

LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING
SEPTEMBER 21, 2015
BEGINNING AT 9:30 A.M.

3132 VALLEY CREEK
BATON ROUGE, LOUISIANA

REPORTED BY:
BETTY D. GLISSMAN, CCR

1 APPEARANCES:

2

3 CHAIRMAN:

4 MR. JOHN POTEET

5

6 COMMISSIONERS PRESENT:

7

8 MR. TONY CORMIER

9 MR. RON DUPLESSIS

10 MR. GEORGE FLOYD

11 MR. STEPHEN OLAVE

12 MR. KIRBY ROY

13 MR. HENRY "DARTY" SMITH

14 MR. DINO TAYLOR

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19 REPRESENTING THE LOUISIANA USED MOTOR
20 VEHICLE COMMISSION:

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

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

25

1 ALSO PRESENT:

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3 MS. KIM BARON

4 MR. DEREK PARNELL

5 MS. MONA ANDERSON

6 MS. TONYA BURKS

7 MR. NESTOR GUILLORY

8 MR. ERIC STRODERD

9 MR. DWAYNE TAMBLING

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1 (Pledge of Allegiance.)

2 MR. POTEET:

3 Kim, roll call.

4 MS. BARON:

5 John Poteet?

6 MR. POTEET:

7 Here.

8 MS. BARON:

9 George Brewer?

10 MR. BREWER:

11 (No response.)

12 MS. BARON:

13 Dino Taylor?

14 MR. TAYLOR:

15 Here.

16 MS. BARON:

17 Tony Cormier?

18 MR. CORMIER:

19 (No response.)

20 MS. BARON:

21 Ron Duplessis?

22 MR. DUPLESSIS:

23 Here.

24 MS. BARON:

25 George Floyd?

1 MR. FLOYD:

2 Here.

3 MS. BARON:

4 Kirby Roy?

5 MR. ROY:

6 Here.

7 MS. BARON:

8 Darty Smith?

9 MR. SMITH:

10 Here.

11 MS. BARON:

12 Steve Olave?

13 MR. OLAVE:

14 Here.

15 MS. BARON:

16 Tony Cormier?

17 MR. CORMIER:

18 Here.

19 MS. BARON:

20 Mr. Chairman, we have a quorum.

21 MR. POTEET:

22 Very good. Do we have anyone

23 here today for public comments?

24 MS. BARON:

25 No, sir. We do not.

1 MR. POTEET:

2 All right. So we need to --
3 hopefully, everybody has had a chance to
4 read the minutes of the last meeting. I
5 would like to have a motion to approve that.

6 MR. SMITH:

7 I'll make a motion.

8 MR. OLAVE:

9 Second the motion.

10 MR. POTEET:

11 Steve.

12 All in favor, say, "Aye."

13 (All "Aye" responses.)

14 MR. POTEET:

15 Any opposed?

16 (No response.)

17 MR. POTEET:

18 All right. That motion carries.

19 The first thing on the agenda --
20 or the next thing on the agenda is a review
21 of the financial reports. Mona, are you
22 ready?

23 MS. ANDERSON:

24 If you'll turn in your binders to
25 the financial statements for the month

1 ending August 31, 2015, on Page 1 of the
2 financial statement, the -- on the statement
3 of net position, at the end of August, we
4 had a cash account balance of \$1,627,779.
5 And looking back to 2010 when I first
6 reviewed the financial statements after we
7 had a change in management, the balance in
8 the bank account at that time was \$400,000.
9 So not a bad improvement.

10 MR. POTEET:

11 Good.

12 MS. ANDERSON:

13 Accounts receivable hearings and
14 fines, we had a balance at the end of August
15 of \$485,200. The -- in the liability
16 section at the bottom of the page, the
17 current liabilities were \$41,146, of the
18 total on Page 2 of \$1,051,600. And we've
19 not yet adjusted our compensated absences
20 and the OPEB liability. We usually do that
21 at audit. Our audit is not due -- our audit
22 was previously due by the end of August, but
23 it's now not due until the end of December.
24 So we will be tackling the audit this month
25 and making changes. There are some

1 significant changes in the recognition of
2 retirement liabilities in the implementation
3 of GASB 68 and that has resulted in some
4 delays in the audit, but I think they're
5 about to figure everything out now. So
6 they're going to reverse all of our expenses
7 for retirement that we entered for the year
8 and we'll have to accrue our liability on a
9 basis set up for future. Just as we do the
10 OPEB liability, we're going to have to
11 accrue our retirement liability in the same
12 manner. And there's been -- you know, GASB
13 put it out and there's been a lot of
14 conjecture about how to implement that and
15 how the formulas work and we got some
16 formulas from LASERS and they had to amend
17 that, but I think it's finally shaking
18 itself out there.

19 On Page 3, your revenues,
20 expenses and changes in net position, the
21 year-to-date revenue at the bottom middle of
22 the page were \$129,961 compared to August of
23 last year \$62,751. Under the expenditures
24 on Page 4, the salaries and related benefits
25 were \$122,994 to date. Salaries increased

1 about \$3,300 and benefits increased about
2 \$6,600 for the period -- same -- same period
3 last year.

4 On Page 5, the operating
5 expenditures were higher than last year.
6 Additional fees were incurred for vehicle
7 maintenance. We have now purchased a couple
8 of vehicles. So we won't have to maintain
9 those older vehicles anymore. We've
10 incurred some collection expense this month
11 on some past due account receivable, which
12 we'll talk about later in the report, and
13 the accounting expense for our CPA to assist
14 us with the new GASB rules, that's under the
15 professional accounting. So that -- those
16 expenses were higher than last year.

