

LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING
April 15, 2013
BEGINNING AT 9:30 A.M.

3132 VALLEY CREEK
BATON ROUGE, LOUISIANA

REPORTED BY:
BETTY D. GLISSMAN, CCR

Betty D. Glissman, CCR

1 APPEARANCES:

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4 COMMISSIONERS PRESENT:

5 MR. GEORGE BREWER

6 MR. TONY CORMIER (arrived late)

7 MR. GEORGE FLOYD

8 MR. KIRBY ROY

9 MR. HENRY "DARTY" SMITH

10 MR. DINO TAYLOR

11 MR. DOUGLAS TURNER

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15 REPRESENTING THE LOUISIANA USED MOTOR
16 VEHICLE COMMISSION:

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

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1 ALSO PRESENT:

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3 MS. KIM BARON

4 MR. DEREK PARNELL

5 MS. MONA ANDERSON

6 MR. KEVIN REMBERT

7 MS. BECKY BERTRAND

8 MS. TONYA BURKS

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1 MR. FLOYD:
2 Pledge of Allegiance.

3 (PLEDGE OF ALLEGIANCE)

4 MR. FLOYD:
5 All right. So we have roll
6 call.

7 MS. BARON:
8 George Brewer?

9 MR. BREWER:
10 Here.

11 MS. BARON:
12 John Poteet?

13 MR. POTEET:
14 (No response.)

15 MS. BARON:
16 Dino Taylor?

17 MR. TAYLOR:
18 Here.

19 MS. BARON:
20 Tony Cormier?

21 MR. CORMIER:
22 (No response.)

23 MS. BARON:
24 Ron Duplessis?

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

1 MS. BARON:

2 No, sir.

3 MR. FLOYD:

4 At this time, approval of the
5 minutes of the previous meeting.

6 MR. TAYLOR:

7 I make a motion we approve
8 it.

9 MR. SMITH:

10 I second it.

11 MR. FLOYD:

12 I have a first from
13 Commissioner Taylor and a second from
14 Commissioner Smith. Okay.

15 Ms. Mona.

16 MS. ANDERSON:

17 Okay. If you turn in your
18 packets to your financial statements, on the
19 balance sheet, the cash in the bank for the
20 end of March was \$1,441,957. That's about
21 \$247,000 over the amount that we had last
22 year. The accounts receivable hearings and
23 fines decreased slightly to \$90,700. Under
24 current assets, property and equipment went
25 up just a little bit. We purchased a

1 computer for the new field representative.

2 At the bottom of the page, liabilities for
3 March were \$28,264.

4 On Page 2, if you will
5 notice, there are no 2013 deferred revenues.
6 These have all been moved over --
7 transferred over to the income account. So
8 what we have remaining there are deferred
9 revenues for 2014, and the total is
10 \$293,637.

11 On Page 3, the revenues and
12 expenditures statement, the total revenues
13 for March was \$56,586, which is slightly
14 higher than it was in March of last year,
15 but the year to date total is \$1,017,000
16 compared to \$1,046,000 last year. However,
17 our license fees for March -- through March
18 -- year to date through March were \$948,000
19 compared to \$908,000 last year. So our fees
20 have increased.

21 On Page 4, the salaries and
22 related expenditures were \$512,000, which is
23 approximately \$35,000 higher than it was
24 last year.

25 On Page 5, the total

1 expenditures year to date was \$678,000,
2 which is an increase of about \$32,000. On
3 the following page, the recap of the
4 revenues and expenditures, it shows our net
5 of \$339,663, and we had an increase -- the
6 total over increase \$678,000 from the
7 beginning -- I'm sorry, increase of \$32,000
8 from the beginning of the year, from the
9 \$711,000 to one million 63.

10 The following page shows a
11 graph of our fund balance, our revenues and
12 expenditures, and you can see we're heading
13 into the down time on our revenues.

14 And on Page 8, the accounts
15 receivable hearings and fines, we did
16 collect part of the check for Car Boyz.
17 Stacy Gaudin went out and collected that for
18 us. He failed to pay the fee. So we've got
19 a small amount remaining there, but the
20 balance in the hearings and fines is
21 \$90,700.

22 On Page 9, the certificate of
23 deposit report, there's basically no change
24 in this report. Our CDs with Landmark Bank
25 will roll over. The interest rate that

1 they're quoting is point seven-zero. So
2 it's going to drop somewhat, but our recent
3 investigation of interest rates has revealed
4 that that's about the best that we're going
5 to get there. So we'll probably leave those
6 there and not -- and just let them roll
7 over.

8 Also included in your packet
9 we've started to work on our refund policy.
10 You have there the policy, and then the form
11 we developed to -- for dealers to request
12 refunds. This is just the beginning of the
13 development of our accounting manual --
14 policy manual. Other areas that we're going
15 to develop policies are internal controls,
16 revenue and expense policies, asset
17 management, investments, the budget, and
18 audits. So we'll have subsequent forms and
19 policies of this type for you to look at
20 later. We developed -- we did this one
21 first, because we're going to need that
22 going into the new renewal year. It pretty
23 much just solidifies the policy that we've
24 been following.

