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LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING
APRIL 19, 2021
BEGINNING AT 9:30 A.M.
HELD BY VIDEOCONFERENCE
3132 VALLEY CREEK
BATON ROUGE, LOUISIANA

REPORTED BY:
BETTY D. GLISSMAN, CCR

1 APPEARANCES:

2

3 CHAIRMAN:

MR. JOHN POTEET

4

COMMISSIONERS PRESENT:

5

MR. TRAVIS BROWN

6

MR. JEFFEREY BRITT

7

MR. TONY CORMIER

8

MR. RICKY DONNELL

9

MR. GEORGE FLOYD

10

MR. MATTHEW PEDERSON

11

MR. RICHARD WATTS

12

13

14

15

16

REPRESENTING THE LOUISIANA USED MOTOR

17

VEHICLE COMMISSION:

18

19

ROBERT W. HALLACK, ESQUIRE

20

HALLACK LAW OFFICE

13007 JUSTICE AVENUE

BATON ROUGE, LOUISIANA 70816

21

22

SHERI MORRIS, ESQUIRE

DAIGLE, FISSE & KESSENICH, PLC

8480 BLUEBONNET BOULEVARD, SUITE F

23

BATON ROUGE, LOUISIANA 70810

24

25

1 ALSO PRESENT:

2 MS. KIM BARON

3 MR. DEREK PARNELL

4 MS. MONA ANDERSON

5 MR. BROOKE BARNETT

6 MR. HENRY CASE

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1 (pledge of Allegiance.)

2 MR. POTEET:

3 First thing here is certification.

4 Do we need to do anything with that?

5 MS. BARON:

6 No, you don't have to do anything
7 with that. It is just a certification. It is
8 because we are doing the Zoom meeting, we have
9 to have that certification.

10 MR. POTEET:

11 Okay. Kim, can you do a roll call
12 for us?

13 MS. BARON:

14 I sure can.

15 John Poteet?

16 MR. POTEET:

17 Here.

18 MS. BARON:

19 George Floyd?

20 MR. FLOYD:

21 Here.

22 MS. BARON:

23 Tony Cormier?

24 MR. CORMIER:

25 Here.

1 MS. BARON:
2 Matthew Pederson?
3 MR. PEDERSON:
4 Here.
5 MS. BARON:
6 Richard Watts?
7 MR. WATTS:
8 Here.
9 MS. BARON:
10 Steve Olave?
11 MR. OLAVE:
12 (No response.)
13 MS. BARON:
14 Ricky Donnell?
15 MR. DONNELL:
16 Here.
17 MS. BARON:
18 Dino Taylor?
19 MR. TAYLOR:
20 (No response.)
21 MS. BARON:
22 Mr. Britt?
23 MR. BRITT:
24 Here.
25 MS. BARON:

1 Travis Brown?

2 MR. BROWN:

3 Here.

4 MS. BARON:

5 Mr. Chairman, we have a quorum.

6 MR. POTEET:

7 Thank you very much. Is there anyone
8 here for public comments?

9 MS. BARON:

10 No, sir.

11 MR. POTEET:

12 So I am assuming that everybody has
13 had a chance to read the minutes from the last
14 meeting and I would like to have a motion to
15 approve those and a second.

16 MR. BRITT:

17 Motion.

18 MR. DONNELL:

19 Second.

20 MR. POTEET:

21 Any opposed?

22 (No response.)

23 None opposed. That passes.

24 All right. Items for discussion.

25 The Van Brumfield situation. Derek, do you

1 want to help us out on that?

2 MR. PARNELL:

3 Yes. Commissioners, this was an item
4 that was discussed last month at the Commission
5 meeting. Mr. Brumfield advised that he could
6 not be present on today, but he did give his
7 permission for the Commission to go ahead and
8 discuss the matter in his absence.