17 And so down at the bottom of that
18 last page, the period expenses were \$90,510,
19 and our year-to-date loss was \$33,000
20 compared to \$87,000 last year and we're only
21 in the first part of the fiscal year now.
22 So once we get our renewal season, we make
23 that up in there.

24 On Page 6 is the revenues and
25 expenses month to month. And your net is

1 shown there also. On Page 8, there's a
2 graph of those figures. I'm sorry, that's
3 Page 7.

4 Page 8 is the chart of our
5 revenues and you can see that this month our
6 hearings and fines were a little higher and
7 that's because we had -- when the August
8 meeting was cancelled, we pulled all of the
9 June, July and August fines into the August
10 financials to be recognized at that time.

11 On Page 9, our certificate of deposit
12 summary, the two CDs at Business First Bank,
13 as predicted, they went down from point 99
14 percent to point 35 percent. We did
15 investigate and we did not find a better
16 rate than that. You know, the list of banks
17 that the State will allow us to use, the
18 fiscal agents, is not very -- not very long.
19 So some of the more recent banks in this
20 area are not on it.

21 So on Page 10, the accounts
22 receivable hearings report, the first page
23 is the current accounts for the month. We
24 assessed fines of \$47,300. And like I said,
25 you can see that that's three months of

1 fines. And we collected \$26,843. And then
2 on Page 11, the accounts that are with the
3 Attorney General's Office, we did collect on
4 the account for Larry Brown and we wrote off
5 -- of the amount collected, we wrote off
6 \$1,456 of the fees to -- that were expensed
7 to the Attorney General's Office.

8 And unless there are any
9 questions, that concludes my report,
10 Mr. Chairman.

11 MR. TAYLOR:

12 You've told us this before and
13 I've forgotten it. Were we discussing
14 taking the Attorney General fees off or out
15 of our balance sheet or are these fees
16 already out of there?

17 MS. ANDERSON:

18 They're already expensed, right.
19 When we get the payment, it's net of the --
20 of what -- of the fees that we owe them. So
21 we expense it at that time in order to --

22 MR. TAYLOR:

23 I'm sorry. What I meant was
24 keeping these fines on the books that are
25 outstanding, like your Shawn Calvit, these

1 other ones.

2 MS. ANDERSON:

3 Right. Well, on your balance
4 sheet they show up as the uncollectible
5 accounts and we --

6 MR. TAYLOR:

7 Okay.

8 MS. ANDERSON:

9 -- we don't update that on a
10 monthly basis. We do that at audit. We
11 change that to the current. So this year
12 what's remaining in there will come up as
13 uncollectible accounts.

14 MS. MORRIS:

15 And, also, we met with the Office
16 of Debt Collection. It is a new agency
17 within the State, and they have agreed to
18 take our accounts that we haven't had any
19 collection on. They have some tools that
20 are different from the AG's Office, and run
21 them through their system and see if they
22 can identify any assets that they can go
23 against for these people. So I think we're
24 in the process of letting them review that
25 to see if there's any other collection

1 options on some of the older ones.

2 MR. TAYLOR:

3 Thank you.

4 MS. ANDERSON:

5 But some of them were really old
6 when we got here. You know, those first
7 like four were -- were here. I don't know
8 what the collectability on that is, you
9 know. It's possibly nil. They're probably
10 out of business.

11 MR. POTEET:

12 The boat companies go all the way
13 back to '09.

14 MS. ANDERSON:

15 When we had the recreational.

16 MR. POTEET:

17 All right. Does anyone else have
18 any questions for Mona?

19 (No response.)

20 MR. POTEET:

21 I guess you're off the hook.

22 All right. The next thing on the
23 agenda is -- oh, yes.

24 MR. ROY:

25 I'll make a motion.

1 MR. CORMIER:

2 Second.

3 MR. POTEET:

4 Motion and a second.

5 All in favor, say, "Aye."

6 (All "Aye" responses.)

7 MR. POTEET:

8 Any opposed?

9 (No response.)

10 MR. POTEET:

11 So we have -- on our agenda
12 today, we have some representatives of the
13 LIADA here today to discuss this. So I
14 guess we'll open it up for you guys to tell
15 us what you've got on your mind.

16 MR. STRODERD:

17 Thank you. Good morning to you
18 guys. On behalf of the dealers and our
19 members of the Louisiana Independent Auto
20 Dealers Association, this issue just keeps
21 coming up and -- and it's not going away and
22 it just keeps getting worse and worse in
23 regard to the sales and finance act. You
24 know, it's just getting to the place now
25 where, you know, the independent dealers

1 believe -- along with the State Association
2 believe that we should be governed by one
3 agency. We don't need to be governed by two
4 different agencies and the confusion that
5 keeps taking place at the dealer level from
6 the New Motor Vehicle Commission guys
7 showing up telling these guys that they need
8 to be licensed by the New Motor Vehicle
9 Agency and as well they need to be licensed
10 by the Used Motor Vehicle Agency, and then
11 being governed by two different agencies,
12 it's just becoming a bigger and a bigger
13 issue and we feel like, you know, something
14 needs to happen. You know, we belong as
15 independent dealers under the Used Motor
16 Vehicle Commission. We do not belong under
17 the New Motor Vehicle Commission. And so on
18 behalf of our dealers and all of our
19 members, you know, we'd like to just address
20 you guys and let you guys know what's
21 ongoing on in the street and what we
22 continue to get from our dealers every
23 single month.

