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LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING
MAY 21, 2018
BEGINNING AT 9:30 A.M.

3132 VALLEY CREEK
BATON ROUGE, LOUISIANA

REPORTED BY:
BETTY D. GLISSMAN, CCR

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APPEARANCES:

CHAIRMAN:

MR. JOHN POTEET

COMMISSIONERS PRESENT:

MR. TONY CORMIER

MR. RICKY DONNELL

MR. STEPHEN OLAVE

Mr. MATTHEW PEDERSON

MR. HENRY "DARTY" SMITH

MR. DINO TAYLOR

MR. RICHARD WATTS

REPRESENTING THE LOUISIANA USED MOTOR
VEHICLE COMMISSION:

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

SHERI MORRIS, ESQUIRE
DAIGLE, FISSE & KESSENICH, PLC
8480 BLUEBONNET BOULEVARD, SUITE F
BATON ROUGE, LOUISIANA 70810

1 ALSO PRESENT:

2 MS. KIM BARON

3 MR. DEREK PARNELL

4 MS. MONA ANDERSON

5 MS. TONYA BURKS

6 MS. STACY GAUDIN

7 MR. MONTIE WISENOR

8 MR. JAMES FAIL

9 MS. EMILY DOMANGUE

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1 (Pledge of Allegiance.)
2 MR. POTEET:
3 Roll call, please, Kim.
4 MS. BARON:
5 John Poteet?
6 MR. POTEET:
7 Here.
8 MS. BARON:
9 George Floyd?
10 MR. FLOYD:
11 (No response.)
12 MS. BARON:
13 Ron Duplessis?
14 MR. DUPLESSIS:
15 (No response.)
16 MS. BARON:
17 Tony Cormier?
18 MR. CORMIER:
19 Here.
20 MS. BARON:
21 Matt Pederson?
22 MR. PEDERSON:
23 Here.
24 MS. BARON:
25 Richard Watts?

1 MR. WATTS:

2 Here.

3 MS. BARON:

4 Steve Olave?

5 MR. OLAVE:

6 Here.

7 MS. BARON:

8 Ricky Donnell?

9 MR. DONNELL:

10 Here.

11 MS. BARON:

12 Darty Smith?

13 MR. SMITH:

14 Here.

15 MS. BARON:

16 And Dino Taylor?

17 MR. TAYLOR:

18 Here.

19 MS. BARON:

20 Mr. Chairman, we have a quorum.

21 MR. POTEET:

22 Very good. Anyone here for
23 public comments today?

24 MS. BARON:

25 Not today.

1 MR. POTEET:

2 All right. We need -- hopefully,
3 you've all had a chance to read the minutes
4 of the last meeting. And if there are no
5 comments on that, I would entertain a
6 motion.

7 MR. SMITH:

8 I'll make a motion.

9 MR. OLAVE:

10 I second the motion, Mr.
11 Chairman.

12 MR. POTEET:

13 Okay. I have a motion and a
14 second.

15 All in favor, say, "Aye."

16 (All "Aye" responses.)

17 MR. POTEET:

18 Any opposed?

19 (No response.)

20 MR. POTEET:

21 The motion carries. All right.
22 Items for discussion. I'm going to start
23 off with financial matters.

24 MS. ANDERSON:

25 If you'll turn in your binders to

1 the financial statements for the month of
2 April. On the statement of net position,
3 the current assets at the end of April were
4 \$3,001,465. And of that, we had cash in the
5 bank of \$2,276,993. The hearing fines were
6 -- balance was \$57,314. The non-current
7 assets were the same as the prior month.
8 And at the bottom of the page -- first page
9 and top of the second page, the current
10 liabilities -- total current liabilities
11 were \$49,727. And of that, \$40,181 were
12 benefits payable. The remainder of the
13 accounts payable -- the remainder of the
14 payables were accounts payable claims
15 against bond and the payroll taxes.

16 On page 2, the deferred revenue
17 is our second year revenue and that totaled
18 \$266,015. The remainder of the long-term
19 liabilities didn't change. On page 3 is the
20 statement of revenues, expenses, and changes
21 in net position. The month-to-date revenues
22 were higher than they were in 2017. And on
23 the year to date, the -- all of the fees --
24 except the used dealer and the sales
25 licenses -- all the other fees were higher

1 than last year. Fines and auction
2 transaction fees were still lower.

3 On pages 4 and 5, the
4 year-to-date expenses increased by roughly
5 \$122,800 from 2017 and that was primarily
6 due to salaries and related benefits. On
7 page 5, the year-to-date position -- net
8 position was \$259,918.

9 On page 6 is a four-year revenue
10 comparison showing the -- our revenue by
11 line item for the last four years. In the
12 far right column, the percentage change is a
13 comparison between the 2016 and the 2018
14 year-to-date.

15 Page 7 is a visual comparison of
16 five of the license types. When comparing
17 2017-'18 to 2015-'16, these particular
18 licenses, all of the fees increased year to
19 date except for the dismantler fees. And on
20 page 8 is the four-year expenditure
21 comparison and comparing salaries and
22 benefits to the remainder of the
23 expenditures, which were operating expenses.

24 Page 9 is the certificate of
25 deposit summary. During April, we had two

1 CDs that were at Landmark that weren't
2 getting very good interest rates. We
3 transferred those to JP Morgan Chase and we
4 got 1.67 and 1.70, respectively, on those
5 CDs. So the rates are beginning to look up.
6 On page 10, the accounts receivable, we
7 assessed \$1,800 in fines last month and we
8 collected those fines. The balance at the
9 end of April was \$57,314.

10 So unless there are any questions
11 about the financials, that concludes my
12 report on the financial statements.

13 MR. POTEET:

14 Any discussion, folks?

15 (No response.)

16 MR. POTEET:

17 Motion to approve.

18 MR. SMITH:

19 I make a motion.

20 MR. CORMIER:

21 Second.

22 MR. POTEET:

23 Darty. Second over here with
24 Tony.

25 All in favor, say, "Aye."

1 (All "Aye" responses.)

2 MR. POTEET:

3 Anyone opposed?

4 (No response.)

5 MR. POTEET:

6 That motion carries. Okay. For
7 the budget amendments.

8 MS. ANDERSON:

9 All right. So this month, we are
10 going to amend the budget to bring it in
11 line. We pretty much do this every year.
12 The budget amendments are primarily to
13 increase and decrease expenditures among
14 various line items of the budget. There's
15 no actual net increase of the budget.

16 If you look down at the bottom of
17 that page, the office salaries were lower
18 than anticipated. When we prepare that
19 budget, and the field salaries are higher --
20 both of those are the direct result of
21 either a vacancy in position or positions
22 that were filled. The retirement
23 contributions were higher than anticipated
24 and group health insurance premiums
25 decreased. The computer-related expenses

1 were lower due to the delay in replacing our
2 licensing program. We budgeted some money
3 in there for that.

4 Professional services were lower
5 than expected, because we budget the entire
6 contract amount and that was not exhausted.
7 Under capital outlay, we replaced a number
8 of computers in the -- for the licensing
9 staff and the compliance investigators.
10 Those computers were five to six years old,
11 which is pretty much the max that you can
12 get out of them. In fact, the
13 investigators' computers are normally
14 laptops. They say two to three years. If
15 you get three years, you're doing good. So,
16 again, the net result of the budget
17 amendments was zero.

18 And unless there are any
19 questions, that concludes my explanation
20 about the budget amendments.

21 MR. POTEET:

22 Okay. Does anybody have any
23 questions about the proposed budget
24 amendments?

25 (No response.)

1 MR. POTEET:

2 How about a motion to approve?

3 MR. OLAVE:

4 I make a motion, Mr. Chairman, we
5 approve the budget amendment.

6 MR. POTEET:

7 Mr. Olave.

8 I need a second.

9 MR. DONNELL:

10 Second.

11 MR. POTEET:

12 Second Mr. Donnell.

13 All in favor, say, "Aye."

14 (All "Aye" responses.)

15 MR. POTEET:

16 Any opposed?

17 (No response.)

18 MR. POTEET:

19 All right. Next thing on the
20 agenda is an invoice from our attorney,
21 Sheri Morris.

22 MR. PARNELL:

23 Commissioners, you'll find in
24 your packet Attorney Morris's bill for March
25 of 2018. I have reviewed the services

1 performed and the accounting department has
2 reviewed the time calculations and they are
3 correct. Attorney Morris's bill of services
4 for March of 2018 was \$5,902.50. I ask that
5 you approve paying Attorney Morris's bill.

6 MR. TAYLOR:

7 I make a motion.

8 MR. OLAVE:

9 Second the motion.

10 MR. POTEET:

11 Second Mr. Olave.

12 All in favor, say, "Aye."

13 (All "Aye" responses.)

14 MR. DONNELL:

15 Who is -- who is Thomas
16 Devillier?

17 MS. MORRIS:

18 He's an associate in my office.
19 He works on the legislative staff and he
20 helped draft our legislation this year. His
21 rate is lower than mine.

22 MR. POTEET:

23 All right. The next thing we've
24 got is a discussion led by Commissioner
25 Olave.

1 MR. OLAVE:

2 Thank you, Mr. Chairman. The
3 reason I asked for this on the agenda,
4 there's -- you know, we discussed some
5 things in Executive Session last meeting
6 that I'm not necessarily looking to relive
7 and that's the purpose of the Executive
8 Session the last meeting. But I have -- I
9 have found myself in a -- in a position
10 where -- and I've been vocal with the
11 Chairman about this and with several other
12 people about my involvement on this
13 Commission. And I really feel like I want
14 to be more involved. I need to be more
15 involved.

16 And this discussion is borne from
17 my wanting to be more involved and
18 definitely I want to make sure that this is
19 a positive approach to making a stronger
20 Commission. But in the last couple months,
21 I've heard -- you know, again, not the --
22 the rumor part of this doesn't bother me,
23 but there have been rumors about different
24 things pertaining to the New Car Commission,
25 pertaining to our involvement with the New

1 Car Commission. I've heard some things
2 about -- again, not responding to these
3 rumors, but I'm using this as an example of
4 what we can do positively. I've heard that,
5 you know, we've had some issues with some
6 people in LAIDA, which I believe, regardless
7 of any of that, we need to be stronger with
8 our LIADA, with our -- with our trade
9 organization. Again, not responding to
10 these rumors.

11 I also heard some things coming
12 out of the investigative part of this, you
13 know. Field investigators, I think, are
14 doing a great job. They're doing a great
15 job and the experience they have is
16 invaluable. But things I've heard, there
17 may be a disconnect between our industry and
18 the enforcement part of these guys'
19 experience, you know, the more recent ones.

20 Again, I don't think anything is
21 wrong or broken, but I think a stronger
22 Commission is borne out of rapport with our
23 industry, you know. I would hate it if the
24 first response to an investigator coming up
25 is, oh, you know, here we go, we're in some

1 kind of trouble. It should be more, I
2 believe -- and I'm not saying -- again, this
3 is all responding to rumors and things like
4 that, which I don't care about. But this is
5 more moving forward in a positive approach
6 to things.

7 So, you know, I've heard some
8 things about contracts, changing contracts
9 and everything. I remember when I was on
10 the Commission originally, not saying we did
11 everything right, because there was a lot of
12 stuff that came out of that -- but some of
13 the things we did right. We were involved.
14 And I think that's where I feel a lack of
15 involvement.

16 And I apologize to all the
17 Commissioners, including the Chairman and
18 the Executive Director, that I haven't been
19 more involved until now. So, again, the
20 approach to this is more positive. When
21 there's -- when there's more involvement
22 from our Commission, our Commissioners, as
23 it pertains to contracts, which we used to
24 be involved in, as it pertains to
25 investigation, which we used to be involved

1 in in a very positive way, I think that
2 could do nothing but make our Commission
3 stronger, you know.