9 If you look in your packet, you will
10 find a document because this gentleman, he came
11 before the board June of 2019 for a hearing.
12 The order, it should be -- it is in your packet
13 if I am not mistaken. So he did come before
14 you last month. He asked if he could be placed
15 on a payment plan to pay down his fine. The
16 total fine that he was fined in 2019 was
17 \$59,600. He wants to make a payment plan in
18 the amount \$500 per month until paid. With him
19 paying \$500 per month, his payments would get
20 up to about 10 years of payments that he would
21 have to make. He just asked that you approve
22 the payment plan for him so that he could in
23 good faith continue to go ahead and makes his
24 payments and try to get his debt with the
25 Commission taken care of.

1 MR. POTEET:

2 He wants a payment plan like when you
3 buy a new truck these days, right, and get that
4 thing for 10 years. Well, here is my
5 recommendation after hearing this. This is my
6 opinion on this. Look, 10 years is a long time
7 to pay something off like this. But here is
8 what I think. The guy is making an effort. He
9 is trying to do something. If we give the
10 stipulation to him that if you miss a payment
11 or if you are more than -- let's pick a number,
12 five days late on your payment or if you have
13 any violations, then it is over. You have no
14 more chances. So that's what I would like to
15 do with the guy. 10 years is a long time, but
16 if he is paying it and he's operating in a
17 professional and ethical manner, I have no
18 problem with that. That's me. Anybody else
19 want to chime in on that?

20 MR. DONNELL:

21 Mr. Chairman.

22 MR. POTEET:

23 Yes, sir.

24 MR. DONNELL:

25 Are we setting a precedence here?

1 MR. POTEET:

2 Well, we could be. But in theory --
3 again, my opinion, in theory, if somebody is
4 trying to do the right thing and they are
5 trying to pay us back and they are following
6 all of the rules and we put an onerous rule on
7 them, which is, hey, if you miss a payment by
8 more than five days or if you have any
9 violations, even a minor violation, then the
10 program is over. So they are pretty much on
11 the edge. But, yes, I think we will be setting
12 a precedence, but personally I don't see
13 anything wrong with it.

14 MS. BARON:

15 Just to be clear, he is not licensed
16 at this time. And he says he is not planning
17 to go back into business. But, you know, that
18 remains to be seen. He is just trying to get
19 this off of his back or whatever. And he wants
20 to pay it, but he does have a license right
21 now.

22 MR. POTEET:

23 Okay.

24 MS. ANDERSON:

25 Mr. Chairman, I think that it is a

1 good idea at this point if we send him to the
2 AG's office. We are not going to get -- you
3 know, we are going to get maybe that and less
4 their fee so paying us direct. You know, only
5 thing, you know, if you wanted to make the
6 first payment \$1,000 or \$700 or whatever, just
7 so that he shows that he can do this. But I
8 like the five-day thing because they pretty
9 much when they get a payment plan, it's due you
10 and then they whine about it, you know, and
11 they end up being a month later. So I like the
12 five days.

13 MR. BRITT:

14 I have a question, Mr. Parnell.

15 MR. PARNELL:

16 Yes.

17 MR. BRITT:

18 Is he capable of making a large down
19 payment of \$5,000 or something to get the ball
20 rolling?

21 MR. PARNELL:

22 And that's something that we could
23 request. That wasn't something that he and I
24 discussed, but that be something that could be
25 one of the requirements of accepting this.

1 MR. POTEET:

2 I like that idea.

3 MR. PARNELL:

4 I think that will be really good.

5 MR. BRITT:

6 I personally because -- and I am
7 looking after we are all gone from here,
8 because one day each one of us will be gone in
9 a different manner. And I think with that
10 precedence, that I am kind of worried about. I
11 do agree with the Chairman to a certain degree
12 and I agree with Mona. It is better for us to
13 be getting it and then instead of fooling with
14 the AG's office. But I think it's a dangerous
15 precedence we set. This guy is not even in
16 business anymore, probably won't be back in
17 business. But I would feel more comfortable if
18 you see if he could set up a large down
19 payment.

20 MR. PARNELL:

21 With his initial payment.

22 MR. BRITT:

23 With his initial payment and then
24 let's go from there, and that way if we are
25 setting some type of -- we need to be careful

1 on what precedence we are setting and set
2 guidelines if we are going to do this. That's
3 my opinion.

4 MR. POTEET:

5 I like that idea. And maybe what can
6 do to help with the precedence is to say that
7 if you do something like this, you have to
8 start with a 10 percent down payment.