24 MR. POTEET:

25 Okay. Does anybody have anything

1 to say about that at this point?

2 MR. DUPLESSIS:

3 It's allowed. I will say that my
4 phone has been ringing off the hook. And,
5 you know, my thoughts -- and I talked to
6 Glenn Robinson and I've spoken to Eric and
7 Dwayne, and they've stated their thoughts.
8 You know, my -- my position is that we went
9 to -- the Governor's office told us to take
10 this under very careful consideration. And
11 I'm all -- I'm in agreement with you, but I
12 think the methodology is something I don't
13 know. I'd have to defer to yourself, Sheri,
14 as kind of the executive counsel, to see how
15 we can bring this, what we can do, and how
16 we can legislate, how we can fix it. Our
17 meeting with the new car dealer -- New Motor
18 Vehicle Commission was less than smooth. So
19 we brought it to their attention.
20 Administratively, I have no -- I have no
21 more opinion.

22 MR. POTEET:

23 Let me say something before Sheri
24 speaks. I agree with you guys, too, and I
25 think, you know, those of us on the

1 Commission feel that we've got a little kink
2 in our regulatory bodies that needs to be
3 resolved one way or another and I think
4 that, you know, in speaking with Ron about
5 this, we've gone to the New Car Commission
6 and we've tried to get them to really give
7 us their reason. Their reasoning is, this
8 is the law, that's the way it is and that's
9 it, we don't need to explain anything else.

10 Does anybody disagree with that
11 characterization?

12 MR. DUPLESSIS:

13 No.

14 MR. POTEET:

15 Okay. So our feeling is, okay,
16 that's fine, just because something is a law
17 doesn't mean it's a good law or it's the
18 right way to do things. So I feel like we
19 need to look at this carefully and it is
20 obvious. I see many, many used car dealers
21 every single week in my business. I visit
22 them in their businesses. And this
23 definitely is a point of confusion and this
24 the part that really -- where I think it
25 becomes -- it's back on us to make a

1 decision.

2 The New Car Commission is not
3 doing anything to get rid of the confusion.
4 To me, that would be their job, to get rid
5 of the confusion. It's their law and since
6 they have not done anything about that, I
7 think that the next step is for us to start
8 considering how can we address the confusion
9 that used car dealers in this State face.

10 So, Sheri.

11 MS. MORRIS:

12 I think that it's open to this
13 Commission to interpret a rule or provision
14 of law is to do so when they're presented
15 with a petition for declaratory order and
16 the Administrative Procedures Act allows
17 anybody to request a commission to interpret
18 any rule or regulation or statute within
19 their jurisdiction. And if we were to
20 receive such a request, the Commission would
21 have to then issue an opinion and that
22 opinion would be subject to review by the
23 district court, and then the appellate
24 court. It would require us to notify any
25 interested parties, which I think would

1 include the New Motor Vehicle Commission. I
2 think the New Motor Vehicle Commission --
3 there are dealers who do have to have that
4 license. I don't know that it's as broad as
5 what they might be interpreting it to be,
6 but in order for this Commission to give any
7 formal opinion to the dealers, we need to
8 have a proper request and that request needs
9 to be subject to court review, so that the
10 opinion can stand on its own as the
11 regulation.

12 MR. DUPLESSIS:

13 That can be brought by any
14 interested party, though?

15 MS. MORRIS:

16 Correct.

17 MR. STRODERD:

18 How would that request need to
19 come in?

20 MS. MORRIS:

21 We have a form. We have a form,
22 right?

23 MS. BARON:

24 Yes.

25 MS. MORRIS:

1 Or we will have a form shortly if
2 we don't have one. And the form, you know,
3 has some basic information, but you're going
4 to have to frame what is the question that
5 you want us to answer? What is the source
6 of the confusion? What is the question that
7 needs to be answered? And I think -- like I
8 said, I think there are some dealers, the
9 way they operate their business are required
10 to have a license. And so they're going to
11 have to, unless there's some change in the
12 legislation, be regulated and governed by
13 two or more entities maybe. I know the
14 auctions are governed by two entities. So
15 that's not -- there are a lot of businesses
16 that are regulated by more than one agency,
17 but if you feel like there's some confusion
18 as to which types of transactions or which
19 dealers fall within that, you need to make a
20 list of those things and ask the questions
21 that you want the Commission to answer. And
22 then if we're requested or received, we want
23 to make sure that the appropriate procedures
24 are followed.

25 MR. POTEET:

1 So could the LIADA -- are they an
2 interested party or does it have to be a
3 specific dealer? And the other thing about
4 this is, when you talk about, you know, the
5 auctions, yes, we are governed by this
6 Commission and also the Louisiana Auctioneer
7 Board and the one thing I see missing here
8 in this thing with the New Car Commission
9 is, there's no representation on the board
10 -- on their commission of used car dealers.
11 Now, I don't know if that's something that
12 could be discussed in this type of --

13 MS. MORRIS:

14 And that is something that would
15 have to be legislatively --

16 MR. POTEET:

17 Right.

18 MS. MORRIS:

19 -- handled, because the
20 composition of this Commission and the
21 composition of their commission is set by
22 statute. So that might be -- I think we
23 ordinarily have Legislative Committee in
24 December, kind of toward the end of the
25 year, because the session -- that might be

1 something that you would want to bring
2 forward at the Legislative Committee
3 meeting.