25 And if there are no

1 questions, Mr. Chairman, that concludes my
2 report.

3 MR. FLOYD:

4 Okay. Thank you.

5 MR. TURNER:

6 I make a motion to accept the
7 financials.

8 MR. BREWER:

9 Second.

10 MR. FLOYD:

11 All right.

12 Legal matters.

13 MR. HALLACK:

14 We have two matters that are
15 on there. One is A-1 Autoplex. Derek and I
16 attended the hearing on oral arguments for
17 A-1 Autoplex and the counsel for A-1
18 Autoplex showed up and said that he was
19 dismissing his appeal. So we filed a
20 judgment of dismissal with the court. We're
21 waiting on the judge to sign it and,
22 basically, that's where we're at there. So
23 it has been dismissed. We're just waiting
24 on a signed judgment from the court
25 dismissing it.

1 The other matter is Value
2 Imports. Like I said at the last meeting,
3 they set that for argument. There is not
4 going to be any oral argument in that, but
5 when they set a case for argument,
6 basically, that means that they're about to
7 make a decision on it and we can usually get
8 a decision in six to eight weeks. And that
9 was about a month ago. So I'm looking to
10 get that probably before the next meeting.

11 Does anybody have any
12 questions?

13 MR. PARNELL:

14 Once we get that judgment
15 from A-1, what is our next step, we're
16 closing them down?

17 MR. HALLACK:

18 Just -- well, according to
19 the order of the Commission, he's suspended
20 until he pays. Now, that was appealed. So
21 it was stayed. He owes the money now. So,
22 I mean, I would go ahead and make a claim
23 against his bond right now.

24 MR. PARNELL:

25 Do we have to wait for the

1 judgment to come back signed?

2 MR. HALLACK:

3 I wouldn't think so, because
4 they voluntarily dismissed it at a hearing
5 and they put that on the record, as you
6 might recall.

7 MR. PARNELL:

8 Yes.

9 MR. HALLACK:

10 So they dismissed their
11 appeal officially the day of the hearing. I
12 think the judgment -- they'll probably ask
13 for the judgment, but hopefully soon we'll
14 have it. Judge Clark sometimes is a little
15 slow in getting judgments signed. So we're
16 just waiting on her.

17 MR. FLOYD:

18 So, actually, when is his
19 deadline to pay now, has it been extended or
20 can he still pay?

21 MR. HALLACK:

22 Well, it's over. He
23 officially dismissed his appeal. So we can
24 now go against his bond. So I think the
25 Commission's judgment was like \$22,000. So

1 his bond will pay \$20,000 and he needs to
2 pay \$2,000. And he's suspended until that's
3 paid.

4 MR. TAYLOR:

5 Is that \$2,000, do you
6 collect it civilly like you would handle any
7 other civil matter if you don't pay it?

8 MR. HALLACK:

9 Yes, sir. We all signed an
10 agreement with the Office the Attorney
11 General for them to collect our debt. So
12 just send it over to the Attorney General's
13 Office and let them collect it.

14 Mr. Sellers' attorney was
15 there and he said that they're still owed
16 quite a bit of money and they were asking --
17 they were going to -- they had put a writ of
18 sequestration on the vehicles on his lot,
19 but when I talked to Mr. Bowling's attorney,
20 he said he didn't own any of them, anyway.
21 They're all there on consignment. So there
22 was nothing for them to seize.

23 MR. FLOYD:

24 Okay. We have no further
25 questions?

1 (No response.)

2 MR. FLOYD:

3 We'll move on to the
4 Executive Director's report.

5 MR. PARNELL:

6 If you will turn with me in
7 your packets, you'll find the alleged issue
8 counts. For the month of March, there were
9 74 alleged issues. Non-delivery of title
10 and refund are the largest alleged issues
11 for the month. Both of them have 18 issues
12 addressed to our office.

13 The second document is a case
14 report, which illustrates the number of
15 cases for March that were assigned to our
16 investigators. Sixty were assigned. Twelve
17 were completed. Forty-eight still remain
18 open.

19 Also, the last document --
20 second to last document is a summary report,
21 which shows 37 total cases for the month of
22 March have been closed. There are other
23 things that investigators have been doing
24 out there. They have issued six 5-day
25 notices. Forty-two physical inspections

1 were done. Fifty-one site visits were done.
2 One compliance was done. Four audits are
3 being conducted. One cease and desist order
4 for monies that they were able to return
5 back to consumers was \$10,300. One of the
6 investigators has been working really close
7 and trying to deal with a situation with
8 that dealer that was on the news to try to
9 resolve his problems that he was having with
10 a lot of consumers and his floor plan. He's
11 got a pretty good connection or contact at
12 both floor planners, DSC and ASC to get the
13 titles back to the consumers and that's been
14 ongoing, but that's somebody -- that's a
15 dealer that we're still working with to try
16 to make sure he gets everything done as he
17 said he would.