4 Again, not responding to the
5 rumors, but I hear things from dealers, you
6 know. They understand that we don't have
7 the unity and the strength that we need to
8 have moving forward, I believe. At least
9 that's the sentiment, you know. It started
10 with the finance sales license, you know.
11 We heard from dealers that suggest that we
12 need to do something, even though we all
13 know that's more of a legislative issue with
14 the New Car Commission than anything. But
15 that doesn't mean that we can't unify and
16 moving forward, have more transparency, have
17 more involvement.

18 So that's what I'm appealing to
19 all the Commissioners for today, an open
20 discussion about, you know, contracts and
21 our involvement in those, investigation and
22 our involvement in that, and a -- and a good
23 relationship with LIADA. I'm not saying we
24 don't. I've just heard some things, not
25 responding to those rumors or things that,

1 you know, I've heard, but, hey, how do we
2 stop those things? How do we stop those
3 rumors, the conflicting information?

4 And, again, I'd like to present
5 that to the Commission for a discussion. I
6 know there's a lot of detailed involvement
7 there, but I think those three items, at
8 least in the short-term, we can be better
9 and make our Commission stronger. And
10 that's what I'd like to present to the
11 Commission today --

12 MR. POTEET:

13 Okay.

14 MR. OLAVE:

15 -- a discussion for that.

16 MR. POTEET:

17 Okay. Anybody have anything
18 they'd like to say or respond?

19 MR. DONNELL:

20 Well, I'd like to know more what
21 we're paying. I mean, just like how much
22 did we spend on the software that we still
23 ain't got what we want?

24 MR. PARNELL:

25 I'll let Mona kind of go through

1 the details of what we -- what we spend with
2 the contracts, how much they are worth.

3 And, Mona, if you will.

4 MS. ANDERSON:

5 About the --

6 MR. PARNELL:

7 She budgeted -- she budgeted --
8 so she just discussed that as we -- she
9 budgeted a certain amount for the new
10 software and we haven't spent that money on
11 that software.

12 MR. DONNELL:

13 Right.

14 MR. PARNELL:

15 So that --

16 MR. DONNELL:

17 But, in other words, the old
18 software, we -- it didn't work.

19 MR. PARNELL:

20 No. It's working. We're still
21 using it.

22 MR. DONNELL:

23 Okay.

24 MR. PARNELL:

25 We're still using that software.

1 MR. POTEET:

2 It works like a 235,000 mile car.

3 MR. DONNELL:

4 Yes.

5 MR. PARNELL:

6 Yes. We're still paying
7 maintenance fees on that software. We still
8 have to use that software until we get to a
9 point where we can move forward and purchase
10 a new -- a new software solution for the
11 agency.

12 MS. ANDERSON:

13 And we did pay a couple of months
14 on the GL Solutions software, but what we
15 gained from that was, we gained a knowledge
16 of -- we prepared documents that -- they
17 call them Visios, that map out exactly every
18 process. And so, if you will, the processes
19 are complicated. I only have, you know,
20 like, three copies of this, but maybe if
21 we'll kind put one at each table. The
22 process is to do each license. It's not
23 only a new application, it's a renewal
24 application. It's any kind of change, any
25 financial part of it. All of that -- each

1 one of those items is a whole process. You
2 can see on those sheets, they call those
3 Visios. But that's what they use to develop
4 the program. And so we gained that and some
5 valuable knowledge about what we wanted and
6 what we needed to provide to a company.

7 We had negotiated a deal with
8 that company to allow us to pay -- they
9 wanted a whole part of the contract up front
10 and we negotiated to pay a lesser amount and
11 we also negotiated not to pay any further
12 until they came up with a finished product.
13 And they did have trouble following through
14 on that.

15 We got a lot of good
16 recommendations about that company. So
17 that's just part of the deal when you go out
18 and look at different programs. But that
19 gave us that knowledge to research more
20 companies and try to come up with some
21 specifications. Those things you see there
22 will help us come up with the specification
23 for a new program.

24 MR. PARNELL:

25 To piggyback what she's saying,

1 that was invaluable for us on a knowledge
2 base-wise, because sitting there and going
3 through each one of those processes, you
4 don't realize how in-depth and how robust
5 the program needs to be and what you're --
6 what you're trying to get from the program.
7 The program that we currently have, it's
8 actually really robust. But at the same
9 time, it's not functioning in a way that we
10 need to elevate our agency.

11 If you thumb through each one of
12 those pages, we sat with them and went
13 through all of those steps, all of those
14 processes. They really need to know from if
15 somebody walks in the door, what happens all
16 the way throughout the entire process on
17 every single function that we have. And
18 those are the things that we've gotten.

19 So what that -- what that means
20 moving forward is, it will make our process
21 a lot easier. We'll understand more from
22 the software solution exactly what they can
23 offer us, because we've gone through the set
24 up pretty much already. Most of the
25 software solutions, they're going to do the

1 same type of thing in their own way, but we
2 already have that experience of going
3 through that, gaining that knowledge,
4 understanding more about what we're looking
5 for moving forward, and it was invaluable,
6 you know. So I think it was a help, yes.

7 MR. OLAVE:

8 And I can't speak for Ricky, but
9 thank you for that, because based on what I
10 just mentioned, that was a concern, too,
11 because the information wasn't that
12 detailed. And, now, I understand it better,
13 which is exactly my point as to us being
14 more involved with things of that nature,
15 because, you know, if I just listen to what
16 I heard, then we spent money on something
17 that we didn't use. But I do appreciate
18 your explanation and it's valid. But until
19 we had that, we're -- I'm -- you know, I
20 feel left -- not in the dark, but I'm just
21 -- again, I'm left with the rumor and
22 different information that I've heard, you
23 know. So no problem with any of that.

24 I think you do a great job, and
25 Ms. Mona, too. But it's the lack of

1 involvement by me. And that's my fault and
2 I -- you know, I take responsibility for
3 that and that's why I'd like to be more
4 involved in things, whether there's a
5 committee and I get appointed to it or not,
6 doesn't matter. But I think that makes our
7 Commission stronger to have more involvement
8 in the operations of this. Not to direct
9 you what to do; you do a great job. But
10 just to have more involvement, and so we
11 understand, especially when there is other
12 information floating around out there that I
13 believe weakens our Commission.

14 Because you know how rumors work.
15 We hear information, and then somebody else
16 takes it that maybe it is not open-minded or
17 favorable to the Commission. And then that
18 turns into something else and the next thing
19 you know, you know, Rome is burning. So I'm
20 trying to avoid that and respond to those
21 things, not because of the information that
22 I have as much as the lack of information
23 that I feel like we have.

24 So, again, nothing is wrong. I
25 just feel like this is the time for unity

1 and strength and that's the thing I've come
2 up with. Now, again, not responding to all
3 of the different things I've heard, but a
4 positive approach to moving forward to make
5 our Commission stronger and I hope -- I hope
6 everybody appreciates that.

7 MR. POTEET:

8 Anybody else have anything?

9 (No response.)

10 MR. POTEET:

11 Well, I'll make this comment.
12 I've been on the Commission for, I think,
13 eight years. I think -- personally, I think
14 the Commission is as strong as it's ever
15 been. I would say this, too. The -- any
16 time anyone -- we try to be as transparent
17 as possible. If you have an issue, call
18 Derek. Derek runs the Commission day to
19 day. We don't. Sometimes, I don't hear
20 from him between Commission meetings,
21 because there's nothing of importance. And
22 then, sometimes, I hear from him four, five,
23 six times. So I would say, number one, if
24 any Commissioner has any questions or
25 suggestions, you should start with Derek.

1 If you hear something out there,
2 some rumor -- this is -- this is what I do
3 with rumors in my business. The first thing
4 I tell somebody is -- I'll give you an
5 example. One of my employees came to me and
6 said, I heard on the lot that we're in the
7 process of selling our business. And I
8 said, well, I don't know how well you know
9 me, but I probably would not be discussing
10 my personal financial decisions with one of
11 the drivers at the auction without talking
12 to somebody else. So that rumor is simply
13 that, it's a rumor.

14 So the first thing I tell people
15 when I hear a rumor is where did you hear
16 it? Where did you hear this from? Did you
17 hear it from a reliable source, a credible
18 source? If you didn't or if they say, they
19 are saying or I heard some people say this,
20 or, you know, if you just can't attach a
21 name to it, I don't think it's worth
22 anything.

23 So first -- so the first thing is
24 Derek has got an open door policy. He talks
25 to -- he will talk to any of us pretty much

1 at any time. Kim, too. The next thing is
2 if you have any issues with the way we're
3 running the meetings or anything we've
4 worked on, I -- you can call me any time.
5 My phone number, I think you have, most of
6 you. If you don't have my cell number, you
7 can get it. If you don't have my business
8 number, you can certainly easily get that.
9 And I'll talk to anybody about anything.

10 Some of the things you talked
11 about, I think, personally -- I'm not going
12 to put anybody on the spot, but I think we
13 have a pretty good relationship with the
14 LIADA. Certainly, certainly, better than it
15 was eight years ago, 1,000 percent. And if
16 you can remember eight years ago, the LIADA
17 basically was trying to rip this Commission
18 apart. So I think we have a good
19 relationship with them.

20 As far as any issues with
21 investigators or anything with dealers, I
22 talk to dealers pretty extensively one day a
23 week for sure and sometimes more than one
24 day a week. And I don't hear too many
25 complaints. The finance license is probably

1 98 percent of discussions that I have and
2 this is way the questions are always worded,
3 why don't you guys fix that? And then I go
4 into a long discussion about why us guys
5 don't fix that, you know. If I had my way,
6 if I could wave a magic wand, that finance
7 license would be in here today, absolutely.
8 I think that's the way it should be. But
9 it's going to take a long time to get that
10 done, if it ever gets done.

11 MR. DONNELL:

12 Do you want me tell them about
13 the New Car Commission meeting?

14 MR. POTEET:

15 Anything you want.

16 MR. DONNELL:

17 I was there two weeks ago. And
18 Mr. Duplessis went down and talked with Ray
19 Brandt, the Chairman there, about discussing
20 the sales finance license. Of course, he
21 told me a little extra, too. But, anyway,
22 Ray thought it was a good idea -- make a
23 long story short, Ray thought it was a good
24 idea. He asked for volunteers and nobody
25 raised a hand. So he appointed some people

1 that didn't show up at the meeting to
2 whatever it is. There's no interest in it,
3 I can tell you.

4 MR. OLAVE:

5 That's -- again --

6 MR. POTEET:

7 No interest in what? Wait a
8 minute. Finish --

9 MR. DONNELL:

10 No interest in -- no interest in
11 -- nobody wanting to talk about sales
12 finance.

13 MR. POTEET:

14 Is anybody surprised by that?
15 Not at all. That's the New Car Commission.

16 MR. OLAVE:

17 Again, back to -- that is a
18 little different than a meeting to talk
19 about the merging of two the Commissions.
20 And the Commission -- a committee that was
21 supposedly to discuss those two things, if
22 you remember that discussion, and the
23 information that Ricky got when he went
24 there, yes, I'm not saying anything is
25 wrong, but these are all part of why I think

1 there should be more involvement. The
2 information he got when he went over there
3 was there was supposed to be a committee
4 about advertising. It had nothing to do
5 with merging the two Commissions. But their
6 opinion, again, based on the meeting that he
7 was at, was about setting up the committee
8 for advertising to talk about the finance
9 sales license as it pertains to advertising
10 and the two -- the two Commissions. Nothing
11 to do with the merging of the two
12 Commissions.

