

LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING

March 21, 2011

BEGINNING AT 9:30 A.M.

3132 VALLEY CREEK
BATON ROUGE, LOUISIANA

REPORTED BY:

BETTY D. GLISSMAN, CCR

Betty D. Glissman, CCR
(225) 754-8609

1 APPEARANCES:

2
3 CHAIRMAN:

4 MR. GLEN ROBINSON
5
6

7 COMMISSIONERS PRESENT:

8 MR. GEORGE BREWER

9 MR. RHETT BOURGEOIS

10 MR. TONY CORMIER

11 MR. RON DUPLESSIS

12 MR. GEORGE FLOYD (arrived late)

13 MR. DOUGLAS TURNER
14
15

16 REPRESENTING THE LOUISIANA USED MOTOR
17 VEHICLE COMMISSION:

18 ROBERT W. HALLACK, ESQUIRE

HALLACK LAW OFFICE

13007 JUSTICE AVENUE

19 BATON ROUGE, LOUISIANA 70816

20 SHERI MORRIS, ESQUIRE

ROEDEL, PARSONS, KOCH, BLACHE,

21 BALHOFF & McCOLLISTER

8440 JEFFERSON HIGHWAY, SUITE 301

22 BATON ROUGE, LOUISIANA 70809
23
24
25

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1 ALSO PRESENT:

2
3 MS. KIM BARON

4 MR. DEREK PARNELL

5 MS. MONA ANDERSON

6 MR. BUTCH WRIGHT

7 MS. SHEILA JONES

8 MR. JESSE McCORMICK

9 MR. RONNIE WISENOR

10 MS. JUNE POWELL

11 MS. STACY GAUDIN

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1 MR. ROBINSON:
2 Mr. George, would you lead us
3 in the Pledge of Allegiance?
4 (Pledge of Allegiance).

5 MR. ROBINSON:
6 If you would, call roll,
7 please.

8 MS. BARON:
9 Glen Robinson?

10 MR. ROBINSON:
11 Present.

12 MS. BARON:
13 George Brewer?

14 MR. BREWER:
15 Here.

16 MS. BARON:
17 Louis Bourgeois?

18 MR. BOURGEOIS:
19 Here.

20 MS. BARON:
21 Tony Cormier?

22 MR. CORMIER:
23 Here.

24 MS. BARON:
25 Ron Duplessis?

1 MR. DUPLESSIS:

2 Here.

3 MS. BARON:

4 George Floyd?

5 MR. FLOYD:

6 (No response.)

7 MS. BARON:

8 John Poteet?

9 MR. POTEET:

10 (No response.)

11 MS. BARON:

12 Kirby Roy?

13 MR. ROY:

14 (No response.)

15 MS. BARON:

16 Darty Smith?

17 MR. SMITH:

18 (No response.)

19 MS. BARON:

20 Douglas Turner?

21 MR. TURNER:

22 Here.

23 MS. BARON:

24 Mr. Chairman, we have a

25 quorum.

1 MR. ROBINSON:

2 Thank you.

3 Anyone for public comments?

4 MS. BARON:

5 Jill Jarreau is for public
6 comments, but she has not arrived, yet. She
7 called and said she was on her way.

8 MR. ROBINSON:

9 She is with Motor Vehicles.

10 MS. BARON:

11 Yes, sir. So I guess we can
12 take her when she comes, because she is
13 still a ways out.

14 MR. ROBINSON:

15 That will be fine.

16 MS. BARON:

17 And there she is.

18 MR. ROBINSON:

19 Ms. Jill, do you want to
20 introduce yourself?

21 MS. JARREAU:

22 I do. I'm Jill Jarreau. I
23 don't know where y'all want me to stand. I
24 just wanted to talk about two minor things
25 with y'all right quick, one being -- I'm

1 sure Derek has been telling y'all about
2 dealer plates moving to Mainframe. We have
3 been making headway on it surprisingly.
4 It's been two years in the making. We are
5 at the point -- I don't want anybody to get
6 any false hope here, but we are at the point
7 where we are ready to start testing it.
8 They have promised that hopefully by
9 Wednesday they will have the application to
10 me. We are hoping that it works like we
11 anticipated it working.

12 Now, granted, when we test
13 it, we have to make sure it is collecting
14 the right fees with the right expiration,
15 that the inventory is actually being issued,
16 but on top of that, we also have to test
17 LEM. That was the purpose of moving them to
18 Mainframe, so that law enforcement could
19 actually run them. Currently, if they need
20 to run them, they have to call us during
21 regular hours and it really poses a problem.
22 So with that being said, that's why we
23 decided that they really needed to be moved
24 to where law enforcement could have access
25 to them 24/7.

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1 Along with that, we are --
2 law enforcement has a movement going now,
3 they have spoken to the Governor about it,
4 about making all registration type
5 information available to law enforcement
6 including attempting tags. We actually have
7 a system that's been designed now to where
8 basically a dealer, at the time that they
9 sell a temp tag or sell a vehicle and issue
10 a temp tag to it, that information is going
11 to have to be put into a system which would
12 become available on NCIC immediately.
13 Whereas, before, you know, temp tags were a
14 non-tracked item. They had no way to track
15 them.

16 MR. ROBINSON:

17 You are talking about the 60
18 days?

19 MS. JARREAU:

20 Correct. They will be
21 tracked, now.

22 With that being said, every
23 dealer, every auto title company, anybody
24 who has the ability to issue T markers in
25 the state is going to have to have a secure

1 log in into the system. They are going to
2 have -- their company would have a sign on.
3 You would have an administrator for that
4 company and that person could delegate
5 responsibilities to three, four, five
6 salespeople, title clerk, whomever you want
7 to have the ability to do that. It is going
8 to not only log the temp tag number, it is
9 also going to collect vehicle information,
10 sales price, that type thing.

11 What we see happening in the
12 future moving forward -- we are very short
13 staffed. We have had to reduce our
14 workforce. What we see happening is using
15 that in the future to feed into something
16 greater, like maybe a titling -- you know,
17 maybe into the titling system, meaning once
18 you submit your documentation, I would
19 already have all of that information on file
20 and maybe I could pull that over into my
21 titling system and significantly reduce the
22 amount of people I would need to process
23 title work. So you should have a faster
24 turnaround time on your title documents.

25 With that being said, what

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1 poses a huge problem for us is that the fact
2 that the dealers licenses change on an
3 annual basis. So, basically, I'm here to
4 beg to see if there is something that could
5 not be done to keep dealers licenses
6 standard from year to year, the license
7 number that's actually issued. What we have
8 seen like in the auto hulk database for your
9 salvage yards, those also change on an
10 annual basis. Basically, every year we have
11 a problem. When they expire, when they
12 switch to a new license number, it causes a
13 huge problem for us. What we are actually
14 doing right now is we are having to allow
15 them to maintain and use that license number
16 that was in effect the first year that auto
17 hulk came up. Well, the problem with that
18 being is I lose my tracking ability. I lose
19 the ability to suspend an account if the
20 license is no longer valid. So what we're
21 -- what we really are asking is that we get
22 something in place and we are more than
23 willing to work with you guys to keep that
24 license number standard from year to year.

25 MS. BARON:

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1 The license number does stay
2 the same. The only time their license
3 number changes is if they have an address
4 change -- like your credit change or
5 ownership change. If they are the same as
6 they were the year before, that license
7 number is the same. The only thing that
8 changes is the dealer code, which is that
9 three letter code on there.

10 MS. JARREAU:

11 So let me ask this. So every
12 year, an address change -- the same dealer,
13 same --

14 MS. BARON:

15 I was wrong in saying that.
16 The address change would not change the
17 dealer number. The only thing that would
18 change the dealer number would be a
19 ownership change, if it changes ownership, a
20 name change, if they change the name of
21 their dealership. That's basically the only
22 two things that would cause their dealer
23 number to change. Since 2004, since we went
24 on the CAVU system, their dealer number
25 remains the same every year.

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1 MS. JARREAU:

2 So if they change ownership,
3 it's still technically the same business or
4 no?

5 MS. BARON:

6 No. Well, if they change
7 ownership, that means they've taken somebody
8 from the outside that wasn't there
9 previously and made them owner or it's
10 changed hands completely. If it's just an
11 ownership change as far as somebody from the
12 LLC coming in and taking over, that doesn't
13 affect it. This is if a whole new owner
14 comes in and takes over this business and
15 keeps the name the same, we still make them
16 a new credential with a new number, because
17 it's technically a different business at
18 that point.

19 MS. JARREAU:

20 So in that case, should we
21 suspend the account until we are provided
22 with that new information?

23 MS. BARON:

24 Yes. I would suspend. It
25 would go into a void on our system as no

1 longer in business.

2 MS. JARREAU:

3 So what would happen with the
4 inventoried item, like the dealer tags, the
5 temp tags, everything that's assigned to
6 that company before the name change?

7 MS. BARON:

8 We would advise them to turn
9 that into y'all.

10 MS. JARREAU:

11 So they can't use them?

12 MS. BARON:

13 No. They cannot. We would
14 tell them that they cannot use them any
15 longer, because, you know, they would have
16 to turn all of that in to y'all.

17 MS. JARREAU:

18 Does that happen a lot?

19 MS. BARON:

20 No, not that much.

21 MS. JARREAU:

22 Because, to my knowledge, I
23 don't recall ever having somebody --

24 MR. ROBINSON:

25 Whatever you need, we'll

1 work, obviously, with you to get it worked
2 out. Y'all just need probably to get
3 together after the meeting or later in the
4 week or what-have-you.

5 MS. JARREAU:

6 Correct. I truly --

7 MR. ROBINSON:

8 We are moving towards
9 multiple year licenses. We are headed down
10 that same road.

11 MS. JARREAU:

12 That would be much easier for
13 us, and I spoke with Derek about this months
14 ago. The system that maintains our dealer
15 plates right now, it's a dinosaur. It's
16 completely antiquated, which is why we are
17 moving -- another reason why we are moving
18 this onto our mainframe system. It's
19 extremely, extremely difficult to make any
20 changes to the mapper system. We will have
21 a lot more flexibility once we are on the
22 mainframe system.

23 MR. ROBINSON:

24 You see, the dealer plate
25 issue has been a problem for us, because we

1 have wanted to get away from all licenses
2 renewing at the end of the year and go to a
3 biannual or quarterly, but every time we try
4 to do something, we are faced with a problem
5 with a dealer can't get a dealer plate
6 reissued, because it won't be synchronized
7 with your system.

8 MS. JARREAU:

9 Right.

10 MR. ROBINSON:

11 So we've got a valid license.
12 You know, we have problems there, too.

13 MS. JARREAU:

14 Now, I will tell you this.
15 The New Motor Vehicle Commission has already
16 gone to a staggered licensing system, which
17 is -- it has been very difficult for us.
18 One of the things that we found when they
19 did that is they did not change the dealer
20 plate statute itself. So they are still
21 valid for one year regardless of how long
22 the license is good for. You know, it's
23 kind of --

24 MR. ROBINSON:

25 So we need to change our

1 statute to have it for two years?