9 MR. BRITT:

10 I agree with that.

11 MR. POTEET:

12 \$59,000 would be \$5,900 down payment.

13 MR. DONNELL:

14 I agree with that.

15 MR. BRITT:

16 Here is the thing that I don't want
17 to happen is everybody -- the next person that
18 shows up says, hey, I want a down payment -- I
19 want a payment plan for my \$2,000. I guess
20 what we need to do is set a tier in the amount
21 that they owe. And I think -- I think
22 Mr. Parnell and Robert, they should get
23 together and figure out a tier program if we
24 are going to set a precedence for this and
25 include the down payment. You follow what I am

1 saying?

2 MR. PARNELL:

3 Yes. If we have dealers who have
4 fines of \$2,000, \$3,000, \$4,000, pretty small
5 amounts, I have worked with them on making
6 payment plans and they get it done. But,
7 again, nothing has ever gone beyond five months
8 at max. So with this request here, that's why
9 I was, like, wow. But we can definitely set up
10 a tier plan. Just to really help the dealers
11 out. They just don't have the ability to
12 pay -- the ability to pay right away. And so I
13 have always tried to work with them on that,
14 so, yes.

15 MS. ANDERSON:

16 He owes \$58,500. 10 percent would be
17 \$5,850.

18 MR. POTEET:

19 Let me throw something else in here,
20 too, just in terms of setting a precedence and
21 setting a tier, if we are going to use that.
22 What I would like to do is use it in terms of
23 time. In other words, anybody that's going to
24 take more than one year to pay would then fall
25 within this category. So some of these that

1 you have done for four, five months, three
2 months, those wouldn't have to be considered.
3 And then you say anything -- when somebody is
4 requesting and we are going to consider
5 anything over one year, and then here is a
6 schedule of how we will do it. And I think we
7 need to require that it always be 10 percent
8 down. That's a good faith payment.

9 So do we need to motion on that?

10 MS. MORRIS:

11 I have one more suggestion.

12 Mr. Chairman. I would suggest that if we are
13 going to approve a payment plan that the
14 payment plan itself be an agreement signed by
15 the dealer. And then if they default on the
16 payment plan and we have to turn it over to the
17 Attorney General, that they are responsible for
18 the 25 percent collection cost.

19 MR. POTEET:

20 Yes. I agree with that.

21 MR. DONNELL:

22 I agree, too.

23 MS. ANDERSON:

24 So 10 percent would be 5,850. And he
25 paid \$550 a month on the balance, then that

1 would be 105 payments.

2 MR. BRITT:

3 Can I make a suggestion? I am all
4 for us doing what we just got through saying.
5 But I really think that Derek and Mona and the
6 attorneys ought to go ahead and come up with a
7 schedule for us to approve in the next meeting.
8 And let's go ahead and nip this in the bud and
9 get it out of the way. Because Mona really
10 caught my attention by the AG's office not
11 making anything off of this and us being in
12 control of it. So I think if they can come up
13 with two or three examples of what we can do
14 and we can approve that, I think moving
15 forward, we would be in good shape, plus that
16 gives them a little more leeway in dealing with
17 the dealer what the situation is going to
18 actually be.

19 MR. POTEET:

20 Okay. That sounds good. So, Derek,
21 if you can get with him and explain to him
22 tentatively what we are going to do. And if he
23 says I can't, and then there is no point in
24 going forward. But we can still put
25 something -- a little program that says in

1 these incidents this is how we would do it.

2 MR. PARNELL:

3 In the instance -- let me ask this.
4 What would be happen in a situation if the
5 dealer cannot make that 10 percent down
6 payment? That is completely void? Or what do
7 we do in that regard?

8 MR. POTEET:

9 Well, I think if that's the
10 requirement we have and then that is the
11 requirement we would go with. I think that's
12 something that is a good -- a good starting
13 point.

14 MR. PARNELL:

15 I agree.

16 MS. BARON:

17 If they decide they can't do that, we
18 would have to -- if they don't agree to sign
19 the stipulated agency order with that -- those
20 instructions in there, then they would have to
21 appear before you guys for a hearing. We can
22 do it.