4 MR. POTEET:

5 But I think I see two different
6 levels of issues here in how you approach
7 those issues. One is the confusion that
8 we've had. Now, if the confusion gets
9 cleared up by the court by going through
10 this process, you haven't made any progress.
11 You see what I'm saying?

12 MR. STRODERD:

13 Yes, sir.

14 MR. POTEET:

15 The next level is representation
16 -- proper representation on their
17 commission. If we're going to move that
18 away, and this is back to Sheri's point, we
19 can't just make a law that negates some
20 other regulatory agency's law, I don't
21 think.

22 MR. HALLACK:

23 No.

24 MS. MORRIS:

25 No, but you could have a hearing.

1 The New Motor Vehicle Commission has several
2 different hearing panels depending on the
3 issue coming before them determines the
4 composition of the panel. So you could
5 possibly have -- you know, if they're
6 hearing a case having to do with the Used
7 Motor Commission that they would have to
8 have somebody on the panel that represents
9 the industry.

10 MR. POTEET:

11 You were getting ready to say
12 something, Ron?

13 MR. DUPLESSIS:

14 Yes. Well, that has already been
15 tested, especially with the New Motor
16 Vehicle Commission as was the case of
17 Dominion Motors versus the New Car
18 Commission, which led to Lee Domangue being
19 put on the Commission as a broker. If you
20 notice now, there's no more broker positions
21 in the Louisiana new car law simply because
22 they had outlawed brokers once he closed his
23 business. So there is a clear cut case out
24 there that there cannot be, if you will,
25 taxation or regulation without

1 representation.

2 And I think the only thing is, is
3 I would be very careful about what you
4 brought towards any kind of administrative
5 hearing. You may have to make all your
6 points in this complaint form. Otherwise,
7 it can't be heard unless it's on the form.
8 So I would look very carefully to make sure
9 I have proper legal counsel. And the other
10 thing that I think we really kind of saw
11 that we were disappointed in, is that if
12 they're going to regulate you, I think it's
13 incumbent upon them as a good board and
14 commission that they tell you what's
15 expected of you.

16 And at this point in time, I see
17 that they have no classes, they have no
18 seminar, they have no policy -- stated clear
19 policy and procedures, what is a violation,
20 what is not. And the other question that I
21 think we have is if they do regulate you, by
22 some chance, what is the limitation of that
23 board and that commission as to the powers
24 specifically concerning the finance portion
25 of your business. I'm not sure it gives

1 them the overreach to walk in unexpectedly
2 and start going through files and coming up
3 with different violations that they're not
4 directly involved in, if you will, the
5 legislative overreach. So those are the
6 things that I think we pretty confidently
7 addressed with the New Car Commission and
8 there's also really not a strong case for
9 them to make. You've got -- the law is
10 quite vertical and quite clear. They keep
11 clinging onto all sorts of statutes that we
12 think are unrelated, but it's a big subject
13 and we've really addressed it, I think,
14 thoroughly, not successfully, but
15 thoroughly.

16 MR. POTEET:

17 That's true.

18 MS. MORRIS:

19 And another thing, just as this
20 Board has to the follow the Administrative
21 Procedures Act, so does the other board. So
22 you can make a similar request to them.
23 That's just something that you-all would
24 have to decide. Theirs would be -- their
25 ruling would be appealable just as this

1 ruling would be appealable to the district
2 court.

3 MR. HALLACK:

4 I don't think you can make your
5 request to us. We don't have jurisdiction
6 and authority to interpret their statutes
7 and rules and regulations.

8 MS. MORRIS:

9 Depending on what the question
10 is, but that might be something that the
11 Board has to look at.

12 MR. HALLACK:

13 And I would agree that it was
14 their law that's their problem, not ours.
15 So we can't interpret their law. If your
16 question is about interpretation of their
17 law, that has to be directed to them. It
18 cannot be directed to us. So I'm not sure
19 how you can frame the question in which it
20 would invoke our jurisdiction, but if you're
21 asking about a law that deals with sales and
22 finance, that's not us. You have to direct
23 that request to the New Car Commission.

24 Is there any dealer that's been
25 adversely affected by the sales finance law?

1 MR. STRODERD:

2 I think it's an issue of
3 confusion from a standpoint of who's
4 governing us, because I've got dealers that
5 are contacting us in regards to the New
6 Motor Vehicle coming in and saying, hey, you
7 need to be licensed by the New Motor Vehicle
8 Commission, but they're already currently
9 licensed under the Used Motor Vehicle
10 Commission and there's a -- there's a
11 confusion that takes place in going, hey,
12 you know, as an independent dealer, why
13 should we have the New Motor Vehicle
14 Commission governing our rules, but also the
15 Used Motor Vehicle Commission governing our
16 rules and it seems as if there's no direct
17 representation on the New Motor Vehicle
18 Commission board and what's the level of
19 interest that they have in governing the
20 independent dealers. And I think the
21 confusion is -- just from my question is, is
22 why wouldn't we would be governed under one
23 central agency over all independent dealers.

24 MR. HALLACK:

25 You know, I think that's a bad

1 question. I think your question is, why do
2 you regulate me, an independent used motor
3 vehicle dealer, why, and it's because of the
4 motor vehicle sales finance act, is the
5 reason why they are licensed and regulating
6 your dealers. And clearly there are some
7 dealers that do come within that law, people
8 who do their own motor vehicle sales
9 finance. Those people clearly come within
10 that law. And I think most of those people,
11 the buy here, pay here people, most of those
12 are licensed by them. I think the question
13 is, those independent used motor vehicle
14 dealers that don't do their own sales
15 financing. I don't know -- I don't know
16 what the numbers are, but I think they're
17 the majority of our licensed dealers, right,
18 Kim?