2 MS. JARREAU:

3 I mean, it is inconsequential
4 to us. The only thing that I told Derek was
5 that, you know, if a dealer goes out of
6 business, something to that effect, it's far
7 harder for us to go out and get those dealer
8 plates back than it would be just to allow
9 them a one year expiration. And let's say
10 they go out of business six months in, well,
11 technically they would only have the use of
12 the valid plate for six months in the event
13 that we can't find them, can't get those
14 plates back. Either way, you know,
15 ultimately that would be up to you.

16 MR. ROBINSON:

17 Currently, we are looking at
18 only dealers that have been in business for
19 three years. We talked three --

20 MR. PARNELL:

21 We talked about 10, but I
22 have some other ideas.

23 MR. ROBINSON:

24 It won't be for a new
25 licensee. It will still be annual.

1 MS. JARREAU:

2 Okay.

3 MR. ROBINSON:

4 Anyone that could get a
5 multiple year license would have had to --
6 you know, I'm personally in favor of even in
7 business for the third year.

8 MS. JARREAU:

9 Now, I can tell you, any time
10 you get into a whole lot of exceptions or
11 changes, it makes it very difficult to
12 program it. I mean, either way, we can make
13 it work. It just makes it a lot easier and
14 cleaner and quicker and it takes out the
15 ability for a lot of operator error to
16 happen if you keep it pretty simple.
17 Another thing that we found is that it's
18 difficult, because the dealer licenses are a
19 flat \$15 in the mapper system. There was no
20 way to prorate that fee. It was \$15
21 regardless. So if you are going to a multi
22 year license and you are staggering at the
23 same time, then you are going to have the
24 problem of if you are going from a December
25 to an April and I can't stagger, do I charge

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1 them \$15 for a year and a half worth of
2 license or \$15 for six months worth of
3 license? So that's another thing you have
4 to --

5 MR. ROBINSON:

6 Even with the new system, you
7 won't be able to stagger the pricing?

8 MS. JARREAU:

9 We can program it to do that.
10 Most of the other license plate statutes
11 actually have a prorate section in the
12 statute. Dealers' plates do not. So if you
13 do choose to do something with it, that may
14 be something you want to look at as well
15 where it's a prorated fee. And other than
16 that --

17 MR. ROBINSON:

18 Does anyone have any
19 questions, comments?

20 MR. DUPLESSIS:

21 I've got a number. If we are
22 going to write a statute, today's meeting is
23 going to wrap up our legislative packet, we
24 thought. So we would probably like to get
25 with you pretty quick on this. But, you

1 know, let me ask you a couple of questions
2 here. What about wholesale units, wholesale
3 to wholesale, is that going to be recorded?

4 MS. JARREAU:

5 Anything that is sold for
6 retail.

7 MR. DUPLESSIS:

8 Retail. Are your dealer
9 plates going to have a year on them, are
10 they going to be a standard dealer plate
11 with a year tag on them?

12 MS. JARREAU:

13 Meaning a metal plate with a
14 sticker?

15 MR. DUPLESSIS:

16 A sticker, right.

17 MS. JARREAU:

18 The dealer plates are not
19 changing, per se. They will remain the
20 metal tag with a sticker. Regardless of
21 whether you go to two years, one year,
22 whatever you do, they will still look the
23 same. The temp tags are completely
24 different. Those temp tags that are logged
25 into the system, those are for retail only,

1 anything that you have to ultimately pay
2 taxes on. You know, I'm assuming that you
3 don't issue temp tags to wholesale
4 situations, only for retail.

5 MR. ROBINSON:

6 Just retail.

7 MR. DUPLESSIS:

8 Occasionally, if they have
9 transit or something.

10 MS. JARREAU:

11 Yes. Well, now, they have --

12 MR. ROBINSON:

13 They are not supposed to be
14 used for that.

15 MS. JARREAU:

16 They have a transit statute.

17 MR. DUPLESSIS:

18 Right.

19 MR. ROBINSON:

20 They are only supposed to be
21 for retail.

22 MS. JARREAU:

23 Correct. You will -- and,
24 ultimately, with their system, too, they
25 will be tracked, whereas, before they

1 weren't. So you need to make sure to be
2 able to log every number, because they are
3 going to have a sequential report that comes
4 out. Basically, if I know you are issued
5 25, then I'm looking for those 25.

6 MR. DUPLESSIS:

7 So that means that your used
8 car wholesalers will have to have -- I mean,
9 your used car dealers will have to have a
10 computer?

11 MS. JARREAU:

12 Correct. They will, I'm
13 assuming.

14 MR. ROBINSON:

15 They will just have to have
16 access to a computer.

17 MS. JARREAU:

18 Correct.

19 MR. ROBINSON:

20 Again, like I've said before,
21 they can go to their local library.

22 MS. JARREAU:

23 That's what we generally tell
24 people. Most of our applications that we
25 are bringing up now, regardless of whether

1 they are for the tow industry or the salvage
2 industry, they are all Internet driven and,
3 quite honestly, at this point, you know,
4 that's the most feasible option for us.
5 Because of our limited manpower, it seems to
6 take the burden of some of our work off of
7 us.

8 MR. ROBINSON:

9 Have you looked at going to a
10 system where we wouldn't purchase these
11 dealer 60 days tags anymore or when you do
12 this online, it just prints you one out?

13 MS. JARREAU:

14 We have. We are in the very
15 --

16 MR. ROBINSON:

17 Save a lot of money. It's
18 got to be expensive to print those 60 day
19 plates.

20 MS. JARREAU:

21 We are in the very beginning
22 stages of having discussions, doing
23 something, not only for our metal tags, but
24 to try to tie something in with the T
25 markers as well, but that's so early, I hate

1 to even mention it.

2 MR. ROBINSON:

3 Just printing those 60 day
4 plates or tags, it's got to be extremely
5 expensive.

6 MS. JARREAU:

7 They are not as bad as some
8 of our other items, but certainly any way
9 that we can minimize some of the things that
10 we purchase, we have been looking at that.
11 We have a new Commissioner.

12 MR. ROBINSON:

13 It would also enforce
14 compliance.

15 MS. JARREAU:

16 Correct, and ultimately
17 that's our goal, to enforce compliance, keep
18 law enforcement safe and basically collect
19 the revenue that we should be collecting for
20 sales tax and those type of issues. We also
21 -- have y'all ever thought about -- you
22 know, I just ran a report the other day,
23 because we were curious on how many dealer
24 plates were actually in the system that we
25 would have to migrate over to this new

1 system, and there are some dealers that have
2 upwards of 20 and 30 dealer plates, because
3 they are not limited in the statute the
4 number of plates that they can have. Would
5 there be a valid reason that a dealer would
6 need that many plates and have you ever
7 considered doing something to only allow
8 them X number of plates, like a plate per
9 salesperson or something --

10 MR. ROBINSON:

11 To my knowledge, no, we have
12 never looked at it.

13 MS. JARREAU:

14 That would be just be --

15 MR. ROBINSON:

16 But no one has ever reported
17 abuses, either.

18 MS. JARREAU:

19 Probably, because they were
20 so hard to track them that you did not hear
21 a lot about them.

22 MR. ROBINSON:

23 Well, see, we don't track
24 them. That's your agency that --

25 MS. JARREAU:

1 Correct, but from a Motor
2 Vehicle perspective, we haven't even gotten
3 a large number of complaints or anything to
4 that effect, because they were so difficult
5 to track. You know, law enforcement a lot
6 of times just didn't deal with them.

7 MR. ROBINSON:

8 I mean, we will certainly
9 look into it. It wouldn't be anything we
10 would attempt to do for this legislative
11 session. The date to get your legislative
12 packages introduced is approaching quickly.

13 MS. JARREAU:

14 It is. I have my card I will
15 give you guys. I will write my cell on the
16 back of it. In the event that you can't
17 catch me in my office, feel free to reach me
18 on my cell.

19 MR. ROBINSON:

20 We'll certainly, you know,
21 help you with whatever we have to do, so
22 your initial concern won't be a problem.

23 MS. JARREAU:

24 Excellent.

25 MR. ROBINSON:

1 And you getting something
2 done on the issuing of the dealer plates is
3 going to help us tremendously. We are like
4 you, we don't have the workforce anymore to
5 renew everybody at the same calendar time.
6 It's just not a reality anymore.

7 MS. JARREAU:

8 Correct, and going staggered
9 would be good for us, too. You know, we are
10 even looking at proposing legislation for
11 the truck plates, to stagger some of those
12 plates that were not staggered before and
13 increase the rate on some of them and that's
14 going to help us tremendously, because June
15 is a very bad month for us. December is a
16 bad month, you know. So that would help us
17 if you did go to staggered. We just need to
18 make sure to have the processes in place
19 that we need in place first to address it.

20 MR. ROBINSON:

21 It's not only that, but if
22 the dealers are going to have to register
23 online and if we are slow in getting their
24 renewal taken care of, it's going to
25 compound their situation. They are going to

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1 go to the system and they are going to have
2 problems that they haven't experienced in
3 the past trying to put that T tag.

4 MS. JARREAU:

5 Correct.

6 MR. ROBINSON:

7 We are glad that you came.

8 MS. JARREAU:

9 Thank you guys for listening
10 to me this morning on such short notice.

11 MR. ROBINSON:

12 We will get that situation
13 resolved. That shouldn't be that complex to
14 do.

15 MS. JARREAU:

16 Thank you so much. We do
17 appreciate that.

18 MR. ROBINSON:

19 Keep us advised how your test
20 program goes.

21 MR. JARREAU:

22 We will. We most definitely
23 will and are certainly hoping that it goes
24 off wonderfully. My one mapper programmer
25 that we have left is actually retiring in

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1 two weeks. So we don't have much choice but
2 to make it work. So, I certainly appreciate
3 --

4 MR. PARNELL:

5 We'll key it to mapper going
6 to the mainframe where we have some access
7 to review.

8 MS. JARREAU:

9 Do you currently have a
10 secure link?

11 MS. BARON:

12 Are we going to need to keep
13 that?

14 MS. JARREAU:

15 We need to address that.
16 So the actual dealer plates,
17 you can query on.

18 MR. PARNELL:

19 No.

20 MS. BARON:

21 No. I run the VIN numbers.

22 MR. PARNELL:

23 Just VIN numbers, right.

24 MS. BARON:

25 We just run VIN numbers on

1 them. That's it.

2 MS. JARREAU:

3 So you actually do have the
4 link to the mainframe then, because that's
5 the only place you can run VIN numbers, by
6 VIN number or by plate, either/or.

