept the financial -- the report.

4 MR. TURNER:

5 Second.

6 MR. POTEET:

7 All in favor, say "Aye."

8 (All "Aye" responses.)

9 MR. POTEET:

10 Okay. Thank you, Mona.

11 MS. ANDERSON:

12 Thank you.

13 MR. POTEET:

14 Legal -- excuse me, legal
15 matters and pending litigation.

16 MR. HALLACK:

17 Just to let you know, on
18 Value Imports, Mohammed Ibrahim took an
19 appeal to the First Circuit Court of
20 Appeals.

21 MR. POTEET:

22 How soon before we hear
23 anything on that?

24 MR. HALLACK:

25 The Clerk of Court has a

1 lodging deadline, a deadline by which they
2 have to lodge the record with the Court of
3 Appeals. Once the Court of Appeals receives
4 the record, then they send out a briefing
5 schedule where everybody will have a certain
6 deadline in order to file their briefs. So
7 we're still waiting on the Clerk to lodge
8 the record. So we're a ways away from
9 anything on that.

10 MR. TAYLOR:

11 He can still operate?

12 MR. HALLACK:

13 No, sir. He's can't operate.

14 His license was revoked.

15 MR. POTEET:

16 All right. I think it's time
17 for the Executive Director's report.

18 MR. HALLACK:

19 If you'll turn with me to
20 your complaint totals, the first item in
21 that list is the alleged issue counts. For
22 the month of July 2012, there were 99
23 alleged issues. Twenty-two were
24 non-delivery of title. Fifteen were refund
25 requests.

1 The second page of the report
2 shows a case report that was -- assigned
3 cases for the month of July, 70 cases were
4 assigned for investigation. Fifteen of
5 those 70 cases were completed during the
6 month of July.

7 The third page is your
8 Department Summary Report, which shows a
9 total of 67 total cases for the month of
10 July were closed. As always, those cases
11 are not specific to that specific month, per
12 se, but there are -- some of these cases are
13 ongoing. So just some additional
14 information for the month of July, a
15 compliance investigator issued nine five-day
16 notices. They did 32 physical inspections.
17 Twenty-nine site visits were conducted, and
18 the -- of the refunds, they were able to
19 help give back to the consumer \$9,343.64.

20 So they're always doing a lot
21 more than normally what I typically say in
22 our meetings. I just kind of go over the
23 numbers that we're closing and completed.
24 But as we keep going, I'm going to get a
25 little more information about the specifics

1 on what they're doing and how they're doing
2 it.

3 The next item under my
4 section is licensing renewal update. Our
5 staff has been working real hard preparing
6 for the upcoming renewal period. Early, I
7 want to plan -- to get it started mid
8 September. So I'll be getting some
9 information out to every licensee early
10 September just to reiterate some things that
11 Districts 1, 2, and 3 will be renewing this
12 year for a two-year license, four and five
13 with the exception of their salesman
14 licenses.

15 We have been doing a lot of
16 things as far as our technology upgrades.
17 We -- the e-mail that Mona was talking
18 about, the \$1,500, that's pretty much been
19 set up, right now. We've developed it and
20 working on it and assigning all of the
21 licensees with that e-mail address. It's
22 going to help us communicate more
23 effectively and more efficiently. It's
24 going to cost us a lot less to be able to
25 communicate that way via e-mail. The way we

1 kind of talked about doing it was pretty
2 much -- we always had concerns of
3 communication, whereas, when a dealer
4 submits their information to us, and then
5 the first time they hear something from us
6 what's going on.

7 By setting up the e-mail in
8 this fashion, by providing an e-mail for
9 everyone in this fashion, once we receive
10 the application in, we instruct the staff --
11 and we kind of changed our processes a
12 little bit. Once we receive the documents
13 in, they're going to actually automatically
14 send an e-mail out and let us know they
15 received the document.