13 MR. POTEET:

14 So what did they say, that we
15 rebuffed them or we didn't do anything or?

16 MR. OLAVE:

17 No. He appointed two people that
18 weren't there to do a committee that --

19 MR. POTEET:

20 Well, just -- my opinion is that
21 doesn't make a lot of sense, to appoint
22 people who don't show up. That's an
23 important committee.

24 MR. OLAVE:

25 Well, the committee -- again, the

1 difference here is the committee is to
2 discuss -- in their opinion -- Ray Brandt's
3 opinion, the committee is to discuss the
4 advertising part of the sales finance
5 license and maybe conflicts between the two
6 Commissions. Nowhere in there was there
7 anything to do with merging the two
8 Commissions, which again back to not
9 responding to rumors, but that's some of the
10 conflict information that I have as far as,
11 you know, one of the Commissioners stating
12 that it was about a committee to join the
13 two Commissions, to talk about the two
14 Commissions.

15 MR. POTEET:

16 I don't have any answer to that.
17 I don't know what your point is. I mean --

18 MR. OLAVE:

19 Well, my --

20 MR. POTEET:

21 -- have you talked to the
22 Executive Director about this committee?

23 MR. PARNELL:

24 Lessie. Well, I saw her at the
25 capitol and we just said we're going to try

1 to wait until after session before we try
2 to --

3 MR. POTEET:

4 Is that to talk about the
5 advertising or to talk about -- I mean, I --
6 at the last meeting, I asked for three
7 volunteers and I got four. And I said that
8 when we get to that point, those three
9 volunteers can go. And I believe the
10 volunteers were you two and Mr. Duplessis.

11 MR. OLAVE:

12 And that committee --

13 MR. POTEET:

14 Mr. Watts was my alternate.

15 MR. OLAVE:

16 In your opinion, that committee
17 for what purpose?

18 MR. POTEET:

19 We would have to look at the
20 minutes.

21 MR. PARNELL:

22 But from what I understood at the
23 last meeting, it was wasn't really -- I need
24 to gather -- get with the Executive
25 Director, Lessie House, and formulate

1 exactly what the conversation is going to be
2 about. That's what I understood from the
3 last Commission meeting. I don't think
4 it -- it could be a plethora of things.

5 MR. POTEET:

6 It could be the finance license.
7 It can be advertising. It could be the
8 merger of the Commissions if that group
9 wants to talk about that.

10 MR. DONNELL:

11 Well, that was talked about a
12 little bit this meeting and Chairman Brandt
13 said it would be left up to Governor
14 Edwards.

15 MR. POTEET:

16 That's correct, yes.

17 MR. DONNELL:

18 Right, so.

19 MR. OLAVE:

20 And, Mr. Chairman, I agree with
21 you 100 percent as far as our Commission is
22 stronger than it ever has been. I'm in 100
23 percent agreement with that, and that our
24 relationship with LIADA is stronger than it
25 ever has been. My motivation is to make us

1 stronger, make our Commission stronger and
2 make our already strong relationship with
3 LIADA stronger.

4 MR. PARNELL:

5 I'll take it a little step
6 further, if I may. I believe as well that
7 we've been stronger since we've been --
8 since I have been here. It's been a
9 process. It's been a growing process. The
10 day -- I stepped in here nine years ago.
11 August -- November will be nine years.
12 Going down to the Legislature was almost
13 embarrassing. We were almost laughed at.

14 MR. POTEET:

15 Well, it was.

16 MR. PARNELL:

17 Well, I really had to think about
18 did I take a job that I should not have
19 taken, because the relationship that we've
20 developed over this time frame with the
21 legislators and the general public is huge,
22 you know. We're not looked upon as a good
23 old boy agency anymore. We're not looked
24 upon as, hey, they're not doing anything.
25 They're not going to take care of any

1 business over there. It is completely
2 different right now.

3 Now when I go up there, we have
4 respect. They sit down. They talk with us.
5 They show us dignity and respect. The day
6 -- when I went up there the first time, the
7 first committee I went to, it was very
8 disrespectful. I had state legislators
9 basically laughing at us. And that's a huge
10 change, you know. Going down there and
11 dealing with those people head-on day in and
12 day out during the session, it will change
13 your thought process, you know.

14 So with that said, I do agree. I
15 think we're the strongest that we've ever
16 been since I've been here. I think -- prior
17 to me being here, I don't think it was
18 anywhere near this level.

19 MR. POTEET:

20 Well, if you -- if you remember,
21 I don't know how many of you remember, there
22 was an inspector general report.

23 MR. PARNELL:

24 Yes.

25 MR. POTEET:

1 I know Mr. Hallack remembers.

2 MR. PARNELL:

3 426 pages.

4 MR. POTEET:

5 Yes. I was going to say it was
6 about that thick. And I had just gotten on
7 the Commission when they did that. So if
8 you say you're coming up on nine years, then
9 I've got to be coming up on 10.

10 MR. OLAVE:

11 I was interviewed during the --
12 by the inspector general during the --

13 MR. CORMIER:

14 There was no money in the account
15 either.

16 MR. POTEET:

17 No. We were broke. We were --
18 we had a lot of problems. But, you know,
19 we're not here to rehash that. But I think
20 that the -- that the thing -- the thing I
21 want to get across is the most important
22 thing to me is transparency. And if anybody
23 feels like they're being left out or they're
24 not getting their questions answered, Derek
25 is there, I'm here. If you don't get the

1 answer from one of us, then -- you know,
2 then we've got to -- we've got to come up
3 with some better ways of communicating.

4 MR. PARNELL:

5 And one thing I've always tried
6 to concentrate on doing is making sure that
7 the relationship between you, my role, and
8 the Commissioners is always transparent. I
9 knew in the past that wasn't the case. And
10 my efforts have always been to make sure I'm
11 transparent with each and every one of the
12 Commissioners, so that you know everything
13 that's going on. You may not know the
14 finite details of things, but you know
15 what's going on, you know. I don't keep
16 anything from anyone at any point.

17 MR. OLAVE:

18 I'd like to add to that.
19 Personally, I agree with you 100 percent.
20 I've never had any issues with any of that.
21 This -- again, my motivation is about my
22 involvement and about dispelling -- we can
23 dispel a lot of these things that are going
24 on, on the periphery of this, I believe,
25 with more involvement, you know.

1 And, again, that's -- that was
2 the motivation of this discussion. There is
3 nothing wrong. I do believe we're stronger
4 than we ever have been. I was on the
5 Commission during Katrina. I mean, I
6 understand that we're stronger now than we
7 have ever been. I understand that we have a
8 better relationship. But I also believe in
9 my heart that that can get better with more
10 involvement, more -- you know, we used to --
11 we used to -- again, not saying everything
12 was right, but we used to be involved in
13 everything, you know. We had committees and
14 different things for everything. That
15 brought us more involvement. That brought
16 more motivation from me, as a Commissioner,
17 to take part in this.

18 And, you know, I've done some
19 self-reflecting recently about my motivation
20 and my role on the Commission. And I don't
21 believe my role is to come and help the
22 Commission have a quorum and vote.

23 MR. POTEET:

24 Well, actually, that is your
25 number one thing.

1 MR. OLAVE:

2 I understand that, but that's not
3 -- that's not solely -- but that's not
4 solely what I feel like my role should be.

5 MR. POTEET:

6 Well, I -- okay. I'm going to
7 say this right now. If you want me to
8 remain as the Chairman of this Commission,
9 I'm not going to appoint committees. If you
10 want to be involved in something, you have
11 to take the step forward. I don't see any
12 need for me to appoint committees. So if
13 you want to be involved in the computer
14 software, jump on, jump on. That's all I'm
15 saying.

16 We're -- you know, this is --
17 this is a job -- I don't know how much time
18 you guys spend on your commission roles, but
19 we're not paid to do this, unless you count
20 \$75 a day pay. But your involvement is what
21 you want it to be.

22 I spend as much time as I think I
23 should and if someone -- Derek wants more
24 guidance from me, I'll try to give it to
25 him. You know, sometimes, I mess up. I get

1 something across my mind and I never get
2 anything resolved. So I'm going to say
3 that. If you want to be more involved, your
4 involvement, I would love that. The more
5 you get involved, the more you know, the
6 better off we are. There's no objection to
7 that.

8 But, to me, the idea of
9 appointing committees is -- I mean, just the
10 thing that happened at the -- at the New Car
11 Commission, appointing somebody because
12 they're not there. Everybody is here, so
13 I'm going to pick these two guys, that's
14 backwards to me. The guys that don't show
15 up are not the people I want on important
16 committees, unless I'm going to appoint them
17 to the Christmas party committee. That's
18 always a good thing for people who don't
19 show up. So that's my position as the
20 Chairman, jump in there.

21 MR. DONNELL:

22 You know, I guess what -- you
23 know, I've been talking to some of those
24 guys. The Commission -- Commissioners used
25 to approve the contracts and all that, you

1 know. And that's what I'd kind of like to
2 ask today, put it to a vote, you know.
3 Would they like to go back to approving
4 contracts and disapproving contracts?

5 MR. POTEET:

6 The only -- the only contracts we
7 have, we've approved.

8 MR. PARNELL:

9 Yes.

10 MR. POTEET:

11 We don't have any -- we don't
12 have any contracts that are not approved.

13 MR. PARNELL:

14 And each Commissioner approves
15 that when we go over the budget and we break
16 it down and explain to you exactly how much
17 each contract is worth and everything and
18 who we have to pay and it has to be
19 approved. So you are involved in that
20 process throughout the entire time. You've
21 never not been involved.

22 MR. DONNELL:

23 What about professional
24 contracts?

25 MR. PARNELL:

1 That's what I'm talking about,
2 professional contracts.

3 MS. MORRIS:

4 They're not that many.

5 MR. POTEET:

6 Yes. Well, we have --

7 MR. PARNELL:

8 Six.

9 MR. POTEET:

10 -- what do we have? We have the
11 two attorneys.

12 MR. PARNELL:

13 Yes. We've got attorneys. We've
14 got janitorial. We've got lawn care. We
15 have the court reporter. And the IT
16 programmer and we also have our CPA.

17 MR. POTEET:

18 And we approve all of those.
19 Every one of them is approved in the -- in
20 the budget session. And those -- these
21 discussions are open any time. I mean, we
22 just approved Ms. Morris's contract -- I
23 mean, not her contract, but her invoice. So
24 -- and we have -- and the way we've had this
25 set up is that Derek reviews it, because,

1 you know, unless you want to sit down with
2 her and spend time going over all this
3 stuff, he's the one that knows what she's
4 doing on a day-to-day basis. So, then, it's
5 presented to us. It's right there. The
6 whole -- the whole invoice is there. You
7 can look at it. And then we approve it from
8 that point.

9 I don't understand your point
10 about us not approving contracts, because we
11 approve -- as a Commission, we approve every
12 contract. And if I'm not mistaken, I can't
13 remember the last time we had a nay on a
14 vote. I mean, they've all been unanimous.

15 Yes, ma'am.

16 MS. ANDERSON:

17 And I'd like to say that we've
18 been fortunate enough that our contractors
19 have come back to us year after year with
20 the same price. We've been paying the same
21 price on most all of our contracts for a
22 long time. The attorneys didn't get --

23 MR. POTEET:

24 When was the last time the
25 attorneys went to the mat?

1 MS. MORRIS:

2 Six years ago, they changed our
3 rate.

4 MS. ANDERSON:

5 They just raised it and it was
6 six years before that before they got
7 anything else. Same thing on our
8 janitorial, our, you know, court reporter,
9 Betty's fee, you know.