7 MS. BARON:

8 I can run by VIN. I can run
9 by plate. I can run by name.

10 MS. JARREAU:

11 That's a secure connection to
12 Motor Vehicle. So you will be able to
13 inquire on dealer plates now, whereas, you
14 could not before.

15 MS. BARON:

16 That's awesome. Okay.

17 MS. JARREAU:

18 Yes.

19 MR. ROBINSON:

20 All right. Does anyone else
21 have a question for Jill while she is here?

22 (No response.)

23 MR. ROBINSON:

24 All right. Let's move on to
25 Item 4, items for discussion, approving the

1 minutes from last month.

2 Is there a motion?

3 MR. TURNER:

4 Motion approve the minutes.

5 MR. CORMIER:

6 Second.

7 MR. ROBINSON:

8 Motion and a second.

9 All in favor?

10 (All "Aye" responses.)

11 MR. ROBINSON:

12 Anyone opposed?

13 (No response.)

14 MR. ROBINSON:

15 Financial matters, Director

16 Parnell.

17 MR. PARNELL:

18 This is our review of
19 financial report for February, 2011. I will
20 have Ms. Mona Anderson walk us through that
21 report.

22 So if you will, Ms. Mona.

23 MS. ANDERSON:

24 Good morning. If you will
25 turn to your financial report for the month

1 ending February 28, on Page 1, you have the
2 balance sheet. Your cash balance at the end
3 of February was \$846,221. Further down, the
4 accounts receivable online collection. Our
5 balance is \$5,286. We collected \$461 in
6 February and we may collect a little bit
7 more, but we may have to write off the
8 majority of that balance there. Down at the
9 bottom, your liabilities, of the total
10 liabilities, your current liabilities are
11 \$23,221 and that's primarily composed of
12 some benefits that were paid at the
13 beginning of March and show up as a
14 liability at the end of February.

15 If you will turn to Page 3,
16 the monthly comparison report, at the bottom
17 of Page 3, the second column, your
18 year-to-date total revenues were \$925,535,
19 which was \$79,000 more than the revenue from
20 the same time period last year. \$30,000 of
21 that was an increase in license fees and
22 \$49,000 was other revenue.

23 On Pages 4 and 5 --

24 MR. ROBINSON:

25 Is that a lot of revenue,

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1 \$49,000?

2 MS. ANDERSON:

3 I'm sorry?

4 MR. ROBINSON:

5 \$49,000, that's a significant
6 amount of other revenue, isn't it? Is it
7 mostly fines?

8 MS. ANDERSON:

9 It is in those hearing costs
10 and fines and the majority of that is that
11 \$22,000 that we talked about last month.

12 And on to your expenses, on
13 Pages 4 and 5, on Page 5, the year-to-date
14 expenses were \$612,000 and that's down from
15 -- down by \$96,000 from last year. And your
16 revenue of expenditures for the month, it
17 was a \$5,000 loss. However, the
18 year-to-date is \$175,000 increase over the
19 same period last year. And in connection
20 with the expenditures, I just wanted to
21 mention that we're beginning to work on
22 renewing contracts for professional
23 services. So we will be contacting the
24 professionals. The schedule that we have
25 worked up, we have to renew those contracts

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1 by June 30th, and we have to get them to the
2 State Office of Contractual Review 30 days
3 in advance of the expiration. So the
4 schedule that we are hoping to follow is
5 that is we're going to be contacting the
6 professionals between now and the first of
7 April. At the next meeting, we will ask for
8 approval of the contracts by the Commission.
9 Then, we'll forward the legal contracts to
10 the Attorney General and we will finally
11 forward the signed contracts to the Office
12 of Contractual Review about mid May. That
13 way, if we have any questions from them,
14 then we have time to address that before the
15 June 30th renewal.

16 On Page 6 is your budget
17 balance report. We have \$195,000 down at
18 the very bottom, \$195,000 left in budgeted
19 revenue to collect prior to the end of the
20 fiscal year. And on the following page with
21 the expenses, with four months left, we
22 should collect -- we should have at least 33
23 percent of the budgeted expenses remaining
24 to spend and we actually have 41.5. I'm
25 sorry, on that last page there, Page 8, we

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1 have 41.5 percent remaining and no
2 expenditure categories were over budget.

3 On Pages 9 and 10, you have
4 your three month comparison, December,
5 January and February. As you would expect,
6 we're at the end of our renewals, so our
7 February income was down. And on the
8 following page, our expenses for December --
9 for February are about the same as they were
10 for December and January, not much changed
11 there.

12 On Page 12 is your revenue
13 and expenditures comparison. Our net
14 revenue expenses were \$313,492, and in
15 looking at predicting the rest of the fiscal
16 year, we went in and took our lowest revenue
17 for the fiscal year to date, which was
18 \$16,000, and our highest expenditure of
19 \$91,000, and even if that were to occur, we
20 would still have net positive revenue.

21 MR. ROBINSON:

22 Of approximately what? It
23 wouldn't be much, right? Do you have a
24 number?

25 MS. ANDERSON:

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1 It would be about \$15,000 is
2 what -- I'm sorry, about \$15,000, but that
3 is highly unlikely to happen. If you look
4 at the last year's revenue expenditures,
5 it's most probably going to be better than
6 that. It's just we want to get the perfect
7 storm and see what our possibilities are
8 there.

9 And if you will turn to page
10 -- to the certificate of deposit report,
11 there are no changes on that report from the
12 last reporting period. We have contacted --
13 our two CD's at Landmark Bank come up for
14 maturity in April and we did contact the
15 bank and they are predicting the same rate.
16 They do give their returning customers --
17 the customers that roll over their CDs 30
18 basis points. So if someone is going in as
19 a new customer to them, they would only --
20 for that same CD, they would only get 1.15.
21 We will look further for better rates, but
22 not too hopeful in this market. And we did
23 ask for the clause allowing the rate to go
24 up one time in six months and Landmark does
25 not do that.

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1 On the last page, your
2 accounts receivable hearing report is
3 basically the same. There were no additions
4 or deletions to that report in February.

5 MR. ROBINSON:

6 We've got a full meeting
7 today, but next month we need to look
8 at some of these receivables and see if we
9 need to address them, write them off
10 possibly. Some of them are really getting
11 old. So make a note for next month.

12 That completes your report?

13 MS. ANDERSON:

14 Yes, thank you. That's it.

15 MR. ROBINSON:

16 Does anyone have questions,
17 comments?

18 MR. TURNER:

19 The Midcity Auto, \$22,000,
20 have we made any headway in that --
21 collecting that in the fine?

22 MS. BARON:

23 Yes. They didn't make any
24 effort to pay that fine. So I have filed a
25 claim against their bond, which was for

1 \$20,000. And then we have asked Mr. Hallack
2 to write a collection letter, because that
3 left \$2,000 in fees and there were \$750
4 administrative hearing fees. So he is going
5 to be writing a collection letter for that.

6 MR. ROBINSON:

7 They are not licensed
8 anymore?

9 MS. BARON:

10 They are currently licensed
11 at this point, but --

12 MR. ROBINSON:

13 Why?

14 MR. TURNER:

15 We can't pull their license?

16 MR. ROBINSON:

17 I mean, why are they
18 licensed?

19 MS. BARON:

20 I'm sorry?

21 MR. TURNER:

22 We can't pull their license
23 for not paying their fine?

24 MR. HALLACK:

25 Y'all didn't revoke their

1 license at the hearing. Failure to pay the
2 fine, we would have to bring them back in
3 for another hearing to see why they didn't
4 pay it.

5 MR. ROBINSON:

6 Get them back in as soon as
7 possible. That's ridiculous. I don't know
8 why that wouldn't already be done.

9 MR. DUPLESSIS:

10 I don't think we can
11 statutorily do that, but we can write that
12 in real quick.

13 MS. MORRIS:

14 Well, if they lose their
15 bond, they lose everything.

16 MR. ROBINSON:

17 They are going to lose their
18 bond as soon as we make a claim.

19 MR. PARNELL:

20 I will go ahead and schedule
21 them to come in at our next meeting.

22 MR. TURNER:

23 Why wouldn't we send the
24 inspectors out there to say where is the
25 \$22,000?

1 MR. PARNELL:

2 Well, we give them 30 day
3 notice.

4 MR. TURNER:

5 It's past 30 days.

6 MR. PARNELL:

7 Yes.

8 MR. TURNER:

9 Instead of sending a letter,
10 why don't we have the inspector go out there
11 and go serve a copy? Who is that, Stacy?

12 MR. PARNELL:

13 Yes.

14 MR. TURNER:

15 Go there and serve them, if
16 you've got to shut the doors, we have to
17 file against your bond and you don't have a
18 bond anymore.

19 MR. ROBINSON:

20 The bond has to repealed, but
21 we can do it on that issue.

22 MS. MORRIS:

23 As soon as you get a
24 cancellation of the bond, you can send an
25 inspector out there with a cancellation and

1 say, you no longer have a bond.

2 MR. TURNER:

3 How long does that take?

4 MS. MORRIS:

5 Some of our bonds have taken
6 a long time and some haven't.

7 MR. ROBINSON:

8 But, you are correct. I
9 mean, they shouldn't be selling cars when
10 they haven't paid their fine.

11 Any other questions on the
12 financials?

13 (No response.)

14 I need a motion approve.

15 MR. CORMIER:

16 I make a motion to approve
17 the financials.

18 MR. TURNER:

19 Second.

20 MR. ROBINSON:

21 All in favor?

22 (All "Aye" responses.)

23 MR. ROBINSON:

24 Anyone opposed?

25 (No response.)

1 MR. ROBINSON:

2 And payment of invoices, Mr.
3 Hallack.

4 MR. HALLACK:

5 My bill is in the packet.
6 Most of it has to deal with preparation for
7 a hearing and it was a rather large hearing
8 with numerous exhibits and a few witnesses.
9 It looks like about 15 hours of just
10 preparation of that hearing.

11 MR. TURNER:

12 Which hearing? I assume we
13 have two of them.

14 MR. HALLACK:

15 Today, we have a hearing,
16 Value Imports. That's the primary one. We
17 also have a hearing against ASAP.

18 MR. ROBINSON:

19 His invoice is in your
20 packet.

21 Does anyone have any
22 questions?

23 What's the total amount, Mr.
24 Hallack?

25 MR. HALLACK:

1 \$4,375.

2 MR. ROBINSON:

3 Any questions? Because of
4 the amount, we need to approve it as a
5 Commission. We need a motion to approve.

6 MR. BOURGEOIS:

7 I make a motion.

8 MR. DUPLESSIS:

9 Second.

10 MR. ROBINSON:

11 A first and a second.

12 All in favor?

13 (All "Aye" responses.)

14 MR. ROBINSON:

15 Anyone opposed?

16 (No response.)