16 And as we go through the
17 verification process, whenever they do a
18 status change, they're going to send that
19 e-mail out to that person, so they'll
20 understand where it says they are and where
21 we are in the process. Ultimately, when we
22 get to the end, when that dealer -- when
23 that dealer services technician gets to the
24 end of that process with one particular
25 dealer, they're going to put in print the

1 dealer's license and that way, it will --
2 automatically, we have it set now -- the
3 server will automatically pull the e-mail
4 and submit it to that dealer and let them
5 know that their license is now ready to be
6 printed. It's going to be -- it's going to
7 have a link where the dealer can go in
8 themselves, print their license and they'll
9 be pretty much done. The cost always
10 associated with mailing out that much
11 information as we normally do, our equipment
12 is not the newest equipment and the cost of
13 trying to, you know, keep toner up and
14 purchase new equipment is just way over
15 board.

16 Another item that we looked
17 at, I've been kind of talking with the web
18 developer, his name is Dean Delfosse, he's
19 done a lot of great work here in the state.
20 He brought me his portfolio. I kind of
21 looked through it and saw a lot of things
22 he's done in the state. And one thing that
23 needs to happen is our website itself needs
24 to be upgraded. We sat extensively and
25 we've kind of plotted out how we want to do

1 that. He started the process on this past
2 Friday. We will -- he projected that he
3 will complete it on the 31st.

4 Now, I have something that I
5 can approve and move forward with on the
6 31st. So with that said, it's going to be
7 more user friendly, going to have more
8 information out there, and with the e-mail
9 process that's set up, our website needed to
10 do that in order to -- so that we can really
11 make everything more efficient.

12 Like, in early September, I'm
13 going to send out documentation. It's going
14 to give them their e-mail address, their
15 process. Also, we're going to send out
16 documentation to let them know what their
17 user name and password is.

18 This year with the updated
19 website, you will, as a dealer, have the
20 ability -- if you don't have a user name and
21 password, you'll be able to go out on the
22 website as long as you know your user --
23 your ID, your dealer number, your date of
24 birth, and there are a couple other things
25 that we're looking at, but those are

1 primarily -- if you know those things, you
2 can still go out on the website and print up
3 -- and find out what you're using and your
4 password.

5 So it's going to be a little
6 bit better for anybody. I definitely don't
7 want to go through the same process we had
8 in the past. I do know that it's going to
9 be -- we'll probably have some -- a lot of
10 callers. A lot of people are still going to
11 have some issues. Of course, it's a brand
12 new process. We're implementing a lot of
13 things right now, new things, and some
14 persons are not as willing to change to move
15 forward as we want to go, but we're moving
16 in that direction. It's good for the
17 Commission as a whole and it's better for
18 the licensees. They'll be able to get their
19 information and we'll have communication far
20 better than we've ever done in the past.

21 Once again, I'm still holding
22 the staff to a higher level this year.
23 I'm making sure that we don't keep licenses
24 in this office for more than 14 days as long
25 as they have all of the information on hand.

1 So we're just getting prepared and changed a
2 lot of our processes in the office. We've
3 added a little bit more help. So less
4 licensees to license, more staff, should be
5 a great payoff in the long run.

6 MR. POTEET:

7 Sounds good.

8 Ron, it sounds like we've got
9 them up into '90s now.

10 MR. DUPLESSIS:

11 Yes, at least '92.

12 MR. TURNER:

13 Are you telling me that
14 dealers are going to be able to print out
15 their own license once it's okay and the
16 salesman license?

17 MR. PARNELL:

18 Yes. Once we've gone through
19 the process and the verification, once the
20 verification is complete, the dealer
21 services technician here in the office, all
22 that they have to do is put it in their
23 print queue. We normally print it out and
24 mail it. They put it in print queue. The
25 server is automatically going to pull that,

1 what's in the queue, send an e-mail to the
2 dealer -- to the specific dealer, and then
3 it will give them a link. He will be able
4 to go that website and pull up that link,
5 click on it and be able to print his
6 license.

7 What we're looking at -- I
8 didn't know -- and this was something I did
9 want to ask everyone about. I know in the
10 past there were bid cards. That's done away
11 with. I didn't want any conflict. But I
12 did see where it's a possibility that when I
13 speak with a lot of the investigators, they
14 say a lot of dealers, when they go to
15 auction, they carry just a copy of their
16 license, which is kind of a full license.
17 There's a way that I may be able to do a
18 smaller version as well as their license
19 that they will be able to print out and put
20 on their wall. They may be able to get a
21 smaller version of it, so they can get into
22 an auction.