18 The next item is discussion
19 of the 2013 legislative session. As you
20 know, the session convened last Monday, the
21 8th, and is scheduled to -- as I understand
22 the term is scheduled for June 6th. Our
23 proposed legislative packet, which we filed
24 timely, House Bill 547.

25 On Thursday, April 11th, I

1 met at the Capitol with our Representative
2 -- with Representative Ed Price, who sits on
3 the Commerce Committee, who has authored our
4 bill, to discuss the scheduling of the bill
5 and when he wants to have the bill heard in
6 committee. He also had a couple of items
7 that he's heard of opposition for the bill,
8 just a couple of sections in the bill. He
9 wants to move the bill through pretty fast.
10 He told me he was going to try to get it on
11 the agenda for today, but I did look at the
12 agenda. It was not out there. So my
13 thought is, more than likely, it will pass
14 on the agenda for next Monday, the 22nd. At
15 ten o'clock a.m. is when it comes up.

16 The opposition of the bill
17 was two places. The Motor Vehicle
18 Commission has opposition to the
19 jurisdictional section, which is Revised
20 Statute 32:782. We worked with them and we
21 agreed not to put that language on the bill,
22 but when I sent the bill to committee for
23 drafting, in error I sent the wrong one and
24 it still had that language out there. So I
25 did inform Representative Price. I did

1 inform the Commerce Committee, and we'll
2 just get that amended off of the bill once
3 we go to the committee table.

4 Representative Price also
5 informed me that there was another section
6 they learned one of the other members had an
7 issue with, and if you turn with me to -- I
8 think you have a copy of it, yes, the
9 section of the bill, I think it's on Page 9,
10 Line 10 of the bill. "A licensed premises
11 shall be considered abandoned if any one of
12 the following exists: There are no
13 salespersons or dealer on the premises."
14 And what we're doing is just trying to
15 clarify what are the reasons why -- how do
16 you define an abandoned dealership. And he
17 thought that that meant that at five
18 o'clock, they close down and we sent an
19 investigator out there at six o'clock, that
20 means, by this definition to them, they read
21 that to mean that it was abandoned, and then
22 we'll go forward with that. But we told
23 them that it didn't mean that, but they did
24 want a little more clarity on what it would
25 say. So what we changed is the licensed

1 premises shall be considered abandoned if
2 any one of the following exists, and we
3 added there, "No dealer or salesperson on
4 the premises during the posted hours for a
5 period of more than one week without notice
6 to the Commission." So that should give a
7 little more clarity to it. This is already
8 in law. What you see on the bill right now
9 is already in law, but when they looked at
10 it, they felt like maybe it was saying
11 something else, which it wasn't. So I've
12 gone ahead and submitted the amendment to
13 Commissioner -- I'm sorry, to Representative
14 Price and committee staff. So we can go
15 ahead -- when we go to hearing, that issue
16 should fly through pretty fast a and pretty
17 smooth.

18 I did receive an e-mail from
19 Sheri Morris that she sent to me and Robert.
20 We got it this morning. It's concerning --
21 she wanted me to make sure I made you guys
22 aware of Senate Bill 233. This creates the
23 uniform sales and tax commission. She was
24 thinking that the notice of liens filed with
25 the Clerk of Court for unpaid sales tax

1 could affect vehicles. What is it? Page
2 55, Lines 2 through 6 is what it is. What
3 I'm going to do is try to get a little bit
4 more clarification from the Office of Motor
5 Vehicle regarding this bill. It could be
6 misleading, but we think that the bill could
7 result in dealers purchasing vehicles
8 subject to liens, which do not appear on the
9 face of the title. So this was just
10 something that we discovered on yesterday.
11 So we've got to dig a little bit deeper to
12 find out exactly what that bill is really
13 meaning and what does it say, what does it
14 mean for our dealers.

15 MR. TURNER:

16 What do we think it means?

17 MR. PARNELL:

18 She said she thinks it could
19 result in dealers purchasing vehicles
20 subject to liens, which do not appear on the
21 face of the title. I don't know. I haven't
22 really, really had a chance to look at it
23 like that. So when we find out more
24 information, I'll go ahead and send an
25 e-mail out to everyone kind of informing you

1 of what find out about that bill.

2 But that concludes the
3 Executive Director's report.

4 MR. FLOYD:

5 Do we have any hearings
6 today, Kim?

7 MS. BARON:

8 No hearings.

9 MR. FLOYD:

10 Any other discussion?

11 (No response.)

12 MR. FLOYD:

13 In that case, I need a motion
14 to adjourn.

15 MR. SMITH:

16 I make a motion.

17 MR. ROY:

18 Second.

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20 (Meeting adjourned at 9:48 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 April 15, 2013 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 19, 2013, Baton Rouge,

15 Louisiana.

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23 BETTY D. GLISSMAN, CCR

24 CERTIFIED COURT REPORTER