17 MR. ROBINSON:

18 That motion passes.

19 On to Item C, policy and
20 procedure, Mr. Parnell.

21 MR. PARNELL:

22 All right. You were
23 discussing the two year licensing. The
24 Commissioners, during our last meeting, we
25 discussed the potential of moving our

1 dealers to a two year license. During the
2 discussion, you asked that I research and
3 try to see how we can accomplish this in the
4 future moving to that two year license
5 renewal cycle. Please find in your packets
6 -- I kind of put together a territory
7 district map of kind of what we already had
8 in place. It's effective date is August 18
9 of 2009. So these numbers within each
10 parish, don't look at those primarily right
11 now. What I was kind of wanting to look at
12 tell's how it is broken up. If you notice
13 -- if you look at it, it is broken up into
14 five districts, one of which is unassigned
15 area, which is District 3. That would be
16 the yellow area. What I propose, the best
17 way to actually get a two year license, and
18 we are talking about looking at three years
19 or more or 10 years of more moving to a two
20 year license, but I believe the opposition
21 has been within how we do it. We will make
22 it a little bit easier for us in actually
23 maintaining and understanding how we are
24 going to do it.

25 I propose that we look at

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1 doing this to break it up into two groups.
2 First, you would have your Districts 1, 3,
3 5, and then you would have your Districts 2
4 and 4. What I did on this was keeping an
5 even number districts together. I did this
6 just to stay in line with the year. So if
7 you will, with our Districts 1, 3, and 5, we
8 are a 2012 license period. With these
9 licenses, I would like those for one year,
10 which means that they would renew again in
11 2013. If you look at the chart down at the
12 bottom, it's just a real simple chart. It
13 just kind of illustrates exactly what I'm
14 referring to as I'm going through. So what
15 they would do is, the 1, 3, and 5 districts
16 would renew in 2012, renew once again in
17 2013, but in the 2013 year, they would renew
18 for a two year period, which would keep them
19 in an odd number year, which is 2013, and
20 then the next time that they would renew
21 would be in 2015. In 2013, that's when they
22 would pay for a two year license.

23 I kind of talked with Mona
24 and we kind of talked with our CPA and what
25 we would need to do in relation to the extra

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1 funds for that year -- for the second year,
2 it would be referred to as deferred revenue.
3 It's put into cash, but it shows as a
4 liability. So what would happen is that
5 they would license -- once again, it would
6 be 2012 for one year, 2013, and would renew
7 for a two year period, and then subsequently
8 after that, it would be 2015 and 2017.

9 What I propose to do with the
10 Directs 2 and 4 would be similar, but a
11 little bit different. It's a little bit
12 easier with them. I suggest that we would
13 license them in the 2012 year for a two year
14 period at that time, and then the next
15 renewal period for them would be 2014, 2016,
16 and 2018. What this would do is, it would
17 keep us -- it would break up the districts
18 kind of in half without -- I need to make
19 sure I look at the numbers once we finish
20 the renewal period this year to find out
21 exactly how many dealerships in each parish
22 that we actually have. This is kind of a
23 rough proposal that I've come up with.

24 This will -- every year, we
25 will have a renewal period, but it would be

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1 half of -- half or a little bit -- give or
2 take some numbers what we do every year. It
3 kind of -- it works kind of in line with
4 what Motor Vehicle, Ms. Jill Jarreau, and I
5 talked about, I don't know how we want to
6 look at that, that, you know, in order for
7 them to -- what she explained to me is that
8 it doesn't necessarily have to correlate by
9 the year itself, what year. If we do a two
10 year license, they can still stay at a year
11 to year with their dealer plates.

12 Now, where it would benefit
13 is more if went to a staggered where we had
14 April, May renewal and a December renewal,
15 but -- and my -- and I think it's just a
16 little bit easier for us to maintain it this
17 way by breaking it up into districts. One
18 thing that everyone asked that I look at is
19 what did the New Car Commission do." They
20 initially went to a staggered where they
21 were licensing in January, April, I think it
22 was June, and so on, but they ran into
23 issues by doing it that way. They were
24 actually overlapping, because they have a
25 small staff as well and I foresaw it and I

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1 think that we would probably run into that
2 same issue. So what they actually did was
3 they didn't coordinate with the Office of
4 Motor Vehicles. They went forward and just
5 did it, broke it out into the districts and
6 the two year licensing time frame. So this
7 is just a proposal that I came up with. And
8 it kind of breaks it out for you and it just
9 kind of illustrates exactly what I'm
10 referring to. So I don't know what kind of
11 discussion we want to have.

12 MR. ROBINSON:

13 The big thing you already
14 touched on. We need to look at the number
15 of licensees and if we are anywhere close to
16 something that's 50/50.

17 MR. PARNELL:

18 Right. I want to make sure
19 we are as close as possible to 50/50, but I
20 won't know exactly where we are until --
21 once we finish up right now. There are just
22 about 123 out there still.

23 MR. ROBINSON:

24 Any questions?

25 MR. PARNELL:

1 Any questions on what I -- or
2 what you are looking at?

3 (No response.)

4 MR. ROBINSON:

5 All right. Curbstoning,
6 that's in your packet, too.

7 MR. PARNELL:

8 With this curbstoning, at our
9 last Commission meeting, Commissioner
10 Turner, he requested that he have this
11 document in our policy and procedure for a
12 discussion of this month. I think he had
13 some concerns about curbstoning and whether
14 or not our statute or resolution -- if what
15 we have in our policy and procedure was
16 stiff enough.

17 So, Commissioner Turner, if
18 you will.

19 MR. TURNER:

20 Our biggest question is how
21 do you enforce this? This is all great and
22 everything, but how do you go about
23 enforcing it?

24 MR. PARNELL:

25 Well, what we've been doing,

1 is -- you know, it's kind of a thing that,
2 you know, if they -- being as we are know
3 and we only have four investigators out
4 there, it's kind of a thing if they pass up
5 something and they roll up on it, they will
6 immediately then go and try to get numbers
7 off of the vehicles and try to move forward
8 with this. A lot of what has been happening
9 is we get a lot of phone calls that come
10 from for specifically curbstoning.

11 Curbstoning, as I understand it the way it's
12 written here, is basically that if you are a
13 dealer and you are operating outside of your
14 licensed area, this -- specifically, that's
15 what curbstoning. Now, if you are an
16 individual, that's not necessarily
17 curbstoning. So I know you've had some
18 issues in your area.

19 MR. TURNER:

20 I'm sure I'm not alone all
21 across the state, but I get calls from other
22 dealers in my area, because they know I'm on
23 the Commission, why can't you do anything
24 about this? Like I said, at the last
25 meeting, it's going on right down the street

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1 from me, you know, 100 yards away daily and
2 I can't stop it. So it's pretty frustrating
3 as a dealer who is paying insurance and
4 licenses and everything to see obviously
5 somebody who is skirting the system and
6 getting away with it. It seems to me that
7 we need to come up with some kind of plan,
8 interact with the local authority, agency,
9 or whatever in the community and I don't see
10 that happening. They are not communicating.
11 I mean, the zoning people are trying to
12 eliminate it, but they are just putting the
13 tags on the cars and they say, move within
14 two days, they can't do anything about it,
15 and another car shows up. It's a cycle that
16 keeps repeating and then they just move that
17 car to another location in another part of
18 the parish. And they are very
19 sophisticated. They have different cell
20 numbers on each car, you know. So they know
21 what they are doing.

22 So it's frustrating as a
23 dealer because of the expenses that we incur
24 to sell cars and warranty them and obeying
25 the law and these people are operating

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1 outside of the law.

2 MR. PARNELL:

3 Well, I don't know what the
4 remedy is. That's why I wanted to bring it
5 up. I have two of my senior investigators
6 in here right now. If you will, I can ask
7 -- you know, I would like them to kind of
8 walk us through exactly for you what they do
9 in that process.

10 Ronnie -- I'm sorry, June?

11 MR. WISENOR:

12 Mr. Turner, what we do is --
13 and a big help to us would be like we were
14 just talking about, having access to run VIN
15 numbers from our vehicles. When we go in a
16 parking lot, if a vehicle has got a plate on
17 it, a current plate, and a current
18 inspection sticker, that tells us pretty
19 much -- and if they are all different phone
20 numbers, which there's a lot of lots that
21 have that, and like you say, every time one
22 of them leaves, somebody else comes up, you
23 know, because they think it's a hot spot,
24 whether they sold the car from there or not.

25 I observed a lot in

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1 Alexandria where they had an onsite notary
2 public that came up and did the paperwork.
3 I was setting there one Saturday morning,
4 you know, watching to see what was going on.
5 They will come up and sell the car right
6 there on the lot and the notary does the
7 notary work and does everything right there
8 on the hood of the car, you know, but it was
9 from an individual to another individual.
10 And the only law that we have in place right
11 now is to protect -- if we have a dealer
12 that is going off-site and putting vehicles
13 out, then we violate him. But, now, an
14 individual, there's just not any way that we
15 can control it.

16 MR. TURNER:

17 These cars that I'm talking
18 about do not have license plates on them.
19 The plates are removed. The phone number
20 and for sale and all of that is shoe
21 polished on the windows, black, and we
22 started going out there and writing down the
23 VIN's and e-mailing it to Stacy. Well, they
24 must have seen us doing that, because they
25 started sticking a card on the dashboard on

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1 the VIN plate. So we couldn't do it. So
2 it's obviously the same guys.

3 MR. WISENOR:

4 They will stick a for sale
5 sign over the VIN plate.

6 MR. TURNER:

7 If they had license plates on
8 them -- valid license plates, I wouldn't
9 have a problem with it. I would understand.
10 But that's not what's going on.

11 MR. WISENOR:

12 A lot of times -- you know,
13 and, again, it gets back to us being able to
14 immediately run a VIN number to find out who
15 that vehicle belongs to. Sometimes it takes
16 us, you know, two or three days to get that
17 information.

18 MR. TURNER:

19 Right.

20 MR. WISENOR:

21 So that shoots us in the foot
22 there. So, you know, we've got to have a
23 better system. I totally agree with that,
24 but, also, I have been called down by a
25 state representative that told me not to go

1 in a parking lot unless I was invited by
2 them, because I had written so many
3 curbstoning tickets on it, you know. So, I
4 mean, that's the kind of stuff you get into.

5 MR. BREWER:

6 Even if you ran these --
7 the VIN numbers and find out the owner, that
8 doesn't necessarily mean that he still owns
9 it. It's not transferred to a new owner
10 until it's retailed. If they traded it in
11 --

12 MR. WISENOR:

13 Well, what we do is we try to
14 take that consumer -- in other words, if we
15 call that person and they tell us that --

16 MR. BREWER:

17 Contact that individual.

18 MR. WISENOR:

19 -- sold Joe Blow a used car
20 or whatever or if they traded it in to a new
21 car store or whatever, that's the kind of
22 stuff you get into.