23 MS. ANDERSON:

24 And I think we could approach it from
25 the viewpoint that, you know, we don't want to

1 make some sort of agreement that's not
2 manageable by him. So, you know, stringing
3 this thing out over that many years is not
4 going to be a good deal for him. He doesn't --
5 you know, for a fine, he doesn't need to owe
6 that for all of those years. So, you know,
7 approach it like that. Just like you would any
8 financing agreement or what-have-you, you know,
9 you don't let somebody take on more than what
10 they can pay.

11 MR. BRITT:

12 I got a quick request for Mona or the
13 attorneys. Can this track an individual like
14 on their driver's license? Like if you
15 non-support payment how they track the driver's
16 license or hunting violation or fishes
17 violation. It tracks. Would we be capable of
18 doing that?

19 MS. ANDERSON:

20 So there is an agency that was set up
21 so that -- and it works in conjunction with the
22 AG's office. But haven't signed up with them.
23 But what it does, it tracks any payments to
24 them. Like, if they get tax refunds or things
25 like that. It is not punitive in that, you

1 know, you can't get a driver's license if it is
2 not paid. But it's more like if the State owes
3 any money, then we are going to take out this
4 amount before you get that money back. So you
5 can file that with the State.

6 MR. BRITT:

7 Okay. I was just curious about that.

8 MR. WATTS:

9 Can I say something real quick?

10 MR. POTEET:

11 Sure.

12 MR. WATTS:

13 I think this is a waste of time. I
14 think down the road it is not going -- I think
15 we are going to go through a lot of effort
16 here, we are not going to get nothing done out
17 of this. Just my personal opinion up. I don't
18 think he has the ability to pay. That's
19 \$58,000. That's with no interest. Over 10
20 years, I just don't think it is going to
21 happen. He is not going to get -- he hasn't
22 made an effort to come up here and pay yet even
23 though we have been discussing it for three
24 months. He hasn't made any effort to come pay
25 us or bring a check or nothing. I just think,

1 my personal opinion, say it is not going to
2 work. That's all that I have to say.

3 MR. POTEET:

4 Well, it might not work but I guess
5 my point would be what is the downside here?

6 MR. WATTS:

7 Downside just like go through a
8 bankruptcy, go to the Attorney General's
9 Office, we are not in that business. We are
10 not going to be in that business, and I think
11 it is going to set a precedence down the road
12 for these big fines like this, I just don't see
13 it happening to me. I hope I am wrong, but I
14 just don't see it happening.

15 MR. POTEET:

16 All right. Well, maybe we should
17 take a vote on this. I will make a motion that
18 we establish a payment for large fines -- a
19 payment plan that requires a 10 percent down
20 payment with certain stipulations. And if the
21 person fails, then we would turn it over to the
22 Attorney General at that point. So that's the
23 motion, I need a second.

24 MR. WATTS:

25 I will second.

1 MR. POTEET:

2 All in favor, say, "Aye."

3 (All "Aye" responses.)

4 MR. POTEET:

5 Any opposed?

6 (No response.)

7 MR. POTEET:

8 Okay. The motion carries.

9 All right. Derek, you can start
10 working on that when the meeting is over.

11 Next, we have got a guest here today,
12 Henry Casey and Brooke -- I didn't catch your
13 last name there, Brooke.

14 MR. BARNETT:

15 Barnett.

16 MR. POTEET:

17 Brooke Barnett. Brooke and Henry.
18 So I am not sure what this is about. So does
19 anybody need to introduce them or can they just
20 start talking?

21 MR. PARNELL:

22 I will let Kim -- because she has
23 kind of discussed this. She has talked with
24 them in the past or let her kind of introduce
25 it.

1 MS. BARON:

2 Mr. Casey had called several months
3 back and had inquired as to whether or not they
4 could get something from us showing that they
5 could have -- if someone trades their car --
6 correct me if I am wrong, Mr. Casey -- if
7 someone trades in their vehicle and they -- the
8 dealer can pass along to them the price -- the
9 \$5 that they owe to the State to turn that
10 plate in. They had gone to the New Car
11 Commission and the New Car Commission had
12 granted that in getting -- showed them in the
13 statute where it would work for them. And
14 Mr. Casey was just wondering if there was
15 something that we could do in order for them to
16 pass that on to the consumer. So I just asked
17 Mr. Casey to come this morning and
18 Mr. Barnett -- he told me Mr. Barnett would be
19 with him. And for them to just discuss it
20 further and give us a better detail of what it
21 is that they are looking to obtain. Go ahead.