19 MS. BARON:

20 Yes, it's a good bit, yes.

21 MR. HALLACK:

22 So I think for those guys, that's
23 -- the question is for those guys.

24 Otherwise, you know, you know that people do
25 buy here, pay here, they've got to have a

1 license with the New Car Commission under
2 the motor vehicle sales finance license.

3 MS. BARON:

4 Is there also a boundary that
5 they shouldn't be crossing as far as going
6 into our dealerships and demanding things,
7 is there a boundary? I mean, can they go in
8 there and just do anything that we can do as
9 well or should they only be able to look at
10 the finance?

11 MR. GUILLORY:

12 Their enforcement -- their
13 enforcement rules are for -- for finance
14 only.

15 MR. HALLACK:

16 But it also goes along --

17 MR. GUILLORY:

18 But to be able to do that, they
19 have to see all the contracts. So they
20 basically have access to the file, because
21 that's the only way that they can make sure
22 the dealer is being forthright with them.

23 MR. HALLACK:

24 But it's a little more broader
25 than that, because they are required to have

1 a license with them. So anything that goes
2 along with their licensing requirements,
3 they are able to look at that, also. So it
4 goes beyond just finance, but what are their
5 licensing requirements for that motor
6 vehicle sales finance license?

7 MR. GUILLORY:

8 \$400 and the application.

9 MR. HALLACK:

10 Well, but there has to be --

11 MR. GUILLORY:

12 You know, the other day when he
13 told -- he told one of my dealers while I
14 was in there, you just need to send \$400 and
15 this application and we'll send you a --

16 MR. HALLACK:

17 I don't know if I agree with
18 that, because one of their licensing
19 requirement, they have to put up financials
20 and all that other stuff. I don't know if
21 they're making motor vehicle sales finance
22 licensees put up financial records and stuff
23 like that to show that they are fit and able
24 to meet their requirements for a dealer.
25 They have this tendency to believe that

1 everybody should operate like a new car
2 dealership. A new car dealership, there's a
3 reason why they put up financial records to
4 show that they can hold the license, but for
5 somebody that's doing motor vehicle sales
6 finance, I don't think that's the same
7 requirement. I don't know what they
8 actually require, if it's just an app and
9 400 bucks or --

10 MR. FLOYD:

11 Basically just the money.

12 MR. GUILLORY:

13 They want to know you have a
14 current used motor vehicle license. That's
15 one of the deals on the deal and it's -- and
16 that you have a secure place to keep
17 customer records.

18 MR. FLOYD:

19 I called the commission when I
20 had my finance license about a repossession.
21 Okay. Well, we will transferred you to
22 another line and I asked the same thing, oh,
23 hold on, sir. It's almost like you get the
24 license and you're on your own, buddy, you
25 know. There was no assistance at all. So

1 that was one of my frustrations with them.

2 MR. CORMIER:

3 At what point are you required to
4 have a license, are you -- when you take a
5 credit app or what is the --

6 MR. TAYLOR:

7 That's the interpretation.

8 MR. CORMIER:

9 Yes, if you have a credit app.

10 MR. DUPLESSIS:

11 But the conflict of the law says
12 that it requires you to, the way you read
13 it, if you hold the contracts more than 60
14 days, I believe; is that correct?

15 MR. STRODERD:

16 Correct.

17 MR. DUPLESSIS:

18 There's a clear line in the
19 delineation in the law that says you must,
20 you shall. It's all implied due to other
21 exceptions outside the scheme of law that we
22 operate in the State of Louisiana. So the
23 grappling to these other sections of law
24 that really seem not to be, you know, that
25 germane to this instance, but you've got to

1 go back to the education and the clarity,
2 the seminars and -- and representation. I
3 think clearly you have a huge concern there,
4 but I think it's a bad question to say, you
5 know, we're just strictly governed by one
6 board. That question has already been
7 answered for you definitively. I think
8 you're barking up the wrong tree with that
9 one, because I think John makes a very good
10 point, auction board versus, you know, used
11 car sales. That's the poster child for that
12 kind of stuff.

13 MR. HALLACK:

14 But has there been a dealer
15 that's been adversely affected by the motor
16 vehicle sales finance act? Has somebody
17 been fined and found in violation?

18 MR. STRODERD:

19 I couldn't answer the question.

20 MR. HALLACK:

21 Well, if that guy does -- if a
22 dealer has been fined as a result of a
23 violation of the motor vehicle sales finance
24 act, then he can appeal that to the court
25 and say, you know, there are several

1 reasons, bad interpretation of bad law. I
2 mean, he can appeal that to the court and we
3 can -- I would think we can intervene in
4 that and help him out, because we want to
5 know, because these are our dealers. You
6 know, I think whatever you decide to do, if
7 you decide to request that they interpret
8 their law, you know, I think ultimately we
9 can intervene in the lawsuit that results
10 from that, because we need to know on behalf
11 of our dealers, but we can't break -- we
12 don't procedurally have the ability to do
13 anything, I don't think. Could we send them
14 a request and say on behalf of our dealers
15 what's your interpretation of the law?