23 MR. BREWER:

24 It's quite a bit of tracking.

25 MR. WISENOR:

1 Right, and there are a lot of
2 public auctions going on right now, too,
3 Barnett's in Alex has one, normally once a
4 month or so, and I try to attend those
5 auctions to where you can -- and plus I
6 notify them to let me know who is buying two
7 or three vehicles or who is buying four or
8 five vehicles. I want to know that, you
9 know, because that person is selling cars.
10 If he is there at an auction buying them, he
11 is selling them. He doesn't have a family
12 that big. So that's the only, you know,
13 defense you've got, but we do need better
14 communication as far as being able to get in
15 touch with what we do. That's what we are
16 supposed to be doing and our job is to
17 protect the dealer, you know, and to make
18 sure that everybody is playing on the same
19 field.

20 MR. DUPLESSIS:

21 Derek, may I?

22 MR. PARNELL:

23 Sure.

24 MR. DUPLESSIS:

25 I think we have got a

1 proposal on the table that we settled it and
2 just beat ourselves up over this issue. I
3 think we came up with something that may be
4 fixed. It may be -- may not be the most
5 pleasant fix, but I think it's a fix. I
6 would propose that the investigators have
7 the ability to secure the cars, tow the cars
8 and put them in impound, because do you know
9 what you are going to find out, who owns the
10 car, and you are going to be able to release
11 the car for illegal parking and we can write
12 that into the state statute. And then, when
13 these guys start to come in, make them
14 appear in front of the Commission. We ask
15 them why don't they have a license, why
16 don't they have a location, and then we
17 start to violate them, and then our lawyers
18 has achieved that.

19 MR. ROBINSON:

20 What if it's an individual's
21 car? There is a wrecker fee and, you know,
22 \$20 a day storage.

23 MR. DUPLESSIS:

24 I think we are going to have
25 to negotiate that, secured lots, and I'm not

1 sure how that goes. That was the one
2 fallacy in the plan, I will tell you now.
3 But, you know, I think the good thing about
4 our investigators, they are not novice.
5 They are not new. They are professionals.
6 When they look at a one shot car and they
7 look at the consistent phone numbers,
8 consistent marketing, if it is a consumer
9 car, it's pretty odd they have a license
10 plate on it and I think that's going to be
11 some of your determining factors.

12 MR. ROBINSON:

13 I would like to regulate it,
14 but I don't know if that's a solution.

15 MR. WISENOR:

16 I don't know if you wouldn't
17 have to maybe go through the police
18 department or whatever, because that vehicle
19 is sitting there without a plate on it. It
20 doesn't have any insurance on it, you know,
21 and they are -- somebody is road testing
22 those vehicles without a plate or without
23 insurance.

24 MR. DUPLESSIS:

25 Well, I think that part of

1 the statute, if you mark it without a plate
2 and consumers are driving around without
3 plates, it's a lot bigger commitment than
4 some others.

5 MR. ROBINSON:

6 Well, we are talking about
7 going on private property and seizing a
8 vehicle that's just parked there. I asked
9 both attorneys the legal -- I don't see it.
10 I don't see where you would ever -- I mean,
11 that's a violation of all the rights I can
12 think of. I don't see that as an
13 alternative.

14 MR. HALLACK:

15 What's going on with that --
16 and you can ask Representative Smiley, when
17 he sat on the Board of Directors of LIADA
18 for many, many years, they tried to submit a
19 proposal to stop curbstoning and every time
20 it got shot down, because the
21 Representatives and Senators were all afraid
22 that this was going to affect an
23 individual's right to sell a car. So to
24 give the authority to tow a car or something
25 like that, it's going to be just impossible.

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1 MR. ROBINSON:

2 But is it even legal?

3 MR. HALLACK:

4 No.

5 MR. DUPLESSIS:

6 If it doesn't have a license
7 plate on it, it well may be.

8 MR. HALLACK:

9 Well, I mean, if it violates
10 a law, then --

11 MR. ROBINSON:

12 Not if it's not moving,
13 though. I mean, you have the right to turn
14 your plate in and not drive the vehicle.
15 It's just a tough, tough thing trying to
16 regulate --

17 MR. WISENOR:

18 But they don't enforce it.

19 MR. TURNER:

20 Well, Jefferson Parish had
21 told me they put the stickers on. The car
22 -- if the car doesn't move in two days, they
23 can tow it to their pound or whatever. But,
24 of course, the car is moving. They move it.
25 They shift them around. They -- really,

1 they can't do anything for two days. They
2 put the sticker on that windshield and
3 waited for them to move.

4 MR. HALLACK:

5 The policy, I don't know if
6 it was ever adopted, but I think it probably
7 needs to be. There is a procedure on the
8 back of the policy that kind of guides the
9 field people on what they should do if they
10 think there is a suspicious vehicle. I
11 don't think it was ever adopted. Was it?
12 It was never given a number.

13 MR. DUPLESSIS:

14 Well, Robert, how are you
15 going to enforce it if the curbstoners never
16 appear for a penalty with the Commission?

17 MR. HALLACK:

18 It's simple. Mr. Turner
19 asked what can we do. There are four things
20 that we can do. First of all, it's criminal
21 for somebody to portray themselves as a used
22 motor vehicle dealer without a license. A
23 lot of curbstoners call themselves Joe's
24 Used Cars or they have a fake business card
25 that says Mike's Used Cars or something like

1 that. They always try to give the
2 appearance they are a used motor vehicle
3 dealer and that they are complying with
4 state laws, that they are insured or bonded
5 and all of that. So they do try to portray
6 themselves as a legitimate commercial
7 dealer.

8 So if you find one that's
9 doing that, that is a violation of criminal
10 law, that you need to report that to the
11 Sheriff's Department or the District
12 Attorney. We actually had that in
13 Alexandria where we had a dealer that would
14 report anybody that he thought was
15 unlicensed to the Sheriff's Department. A
16 lot of times, they would get with Ronnie and
17 run down the person and they would cite them
18 for a violation. Now, it's not that big a
19 deal, number one.

20 Number two, you can cite them
21 for a violation of our law. It is a
22 violation of our law for you to operate as a
23 used motor vehicle dealer without a license.
24 You can be cited for that him. Number two,
25 it's also a violation of the black market

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1 sales.

2 When Mr. Smiley had fought
3 with the Legislature for years to try to get
4 something on curbstoning, what we had to do
5 was call it black market sales. So we have
6 that in our law. But, unfortunately, the
7 penalty is only \$1,000. We can actually
8 penalize up to \$2,000 for most of our other
9 violations. This is the most serious thing
10 that confronts the public and our dealers is
11 curbstoning. We've got to bump that up to
12 \$5,000 to make it a serious penalty.

13 And then, number four, we can
14 do an injunction. If we can find a person,
15 a legal person, we can enjoin them from
16 selling cars as a used motor vehicle dealer.
17 And there's a presumption that if you sell
18 five or more that you are a dealer. So
19 there are four things that we can do when we
20 find somebody that's selling cars.

21 MR. ROBINSON:

22 Presumption, that's not in
23 the law, five or more?

24 MR. HALLACK:

25 Yes. That's in the law.

1 MS. MORRIS:

2 You can, but you can still be
3 guilty without a presumption.

4 MR. HALLACK:

5 Well, if I'm passing out
6 cards or I'm advertising in the Thrifty
7 Nickel as Joe's Used Cars and I have
8 only sold two, I'm still a dealer, because
9 I'm portraying myself as a commercial
10 dealer.

11 MS. MORRIS:

12 And we also amended the law
13 to say that if you are selling cars, it has
14 to be one owned by you or a member of your
15 immediate family or the business that you
16 have ownership interest in to try to -- so
17 if it's just somebody that's not related,
18 you wouldn't have to go to the number five
19 in the presumption.

20 MR. BREWER:

21 Doug, in your case, are those
22 actual dealers cars or individuals?

23 MR. TURNER:

24 We haven't been able to track
25 it down. Like I said, they have no plates

1 on them. While we were gathering VIN's and
2 phone numbers, the information, the state
3 sent it back. These cars had addresses all
4 over the city. They didn't come from any
5 one area. So she wanted to be able to track
6 them down and the phone numbers didn't match
7 or whatever, you know. I'm not sure about
8 that.

9 MR. WISENOR:

10 You know, another thing we
11 do, too, is we contact the property owners
12 and, you know, it is a lot of times a
13 leasing agency or whatever and we try to get
14 them involved, but most of them don't care.
15 You know, I had one in Tioga, Louisiana at a
16 food store over there and -- but, now, they
17 put stickers on them and if they weren't
18 gone that afternoon, they had a wrecker
19 hooked to them, and this company was
20 actually out of New Orleans.

21 MR. HALLACK:

22 That's what -- we got in
23 trouble with a representative, because we
24 contacted --

25 MR. ROBINSON:

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1 That's the property owner
2 doing it, not a government agency.

3 MR. WRIGHT:

4 Can a property owner be fined
5 and/or cited for operating an illegal
6 business on his property? He has to have
7 licenses to have his business that he is
8 operating. You are allowed to operate
9 another one?

10 MS. MORRIS:

11 Well, that's one thing and
12 depending upon the municipality, but I know
13 I am the city attorney for Central and we
14 have in our zone, when you are operating a
15 commercial establishment, if you are a
16 Wal-Mart or whatever, you can only operate
17 within the confines of your building and
18 there are some exceptions for Wal-Mart to
19 sell garden things outside, but they are not
20 allowed to operate businesses in the parking
21 lot, to have booths selling jambalaya,
22 hamburgers or whatever unless it is for
23 charitable cause.

24 MR. ROBINSON:

25 But the property owner is not

1 selling the cars.

2 MS. MORRIS:

3 But the commercial entity
4 cannot have the sale. So we can cite
5 anybody for selling without a permit,
6 without having an occupational license.

7 MR. ROBINSON:

8 Even though they are not
9 involved in the sale of the vehicle?

10 MS. MORRIS:

11 We can cite -- yes, the
12 property owner is responsible for what goes
13 on -- on the property, but -- and then, the
14 curbstoning law that we have in East Baton
15 Rouge Parish, the difficulty with that is it
16 prohibits it on public right of way. So
17 people what they do is, they park it in the
18 private parking lot. But your zoning
19 ordinances can be tighter if you can get the
20 council to go with some of that. But I know
21 in Central, they had a problem with, you
22 know, seafood dealers setting up on the
23 corner, different businesses setting up on
24 the corner, and their retailers are
25 complaining. Those people have no

1 occupational license. They are not paying
2 sales tax. They are not paying overhead and
3 they are competing with us selling our
4 products out of a stand when we have a
5 commercial entity. So we have tried to
6 enforce it, but I can't say it's not without
7 some -- you know, a lot of people don't like
8 it, but the businesses and the Chamber are
9 the ones that supported getting those tent
10 salesmen out and the tent salesmen are kind
11 of the same to me as these cars that are
12 parked --

13 MR. ROBINSON:

14 But I just want to make sure
15 I understand. You are saying that a
16 property owner can be cited by us --

17 MR. HALLACK:

18 Not us.

19 MR. ROBINSON:

20 -- by a government
21 organization?