10 MR. POTEET:

11 I guess really what I'm saying is
12 I'm -- we're open. I'll discuss any
13 contract with you if you want to be involved
14 in any --

15 MR. DONNELL:

16 There is another thing. If they
17 want to cancel one, I would kind of like to
18 be involved.

19 MR. PARNELL:

20 You know, we are --

21 MR. OLAVE:

22 My curiosity is -- you know, I've
23 been doing a lot of talking and I say all of
24 these things with an open mind and an open
25 door. I mean, this is really about the

1 motivation to make the Commission stronger.
2 But, you know, if we're not hearing from the
3 other Commissioners pertaining to this,
4 maybe we need a motion for something, and
5 then see how the other Commissioners feel
6 about it as well after this discussion. Or
7 a motion to have -- again, you don't want to
8 appoint a committee. Maybe a volunteer part
9 of that to -- you know, to review contracts,
10 to review those things. Another motion may
11 be a steering committee.

12 Again, not because there's
13 anything wrong, but to help, you know, the
14 field have a more cooperative endeavor with
15 our -- with our licensees. Maybe a -- maybe
16 a steering committee for that purpose, you
17 know. And let's hear from the rest the
18 Commissioners on that, how they feel about
19 it, through a vote then if we have to.

20 So I'd like to -- I'd like to
21 make a motion that we -- that we have a
22 volunteer group -- if the Director doesn't
23 want to appoint a committee, a volunteer
24 group. If we have -- if we have enough
25 votes, then whoever wants to volunteer for

1 that, for that purpose, for contract review.
2 If we take another vote, I make another
3 motion that we have a steering committee to
4 help our investigators -- our field
5 investigators understand the industry and
6 they're not -- and, again, they're not --
7 I'm not suggesting that anything is wrong
8 here. This is entirely an effort to bring
9 our industry and investigators closer
10 together, so.

11 MR. POTEET:

12 So what's your motion?

13 MR. OLAVE:

14 My first motion is that we have a
15 committee that has to review contracts and
16 approve contracts. And I'm talking about
17 the language of them, not just the dollar
18 amounts of them. And I think that will make
19 us stronger in the long run. So that's my
20 first motion.

21 MR. POTEET:

22 Okay. All right.

23 MR. DONNELL:

24 Second.

25 MR. POTEET:

1 The first discussion I have is if
2 we're going to have a committee you just
3 said to review and approve, would that
4 negate the votes that we take in the
5 Commission?

6 MR. OLAVE:

7 No, sir. No, sir.

8 MR. POTEET:

9 It's not approved.

10 MR. OLAVE:

11 Exactly. Exactly. Exactly. I
12 apologize then. I make a motion to have a
13 volunteer committee to advise the rest of
14 the Commission on the status of professional
15 contracts, legal contracts, anything else.

16 MR. POTEET:

17 I've got a motion.

18 MR. DONNELL:

19 Second.

20 MR. POTEET:

21 Second.

22 All in favor, say, "Aye."

23 (All "Aye" responses.)

24 MR. POTEET:

25 Any opposed?

1 (No response.)

2 MR. POTEET:

3 All right. We've got a -- we've
4 got a volunteer committee.

5 MR. OLAVE:

6 All right. And we can discuss
7 that if you want to now and see who's --

8 MR. POTEET:

9 Who wants to be on the committee?

10 MR. OLAVE:

11 I'll do it.

12 MR. POTEET:

13 Anybody else?

14 MR. WATTS:

15 I'll do it.

16 MR. DONNELL:

17 I'll do it.

18 MR. POTEET:

19 Okay. So you three guys, you get
20 with Derek and that's fine.

21 MR. OLAVE:

22 Perfect. Perfect. Again --

23 MR. POTEET:

24 It's less work for me.

25 MR. OLAVE:

1 My second motion, again, just to
2 hear from the Commissioners, again, nothing
3 is wrong.

4 MS. MORRIS:

5 A committee of this Commission is
6 a public body. So you have to have an
7 agenda and the meeting is publicly noticed.

8 MR. OLAVE:

9 Okay.

10 MR. POTEET:

11 You have to have somebody take
12 notes.

13 MR. OLAVE:

14 I understand. Oh, I understand.
15 I know. I understand I'm taking on more
16 work. And, again, that's -- that was my
17 crossroads here, was -- you know, something
18 you said, Mr. Poteet, was, you know, we
19 don't get paid. We don't get -- so -- but
20 what is each and every one of your
21 motivation for being here? And I can't
22 answer that. I can only answer for myself
23 and I've been -- I've been -- I feel like my
24 motivation for being here is 100 percent
25 civic responsibility and using my experience

1 in the industry.

2 And, listen, I -- you don't have
3 to agree with me. I think debate is
4 healthy. Debate and compromise are healthy.
5 Conflict is not. And I believe that this
6 information, albeit -- again, not -- I don't
7 care about the details of all the different
8 little facets I've heard, but I do believe
9 that is borne out of conflict, conflicting
10 information. So I am merely trying to put
11 some things in my mind in place that could
12 dispel any of that, that's all, in a very
13 positive and, hopefully, productive way.

14 MR. POTEET:

15 Okay. All right. What's your
16 other --

17 MR. OLAVE:

18 My second motion would be if the
19 same three guys want to volunteer, it would
20 be a steering committee. And, again, the
21 sensitivity here is what I'm -- what I'm
22 after, the steering committee about, you
23 know, a liaison between our industry and the
24 field investigators, you know. I can't tell
25 you the invaluable experience that some of

1 the new investigators bring. I'm 100
2 percent behind that. I agree with that. I
3 like the fact we have these experienced guys
4 on the field. But I believe that there's a
5 disconnect a little bit between their
6 enforcement experience, how they enforce
7 things.

8 And, look, we have to enforce
9 things. We have to fine. I'm not sure that
10 should be our first move and I'm not saying
11 it is. But I think a better understanding
12 of a rapport with our industry, which some
13 of that doesn't exist, I've heard anyway.
14 Again, not responding to those rumors, but
15 trying to dispel any further distrust from
16 our licensees, you know.

17 So, again, I'd like -- I'd like
18 to make a motion that we have a committee or
19 a volunteer group, a steering group or
20 whatever, merely not to -- not to provide
21 oversight or anything like that for the
22 actual investigators. That's Derek's job
23 and he does a great job. But more to
24 provide information and an idea of how to
25 build a rapport with the industry instead of

1 here comes an enforcement agent again, you
2 know. Again, just in a very positive --

3 MR. TAYLOR:

4 How would the steering committee
5 operate? I mean, do you come in --

6 MR. OLAVE:

7 That's a good question. I have
8 an idea. I don't have a solution.

9 MR. TAYLOR:

10 Before I vote on it --

11 MR. OLAVE:

12 Yes, sir.

13 MR. TAYLOR:

14 -- are you -- do you want to tell
15 me how or do y'all want to have counsel with
16 investigators? I mean, I don't understand.

17 MR. OLAVE:

18 Yes, absolutely. I think -- I
19 think that's healthy. I really do. I think
20 that's healthy. And it's not like I'm
21 expecting them to agree with me or do what I
22 -- you know, what I'm asking. It has
23 nothing to do with that. It's more about
24 information for them to help them do their
25 job.

1 MR. POTEET:

2 Well, Steve, I think what Dino
3 might be -- I'm going to add on to what he
4 just said. So would you -- would it be we
5 bring in all the investigators for a six- or
6 eight-hour session?

7 MR. OLAVE:

8 I don't -- I don't -- I don't
9 necessarily have a solution for that, yet.
10 I think that would be -

11 MR. PARNELL:

12 Let me say this: What we've been
13 -- we haven't done it for this part of the
14 year yet, the first five months of this
15 year. But, typically, what we've always
16 done, at least once a month, we all gather
17 with all the investigators, as well as
18 Robert Hallack, and we kind of go through
19 cases. We talk about situations. We talk
20 about how to handle these situations. How
21 to deal with the media, that -- the media
22 outlet that's also going to be involved in
23 these issues. We have those discussions to
24 try to be on the same page and make sure we
25 move in the same direction. And I think

1 that was very productive.

2 We haven't been doing it lately.
3 So that would be something that I will be
4 getting back to. But I think that was
5 something that really helped the process
6 out, to make sure everybody was doing the
7 same thing, on the same page, and moving in
8 the same direction. And I think that's very
9 beneficial. We'll get back to it. We'll
10 get back to it.

11 MR. OLAVE:

12 And that -- look, I agree -- I
13 agree with you 100 percent, the more
14 information --

15 MR. POTEET:

16 Let me make a suggestion.
17 Instead of having a committee, let's do this
18 -- and this is not a motion, but this is a
19 suggestion. Why don't any Commissioner, the
20 next time you have this -- send an email out
21 the next time you're going to have a meeting
22 with all of your investigators and say that
23 you would like to do this on a monthly
24 basis.

25 MR. PARNELL:

1 Yes, absolutely. I want to get
2 back.

3 MR. POTEET:

4 I realize it takes -- you know,
5 what do we have, six investigators now?

6 MR. PARNELL:

7 Yes.

8 MR. POTEET:

9 Okay. This takes six people out
10 of the field for a day.

11 MR. PARNELL:

12 Yes. But, typically, what we do
13 is if they are domiciled far away, they can
14 just call us, you know, and we just talk.

15 MR. POTEET:

16 But there's some -- I mean,
17 there's --

18 MR. PARNELL:

19 Right.

20 MR. POTEET:

21 -- training and education.

22 MR. PARNELL:

23 We normally did it for about two
24 hours.

25 MR. POTEET:

1 So why don't we do this. Why
2 don't we -- any Commissioner that wants to
3 attend those meetings -- before we appoint a
4 committee, because I think -- this is my
5 opinion here -- but I think you're
6 suggesting something that doesn't have any
7 real meat to it. It doesn't have an agenda.
8 It doesn't have a way to do it. And I think
9 before we -- you mentioned rumors earlier.
10 Here's -- this is -- I get a lot of
11 complaints from dealers that have just been
12 cited by the Commission about how awful we
13 are.

14 MR. OLAVE:

15 Exactly. Yes, sir.

16 MR. POTEET:

17 It's funny that they don't see a
18 problem with our Commission until they get a
19 citation, you know. It's just like
20 complaining about the police after you get a
21 speeding ticket. Do you really hate the
22 police? I hate them for the last five
23 minutes. So I would make a recommendation
24 before we have some committee that we get
25 more involved in what's actually being done,

1 and then see what we need to do. Would you
2 accept that?

3 MR. OLAVE:

4 I have no problem -- I have no
5 problem with that other than, you know, the
6 formality of it, I believe, would be
7 necessary only because those things usually
8 fizzle and stuff like that. So I do believe
9 that there should be a formality involved
10 with appointing a committee to that or a
11 volunteer committee, whatever you want to
12 call it, Mr. Chairman.

13 MR. POTEET:

14 Well, I think that the --

15 MR. OLAVE:

16 Let me -- let me -- let me finish
17 my train of thought. When Derek -- I agree.
18 That is a -- that is a wonderful resource to
19 get everybody together to discuss the -- you
20 know, the intentions of the Commission and
21 what we want to do as far as fining and
22 enforcement and what we want to do as far as
23 truly regulatory, because I believe --
24 again, nothing is wrong, but I believe that
25 our Commission is more regulatory and we

1 should adopt, you know, a policy of
2 arbitration before fining. And I'm not
3 saying we don't.

4 Again, I don't know -- I don't
5 know the policies, but I -- you know -- and,
6 again, not responding to these rumors -- but
7 I've only heard the negative part of that.
8 And I agree with you 100 percent. In fact,
9 that was the example I was going to use, a
10 lot of people they recently cited and fined,
11 you know. So I get it. But the lack of
12 involvement is, again, my motivation for
13 that, you know. I think the field is doing
14 a good job.