16 MR. DUPLESSIS:

17 That didn't work out too good.

18 MR. POTEET:

19 We're not going down that path.

20 MR. HALLACK:

21 We issue a response.

22 MR. TAYLOR:

23 And we're waiting on that
24 actually.

25 MR. HALLACK:

1 So we did actually send them a
2 letter saying what's your --

3 MR. TAYLOR:

4 No, we went there in person and
5 we're waiting on their response. They're
6 going to get back with us and --

7 MR. HALLACK:

8 You've got to send a letter.
9 You've got to make a formal request.

10 MR. OLAVE:

11 It sounds like they -- they don't
12 even have the infrastructure set up to -- to
13 regulate that aspect of the license, it
14 doesn't sound like. I'm with Ron, clear,
15 concise, you know, lift the expectations and
16 how they plan on implementing the -- the
17 regulations I think is the first step, you
18 know, asked for by the organization and that
19 way you get a clear picture of what -- you
20 know, what their expectations are as far as
21 the regulation with those licenses. And
22 I've got to believe the big fear is the
23 collateral controls that the New Car
24 Commission could possibly have, because once
25 you are a licensed member of their

1 commission, then what rules and regulations
2 do you have to follow, don't you have to
3 follow. The wholesale question comes back
4 into play. I think that's probably the
5 biggest fear than just the license or any
6 kind of regulatory aspect to that.

7 Thoughts on that, anybody?

8 MR. TAYLOR:

9 There's just not a whole lot, in
10 my opinion, that you can do on a daily
11 basis, that you couldn't twist and turn and
12 connect to finance if you think about it --

13 MR. OLAVE:

14 For sure.

15 MR. TAYLOR:

16 -- and -- which opens up the fear
17 of all the used car dealers and they can
18 regulate out and their governing body lining
19 up with the New Car Commission being the
20 governing body also.

21 MR. CORMIER:

22 Why wasn't this an issue before,
23 like what brought all this up?

24 MR. TAYLOR:

25 Because they just started

1 requiring dealers that are doing indirect
2 lending to get the license, also, versus
3 just the dealers that do owner financing, I
4 believe.

5 MR. DUPLESSIS:

6 You know, I think what they have
7 repeatedly asked us to do is to pass
8 legislation on advertising and some other
9 areas and I think clearly they don't know if
10 they reach out what the retaliation would be
11 on some of the advertising terms. Very
12 clearly, I think we would probably interpret
13 the wholesale is really not wholesale,
14 because if you're wholesaling, you're not
15 advertising the retail constituents as
16 wholesale. We don't have specific wholesale
17 license in this state like Texas does. They
18 have a specific -- and they have
19 requirements for retail, but they've also
20 asked us to govern, you know, I think, items
21 of good taste.

22 New car dealers have a lot of
23 factory priced buy downs and incentives and
24 rebates and we know how to disclose those,
25 but that doesn't apply to y'all's business,

1 you know. And if it does, through some sort
2 of finance -- finance stipend -- if Chase
3 decides they're going to bring on a bunch of
4 used car dealers and give you buy down
5 points, you're going to have to disclose
6 that and I think clearly that we follow that
7 line of delineation, but their concerns were
8 to try to get us to acquiesce to their
9 advertising regulations and codes, and so
10 far we've not capitulated.

11 MR. HALLACK:

12 I don't see why we don't send
13 them a letter asking them how they interpret
14 this law on behalf of our -- why can't we do
15 that?

16 MS. MORRIS:

17 They provided us with an MO of
18 their legal counsel. That's what they
19 provided us with.

20 MR. HALLACK:

21 I think the -- the formal
22 process, you have to send a letter, though,
23 and say, we want an interpretation of this.
24 We have to frame the question. We have to
25 frame the question for them to answer. We

1 get that choice. We make them -- we put
2 them on the spot and say, this is our
3 question, answer it for us and --

4 MS. MORRIS:

5 I don't think the Board has the
6 authority to file a petition or declaratory
7 order.

8 MR. HALLACK:

9 I'm not asking for that, though.
10 I'm saying send them a letter saying, please
11 interpret -- on behalf of our dealers, we
12 need this provision interpreted.

13 MR. POTEET:

14 Well, I think that -- that we're
15 -- again, this has -- this has got two
16 levels to it. One is we're talking about
17 the -- the legal aspects of something.
18 That's really not why they're doing it. I
19 mean, this is my opinion. We just heard
20 from George. They couldn't give him an
21 answer on how to deal with an issue. We
22 heard from Nestor that fill out the
23 application, send us the \$400 and we'll
24 leave you alone. I mean, they're not going
25 in and going after guys for not doing the

1 financing properly. They're just going in
2 and saying, pay for the license. I'm
3 getting close to saying a word I don't want
4 to use in a public -- you know, pay me and
5 I'll leave you alone.

6 MR. HALLACK:

7 It's more than that. They do
8 want to regulate our advertising.

9 MR. POTEET:

10 Yes.

11 MR. HALLACK:

12 That's where they're ultimately
13 going.

14 MR. POTEET:

15 I agree with that and we had a
16 meeting here and they -- you know, they
17 couldn't explain to us exactly what they
18 wanted. I mean, they explained what they
19 wanted, but it wasn't -- once we, you know,
20 provided some push back on that a little
21 bit, they didn't go with that. So that's
22 when we -- the last meeting we had with
23 them, but I think that -- I don't know if
24 getting a -- what's that thing called, a
25 declaratory judgment, I don't know if that's

1 what we're really looking for. I mean,
2 maybe that's a start, but that's not going
3 to answer the question. That's just going
4 to say, you know, we -- we believe that we
5 should be regulating them for this reason in
6 this way.

7 MR. HALLACK:

8 Well, I don't think it's a choice
9 about whether we regulate them or not. In
10 order for buy here, pay here, we know that
11 those guys have to be licensed by them.