22 MR. BARNETT:

23 Good morning, Commissioners. Brooke
24 Barnett, as introduced, and Henry Casey. So I
25 am going to run with this. Very good

1 explanation, that's exactly what we are here to
2 present. The law was changed roughly three
3 years ago. And under statute, all car dealers
4 new and used, including recreational vehicle
5 dealers, are required by law to cancel trade-in
6 plates. What was happening in the past was
7 someone would come and they would trade in a
8 vehicle. And a lot of dealerships would hand
9 in the plate and say we don't want to be
10 responsible. We don't want you to insurance
11 flag. Here take your trade-in plate back. Got
12 to the actual DMV office, OMV office, and
13 cancel your plate.

14 When the law was changed, it required
15 auto dealers to electronically cancel plates.
16 In doing so, there are quite a few different
17 systems out there they are to utilize. The
18 State has one that's -- that is somewhat --
19 that works. Let's go with that. And there are
20 a few third parties that also have systems, us
21 being one of them. And what we want to do is
22 the same thing that Ms. Lessie House at the New
23 Car Commission did, is just get clarification.
24 Because, obviously, we in the system are
25 capable of doing the actual transaction. But

1 the industry standard fee is \$5. And so that's
2 why they clarified that and they clarified how
3 it should appear. One of the main reasons we
4 want to, you know, get your guidance on it is
5 obviously because of the lending institutions,
6 because that's what we saw originally. When
7 the new car dealers started passing it through,
8 some of the lending institutions would kick it
9 back and need clarification, and that's what
10 the Commission was able to do on their side is
11 clarify that it was under their umbrella,
12 considered a pass-through fee, and able to be
13 passed through to the consumer.

14 MR. DONNELL:

15 I have a question. I have one. I
16 assume your organization is Casey & Casey?

17 MR. CASEY:

18 It used to be. I used to be with
19 Casey & Casey. Now I am with Express OMV.

20 MR. DONNELL:

21 Y'all are not asking us for any
22 monopoly so any tag agent can do this?

23 MR. BARNETT:

24 Absolutely.

25 MR. CASEY:

1 All that we are asking for
2 clarification on how to direct a used car
3 dealer to pass it on from you guys. We can't
4 tell them it is okay to pass it through.
5 Lessie told them it is okay to pass it through
6 because it is in the law, you know, so we are
7 just looking to get it, you know, where we can
8 pass it through to the customer. And, you
9 know, we don't want your investigators to go
10 out there and look at a deal and say what's
11 this \$5 plate cancellation fee and not
12 understand what it is for. Does that make
13 sense?

14 MR. DONNELL:

15 I understand. I am for it.

16 MR. POTEET:

17 Okay. Does anybody have any
18 objection to this? What do we need to do here?
19 Did we need to pass -- I don't know what we
20 need to do. Ms. Morris.

21 MR. DONNELL:

22 Pass a resolution.

23 MR. CASEY:

24 We just need something in writing
25 from you guys. Kind of like what Lessie did

1 just saying it is okay to pass it through. And
2 then when we go into a new dealer to set them
3 up, we can show them that, hey, look, we talked
4 to the Commission. They said it's okay you can
5 pass it through this way. So, basically, you
6 put convenience fee/plate cancellation fee and
7 it's okay to pass it through. As long as you
8 disclose it, it is legal to pass through.

9 MR. BARNETT:

10 And so what I think that he is saying
11 is -- I think what would be great would be a
12 resolution and informative nature for all of
13 your members and all your dealers is letting
14 them know that this is available to them. It
15 is something that's out there. There are
16 multiple third-party services. As was asked,
17 Mr. Ricky, we are not looking for any type
18 exclusive or no one to know. We actually
19 rather all of them to know for them to be in
20 compliance, they are supposed to be
21 electronically canceling and at their will who
22 they would like to use or how they would like
23 to do it. But if they are going to use a third
24 party that charges a fee, it must be disclosed
25 on their contract, you know, how you would like

1 it disclosed. And I would imagine that would
2 be the same as what the precedence was set by
3 the New Car Commission so that we had, you
4 know, consistency across the board.