15 When they have those meetings,
16 though, I do believe -- you know, when you
17 say you have those meetings with the
18 investigators and with Robert, nowhere in
19 there was there a dealer experience as part
20 of that. They're investigators.

21 MR. PARNELL:

22 Well, some of our Commissioners
23 are working with them.

24 MR. OLAVE:

25 No. Who's involved in those

1 meetings with the investigators and Robert
2 going over cases and intentions and things
3 like that? I don't -- and I don't want to
4 be involved in any cases necessarily.

5 MR. PARNELL:

6 Just the enforcement team.

7 MR. POTEET:

8 That was my point.

9 MR. OLAVE:

10 But that -- but hang on. But
11 hang on. That meeting where they discuss
12 those things has no dealer input in it. I'm
13 not saying it should have a dealer.

14 MR. POTEET:

15 Well, go to the meeting.

16 MR. OLAVE:

17 What's that?

18 MR. POTEET:

19 Go to the meeting.

20 MR. OLAVE:

21 But I do that --

22 MR. POTEET:

23 Go to the meeting.

24 MR. OLAVE:

25 That's what I'm talking about.

1 That's what I'm talking about.

2 MR. POTEET:

3 I just said, you go the meeting.
4 You find out what's going on. I would also
5 make this recommendation. If any of you
6 have any complaints, that you should lodge
7 those complaints with Derek. I've called
8 him before about dealers that were
9 complaining. I said, you know, this guy
10 says to me this is a problem he's had. And,
11 sometimes, they're legitimate. Sometimes,
12 they're not, just like anything else.

13 So I would say, rather than
14 saying, you know, there are dealers out
15 there saying this, I think we should have
16 the dealer's situation. What are they
17 complaining about?

18 Again, it's just like, you know,
19 you get a speeding ticket and you complain
20 about the police. And somebody says, well,
21 it was 35, you were doing 70. I mean, what
22 exactly is your complaint? And I think the
23 first step before you create a committee
24 that doesn't -- I don't -- I don't know what
25 your committee is going to do --

1 MR. OLAVE:

2 Got you.

3 MR. POTEET:

4 -- until you investigate what's
5 going on within the meetings, which is to
6 say, when Derek has his meeting with Robert
7 and with the investigators, that you can
8 show up and you can show up, you can show
9 up. Any of you can show up. Maybe I'll
10 show up. And we'll see how they do it and
11 what --

12 MR. OLAVE:

13 Good idea.

14 MR. POTEET:

15 And then at the end of that point
16 -- and let's say just for trial purposes, we
17 do that for a couple of months. Then, if we
18 feel like we need a separate committee --
19 which I still don't know what your committee
20 would do exactly.

21 MR. OLAVE:

22 Got you. I was hoping that was
23 -- I was hoping some substance was borne out
24 of this discussion and I apologize that
25 maybe my motion was a little premature, but

1 I'll be better prepared next meeting.

2 MR. POTEET:

3 Well, if you go through this
4 meeting, then you'll have an idea.

5 MR. OLAVE:

6 Yes, sir, agreed.

7 MR. POTEET:

8 And I -- and I strongly believe
9 that, again, it kind of gets back to the
10 rumor thing. When somebody says to me,
11 people are complaining. No, they're not. I
12 don't believe you. Give me a name. Give me
13 a name. Give me a situation. That's what I
14 have to have. I have to deal with facts.
15 That's what I do in my business.

16 If somebody comes in and says,
17 the dealers don't like this, they don't.
18 Six of them? 66 of them? 156 of them?
19 Give me names. You know, if you've got one
20 guy that's vocal, you know, that's not a
21 group of dealers. That's a dealer. It
22 doesn't mean he's wrong. I've had lots of
23 situations where dealers have come to me in
24 my business and said, you know, have you
25 ever thought about doing this? Or I don't

1 like the way we do this. Yes, that's a
2 great idea. And that guy tells me
3 something.

4 But when you use vague
5 suggestions that people are not happy, that
6 doesn't tell me enough. I don't know what
7 to fix. I need to know more. And I think
8 -- I think your idea of being more involved
9 is great. Every single one in here should
10 be more involved.

11 Number two, I think your idea of
12 sitting in with the group when they talk to
13 the investigators, who -- let's see, car
14 dealers. What kind of car dealer? Car
15 dealer, car dealer, car dealer, well sort
16 of, car dealer, auction. So we have enough
17 people in here that have experience that can
18 sit in on those meetings and provide ideas.
19 We've got an investigator sitting back
20 there. He's called me before. He's called
21 me to ask my opinion, you know, more than --
22 I would say in the 10 years I've been here,
23 at least four or five times.

24 MR. DONNELL:

25 Do you mind if I ask Montie a

1 question?

2 Montie, when y'all write a ticket
3 -- you know, like, when the state police
4 stops you, you know, they write you a
5 speeding ticket and down at the bottom of
6 that ticket, they give you a court date and
7 tell you, you know, if you want to come to
8 court and the date. Do y'all -- do y'all do
9 that?

10 MR. WISENOR:

11 We don't set a date. It's upon
12 notification, because it may not be a
13 hearing. It may go to the Director for
14 review to determine if we have any
15 ratification of these fines. I mean, it's
16 just --

17 MR. DONNELL:

18 But these people do more. They
19 have a -- there is a Commission to come to.

20 MR. WISENOR:

21 Yes. Yes, sir. And then they're
22 notified by the Commission. If there's a
23 fine issue, they are advised that they can
24 attend.

25 MR. POTEET:

1 Right.

2 MR. DONNELL:

3 You know, I want to apologize for
4 my redneck mentality. If it wasn't for a
5 dealer, they wouldn't need us. They don't
6 need us. And you will just have to -- and
7 all I'm just asking is we ought to form
8 something to try to be a little more dealer
9 friendly.

10 MR. PARNELL:

11 We also have to look at it from
12 the standpoint of the State of Louisiana.
13 Although, we are the regulator authority
14 over used car dealerships and their
15 entities, a huge role that we play in this
16 state agency is consumer protection.

17 MR. POTEET:

18 Exactly.

19 MR. PARNELL:

20 Now, that is the thing that
21 really changes the look of your
22 commission --

23 MR. POTEET:

24 Exactly.

25 MR. PARNELL:

1 -- perception-wise, you know.

2 MR. DONNELL:

3 The thing that we're here about
4 is not injuring the public.

5 MR. PARNELL:

6 Well, you've still got laws that
7 you have to follow, okay.

8 MR. DONNELL:

9 Like what?

10 MR. PARNELL:

11 Every ticket that's written, it
12 doesn't necessarily mean that it's going to
13 be -- parking in a right-of-way, that's one
14 that happens a lot, during office hours.

15 MR. OLAVE:

16 I'll give you -- I'll give you --
17 I have an example. I'll give you -- I can
18 give you an example.

19 MR. DONNELL:

20 Tickets getting wrote for no
21 licensee on the premises during business
22 hours. The guy was across the street having
23 lunch or down at the parts house.

24 MR. PARNELL:

25 And that issue, specifically, was

1 brought to my attention, Mr. Chairman. And
2 I spoke -- when that came up -- when that
3 came up, I spoke to the investigator who did
4 that. I counseled him. That's what I'm
5 supposed to do as his Executive Director,
6 training him on what to -- how to handle
7 that situation moving forward. That doesn't
8 mean that's going to continue to happen.
9 Just because someone said it happened this
10 day, that doesn't mean anything took place
11 with that. When they write a ticket, it
12 doesn't mean they get a fine. When they
13 write a ticket, it doesn't mean any of that.
14 It means that you are in violation.

15 MR. DONNELL:

16 You and I had this conversation.
17 This is exactly what we talked about. I
18 didn't want to bring it up.

19 MS. BARON:

20 But every ticket that comes into
21 this office goes across his desk. And it
22 may not -- like he said, it may not go into
23 a fine. It may not go into a hearing.

24 MR. POTEET:

25 He gives a report on the ones

1 that he fined. He gives a report on the
2 ones he didn't fine.

3 MR. OLAVE:

4 And, look, I have -- I have no
5 problem with any of this. Again, back to my
6 -- I'm going to give you a scenario that has
7 nothing to do with a real event, all right.
8 But, for example, our investigators -- we
9 know that legislatively, we have 20 days to
10 deliver a title, correct? But there are --
11 there are circumstances -- legitimate
12 circumstances that prevent you from doing
13 that. And I don't know if the Commission is
14 aware of that.

15 MR. PARNELL:

16 We are.

17 MR. OLAVE:

18 I'm pretty sure the investigators
19 aren't aware of that.

20 MR. PARNELL:

21 No. They are. They are aware of
22 that. We don't ever write that ticket
23 unless it's beyond 40 days.

24 MR. OLAVE:

25 Okay.

1 MR. PARNELL:

2 When we come in to a meeting --
3 yes, the law does say a licensed dealer
4 must. It doesn't say it could. It says you
5 must submit that within 20 days. We
6 understand that. Sometimes, you don't get
7 those titles back from the auction. We know
8 that, you know. That's understood. We know
9 when we have these hearings -- every single
10 time when we have a hearing that's in this
11 room, when Robert goes through and he gives
12 his presentation, none of those persons were
13 just 20 days out. They were all 40, 60, 80,
14 180 days out. So we don't write them at the
15 20 point.

16 MR. POTEET:

17 But wait a minute, guys. I mean,
18 it's like jaywalking.

19 MR. OLAVE:

20 Mr. Chairman --

21 MR. POTEET:

22 But it's the same thing as
23 jaywalking. My wife got stopped for a
24 speeding ticket for going two miles over the
25 speed limit, two miles over the speed limit.

1 First of all, you can't do that. You can't
2 figure that out. But when the policeman
3 said -- when he stopped her, he said, do you
4 realize you were going over the speed? She
5 said, I was only going 37. He said, you
6 admit then you were going two miles over the
7 speed limit, and he wrote her a ticket. Was
8 that petty? Yes, it was petty.

9 MR. OLAVE:

10 Was it legal?

11 MR. POTEET:

12 Absolutely, it was legal.

13 MR. OLAVE:

14 Yes, it was.

15 MR. POTEET:

16 And I think -- I think your point
17 is it's just like jaywalking. If there's a
18 law on the books that says jaywalking is
19 illegal and a cop is having a bad day and he
20 writes you up for jaywalking, what's your
21 excuse, you know? You haven't written
22 anybody else up for this. So the point I
23 see here is when you have things that are
24 petty, Derek is trying to counsel them now.
25 He's trying to work with them on that. But

1 if you're saying that -- change the laws.

2 MR. OLAVE:

3 I don't think it's petty.

4 MR. POTEET:

5 Instead of 20 days, let's make it
6 50 days.

7 MR. OLAVE:

8 I don't think it's petty.

9 MR. POTEET:

10 Let's make it 35 days.

11 MR. OLAVE:

12 Mr. Chairman, I don't think it's
13 petty at all. And that's not the approach I
14 want to leave the Commission with. The fact
15 -- the fact that those things happen --

16 MR. DONNELL:

17 Yes. I mean -- well, we change
18 that -- can this Commission change that?

19 MR. POTEET:

20 I doubt it.

21 MR. DONNELL:

22 I mean --

23 MR. POTEET:

24 I think it's supposed to be
25 changed by the Legislature.

1 MR. DONNELL:

2 Well, what has to happen to
3 change the time to produce stuff?

4 MS. MORRIS:

5 That's a statute.

6 MR. DONNELL:

7 I go pay one off.

8 MS. MORRIS:

9 That's not ours.

10 MR. DONNELL:

11 But -- and then the federal
12 credit units holds the title, you know.

13 MR. OLAVE:

14 I apologize. I wasn't
15 necessarily interested in getting into a
16 discussion about titles. But, again, Mr.
17 Chairman, I tell you -- you know, I don't
18 think that was petty at all and I'm glad --
19 I'm glad the Executive Director steps in.
20 But I'm not calling that petty. He's doing
21 exactly what he's trained to do for the last
22 25 years and that's to enforce the law.