12 MR. POTEET:

13 I don't think that the -- you
14 know, I don't think that the LIADA -- well,
15 I'm not speaking for you guys. You say you
16 disagree with that. I don't think they're
17 trying to say they don't want to be
18 regulated. What they're saying is, they
19 don't want to be regulated by another
20 commission that's confusing. You know, when
21 our guys go out there and they ask them a
22 question, do we need to be regulated, we're
23 the ones making -- kind of giving them an
24 answer, and then if we're in conflict with
25 what they think, because they're not really

1 giving an explanation and they don't really
2 regulate anyway.

3 MR. HALLACK:

4 Yes, but we're talking about two
5 separate things. We're talking the indirect
6 lender and the buy here, pay here. We know
7 buy here, pay here, the only change you can
8 make there is legislatively. The other one,
9 the indirect lender, that's up in the air
10 and that is subject to judicial
11 interpretation.

12 MR. DUPLESSIS:

13 That's what we are saying.

14 MR. POTEET:

15 And I agree with that.

16 MR. HALLACK:

17 Okay.

18 MR. GUILLORY:

19 A suggestion from talking with
20 most of the dealers that I've gone and
21 visited, if you're going to chase that
22 rabbit, you need to chase the deal on
23 origination. You need to get them to give
24 you a declaratory deal on where the
25 origination process do you cross that line,

1 definitive clear cut closure, it's going to
2 be through legislation. And then it brings
3 up the question, how does the Governor's
4 Office feel about that after being kind of
5 told to stand down on that?

6 MS. MORRIS:

7 They won't have the same governor
8 going into the next session. So it's an
9 issue that we would have a whole new
10 administration, a bunch of the
11 administration that left.

12 MR. DUPLESSIS:

13 So we can move forward with that.
14 Since we never received anything back from
15 anyone, it's still up in the air. We can
16 proceed with legislation.

17 MS. MORRIS:

18 This session, we're going to have
19 a new legislators and a lot of need to
20 review and a new governor. So it would have
21 to be something that would be addressed with
22 the new administration.

23 MR. POTEET:

24 Do we still think they should go
25 for a declaratory judgment?

1 MR. HALLACK:

2 Again, I don't know why we
3 couldn't write them a letter and ask them.

4 MR. POTEET:

5 You're suggesting that we write a
6 letter --

7 MR. HALLACK:

8 Well, we would need a formal
9 response.

10 MR. POTEET:

11 I kind of agree with that.

12 MR. HALLACK:

13 You know, it's partly our
14 problem.

15 MR. POTEET:

16 If we have it, then we can go to
17 the next step. I think that gets something
18 that's sort of out there. I mean, our
19 private meeting has yielded nothing. And
20 there's no -- nothing in writing. There's
21 no real record of the meeting. So, you
22 know, maybe that is the next step. So what
23 we'll do -- would that be something Derek
24 needs to do or --

25 MR. HALLACK:

1 Yes.

2 MR. POTEET:

3 -- the attorneys help him draft
4 that up?

5 MR. HALLACK:

6 Maybe make it stronger, like we'd
7 like it to be on the agenda for the next
8 meeting.

9 MR. DUPLESSIS:

10 Do they publish minutes. I have
11 not seen them publish a meeting.

12 MR. POTEET:

13 They have to.

14 MR. DUPLESSIS:

15 I've never seen their meetings.

16 MS. BARON:

17 Yes, the Board of Commissions,
18 they have to report it.

19 MR. HALLACK:

20 Yes, they do have to make their
21 minutes, but they don't have to do it by
22 court reporter.

23 MR. POTEET:

24 Somebody can just take notes.

25 MR. HALLACK:

1 Right.

2 MS. MORRIS:

3 You have to record every motion
4 and the disposition of the motion.

5 MR. POTEET:

6 Okay.

7 MR. HALLACK:

8 Do you have a dealer that would
9 be going to submit a question to the New Car
10 Commission?

11 MR. DUPLESSIS:

12 It doesn't require a dealer.

13 MR. HALLACK:

14 No, you're right, it doesn't.

15 MR. DUPLESSIS:

16 They hang one dealer out to be --
17 you know, I'm just going to tell y'all how
18 the LADA works. The reason they have Bob
19 Israel in their organization is to not out
20 one dealer on a concern to where there's a
21 retaliatory action. And I would highly
22 recommend that you have LADA as a group
23 represent you.

24 MR. HALLACK:

25 If you ask them to put it on

1 their agenda, it's something that they'll
2 have to discuss. There will have to be some
3 kind of record of a discussion on it. So
4 you can have that.

5 MR. DUPLESSIS:

6 You can bring your own court
7 reporter as well. You want transparency and
8 you want recordation, that's the way it's
9 going to happen, in real time. I sat on
10 both sides, if you want a record, put it on
11 the court reporter. It's there in
12 perpetuity.

13 MR. POTEET:

14 So the first step is for us to
15 write a letter and the next step is for you
16 guys to get on their agenda.

17 MR. HALLACK:

18 Right. We can formally ask to
19 get on the agenda for the board to address
20 this question, for them to take some type of
21 action.

22 MR. GUILLORY:

23 I would like to add a note just
24 on that advertising part you brought up,
25 it's getting hard pressed for any of the

1 investigators to find a refinance.

2 Everybody signed up everywhere since we
3 started writing it, like hard.

4 MR. TAYLOR:

5 The dealers that -- y'all are in
6 the field. The dealers that have refused to
7 buy the license, and I know there's several
8 of them that have, what action will the New
9 Car Commission make?