5 MR. HALLACK:

6 Do we have the letter from Lessie
7 House?

8 MS. BARON:

9 I can email it to you.

10 MR. HALLACK:

11 Okay. I would just like to see how
12 she justified passing on the plate fee to the
13 consumer.

14 MS. BARON:

15 I will email it to you.

16 MR. HALLACK:

17 You said that she managed to do that
18 through the Motor Vehicle Sales Finance Act?

19 MR. BARNETT:

20 So what she -- and it is listed in
21 her letter. It was 2016 regular session Act
22 673 required electronic cancellation of a
23 license plate. The electronic cancellation of
24 the license plate through that process can
25 incur a convenience fee up to \$18. So,

1 therefore, she tied it into 12 CFR 226.18
2 Subsection C-1 and where the disclosures made
3 either in the contract or a separate writing.
4 And that it may be passed on. That's how she
5 put it together.

6 MR. HALLACK:

7 Okay.

8 MR. POTEET:

9 Does somebody want to make a motion
10 on that?

11 MR. CORMIER:

12 I make a motion.

13 MR. DONNELL:

14 Did we need to let the attorneys look
15 over it before we pass it? I mean, I am for
16 it.

17 MR. HALLACK:

18 Well, I think you need to make sure
19 it is in the right language, that you don't
20 arbitrarily set it off and say this is what we
21 are doing. We don't care if there is any
22 justification or anything for it.

23 MR. POTEET:

24 Okay. The motion is that we will
25 have the attorneys draw something up and

1 showing that we agree to this as long as it is
2 in the proper language. I need a second.

3 MR. DONNELL:

4 Second.

5 MR. POTEET:

6 Any opposed?

7 (No response.)

8 MR. POTEET:

9 That motion carries. So, Derek, you
10 get together with Robert and write something up
11 and we will get that on to you guys and I am
12 sure we will be in compliance with the New Car
13 Commission and it will make your lives a little
14 easier now.

15 MR. BARNETT:

16 Thank you very much. We appreciate
17 it.

18 MR. POTEET:

19 Sure, absolutely.

20 MR. PARNELL:

21 Thank you both for coming.

22 MR. POTEET:

23 The next thing on the agenda is
24 ratification of imposed penalties. It looks
25 like we got -- it's imposed penalty.

1 MR. PARNELL:

2 Yes. You will find in your packet a
3 chart that illustrates the licensee that was in
4 violation. The case was investigated and I
5 have determined that the public interest can be
6 served without further administrative
7 proceeding, thus, civil penalties were imposed.
8 We don't have anyone representing this
9 dealership on the call. I will go through and
10 list his name and the violation.

11 The person that we have is EZ Deal
12 Motors, LLC, from Opelousas, Louisiana. His
13 fine amount was \$500. The consumer initially
14 made a complaint that the vehicle was
15 repossessed and he didn't allude to why. When
16 the investigator went out and dealt with the
17 dealer and asked to see his file, he was shown
18 that he had -- the consumer filed a voluntary
19 surrender at the time of sale and gave the
20 dealer -- the consumer a second temp tag
21 without getting permission from the Office of
22 Motor Vehicles. So the fine amount was \$500
23 was to put on him and he has made payment.
24 Commissioners, I ask that you ratify the
25 imposed civil penalty in excess in the amount

1 of \$500.

2 MR. DONNELL:

3 So move.

4 MR. CORMIER:

5 Next second.

6 MR. POTEET:

7 Any opposed?

8 (No response.)