23 MR. POTEET:

24 Yes.

25 MR. OLAVE:

1 So that's where I think that more
2 involvement from -- the reason we're here,
3 we're here to offer our experiences as car
4 dealers, as auctioneers, as dismantlers, to
5 aid this Commission moving forward. And,
6 again, nothing is broken. Nothing is wrong.
7 But when you have somebody that enforces
8 something, and then the Executive Director
9 gets involved, which is the right thing to
10 do, I believe, then is there a way that we
11 could eliminate that from happening to begin
12 with, with involvement, with positive
13 involvement? And that's the whole
14 motivation here.

15 MR. POTEET:

16 Always know -- if you know what
17 the complaint is, you know. As I understand
18 --

19 MR. OLAVE:

20 No. If there were better
21 understanding just through -- just through
22 dialogue, just through connection. I don't
23 really know any -- I know Montie the best,
24 because I've been on the Commission the
25 longest and he's been around longer. But I

1 don't really know the other investigators
2 and shame on me for that. So that's the
3 motivation. And them knowing us, them
4 knowing -- if nobody else wants to
5 volunteer, I'll do it. But them knowing me
6 may aid them. May not. They may disagree
7 with me 100 percent and that's okay, because
8 the Executive Director directs the daily
9 operations of this and I'm okay with that.
10 But involvement may offer a heightened level
11 of information to the investigators to help
12 them make those decisions before it has to
13 go in front of the Executive Director's desk
14 and before somebody is alienated by that and
15 start calling people, okay. That's all I'm
16 suggesting.

17 MR. POTEET:

18 And as I've already pointed out,
19 we can -- anybody in here --

20 MR. OLAVE:

21 We can try that. I like -- I
22 like your -- I like your approach to that,
23 because I don't have substance to the
24 committee that I was offering.

25 MR. POTEET:

1 And I think you guys have a
2 personal -- a personal thing. I just got
3 over -- I was under an ethics investigation,
4 because I forgot to send a page in.

5 MR. OLAVE:

6 You, too.

7 MR. POTEET:

8 \$10,0000 fine they're charging me
9 with, because I forgot to put a page in. My
10 argument couldn't be that, hey, you know,
11 you can't really pick on me, because that
12 page got dropped or missed or -- it was,
13 hey, I didn't --

14 MR. OLAVE:

15 Ignorance isn't a defense.

16 MR. POTEET:

17 Right.

18 MR. OLAVE:

19 They served me at 9 o'clock at my
20 house, state police.

21 MR. POTEET:

22 So I guess my point there is it
23 can happen to anybody and the way our
24 process -- I think we have a pretty good
25 process, which is, if you get a fine -- I

1 mean, if you get a violation, it comes to
2 the Executive Director. You get to talk to
3 him. If you disagree with him, then you can
4 bring it to the Commission. And if I'm not
5 mistaken, if you don't like our verdict, you
6 can take it to court. So we've got a
7 process for people who feel like they're
8 being wronged.

9 And, you know, I -- again, I
10 don't want to say that there aren't
11 complaints out there. Anybody that is
12 involved in government or is involved in
13 jurisdictions where they have to, you know,
14 have fines and have hearings, there's going
15 to be complaints about it. I'm pretty sure
16 about that.

17 MR. OLAVE:

18 No doubt.

19 MR. POTEET:

20 So if your -- the information I'm
21 getting from you is you think that our
22 people need to be better trained and better
23 acclimated to what dealers are going
24 through. I have no complaints of that. And
25 I think that that is something that if we're

1 not doing it on a regular basis, we should
2 be. And whenever we do it, Derek will send
3 an email out to all Commissioners and say,
4 we're going to have this meeting on this
5 day. And then you can come in and help out.

6 MR. PARNELL:

7 When we do that type of meeting,
8 we have to be very careful to talk about
9 just scenarios.

10 MR. OLAVE:

11 Yes, specific cases, right.

12 MR. PARNELL:

13 Because you-all cannot be
14 involved in that.

15 MR. POTEET:

16 I hear that in my ear all the
17 time.

18 MR. PARNELL:

19 So we need to be very careful of
20 what we say and how we say it --

21 MR. OLAVE:

22 Absolutely.

23 MR. PARNELL:

24 -- or anything of that nature.

25 MR. POTEET:

1 But specific complaints --
2 specific complaints, we have a way to handle
3 that. And when you have -- what I tell a
4 dealer when they come to me. Sometimes,
5 they'll tell me that, oh, this will take 10
6 to 12 minutes telling me all the things that
7 happened. Sometimes, it's just, like, hey,
8 man, I don't think that I'm being treated
9 fairly. Okay. Then, talk to Derek. Yes or
10 no. It's like a diagram. Yes, go here.
11 No, go here. So if they say, yes, I say,
12 well, you can appeal that to the entire
13 Commission. And then, usually, that's the
14 last I ever hear of it. And then if it's --
15 if it's, no, I haven't talked to Derek,
16 well, talk to Derek. And a lot of times
17 they get back responses, like, he never
18 returned my phone call. Or, I talked to him
19 and, wow, he's a pretty nice guy. I never
20 -- I didn't know him. Okay. Well, he's
21 been in that job for nine years. So if you
22 don't know him, that's your own fault. Or,
23 yes, I don't really agree with it, but I
24 understand it and, you know, I'd rather pay
25 a \$500 fine than show up at a meeting, spend

1 the whole day down there arguing with you
2 guys.

3 And so, you know, I think our
4 process is about as good as it's going to
5 get. We can keep looking at it. And I
6 think Montie would probably tell you,
7 because I know when he's called me, he's
8 been pretty open. I don't understand this
9 process. I don't understand what's going on
10 here. Can you help me? And our
11 investigators should know that we have
12 people here in all of the industries that we
13 regulate that are about as expert as you're
14 going to get. I'm not saying we know
15 everything, but I know a heck of a lot about
16 auctions. And what I don't know, he
17 probably knows.

18 So I think the biggest -- the
19 biggest issue I see with dealers is -- and
20 I'm not picking on them. But the biggest
21 issue I see with them is once you present
22 them with the things that they need to do to
23 fix their problems, the first thing out of
24 their mouth is I ain't got time for that. I
25 don't have time to drive down to Baton Rouge

1 and spend a whole day down there arguing
2 over a \$500 fine. And most of our fines and
3 our -- or the people that come to these
4 hearings fall into -- well, they fall under
5 one category. They -- you know, they didn't
6 pay their fine and move on. I've been fined
7 by the Commission while I was Chairman. I
8 paid my fine and moved on. They caught me
9 doing something -- well, caught me, that's
10 bad language. They discovered --

11 MR. OLAVE:

12 They revealed a mistake.

13 MR. POTEET:

14 They -- yes, they revealed a
15 mistake is what they did.

16 MR. OLAVE:

17 And I -- I'm sorry.

18 MR. TAYLOR:

19 No. I was just saying, I've been
20 fined, too. But I do have one question. Is
21 the reason why the majority of this is
22 brought on, because you've been hearing some
23 complaints from dealers about one or two
24 investigators?

25 MR. OLAVE:

1 Several -- there's several
2 avenues got approached in the beginning of
3 this in a week. There's some complaints
4 from dealers I've heard. Again, not
5 responding to them. I agree -- I agree part
6 of the way with our Chairman. I agree that
7 we are stronger than ever. But I don't
8 agree with the fact that it's good as it can
9 get. That's where --

10 MR. POTEET:

11 Well, wait a minute. I said the
12 process is probably as good as it can get.

13 MR. OLAVE:

14 Okay. I disagree -- I would
15 disagree with that --

16 MR. POTEET:

17 Anything can be better.

18 MR. OLAVE:

19 Yes. That's what I mean. That's
20 what I mean. And the fact to accept that --
21 accept that our process is as good as it can
22 get will stagnant the process, I believe,
23 because this thing is constantly evolving.
24 Our industry is constantly evolving.
25 Something that applies today and that's

1 where the information, I believe, that's --
2 that would be valuable to the -- to the
3 investigative part of that is that our
4 industry is evolving, you know. Things have
5 changed.

6 The title scenario I brought up,
7 not to discuss the title part of that, but
8 the title scenario has evolved and changed
9 into something different between the banks,
10 and then the titles 30, 45 days later. And,
11 again, I'm not using that necessarily as a
12 real life example. But that's the type of
13 an evolution that our industry is
14 experiencing and I believe that there is
15 some disconnect -- not that anybody is doing
16 a bad job, but there's a disconnect between
17 the investigation -- the investigators and
18 their experience. And that's why we hire
19 them and I believe that's invaluable.

20 But they're bringing their
21 experience as law enforcement into our
22 industry and I believe with just a little
23 more information, they could have the
24 ability to do a better job. That's my
25 motivation. I don't believe that we're as

1 good as it gets or the process is as good as
2 it gets, because it's constantly evolving.
3 So our processes should be evolving with
4 them.

5 MR. DONNELL:

6 Derek, how do y'all define where
7 a right-of-way of is?

8 MR. PARNELL:

9 Well, the city defines that. And
10 the city -- the city officer -- the police
11 officer is going to tell you where a
12 right-of-way is. The most -- police
13 officers -- city police call this agency
14 and, say, hey, this dealer over here is
15 parking cars on the public right-of-way.

16 MR. DONNELL:

17 That's where you get it from?

18 MR. PARNELL:

19 Yes. We -- that's never one of
20 the things that we just drive, hey, look,
21 he's got one tire, you know, past this sign.
22 Law enforcement calls us all the time. Most
23 of these instances, these small things, they
24 are the ones who called us and said, hey,
25 look, this is happening at this dealership.

1 Please go take a look at it for us. That's
2 how that happens. And so we need -- we have
3 to respond to that, because if we don't,
4 that relationship between the law
5 enforcement and us is separate and that's --
6 we cannot have.

7 MR. DONNELL:

8 You don't think we can get them
9 to send you an email on that, so you can
10 show our investigators and show this dealer
11 who's complaining? That we're not out here
12 trying to establish --

13 MR. PARNELL:

14 I'm not understanding.

15 MR. DONNELL:

16 Can we get them to email their
17 complaints to us, so we -- so that our
18 investigators can show who's complaining?

19 MR. PARNELL:

20 Yes. I mean, that always
21 happens, yes. They can call us or email,
22 but they communicate with us, either way,
23 you know.

24 MR. OLAVE:

25 So the police -- what you're

1 saying, Derek, is that the police contact
2 you to go enforce the right-of-way part?

3 MR. PARNELL:

4 In most instances -- most of the
5 law enforcement police officers, they know
6 who the investigator is in that specific
7 area.

8 MR. OLAVE:

9 Yes.

10 MR. PARNELL:

11 They'll call them directly or
12 send them an email directly. They'll cc me
13 on it and say, hey, look, this person right
14 here is parking cars on a public
15 right-of-way. Can you go out there and take
16 care of this situation? So that
17 investigator, at that point, he's getting a
18 complaint from law enforcement. So he goes
19 ahead and goes out there and looks at the
20 situation. He evaluates are they in a
21 public right-of-way. And if they are, they
22 get a ticket. If they don't, they don't.
23 They always advise them. Hey, make sure
24 you're parking your cars behind this area
25 right here.

1 MR. OLAVE:

2 That actually speaks volumes to
3 the experience that these guys have, because
4 they have a relationship with the local law
5 enforcement.