23 Do you think that's something
24 that would -- rather than carrying a piece
25 of paper --

1 MR. POTEET:

2 Yes. I mean, they only need
3 it when their license is new. Most auctions
4 use a company that is kind of like a credit
5 card service sort of thing. They really get
6 all of the information. So, to me, I think
7 that will be fine. I think we ought to
8 check with them and find out, but, yes.

9 MR. PARNELL:

10 I just didn't want any
11 conflict. I know they have bid cards. I
12 didn't want anyone confusing that with the
13 bid card, anyway.

14 MR. POTEET:

15 Yes. No, I don't think there
16 would be any confusion.

17 MR. PARNELL:

18 It's just a replica of the
19 license.

20 MR. POTEET:

21 You know, my auctioneers --
22 all my auctioneers that are -- and me, too,
23 we're licensed by the Louisiana Auctioneer
24 Licensing Board. We used to have a little
25 card like this and we have a license that,

1 you know, you can hang on the wall, and
2 since I don't go anywhere with mine, I just
3 put the little card in that same frame. But
4 they have that card that they can take
5 around each auction and make a copy of it.
6 We've still have that on file. I don't know
7 why we couldn't have the same thing, but
8 I'll check with the guys in Birmingham and
9 see if that's okay with them. I don't know
10 why it wouldn't be. Officially, if it's
11 from this Commission -- from this office --

12 MR. PARNELL:

13 It is not going to be a card.

14 MR. POTEET:

15 It's going to be a piece of
16 paper, yes, that says, yes, they're
17 licensed.

18 MR. PARNELL:

19 They can get it laminated if
20 they want.

21 MR. POTEET:

22 I think that's a good idea to
23 check it.

24 MS. MORRIS:

25 The auction can also look

1 online and verify it.

2 MR. POTEET:

3 Yes. We do that all of the
4 time. Of course, there's also an argument.
5 Check it, check it, I'm okay. No, you're
6 not.

7 MR. PARNELL:

8 So we're definitely moving in
9 the right direction in my thought and where
10 we need to be as far as a licensing
11 regulatory body and just getting service out
12 to our consumers -- to our licensees as well
13 as we're going to try to make sure that
14 we're able to this year for our consumers to
15 go online and update. If they want to do a
16 consumer complaint, they'll be able to go
17 online and do that. I put out a draft of
18 information for the enforcement side of it.
19 It kind of tells what we can do to assist
20 the consumer and what we cannot do, and
21 there are some things that we may be able to
22 help with, but these are things that we
23 cannot force upon a dealer, because we -- a
24 lot of complaints when they come in, they
25 think we're able to do everything in the

1 world and they want us to do everything for
2 them, but we really are not in a position to
3 do that, nor is it necessary. So we're just
4 trying to update everything that we're
5 doing. So we're moving forward and
6 we'll have less calls and less concerns
7 coming in.

8 MR. POTEET:

9 It's kind of like a
10 frequently asked questions.

11 MR. PARNELL:

12 Yes, kind of, yes, yes.

13 MR. POTEET:

14 Okay.

15 Anything else?

16 MR. HALLACK:

17 That's all.

18 MR. POTEET:

19 That sounds like a lot.

20 MR. PARNELL:

21 We've updated all of our
22 forms, all of our applications and
23 everything. So it's all going to look
24 different. You're going to be able to go
25 online as well as normal as we did last

1 year, go online and submit all of your
2 information. You'll be able to upload any
3 bonding or insurance information. That was
4 kind of faulty last year, but we will be
5 able to do that this year moving forward.

6 Also, the broadband in OTM,
7 Office of Technology -- Telecommunications,
8 they have assured me they're going forward
9 with increasing our broadband width. I
10 picked a company, they had a bid out there,
11 one with Cox Business, and they gave us a
12 pretty good rate in comparison to what we're
13 paying now for 10 times more bandwidth. So
14 it's going to help us out a great deal. I
15 think in the last month, usually, around two
16 to four o'clock in the afternoon, everything
17 slows down a lot for us here in the office
18 and not realizing exactly what caused that.
19 We're operating right now on one gigabyte.