9 MR. POTEET:

10 All right. That motion carries.

11 All right. Derek, executive director
12 report.

13 MR. PARNELL:

14 I kind of wanted to give a rundown on
15 what's been happening as it relates to the
16 Compliance Investigator 4. In the past we had
17 made -- Commissioner Britt brought to the
18 attention he wanted to see supervision, a
19 different layer of supervision in between
20 myself and the compliance investigator. And so
21 we got together and we did come up with a plan,
22 put it in place. The Compliance Investigator
23 4, which is a supervisory position over the
24 compliance investigators that are Compliance
25 Investigator 3. We have posted the position.

1 We had to post it twice actually because the
2 first time the person that we were looking to
3 be on the list applied to the wrong position.
4 So once we posted it again, we have two persons
5 that have made application on that list to
6 date. I believe they sent it over this morning
7 with those two persons. This week, I will be
8 moving forward with making the promotion and we
9 will go on from there. And advise staff of
10 what the role is and the position and how they
11 will move going forward. So I did want you-all
12 to know that we have completed that process and
13 we will be moving into having Mr. Montie
14 Wisenor. He will be moving into that position
15 as the supervisor over the compliance
16 investigator.

17 MR. POTEET:

18 Montie is a good man. That is good.

19 MR. PARNELL:

20 I think he is going to do really well
21 with it.

22 The next item, Department of Public
23 Safety, tag agents, as previously discussed, we
24 have to be a title company in order to be a
25 public tag agent. And according to the Office

1 of Motor Vehicles legal department, we'd have
2 to go through that same process. We have been
3 talking about this a little bit. We reached
4 out to a couple of insurance companies to get
5 prices on what it would cost us as an agency to
6 obtain two surety bonds. We need \$100,000
7 surety bond from the title company -- to be a
8 title company as well as being a public tag
9 agent. The bonds are for 2 years. We went
10 through -- we looked at Western Surety, they
11 charged \$3,500 per bond, which will be two of
12 those so that's \$7,000. Also, we looked at
13 Hudson Insurance Company, which is \$1,500 each.
14 Both companies, they are going to waive the
15 credit check requirement that most dealers
16 would have to go through. But in order for us
17 to become a public tag agent and do the --
18 issue dealer plates for our licensees, we have
19 to go through this process of Office of Motor
20 Vehicle attorneys. They -- again, they felt
21 like we needed to go through the exact same
22 processes as anyone else that would have to
23 apply for a public tag agent.

24 Our dealer seminar has been going
25 pretty well with the webinar. This is the

1 second month that we have done it. We had
2 about 6 webinars this past week and it has
3 worked really well. And so those are the
4 things that has been kind of happening day to
5 day. Not a lot. It has been kind of quiet.
6 We haven't had a lot of huge concerns in the
7 negative way going on. So if we have any
8 questions or comments or concerns, please
9 advise at this time.

10 MR. DONNELL:

11 Derek, I talked to Jill this last
12 week, and if you would, touch base with her
13 because she said she hadn't heard nothing from
14 us.

15 MR. PARNELL:

16 Who is that?

17 MR. DONNELL:

18 Jill Jarreau.

19 MR. PARNELL:

20 I talked to Jill Jarreau two weeks
21 ago. I will do that.

22 MR. DONNELL:

23 She kind of wants to know where we
24 are at.

25 MR. PARNELL:

1 Okay.

2 MR. PEDERSON:

3 Hey, Derek, it is Matt. You might
4 check with State Farm. That's who we get our
5 title company and auto title company bonds
6 through. And I don't pay near 3,500 apiece for
7 those. Stat Farm is maybe 500 or 800 apiece I
8 am thinking.

9 MR. PARNELL:

10 Oh, wow.

11 MR. PEDERSON:

12 Yes.

13 MS. ANDERSON:

14 Derek, did we check with the Office
15 of Risk Management first?

16 MR. PARNELL:

17 I have not, no.

18 MS. ANDERSON:

19 Because they usually carry our
20 insurance. So they may be able to do this. In
21 fact, I think we are obligated to go through
22 them.