22 MS. MORRIS:

23 No, the local government can
24 cite them.

25 MR. ROBINSON:

1 Because the car owner sells a
2 car, you have --

3 MS. MORRIS:

4 They are running a commercial
5 operation.

6 MR. ROBINSON:

7 No, no, no. We are not
8 talking about a commercial. We are talking
9 about three or four cars that are parked at
10 --

11 MS. MORRIS:

12 That's a commercial operation
13 under some zoning laws. You cannot be
14 selling things from your home, from a
15 residential zone, and you can't be selling
16 certain things -- certain areas of the
17 property, but it's up to the zoning laws.
18 It wouldn't be this Commission to enforce
19 it, but really to work with the local
20 authorities if the local authorities don't
21 like it. I know the cases that I have been
22 involved in, because of the Chamber, the
23 businesses and the Chamber said it's not
24 fair for us to compete with these tent
25 salesmen that set up on lots and they don't

1 have to comply with all of the regulations
2 that we do. And so that is addressed in
3 some part in their zoning code, and I
4 believe that if I got a call -- city zoning,
5 and I got a call and they were selling
6 vehicles and not registered with insurance
7 and everything else I deal with, I would
8 deal with it the same way. It's still a
9 product that is being sold outside the doors
10 of a retail establishment.

11 MR. ROBINSON:

12 And the difference is, those
13 kind of people who care about it when it's a
14 food vendor or a jewelry vendor, not when
15 just somebody looks like trying to sell
16 their private vehicle. You are just not
17 going to get community support.

18 MS. MORRIS:

19 I think if the dealers go to
20 the Chamber or the local governments --

21 MR. ROBINSON:

22 Yes, Butch.

23 MR. WRIGHT:

24 I hate to interrupt y'all. I
25 have an eleven o'clock doctor's appointment.

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1 I am now a retired person. I would like to
2 introduce Sheila Jones. She will be taking
3 over the office and running it.

4 The curbstoning, Ron and I
5 talked about it last year and I researched
6 it. The businesses that own the property is
7 the way to go.

8 MR. ROBINSON:

9 Turn that research over to
10 me. We'll get back on this next month. To
11 me, it's about the toughest issue we've ever
12 tried to deal with. Even when you and I
13 were on the Commission, it's just tough.
14 It's a tough one.

15 MR. WRIGHT:

16 I will be glad to help any
17 way I can.

18 MR. ROBINSON:

19 Get it to Derek and we'll put
20 it back on.

21 Yes, sir.

22 MR. McCORMICK:

23 I'm Jesse McCormick. I'm
24 with Capitol Partners. The curbstoning
25 issue isn't just a Louisiana issue. It's

1 across the country and there's a lot of
2 states that are really struggling with this.
3 And to kind of give you what we've been
4 doing, the LKQ plays a role in trying to
5 prevent this as well, because of the salvage
6 industry that they are in, and I think what
7 we would have to do and what would be a good
8 idea is like he said, the landowner's
9 association, the LMA, the Police Jury
10 Association, and the Commission say this is
11 a big problem and get them maybe into one
12 meeting and we can help broker the meeting
13 as well, get State Police involved, get the
14 attorney generals involved and make -- you
15 know, build that grassroots complaint issue,
16 because that's how it gets started with
17 people outside of just us in this room are
18 trying to enforce this and, I mean, that's
19 how it really gets going, in my opinion.

20 You can look at Washington
21 State, the State of Washington has been a
22 really good benchmark for the way that they
23 have gone about doing it, because it's not
24 just -- it's on the Internet. These guys
25 aren't just, you know --

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1 MR. ROBINSON:
2 Intelligent guys.

3 MR. McCORMICK:
4 They have got a dummy
5 website. They've got dummy cell phones.
6 Obviously, they communicate and put their
7 for sale signs blocking VIN numbers. I
8 mean, there's a lot of communication that
9 goes on. So they've got State Police.
10 They've got the State Licensing Board with
11 their counterpart of you guys there. They
12 run a log. They run all kinds of things and
13 it may be somewhere to look, but if you
14 would ever want to have a meeting with us, a
15 broker meeting with some of these other
16 municipalities that she has been mentioning
17 about how can we get into enforcing it.
18 It's people like you said, well, you
19 are not going to tell me on my property
20 what I can do. The Landowners Association
21 may as a group feel like this isn't a good
22 thing, but that was just my two cents.

23 MR. ROBINSON:
24 We appreciate it.

25 MR. DUPLESSIS:

1 It's not a quick fix.

2 MR. ROBINSON:

3 Let's make sure to follow up
4 and put it on the agenda next month, Derek.
5 I mean, we do need to try to get better
6 policy and we need to try to be able to
7 enforce it more than we have done in the
8 past.

9 Number 3, policy and
10 procedure 98.

11 MR. PARNELL:

12 This is a resolution
13 regarding the licensing of salespeople.
14 This was also asked to be on the agenda for
15 this month, I guess in reference to
16 licensing of salespeople, 15 days versus 30
17 days. I don't know if you have any further
18 discussion.

19 MR. ROBINSON:

20 What's the Commissioners'
21 thought? We talked about this two or three
22 times. How soon should a licensed dealer
23 have to apply for a sales license for a new
24 employee, 15 days or 30 days?

25 MR. CORMIER:

1 I'd say 30 days.

2 MR. FLOYD:

3 By that time, you are going
4 to know if you are going to stay.

5 MR. TURNER:

6 Does anybody disagree with
7 30?

8 MR. BOURGEOIS:

9 I don't know any better.

10 MR. ROBINSON:

11 Thirty days.

12 MR. PARNELL:

13 You are going 30?

14 MR. ROBINSON:

15 I think that's fair. A lot
16 of dealers, like I mentioned earlier this
17 morning, they only pay once a month. So I
18 think 30 days. You have to apply for the
19 license for a new salesperson by his 30th
20 day of employment, no later than his 30th
21 day of employment. So everyone is in
22 agreement. So we'll vote on that next
23 month.

24 MR. HALLACK:

25 Or this month. It's already

1 in writing somewhere. We'll just scratch
2 out 15 and write 30.

3 MR. ROBINSON:

4 It's just always been my
5 preference to bring it up one month and vote
6 on it the next. That way, if people do read
7 the minutes and want input on it, they can.
8 So put it on there to vote on that next
9 month, 30 days.

10 Item D, Direct Parnell.

11 MR. PARNELL:

12 Heather Ellis versus
13 Louisiana Used Motor Vehicle Commission,
14 Docket No. S-16999 that went before the
15 Department of State Civil Service. Also,
16 there is a note with it that item may be
17 discussed in Executive Session pursuant to
18 La. Revised Statute 42:1781 and 2(b).

19 MR. DUPLESSIS:

20 Director Parnell,
21 respectfully please, sir, I would like to
22 make a motion, Mr. Chairman, that we go into
23 Executive Session to discuss this.

24 MR. FLOYD:

25 I second it.

1 MR. ROBINSON:
2 We have a motion and a second
3 for Executive Session.

4 All Commissioners in favor?
5 (All "Aye" responses.)

6 MS. BARON:
7 Do we need a roll call? Ms.
8 Kim, a roll call vote.

9 MS. BARON:
10 Glen Robinson?

11 MR. ROBINSON:
12 Yes.

13 MS. BARON:
14 George Brewer?

15 MR. BREWER:
16 Yes.

17 MS. BARON:
18 Louis Bourgeois?

19 MR. BOURGEOIS:
20 Yes.

21 MS. BARON:
22 Tony Cormier?

23 MR. CORMIER:
24 Yes.

25 MS. BARON:

1 Ron Duplessis?

2 MR. DUPLESSIS:

3 Yes.

4 MS. BARON.

5 George Floyd?

6 MR. FLOYD:

7 Yes.

8 MS. BARON:

9 Douglas Turner?

10 MR. TURNER:

11 Yes:

12 MR. ROBINSON:

13 We will go into Executive
14 Session.

15 (EXECUTIVE SESSION.)

16 MR. BOURGEOIS:

17 I make a motion that we go
18 out of executive session.

19 MR. TURNER:

20 Second the motion.

21 MR. ROBINSON:

22 We have a motion and a second
23 to adjourn from Executive Session.

24 All in favor?

25 (All "Aye" responses.)

1 MR. ROBINSON:

2 Anyone opposed?

3 (No response.)

4 MR. ROBINSON:

5 We will wait for one
6 Commissioner to get back in the room.

7 Moving on to Item 5,
8 Executive Director's report.

9 MR. PARNELL:

10 Okay. Commissioners, the
11 first item is review of complaint totals.
12 If you look in the packet, I think I have
13 some reports that I would like for to you go
14 over with me.

15 MR. ROBINSON:

16 All right. We'll continue.
17 We are already back in session, Ron.

18 MR. DUPLESSIS:

19 Thank you.

20 MR. ROBINSON:

21 Continue with the meeting.

22 MR. DUPLESSIS:

23 I would like to a make a
24 motion, Mr. Chairman, that we accept the
25 conditions of settlement in the Heather

1 Ellis case, and we also allow the Executive
2 Director, Mr. Parnell, and yourself to enter
3 into whatever agreement, negotiations that
4 will be required to effect the settlement on
5 behalf of the Used Car Commission.

6 MR. BOURGEOIS:

7 I second.

8 MR. ROBINSON:

9 I have a motion and a second.

10 Any discussion?

11 (No response.)

12 MR. ROBINSON:

13 All in favor?

14 (All "Aye" responses.)

15 MR. ROBINSON:

16 Let's do a roll call.

17 MS. BARON:

18 Glen Robinson?

19 MR. ROBINSON:

20 Yes.

21 MS. BARON:

22 George Brewer?

23 MR. BREWER:

24 Yes.

25 MS. BARON:

1 Louis Bourgeois?

2 MR. BOURGEOIS:

3 Yes.

4 MS. BARON:

5 Tony Cormier?

6 MR. CORMIER:

7 Yes.

8 MS. BARON:

9 Ron Duplessis?

10 MR. DUPLESSIS:

11 Yes.

12 MS. BARON:

13 George Floyd?

14 MR. FLOYD:

15 Yes.

16 MS. BARON:

17 And Douglas Turner?

18 MR. TURNER:

19 Yes.

20 MS. BARON:

21 It's unanimous.

22 MR. ROBINSON:

23 Thank you.

24 All right. Now, moving on

25 with the Executive Director's report.