20 MR. POTEET:

21 One meg.

22 MR. PARNELL:

23 Megabyte, I'm sorry. One
24 meg, whereas, we will have 10 megs down and
25 two megs up.

1 MR. POTEET:

2 That's good.

3 MR. PARNELL:

4 I think it's only like \$22
5 more than we're paying now. So that's it
6 for now.

7 MR. POTEET:

8 Yes, sir.

9 MR. TURNER:

10 One other question, when the
11 dealer goes online and renews the salesman's
12 license, last year, he had to pay
13 individually. Is that still going to be --

14 MR. PARNELL:

15 That's still going to be that
16 way.

17 MR. TURNER:

18 You can't fix that to where
19 you get a total?

20 MR. PARNELL:

21 We can, but it's going to
22 cost a lot of money to do that and that
23 means me going to CAVU to get it done. As
24 we mentioned in the past, I'm not trying
25 do any upgrades with CAVU where we are right

1 now, because I'm researching -- trying to
2 move to a better licensing system. So, yes,
3 it's still going to be kind of cumbersome as
4 it relates to that. All salesmen's licenses
5 throughout all five districts will have to
6 renew this year, but I think all you have to
7 do is do your salesmen.

8 MR. TURNER:

9 Right.

10 MR. PARNELL:

11 I think it's going to be each
12 one, yes.

13 MR. POTEET:

14 Do you think that will be
15 resolved by next license --

16 MR. PARNELL:

17 I would like to say, yes, but
18 if I'm able to go with a newer system,
19 that's going to be one of my requirements,
20 yes, from the beginning to -- projected,
21 yes, I would say, yes, at this point. I
22 would like to have it.

23 MR. DUPLESSIS:

24 But, Derek, isn't one of the
25 problems that you have, the salesman

1 has to reaffirm a lot of the stuff
2 that was on the original application? So
3 you may never been able to tackle that one.

4 MS. BARON:

5 I think if you're putting it
6 in the shopping cart or something.

7 MR. DUPLESSIS:

8 And check --

9 MS. BARON:

10 And put it in the shopping
11 cart and you can go back and pay for them
12 all at one time.

13 MR. DUPLESSIS:

14 You can't do that now?

15 MR. PARNELL:

16 No.

17 MR. DUPLESSIS:

18 Really?

19 MR. PARNELL:

20 No, we can't. You can, but
21 it's going to cost me like --

22 MR. DUPLESSIS:

23 I'm pretty tight like that.

24 MR. PARNELL:

25 -- no, thank you.

1 And they also -- this past
2 week, CAVU came to me and I guess I talked
3 about the e-mail process that we're trying
4 to move to. They came to me this past week
5 and they say that they're now able to do
6 that and I should think about really going
7 with them and doing that e-mail set up that
8 way. Thank you for that information, I
9 appreciate it.

10 MR. TURNER:

11 A little late.

12 MR. PARNELL:

13 I don't want to lock into
14 them at all, so.

15 MR. POTEET:

16 Okay. The next thing on the
17 agenda are the hearings that we have. We
18 need a motion to adjourn.

19 MR. TURNER:

20 Motion to adjourn.

21 MR. POTEET:

22 Second.

23 MR. TAYLOR:

24 Second.

25 MR. POTEET:

1 All in favor?

2 (All "Aye" responses.)

3 MR. POTEET:

4 Okay. So we'll adjourn and
5 come back in here at 10:30 for the three
6 hearings that we have.

7

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9 (Meeting adjourned at 10:22 a.m.)

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1 REPORTER'S CERTIFICATE

2
3 I, BETTY D. GLISSMAN, Certified
4 Court Reporter, Certificate No. 86150, in
5 and for the State of Louisiana, do hereby
6 certify that the Louisiana Used Motor
7 Vehicle Commission August 20, 2012 meeting
8 was reported by me in the stenotype
9 reporting method, was prepared and
10 transcribed by me or under my personal
11 direction and supervision, and is a true and
12 correct transcript to the best of my ability
13 and understanding.

14 This August 27, 2012, Baton Rouge,
15 Louisiana.

16
17
18
19
20
21
22 _____
23 BETTY D. GLISSMAN, CCR
24 CERTIFIED COURT REPORTER
25