23 MR. PARNELL:

24 Go through Office of Risk Management?

25 MS. ANDERSON:

1 Yes.

2 MR. POTEET:

3 Okay. Any other comments? Anybody
4 have anything else?

5 MR. DONNELL:

6 I would like to go into executive
7 session just to a minute and talk about a
8 dealership.

9 MR. POTEET:

10 Okay. Before we do that, there has
11 been some discussion about having a
12 face-to-face meeting next month. We are going
13 too look into doing that. I would like to do
14 that. There is one of the hotels nearby, the
15 Crown Plaza, I think it is. We can get a room
16 there for \$500 and be spaced properly, et
17 cetera, et cetera. But we do want to check
18 with the State and make sure that we are
19 allowed to do that and it is okay. Is there
20 anybody that objects to meeting face-to-face or
21 absolutely can't or wouldn't come?

22 Derek and Kim will look into that.

23 MS. BARON:

24 We cannot go into executive session
25 because I have two people on phones. I sent

1 the email. Jeff is on phone and Matt is on his
2 phone.

3 MS. MORRIS:

4 To go into executive session, it
5 requires certain notices. So it might be best
6 to do that for the next in-person meeting,
7 because of the technology issue first. And
8 also we have it appropriately noticed.

9 MR. DONNELL:

10 Would y'all notify everybody
11 concerned with ABC Auto Sales and the other two
12 licenses they got?

13 MR. PARNELL:

14 That's something that we were going
15 to -- yes.

16 MR. DONNELL:

17 That's something we were going to
18 talk about. We need to get an investigation
19 and a hearing and we need to decide what we are
20 going to do with these people.

21 MR. WATTS:

22 I got a comment. Not to change the
23 subject here. But what's going around in Baton
24 Rouge, one of my dealers, is a dealer here
25 selling illegals cars. And they are titling

1 them with dealer plates out of -- not with
2 dealer plate, but with Texas registrations.
3 Going back to Texas and registering them in
4 Texas. Because they have come up with no
5 identification and they are calling me, why
6 can't I sell them a car and this guy can.

7 I don't know who this guy is, but he
8 is charging them \$1,000 or \$1,500 fee just to
9 get it done and putting Texas plates on a car
10 or Texas temp tag together or something.
11 There's something going on in Baton Rouge right
12 there and I just don't know where to begin or I
13 need some help on this and find out what we
14 should do or how to investigate it or, you
15 know. I don't know if y'all heard anything
16 about this or not, but that is what seems to be
17 going on.

18 MR. PARNELL:

19 I have not heard about that. Let me
20 reach out to you, Co-Chairman Watts, and kind
21 of get a little bit more information about it
22 so I can get some investigators out looking
23 into that mater. Because I haven't heard
24 anything about that.

25 So you are saying it is a dealer

1 that's selling illegal cars, but what were you
2 saying?

3 MR. WATTS:

4 It's a dealer and you have to have a
5 Louisiana driver's license to get them
6 registered in Louisiana to buy a car. They
7 have no IDs on them, but he sees upcharge of
8 \$1,000 to \$1,500. He is ripping them off is
9 what he is doing and putting some kind of
10 Texas -- going through Texas. Going back
11 through Texas and getting a Texas temp tag or
12 Texas plates or whatever, you know.

13 MS. BARON:

14 Working out of Baton Rouge?

15 MR. WATTS:

16 Working out of Baton Rouge.

17 MS. BARON:

18 Because I did have a complaint
19 similar to that came in.

20 MS. MORRIS:

21 You may not want to discuss any
22 complaints if they are going to come before the
23 Commission as a hearing.

24 MR. PARNELL:

25 That's why I wanted to get the

1 information afterwards.

2 MR. POTEET:

3 Okay. Are there any other discussion
4 points? If not, I would propose we close the
5 session, adjourn.

6 MR. DONNELL:

7 So move.

8 MR. POTEET:

9 All right. Thank you, guys.

10

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

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REPORTER'S CERTIFICATE

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2
3 I, BETTY D. GLISSMAN, Certified Court
4 Reporter, Certificate No. 86150, in and for the
5 State of Louisiana, do hereby certify that the
6 Louisiana Used Motor Vehicle Commission April
7 19, 2021, meeting was reported by me in the
8 stenotype reporting method, was prepared and
9 transcribed by me or under my personal
10 direction and supervision, and is a true and
11 correct transcript to the best of my ability
12 and understanding.

13
14 May 3, 2021, Baton Rouge, Louisiana.

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