1 MR. PARNELL:

2 If you look with me in your
3 packets, I put a small report in your
4 packets. It kind of illustrates what's been
5 going on in the past month as it relates to
6 complaints from my field investigators. As
7 I stated before, ongoing the report will get
8 bigger, better and more information. I do
9 want to make sure that I'm illustrating
10 exactly what's going on out there in the
11 field to you, but as -- this report will
12 pretty much be kind of condensed down just
13 giving you the facts and the numbers of
14 what's been taking place. If you look at
15 the first document, it's the alleged issue
16 count complaint form. If you notice, there
17 are 59 alleged issues that were -- that came
18 into this office in February 1 through
19 February 28th. Forty-one percent of the
20 issues, which were 23, dealt with refunds.

21 The next item is our total
22 for February 2010 and total for February
23 2011. It's kind of a comparison of what we
24 did last year versus this year as it relates
25 to the number of complaints that we have

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1 been working with. In 2010, it was 33 and
2 this year, 2011, it was 51. If you will
3 turn with me to the third page, it has the
4 total number of assigned cases out of the 59
5 alleged issues were -- was 53. Total number
6 of cases completed during -- the total
7 number of cases completed was 15 of those
8 assign cases, which leaves 38 cases still
9 open. On the last document, if you will, it
10 shows the total number of cases that were
11 closed for the entire month of February
12 2011. Most of these not necessarily were
13 alleged and/or came into this Commission on
14 -- during that month. So thus the number is
15 65, the oldest one being from maybe
16 December, which is just working through some
17 of the issues and we finally got that one
18 closed out. If you will -- do we have any
19 questions or comments or concerns about the
20 --

21 MR. ROBINSON:

22 Well, I just like the report
23 because it kind of shows the Commissioners
24 what's going on.

25 MR. PARNELL:

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1 What I want to do in the
2 future, as I stated before, is I want to
3 give you a little bit more information,
4 details, specifically on what we are doing
5 each -- each investigator with large cases
6 and large changes that we have worked on and
7 I think it's very important that we actually
8 have this on record.

9 MR. ROBINSON:

10 We just have to be careful we
11 are not putting things on record that we
12 might have to rule on.

13 MR. PARNELL:

14 Sure.

15 The next item is the license
16 renewal update. We entered renewal season.
17 In 2011, we have 8,004 licensees eligible
18 for renewal this year and as of March 18, we
19 have 6,723 licenses, which leaves 123
20 licenses that have not been issued, because
21 -- well, what it is, is that that number --
22 the 8,000 is just what is projected for us
23 to have, but the actual number, kind of
24 close relation to last year, was 7,017.
25 What we have left here is 123 licenses that

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1 have not been issued and those licenses are
2 ones that the Administrative Coordinators
3 are waiting for documents and information in
4 order to go ahead and close those and/or
5 have our field investigators go out and
6 inspect those places of business. Once we
7 -- if we get all 2,023, there will 6,846
8 licenses for 2011, which will be about a
9 three percent decrease of what we did with
10 that of last year. Now, a lot of them just
11 -- I'm assuming that maybe the economy got
12 some of these dealers out of business. I'm
13 not really sure, and really statewide, but I
14 know that number has decreased.

15 Do we have any questions or
16 comments? We don't have anything here in
17 place that is our issue as it relates to
18 moving slow and not being able to get
19 everything completed. We have contacted
20 everyone that has all of the information and
21 we are just waiting on information from some
22 of the dealers.

23 The third item is in relation
24 to the laptops for field personnel and
25 server concerns. If you -- we've kind of

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1 been doing a lot of research with this
2 technology purchase for 2011 and looking at
3 and I spoke about last year -- or last
4 month, I should say, is that the notebooks
5 that our field investigators have out there
6 are pretty antiquated and they are breaking
7 up and we are down to about -- I don't have
8 any extras here for parts or otherwise. So
9 you instructed me to go out and kind of do
10 some more research to see what exactly we
11 are looking at.

12 What we did was, we have to
13 go through our state buying agencies and one
14 that I chose was Dell. Dell is a brand that
15 I've always had great success with and they
16 have done wonderful in business and in
17 relation to other issues. If you will look
18 with me, we kind of got some quotes from our
19 IT person originally and through our Dell
20 representatives. Notebook A, Dell Latitude
21 15 inch screen, 160 gigabyte hard drive, two
22 year warranty, and that cost is \$970 -- I'm
23 sorry, \$937.58. The next one that we are
24 kind of whittling our way down to is
25 Notebook B, which is a Dell Vostro V130.

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1 It's virtually the same, but it's a little
2 bit smaller. The hard drive is a little bit
3 larger. The warranty is also smaller, which
4 is -- it costs \$817.38. The last item on
5 that information on the sheet is the server,
6 a Dell Power Edge T310. 8 gigabyte hard
7 drive, on year basic warranty with an
8 upgrade of \$800.

9 I went ahead and put this on
10 here, because we had talked in the past
11 about going to a cloud method versus our own
12 server and after my research, I think it
13 would be better for the Commission to
14 actually house our own server here. The
15 cloud method, I've spoken with many, many,
16 many people in the industry. I do know it's
17 a new thing and I do know that what we are
18 looking at doing, it could help, but
19 presently, after going through -- with
20 various agencies or entities that actually
21 sell it, once they've come in and sit with
22 us and talked about exactly what we are
23 looking for, they've recommended themselves
24 to go ahead and it would be best for us to
25 go ahead and go with our own server

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1 in-house. So these are the items that I
2 just wanted to present you with and let you
3 look at and see what I'm looking at doing.
4 We don't have to talk about anything right
5 now. I just wanted you to look at what I
6 was looking at.

7 Do we have any questions on
8 that? What we talked about was just
9 initially starting with just four notebooks
10 for our field people originally. Then at
11 some point because that's the way it really
12 is destitute. Their speed is horrible. The
13 laptops that they have, it just -- it's not
14 working well for them at all, you know. It
15 takes them -- some told me it's taken about
16 five or six minutes to actually just
17 download one document. Now, it's slow here
18 in the office, yes, but nowhere near that.
19 So we have time -- a little bit more time
20 and we still have some extra units around
21 here to actually look at moving forward.

22 MR. ROBINSON:

23 Can you purchase the
24 notebooks and do what you need to do or do
25 you need the servers at the same time?

1 MR. PARNELL:

2 I would like to do the server
3 at the same time, the reason being that we
4 know that we are getting close to our
5 renewal season again and I want to make sure
6 that we have upgraded our system with CAVU
7 to dot net system that -- I'm pleasantly
8 surprised in speaking with them the things
9 that we can do, but, of course, that's just
10 talk at this point, but I do want to be able
11 to go ahead and update the server, because I
12 want to have -- I want to be able to make a
13 move on this in June. I want to -- before
14 June, I want to have everything in place
15 that we need for next year's renewal period.

16 MR. DUPLESSIS:

17 Do these laptops have air
18 cards?

19 MR. PARNELL:

20 They don't have air cards,
21 but what I will do is, they all have
22 Blackberries -- what they actually have
23 right now is the Blackberry where they
24 actually tether the Blackberry, connect it
25 to their laptop and it works great on the

1 nicer laptops. What they have is really
2 slow and cumbersome.

3 MR. BOURGEOIS:

4 So it will be equivalent?

5 MR. PARNELL:

6 Yes. It's equivalent to an
7 air card. We already -- they already have
8 this actually now. There is a Blackberry --
9 actually, they are going to tether that in
10 and that's what they are going to use to
11 actually get their access -- Internet
12 access.

13 MR. BOURGEOIS:

14 Do we need to make a motion
15 or --

16 MR. PARNELL:

17 No, you don't have to. I
18 just wanted to let you know what I was
19 looking at.

20 MR. ROBINSON:

21 Yes, next month, you need to
22 have a total cost, how many laptops and,
23 obviously, it's not going to be \$4,800.

24 MR. PARNELL:

25 No.

1 MR. BOURGEOIS:

2 I like that.

3 MR. ROBINSON:

4 Item 6, Legislative
5 Committee. Ron, if you would.

6 MR. DUPLESSIS:

7 Well, I'm glad we cured the
8 curbstoning issue in this Committee. We
9 really kind of went round and round and we
10 couldn't find a solution to it either. So I
11 think it is going to be long-term thing and
12 that's how it's going to work, but we talked
13 about most of the other issues.

14 Sheri, would you give us the
15 legalese, please?

16 MS. MORRIS:

17 We kind of went through a
18 list of things that perhaps need to be
19 looked at and one of them was the processing
20 of licenses. I think we have -- we already
21 have the legislation in place to stagger our
22 licenses and do multi year licenses. We
23 just kind of have to figure out how to do
24 it, which we've had some discussion about
25 today. And then, if there are adjustments

1 that we need to make to be compatible with
2 the Office of Motor Vehicles, so we don't
3 cause any technical problems, that was
4 something I was unaware of -- all of us were
5 unaware of last week when we had our
6 conference. So we need to really follow-up
7 with them and if there are some technical
8 questions to the dealer plates or the timing
9 of that, we can certainly look at that.

10 One of the other things that
11 we discussed was the bonds. There was a
12 suggestion that we allow dealers to have
13 open end bonds. I don't see that the
14 bonding companies are going to do that.
15 They sell them for a price for a term, but
16 if we went to multi year license, I think
17 the bond companies would follow suit and
18 sell a two year bond. So I think that will
19 really take care of itself with the bonding
20 companies. I don't really -- unless Mr.
21 Hallack has something other to add, I don't
22 think that really needs any legislation.

23 There was also some concern
24 about, you know, should dealers with high
25 volume have higher bonds, because the risk

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1 is greater, and the \$20,000 bond would not
2 be sufficient if you had a number of
3 transactions that were in violation. And we
4 talked about one of the difficulties with
5 that is to determine how many units a dealer
6 is selling, because we don't really maintain
7 those records, but I think, listening to
8 what I heard this morning, that we will be
9 able to track that at some point in the
10 future through the temp tags. If we know
11 that, you know, 100 temp tags are being
12 issued a month, that's -- you get the volume
13 of sales, but we haven't in the past had
14 that. So that's something that we can still
15 consider. It's just a matter of really
16 whether you want to file something this
17 year. This year is a fiscal session which
18 deals mostly with fiscal matters, the
19 Legislators do have five bills, but we would
20 have to get a sponsor. It's just whether or
21 not you think that that's -- that we have
22 something big enough to go to the
23 Legislature or if you want to maybe hold
24 this stuff for another year when it's a
25 general session. That's really up to you.

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1 And curbstoning, we couldn't
2 really solve completely with legislation. I
3 think it's going to take a multi discipline
4 approach.