6 MR. PARNELL:

7 And they build that every day.

8 MR. OLAVE:

9 And I agree -- I agree with that
10 experience 100 percent. I do.

11 MR. PARNELL:

12 Every day.

13 MR. OLAVE:

14 I do. But we are not
15 enforcement. And I believe that the
16 experience those guys have, they -- I think
17 it's natural. You know what I'm saying? I
18 think it's natural when you're a policeman
19 for 25 years that you're going to operate in
20 a similar fashion to what you did for the 25
21 years. And it's not wrong. I just think
22 there's more -- I think there's more to
23 input there.

24 MR. DONNELL:

25 And my guess is, we -- that is

1 not the state police's job to move -- to
2 write tickets on the right-of-way.

3 MR. PARNELL:

4 They can as well.

5 MR. POTEET:

6 They can and that's probably
7 worse. Do you want them to do that?

8 MR. DONNELL:

9 Well, I just -- you know, I just
10 want to make sure we're right when we write
11 -- I mean, I see the situation all the time.
12 State says I'm on the right-of-way. The
13 person I rent from says, no, that's mine,
14 move them back out there. So it's finally
15 calmed down, you know. The cars are back
16 where they always were.

17 MR. PARNELL:

18 It's some fine laws on
19 right-of-way.

20 MR. TAYLOR:

21 I asked a question a minute ago
22 and I really didn't get an answer. And I'm
23 just asking this. There's been a lot of
24 discussion about investigators today. As a
25 matter of fact, the majority has just mainly

1 been talking about investigators. And,
2 actually, I think talking about -- maybe
3 even a round about way saying some of the
4 investigators are writing tickets on petty
5 offenses. That's kind of what I'm hearing
6 right here. And then I heard in certain
7 areas -- not in my area. Montie does an
8 excellent job in my area. But I've heard in
9 other areas of particular investigators,
10 that some people feel they might be a little
11 bit aggressive in the way that they discuss
12 fines and talk to dealers. And so is that
13 what brought up the 30 minute discussion
14 about that?

15 MR. OLAVE:

16 Well, the first thing I'd say is
17 the person that mentioned petty was the
18 Chairman. I never said that.

19 MR. TAYLOR:

20 No. I assumed.

21 MR. OLAVE:

22 And what I -- no. What I did --
23 what I did -- what I did to clarify my
24 position was, I don't think there was
25 anything petty that went on and I'd like the

1 record to reflect that. I think the
2 investigators are doing a good job. This
3 has nothing to do with a petty incident.
4 This has nothing to do with any one
5 incident. But I -- when you -- when you put
6 all of them together, I start thinking,
7 well, what's the best way to solve -- even
8 if it's not a huge problem, but to solve
9 that problem.

10 And that's to show solidarity in
11 the Commission. And that's to show a --
12 maybe a steering committee is the only term
13 I came up with, only to help the
14 investigators understand the industry in a
15 very positive fashion. This has nothing to
16 do with any one -- in my opinion, anyway. I
17 don't know anybody else's motivation. This
18 doesn't have anything to do with one
19 particular incident. So how is the best way
20 to dispel any of those things? And that
21 would be to have a better understanding of
22 the industry.

23 And I'm -- again, maybe they have
24 a better understanding of the industry than
25 I do. But I'm left with I hear these things

1 that I'm not responding to and what can I do
2 to make a difference? That's why I brought
3 this to the Commission today.

4 And the 30 -- I'm sorry. The 30
5 minutes about the discussion was because we
6 already voted on the first point that I had.
7 And as far as I'm concerned, that's over
8 with. So we had a lively discussion,
9 because I made a mistake and maybe
10 prematurely offered a motion that we've been
11 discussing for quite a while.

12 MR. TAYLOR:

13 No different than you. I don't
14 have an agenda other than just trying to get
15 through this. If there was a -- if there
16 was one or two particular investigators that
17 have a problem it is the majority of this
18 conversation. If that were the case, maybe
19 we could discuss those investigators or
20 discuss the incidents in an open forum or
21 privately at some -- you know, and I'd say
22 those particular cases.

23 MR. OLAVE:

24 I don't believe that's the case.
25 I don't believe that's the case at all.

1 This is more about information, you know.

2 MR. POTEET:

3 All right. We have a -- we have
4 a plan, which is that at least Steve will
5 attend the next meeting. Derek will send
6 out an email to all the Commissioners.

7 MR. OLAVE:

8 I look forward to it.

9 MR. POTEET:

10 So that's what we'll do. And
11 then we'll see at the end of that, maybe a
12 couple -- a couple of those meetings do we
13 need a committee. At that point in time, I
14 will -- I will make an appointment. I'll
15 say, I would like for you to give me a
16 written idea of what you would propose to
17 make this work.

18 MR. OLAVE:

19 Yes, sir. When I come up with
20 that, I definitely will.

21 MR. PARNELL:

22 I do want to ask Ms. Morris, are
23 there any areas where we can get
24 Commissioners and ethics violations or
25 anything of that nature attending these type

1 of meetings? What -- they can't have a
2 quorum. I know that.

3 MR. OLAVE:

4 Can I -- can I mention one thing?
5 We used to have that. In fact, Henry Smith
6 went through all of the -- all of the
7 investigations, all of the cases. I'm not
8 suggesting we do that. But then he was
9 forced to recuse himself at the time of the
10 hearing.

11 So, you know, maybe that's the
12 solution or something like that. And I'm --
13 I don't mean -- I'm not looking to micro
14 manage the individual cases. Please, if
15 that's what you're taking away from this,
16 that's not my motivation. The Executive
17 Director does a great job with that. I'm
18 merely trying to provide more information to
19 the -- to the investigators that may or may
20 not have a sensitivity to the car business.
21 But give them that information, and then
22 maybe that helps them deal with the car
23 dealers a little bit better. I don't know.
24 Again, motivation is involvement here,
25 Mr. Chairman.

1 MR. POTEET:

2 Montie.

3 MR. WISENOR:

4 Briefly. These laws if you read
5 the statutes, they can be interpreted
6 different ways. So I guess that's -- I
7 think maybe there are six of us. There's
8 six of us out there that look at situations
9 differently. So, yes, I think that's a lot
10 of it, because we even have officers that
11 stopping dealers with dealer plates and
12 telling them, you can't do this, you can't
13 do that, and it contradicts some of the
14 statutes that we're aware of.

15 So we -- I think that's a lot of
16 the breakdown, too, between, you know, maybe
17 certain tickets are being written, but
18 that's why they're always received through
19 the Commission or through the Director.

20 MR. OLAVE:

21 That's a good point. In fact,
22 not even on that -- I don't want to even
23 bring that subject up. But we've had
24 Slidell PD stopping dealer tags. Dealer
25 tags and proven ownership of the car, which

1 is -- I mean, they don't stop five-day tags,
2 but they'll stop a dealer tag. We went
3 visit the Slidell police chief to make sure
4 they understood what the dealer tag was
5 about and they -- really, there's a lack of
6 information as it pertains to what is and
7 what isn't.

8 MR. POTEET:

9 We get them sometimes stopping
10 outside our auction for brake tags.

11 MR. WISENOR:

12 Right.

13 MR. POTEET:

14 But that -- that's not the
15 Commission. That's not the Commission.

16 MR. OLAVE:

17 No, no. I agree. I agree. I
18 agree with -- I would agree with Ronnie --

19 MR. POTEET:

20 There are things that -- you
21 know, that need to be -- you know, they need
22 to be educated on. And our people need to
23 be educated on our statutes.

24 MR. OLAVE:

25 Absolutely.

1 MR. POTEET:

2 So -- but we've got -- okay.
3 We've got a plan in place. So if we can,
4 I'd like to move on.

5 MR. OLAVE:

6 Thank you.

7 MS. BARON:

8 Well, Ms. Morris didn't get to
9 answer Mr. Parnell's question about the
10 ethics.

11 MR. POTEET:

12 Oh, I'm sorry.

13 MS. MORRIS:

14 If anybody is going to be
15 participating, you need to let Derek know in
16 advance, so that we don't have a quorum of
17 the Board participating in the same meeting.
18 So you might need to stagger the
19 participation.

20 Also -- and I think if Robert
21 participates, he can direct -- it can't be
22 any specific case unless we're going to
23 recuse the Commissioners. And, sometimes,
24 with a recusal, you know, it depends on how
25 many people can be here. If we don't have a

1 recusal, that might prevent a hearing. So
2 -- but, perhaps, my suggestion would be
3 maybe y'all participate in the beginning of
4 the meeting and -- you know, just on general
5 things. And then you-all could drop out.
6 And then if a specific case needs to be
7 discussed, it can be discussed after the
8 Commissioners are no longer involved.

9 MR. OLAVE:

10 I understand. I understand.
11 Thank you, Mr. Chairman. Thank you.

12 MR. POTEET:

13 Okay. Next on the agenda are --
14 well, look, ratification of imposed
15 penalties. How about that?

16 MR. PARNELL:

17 You'll find in your packet a
18 chart that illustrates the dealers that are
19 in violation of state law. These cases have
20 been investigated and I have determined the
21 public interest can be served without
22 further administrative proceedings on the
23 civil penalties that were issued. I will
24 announce the names of dealers with imposed
25 civil penalties.

1 Do we have anyone present from
2 dealers on the list, that listed on the
3 chart that are here?

4 MS. BARON:

5 I'll look. No, sir, we do not.

6 MR. PARNELL:

7 Okay. I'll start the process of
8 going through the list. The first dealer on
9 the list is V&J Auto Sales of Lafayette,
10 fine amount is \$150. Safe Haven for the
11 Arts, LLC, from Metairie, Louisiana, fine
12 amount is \$750. A&D Financial Service, RTO,
13 LLC, from Sulphur, Louisiana, fine amount is
14 \$2,500. The total fine amount for civil
15 penalties is \$3,400. Commissioners, I ask
16 that you ratify the imposed civil penalties
17 assessed.

18 MR. TAYLOR:

19 I make a motion.

20 MR. OLAVE:

21 I second the motion,
22 Mr. Chairman.

23 MR. POTEET:

24 All in favor, say, "Aye."

25 (All "Aye" responses.)

1 MR. POTEET:

2 Any opposed?

3 (No response.)

4 MR. POTEET:

5 All right. Those are ratified.

6 MR. PARNELL:

7 The next item on the list is, I'm
8 sorry, ratifications of revocations from May
9 of 2018. You also will find in your packet
10 a listing of the chart that illustrates the
11 amount of persons that were revoked had
12 during the month of May. If you'll notice,
13 some of them were in March revoked, but once
14 we received documents that they have been
15 noticed, that's when she goes ahead and puts
16 this on the record.

17 So do we have anyone present from
18 this list?

19 MS. BARON:

20 No, sir.

21 MR. PARNELL:

22 Okay. All right. First on the
23 list is I04 Auto Sales from Mamou,
24 Louisiana, notice of revocation was 3/29 of
25 '18. Charlie's Auto Sales, LLC -- I'm

1 sorry, Incorporated, from Vivian, Louisiana
2 notice of revocation was 3/19 of '18.
3 Cotton's Auto Sales from Sicily Island,
4 Louisiana, notice of revocation was 5/9 of
5 2018. Hills's Auto from Lake Charles,
6 Louisiana, notice of revocation was 5/8 of
7 '18. Johnnie's Paint & Body Shop from Lake
8 Charles, Louisiana, notice of revocation was
9 3/27/18. Mike Lee Auto Sales, from Ville
10 Platte, Louisiana, notice of revocation was
11 5/9 of '18. SS Truck and Performance
12 Center, LLC, from Shreveport, Louisiana,
13 notice of revocation was 5/9 of '18.
14 Commissioners, I ask that you ratify the
15 revocations -- ratifications of revocations.

16 MR. WATTS:

17 I make a motion.

18 MR. OLAVE:

19 Second the motion, Mr. Chairman.

20 MR. POTEET:

21 All in favor, say, "Aye."

22 (All "Aye" responses.)

23 MR. POTEET:

24 Any opposed?

25 (No response.)

1 MR. POTEET:

2 Okay. Those ratifications are
3 ratified.

4 . Next, we have the Executive
5 Director's report.

6 MR. PARNELL:

7 All right. Commissioners, you
8 will find also in your packet a chart that
9 illustrates the amount of complaints and
10 compliance for May of 2018. The first one
11 is the alleged issue counts. The total on
12 that for the month of April is 60. The next
13 item that you have is the case report. The
14 case report for the month of April
15 illustrates the amount of cases that were
16 assigned for compliance investigators. The
17 case report illustrates there were 39 cases
18 that were assigned for the month of April.

19 But this is not in your packet.
20 But I ran a similar report for the last
21 three complete years 2015, 2016, and 2017.
22 I was just kind of trying to look at some
23 numbers to see what has been happening out
24 there. And when I look at the case report
25 for the year of January 1 of 2015 through

1 12/31 of 2015, the total number of cases
2 that were assigned was 992. Of those cases,
3 the alleged issues that were assigned were
4 written by the -- I'm sorry, written by the
5 complainant was 1,915. In the month of --
6 the year of 2016 -- January 1 of '16 through
7 December 31st of '16, there was 947 cases
8 assigned. That year, the alleged issue
9 count was 1,740 complaints. The case report
10 for the year of 2017, there were 718 cases
11 that were assigned to compliance
12 investigators that year. The alleged issue
13 count was 1,285. Commissioners, there's --
14 like I said, there's a lot of things that
15 are happening out here and we're really
16 trying to make sure that we stay on top of
17 that.

18 The next item that you see is the
19 department summary report. The cases closed
20 for the month of April was 45.

21 Commissioners, the only other
22 thing I kind of wanted to tell you about was
23 Commissioner George Floyd, but we already
24 kind of discussed him. So I don't have
25 anything else. So if you have any other

1 questions, comments, or concerns, please.

2 MR. DONNELL:

3 Montie, your daddy is doing --
4 still doing good?

5 MR. WISENOR:

6 Yes.

7 MR. DONNELL:

8 Who is Tonya Burks?

9 MR. PARNELL:

10 She's on the enforcement side of
11 things. She and Kim, when a complainant
12 comes in the office, either email, call in,
13 walk up, they really field the complaints.
14 So they talk to complainants all day, every
15 day. And they actually assign them to the
16 compliance investigators that are domiciled
17 around the state. So that -- they kind of
18 flow and are successful in that way, so.

19 MR. POTEET:

20 Sometimes, you just need to ask.

21 MR. DONNELL:

22 I do.

23 MR. POTEET:

24 Tonya is at most of the meetings.
25 I would venture to say you've been at more

1 than I have or you have.

2 MR. PARNELL:

3 I think she's been here 14
4 years -- 13. Only 13.

5 MR. POTEET:

6 Thank you, Derek.

7 Next, we've got the legislative
8 session. Derek, do you want to help us out
9 with this one?

10 MR. PARNELL:

11 I'll start. The regular -- 2018
12 regular session just ended. The final
13 adjournment was Friday, May 18. They are
14 starting the 2018 second extraordinary
15 session tomorrow.

16 Our bill -- we had some issues,
17 not bad, but we did have some persons that
18 at the last minute, we were kind of getting
19 concurrence on our bill. It went through
20 the House unanimous, had some amendments.
21 Went through the Senate side, had some
22 amendments to it. But when that happens,
23 when you go from one House -- if it starts
24 in the House and you get amendments on the
25 Senate side, it has to go to concurrence.

1 And so at that point, we were up
2 there -- Sheri and I were up there and
3 another bill was going on and we kind of
4 were paying attention to it, because some of
5 the persons that we license were kind of
6 involved with that. And so, lo and behold,
7 the next week, the week that we were trying
8 to go up to concurrence, they wanted to have
9 a meeting. And so they were trying to put
10 some amendments on our bill. We kind of
11 fought that a little bit. We didn't want
12 them to really do anything to our bill,
13 because at that point, if they tried to do
14 any amendments, that meant we would have to
15 go to conference committee.

16 Conference committee is not where
17 you want to be with your bill, because that
18 means that you have other entities that may
19 be looking at that. The last week of
20 session as well is probably the worst place
21 you'd want to be in. You'll find people can
22 try to post and get legislation on your bill
23 that they may have been trying to get done
24 in the past or it's something that has
25 nothing to do with your agency at all.

1 And I think, as Ms. Morris told
2 us once before, she works in cosmetology and
3 somebody in conference got horse legislation
4 on their bill. So we wanted to make sure
5 that we're not -- we're not -- our bill is
6 getting through without any trouble. So our
7 bill did -- it did pass. We didn't have to
8 go to concurrence. We went to the House and
9 it was concurrence right way. There were no
10 issues. Our current bill is on the
11 Governor's desk for signing.

12 Senator Martini's bill was the
13 Senate Bill 62. That was the sunset bill.
14 They said that on August 1 that we didn't
15 exist anymore. That bill went through no
16 problems. It was sent to the Governor. It
17 kind of bothered me a little bit, because it
18 kind of went stale. It started on the
19 Senate side. Then, all of a sudden, they
20 weren't calling it to go up and there was,
21 like, two weeks left of the session. House
22 Bill 480 -- I'm sorry, 674 was the bill that
23 the entity that was trying to put some
24 language on our bill, they were able to get
25 that language that they wanted on that bill,

1 on 674, which I'm not saying it changes
2 much, you know. It does change things. I
3 don't know if -- I'm sorry, Ms. Morris would
4 like to talk about it, if she will.

5 MS. MORRIS:

6 The session was kind of a
7 challenge, even though we didn't have a lot
8 of -- we didn't think there was controversy
9 in the legislation that the Commission had
10 reviewed. That was Representative Shadoin's
11 bill.

12 But we were contacted, and I
13 think this kind of added to what Derek said.
14 When we used to go down to the Legislature
15 before, we weren't very well received and
16 people were always trying to do things to
17 our bills that we didn't understand. Now,
18 people contact us.

19 So on 5/14, we got a lot of
20 different lobbying groups that contacted us
21 with different issues with our bill. And we
22 did make some adjustments, but there was one
23 adjustment that we weren't -- we were
24 requested to make way at the end, and it had
25 to do with auto hulk, Mr. Morgan's Bill 674.

1 In the form that it passed is completely
2 different than how it had been initially
3 filed. The amendment that we asked not to
4 be placed on our bill, because we didn't
5 want it in conference committee, and I
6 thought it was a substantive change to our
7 bill. And Derek and I didn't feel like we
8 had authority to make any substantive
9 changes to bill. So they went and put it on
10 Representative Norton's bill while it was on
11 the Senate floor Thursday or Friday. So
12 then now it says that auto hulks are exempt
13 from the definition of used motor vehicles
14 in our law.

15 We're going to have to kind of
16 analyze how that affects us. But there is
17 some disconnect, I think. And I was in the
18 committee meeting when Representative
19 Norton's bill came up. And a lot of salvage
20 dealers were there, dismantlers. And when
21 they started explaining that there was a
22 difference between some used motor vehicles
23 and auto hulks that I wasn't following,
24 that's when I called Derek. I was, like, I
25 think you need to listen to it. There is, I

1 think, some -- the way auto hulk is defined
2 is -- they're trying to say that it wasn't a
3 used motor vehicle. They're trying to take
4 it out of something that used to be a used
5 motor vehicle.

6 So we're going to have to look at
7 Representative Norton's bill, because now it
8 exempts -- in the definition of auto hulk,
9 it says it's not a used motor vehicle. And
10 our definition of used motor vehicle is
11 something that -- it can encompass something
12 that was a used motor vehicle and it has to
13 do really with a lot of laws that we don't
14 -- our dealers have to comply with in terms
15 dismantling vehicles. And we had
16 discussions with the Office of Motor
17 Vehicles and they said, well, an auto hulk
18 is -- really, is very subjective. There's
19 not -- there are not --

20 MR. OLAVE:

21 Clear definition.

22 MS. MORRIS:

23 -- objective standards to
24 determine if the law contemplates if there
25 are some objective standards but nobody is

1 checking any of that. So it's kind of an
2 unanticipated amendment to Representative
3 Norton's bill. Representative Norton's bill
4 was brought on her behalf by a constituent
5 whose vehicle was sold, and then wound up
6 being at a crusher, but it actually wasn't
7 crushed I'm told.

8 MR. PARNELL:

9 I think it was stolen.

10 MS. MORRIS:

11 It was stolen, her vehicle, but
12 it was dismantled at the time. It wasn't an
13 operational vehicle. It was stolen. So
14 we're going to have to look at the crushers
15 and dismantlers and see how this definition
16 impacts it, if at all.

17 MR. POTEET:

18 Anybody have anything to say
19 about that?

20 MR. SMITH:

21 I will have to read it.

22 MS. MORRIS:

23 This -- I mean, it came in --
24 they put it on the Senate floor right at the
25 end of session. So we -- and they did not

1 share --

2 MR. POTEET:

3 So it passed?

4 MS. MORRIS:

5 Right. And they did not share
6 that with us. I had suggested that we work
7 together to clarify Representative Norton's
8 bill and they said they didn't think
9 Representative Norton's bill was going to
10 pass. So they rejected that idea. I
11 suggested he come to our December
12 legislative meeting and explain to the
13 Commission or come to some other Commission
14 meeting and explain to the Commission why
15 they think certain vehicles are not vehicles
16 or whatever.

17 So we'll just to have to look at
18 the impact of it to see -- you know, the
19 auto hulk definition and the definitions
20 that we are using for vehicle crushers and
21 dismantlers are not necessarily the --
22 they're not the same definition at all. The
23 definition that we had in our legislation
24 was parallel to the Motor Vehicle
25 Commission's definition, because for the

1 last several years, we have tried to align a
2 lot of our definitions with the Motor
3 Vehicle Commission, so that the enforcement
4 was parallel and the interpretation could be
5 more parallel, except our definition had to
6 recognize that some of these used -- they
7 were used motor vehicles because of the
8 salvage and dismantler side, and that was
9 the objective to language at the last
10 minute. So we have to look. It doesn't
11 really affect motor vehicle dealers, but
12 possibly crushers and salvage dealers.

13 MR. POTEET:

14 Well, when that comes out, I
15 guess you can read it and see if you can
16 decipher it.

17 MS. BARON:

18 It's in your -- it's in your
19 packet.

20 MS. MORRIS:

21 It's the very last one.

22 MS. BARON:

23 The very last one in your packet.

24 MR. POTEET:

25 Okay. Any other discussion about

1 the legislative session?

2 (No response.)

3 MR. POTEET:

4 Okay. I guess that's the --
5 that's the end of our agenda for now, except
6 for the hearings. So we need to adjourn for
7 a few minutes. Motion to adjourn?

8 MR. TAYLOR:

9 I make a motion.

10 MR. OLAVE:

11 Second.

12 MR. POTEET:

13 All right. Let's take about 10
14 minutes and we'll get started.

15

16 (Meeting adjourned at 11:00 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
5 the State of Louisiana, do hereby certify
6 that the Louisiana Used Motor Vehicle
7 Commission May 21, 2018, meeting was
8 reported by me in the stenotype reporting
9 method, was prepared and transcribed by me
10 or under my personal direction and
11 supervision, and is a true and correct
12 transcript to the best of my ability and
13 understanding.

14 This May 25, 2018, Baton Rouge,
15 Louisiana.

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23 BETTY D. GLISSMAN, CCR
24 CERTIFIED COURT REPORTER
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