5 MR. DUPLESSIS:

6 I will work with Jill Jarreau
7 and see, you know, what we can do. My
8 recommendation is that they introduce
9 legislation that would, on their own behalf,
10 affecting our agency with the collaborative
11 effort, because I don't think that -- if you
12 are talking about licensing and plates
13 alone, that's going to have to do with them,
14 but it needs to be a conduit for us, but I
15 saw nothing today that said they were going
16 to do anything detrimental to our dealers
17 and the public or ill intentions. I mean,
18 good intentions will get good results.
19 We'll talk to them about that and kind of
20 work through it. But, to me, the bond
21 issue, the thing that we talked about was
22 Carmax was they are going to sell 120 a
23 month. They are a publicly traded company
24 and they are going to be pretty deep if they
25 are selling that. I'm not sure that there's

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1 enough bond out there that they are going to
2 belly up for us to be protected. So that's
3 kind of their explanation. But a public
4 entity does have insurance and they have
5 multiple locations and they seem to be
6 profitable. I think they don't want any bad
7 publicity. So I don't think they are going
8 to be doing anything of a big concern to us.
9 They haven't done it in other states or to
10 any extent. And the other issue that we had
11 is determining the levels of dealers paying
12 the right bonds. So if you could help
13 secure that, we can get support and write
14 it.

15 MR. PARNELL:

16 Another item that Attorney
17 Hallack has brought up on numerous
18 occasions, the black market sales penalty of
19 being 1,000, he brought it up earlier today,
20 bringing that up to \$5,000, but I understand
21 it may be somewhat difficult year during
22 legislation to bring that up.

23 MR. BOURGEOIS:

24 Do you think that it will
25 pass?

1 MR. DUPLESSIS:

2 Well, I think it's pretty
3 easy to pass in a way that we could -- you
4 know, right now with the new national
5 registration and homeland security and so
6 many other things, I think if you've done a
7 black market and public protection
8 seasoning, but if that's the only thing we
9 pass on that deal, I'm not sure we are going
10 to see any of those cases. How many of
11 those cases have we had in front of us this
12 year?

13 MS. MORRIS:

14 Well, that's one. There was
15 another licensing agency that asked -- they
16 have a \$2,000 fine and they just keep
17 finding people who keep doing it, so they
18 asked for a higher price on multiple
19 offenses a couple of years ago and -- two
20 years ago, I think, and the Legislature kind
21 of turned it into a fee bill. It wasn't
22 that we weren't getting any fee, it was to
23 escalate the fine to a deter the violation,
24 to try to make money, but the Legislature
25 said, well, then you just need to revoke

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1 that. So I don't know how that -- how that
2 will sell to the Legislature as a stand
3 alone item. You might want to wait until
4 you have a couple of things to bundle and
5 also the fact that we don't -- we have not
6 handled any cases. So we haven't even fined
7 anyone at \$2,000, just the \$1,000 at this
8 point. So it might make it difficult to
9 sell it to the Legislature. This is an
10 election year.

11 MR. ROBINSON:

12 I would still like to see
13 something on a mandatory e-mail or an
14 official notification, but, again, I
15 wouldn't want to go with a stand alone item
16 for that necessarily. But I do think it
17 would streamline not only the effectiveness
18 of this organization, but the cost to this
19 organization.

20 MS. MORRIS:

21 What some of the agencies
22 have done, including the courts, is they
23 made it optional to have e-mail, so you get
24 your notices by e-mail and they make it
25 easier to do business by e-mail, and then

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1 they just kind of phased it out. So, first,
2 they sent a fax, and then --

3 MR. ROBINSON:

4 We've already done that.
5 We've requested e-mails. We have a lot, but
6 we can't use it as our official
7 notification. We can't e-mail people their
8 renewal package. We still have to put
9 hundreds of man hours into sending out
10 renewal packages.

11 MS. MORRIS:

12 You can send them an e-mail
13 and move some people there that way. That's
14 one step.

15 MR. DUPLESSIS:

16 I think -- let me talk to
17 Jill, because if they go -- in my opinion,
18 if they go to electronic temp tags, that's
19 how we sell it. I only see one to two items
20 right now for a bill for a legislative
21 package.

22 MR. ROBINSON:

23 I just don't think we have
24 enough really to do it.

25 MR. DUPLESSIS:

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1 I agree, but if Robert -- if
2 we can get some help down at LKQ on this, if
3 you guys are willing to help us with the
4 black market. You know, one thing I will
5 say about Frank, he's got connections and he
6 sells well and we can probably -- if we
7 agree with you guys to write some black
8 market language, then it will be -- but it's
9 going to have to be a concerted effort with
10 us with a clear understanding.

11 MR. McCORMICK:

12 It would have to be really,
13 really quickly to decide if you are going to
14 get an author, because you have to have an
15 author, in my opinion, to pass that. You
16 know, they've only got that five bill limit.
17 So the top authors have already taken --
18 that five limit has already gone for a lot
19 of --

20 MS. MORRIS:

21 If the Commission and the
22 Commission of Office of Motor Vehicle does
23 have a bill, they might let us tag our
24 e-mail onto it if they have some clean up
25 that they are going to do.

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1 MR. DUPLESSIS:

2 It's just got to be
3 pertinent, that's all it has to be.

4 MS. MORRIS:

5 But there might be some other
6 issue dealing with sales of vehicles that we
7 might be able to tack onto.

8 MR. DUPLESSIS:

9 Yes. We can move on and we
10 can do the same with the New Motor Vehicle
11 Commission. It's called burying an item
12 when an item is valid, but it's not the same
13 issue, you bury the bulk of the body of the
14 other bill. So, you know, you don't want to
15 be appear to be lying in front of them.
16 We've got this one senior issue. That
17 doesn't make a whole lot of difference. So
18 we can bury it without --

19 MR. ROBINSON:

20 The e-mail, we can write the
21 -- you can ask for a hardship exclusion,
22 which no one is going to ask for, but that
23 would make it non-controversial.

24 MR. DUPLESSIS:

25 If we tie it in with the

1 Department of Motor Vehicle T-tags, it makes
2 it real germane in place, that will work for
3 us. And if nobody is there to object to it,
4 then, you know, the laws come on the books
5 that nobody objects to it, it gets adopted.

6 MR. ROBINSON:

7 New month, it has to be done.

8 MR. DUPLESSIS:

9 Robert, do you -- what can
10 you see, how can we turn this black market
11 into something that we can at least start
12 hanging -- you know, you've seen what Sheri
13 said through the years. You start
14 somewhere, and then you start attaching a
15 change in like the e-mail, and then it
16 eventually just phases into what you want.
17 It might take two or three sessions, but
18 what do you with the black market that we
19 can do?

20 MR. HALLACK:

21 You've got to really turn it
22 into a public policy type concern, that it's
23 good for the public for these people not to
24 exist. If you look at what we wrote on the
25 curbstoning procedure, that's what it's all

1 about. I think that you need to put this
2 agency forward as doing that, as protecting
3 the public from these types of people. We
4 need to get a little bit more active on our
5 website. That's one of our primary concerns
6 is this agency. You know, everybody is
7 talking about these days the importance of
8 state agencies. Well, this needs to be your
9 number one battle cry, that we are trying to
10 rid the State of Louisiana of these people
11 who are selling bad cars, pretending to be
12 dealers.

13 MR. DUPLESSIS:

14 Drug money cars.

15 MR. HALLACK:

16 Well, I was talking to this
17 gentlemen -- probably 90 percent of these
18 cars that are being offered for sale by
19 curbstoners are salvage vehicles that have
20 been repaired to some extent or none, you
21 know, and you know that if you are selling
22 salvage vehicles that have been repaired,
23 there's a huge safety issue with putting
24 these cars on the market. So I think that
25 you need to make this your number one battle

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1 cry and the purpose for which is to protect
2 the public from bad cars and from people who
3 are pretending to be dealers. I think you
4 will get the LMA on your side. Any consumer
5 group would certainly be willing to work
6 with you on it, the Sheriff's Association,
7 the State Troopers. Anybody associated with
8 law enforcement, this is something they
9 should be able to support, because, you
10 know, a lot of these cars are hot cars or
11 they are cars that have hot parts on them,
12 you know. So, I mean --

13 MR. ROBINSON:

14 We need to move on. So if
15 you want to get something in writing to
16 produce, I think the Commission is open
17 either way.

18 MR. BOURGEOIS:

19 If you want me to call
20 someone to sponsor the bill let me know.

21 MR. DUPLESSIS:

22 Well, that's one. Why don't
23 you go ahead and see if your guy -- and
24 maybe I can have a meeting with this lady.

25 MR. BOURGEOIS:

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1 E-mail me on how you want it
2 so he can say, yes, I like it, because he
3 will say that he will take responsibility.

4 MR. ROBINSON:

5 Do y'all feel like we need to
6 get a bill in and have it ready for next
7 month?

8 MR. BOURGEOIS:

9 Or sooner.

10 MR. ROBINSON:

11 Getting a sponsor and
12 probably get the bill ready.

13 Is that okay with all of the
14 Commissioners?

15 (No response.)

16 MR. ROBINSON:

17 Hearings, we do have hearings
18 today. We need everybody to stay. We are
19 going to take a quick break, and then we
20 will have the hearings.

21 Before we do that, today,
22 just so everybody knows, I offered my
23 resignation from the Commission to the
24 Governor's Office. When I was asked to do
25 this, I gave a 15 month commitment. We have

1 been more than 15 months. You know, I'm
2 very proud of what we have accomplished
3 because of all the Commissioners. This
4 won't take effect until sometime towards the
5 end of April probably, but, you know, you
6 have all come and you have all contributed.
7 You brought your expertise in different
8 areas and there's no question that since the
9 Legislature changed the direction of this
10 Commission that this group of Commissioners
11 has changed the direction of the Commission.
12 And I have enjoyed working with everybody
13 and, you know, I've been proud to know you
14 and proud to serve, and I would think the
15 Governor's Office will do something pretty
16 quick in appointing a new chairman. And I
17 just want to thank you for your time coming
18 out and your contributions and it's a good
19 chance I might be back here. It just
20 depends on how quickly everything happens.

21 And with that, we need a
22 motion to adjourn, but we do need everybody
23 to stay, so we can do our hearings.

24 MR. TURNER:

25 Motion to adjourn.

1 MR. BOURGEOIS:

2 I second.

3 MR. ROBINSON:

4 We have a motion and a
5 second.

6 All in favor?

7 (All "Aye" responses.)

8 MR ROBINSON:

9 Let's take five to ten
10 minutes, and then let's get the first
11 hearing underway.

12

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14 (Meeting adjourned at 11:24 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 March 21, 2011 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 April 8, 2011, Baton Rouge,
15 Louisiana.

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23 _____
24 BETTY D. GLISSMAN, CCR
25 CERTIFIED COURT REPORTER

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