10 MR. STRODERD:

11 I think it just comes down to the
12 confusion side of what are they supposed to
13 do. And I think as far as the advice on our
14 side of it, it's just referred back to an
15 attorney to really go through what's the
16 right decision for them to do.

17 MR. TAYLOR:

18 Has the New Car Commission issued
19 any fines or anything to that nature for
20 people that do not have the license?

21 MR. STRODERD:

22 I'm not sure, specific. I think
23 it's just been complaints coming in to our
24 side.

25 MR. TAYLOR:

1 That's what I'm hearing.

2 MR. STRODERD:

3 It's just the complaint side of
4 it.

5 MR. HALLACK:

6 Well, not of their own dealers,
7 but there is a case on one of their own
8 dealers, a recreational dealer out of
9 Lafayette. He doesn't have any -- he
10 doesn't do buy here, pay here. All he does
11 is he gives them a sheet of paper and said,
12 if you're interested in obtaining a loan to
13 purchase -- to make this purchase, here is
14 the website information where you can go to
15 get that. They're making that guy get a
16 license for motor vehicle sales finance, but
17 he is their licensed dealer, but they're
18 making him get an additional license.

19 MR. TAYLOR:

20 Well, the reason they say they
21 have to have one or a new car dealer has to
22 have one, because they're already regulating
23 him. And so that's quite the opposite what
24 they said when we went down to their
25 meeting.

1 MR. HALLACK:

2 Well, this guy is not a used car
3 dealer. He's a recreational product --

4 MR. TAYLOR:

5 He's still a licensed dealer.

6 MR. HALLACK:

7 He knows who I'm talking about.

8 MR. DUPLESSIS:

9 If he's got a license, he's
10 included according to the statute in their
11 law. We clearly read that. And we're
12 talking about -- we were reading the law
13 books. We're not -- when we sat down to
14 address this, we pulled it by statute. We
15 pulled it by section, scheme of law, and
16 they're pretty well up to it. They still
17 think it is ambiguous and we don't read it
18 same way.

19 MR. HALLACK:

20 They're singling this guy out for
21 a particular reason.

22 MR. DUPLESSIS:

23 You can't do that. I mean, the
24 scheme of law has to address the scheme of
25 law, not an individual person.

1 MR. HALLACK:

2 I promise you, they're
3 prosecuting him.

4 MR. DUPLESSIS:

5 Well, if he does something wrong,
6 that's not for us to determine.

7 MR. HALLACK:

8 I know. I'm just saying that
9 there is a case out there.

10 MR. GUILLORY:

11 Most of the dealers that have
12 been visited by them, they -- well, I have
13 to think about it. They basically --
14 they're parting words to the dealers, well,
15 if you bring it before the Commission and
16 you're found to be in violation, it's
17 \$5,000, they're going to think about it long
18 enough to write a \$400 check.

19 MR. DUPLESSIS:

20 There's probably -- I think
21 there's -- scratch that.

22 MR. POTEET:

23 Okay. So our course of action
24 right now is to write the letter, get them
25 to put something in writing back to us.

1 There's no guaranty they'll do that, but
2 that's the first step.

3 Do we give them -- Mr. Hallack --

4 MR. HALLACK:

5 Sure, you have to give them --

6 MR. POTEET:

7 -- give them 30 days or we want
8 an answer within, you know, some period of
9 time?

10 MR. HALLACK:

11 Yes.

12 MR. POTEET:

13 Okay. 30 days.

14 MR. HALLACK:

15 30 days.

16 MR. POTEET:

17 30 days, okay. So can we get
18 that letter out this week?

19 MR. DUPLESSIS:

20 Should we form a small committee
21 to address the content of that letter?

22 MR. HALLACK:

23 Well, I think we should sent it
24 whoever wants to see it before it goes out.

25 MR. POTEET:

1 I think Derek and the attorneys
2 can work on it, and then if LIADA needs to
3 see it, and then any of us that want to -- I
4 want to see it before it goes.

5 MR. TAYLOR:

6 I do, too.

7 MR. POTEET:

8 Just send it out to all of us and
9 get any comments. If you get nothing back,
10 then that's fine, but I would include Dwayne
11 and Eric on that and all of us. And then
12 after we get that answer, then we'll try to
13 get on their agenda, right, is that our next
14 recommendation? Depending on what the
15 answer is, I guess.

16 MR. HALLACK:

17 I would include the request in
18 the same letter, we'd like this addressed by
19 the Board.

20 MR. POTEET:

21 Okay. Anybody have a problem
22 with that?

23 MS. MORRIS:

24 It might take longer than 30
25 days. I don't know what their meeting

1 schedule is.

2 MR. POTEET:

3 Well, if we have it all in the
4 letter, they can respond to that. They
5 don't meet every month, do they?

6 MR. DUPLESSIS:

7 Yes, they do.

8 MR. POTEET:

9 They do?

10 MR. DUPLESSIS:

11 They do.

12 MR. POTEET:

13 Okay. I thought they met every
14 other month.

15 MS. MORRIS:

16 I thought the hearing are every
17 month.

18 MR. POTEET:

19 I think they have like --

20 MR. DUPLESSIS:

21 Hearings take place just about
22 every day of the week. The -- I was under
23 the impression that they met once a month.
24 It may not be the case.

25 Mr. Chairman, I'm curious, we're

1 sitting here in September, at what point --
2 if we are going to consider legislation, at
3 what point -- where do you and the
4 Commission feel that would be a proper time
5 to start introducing legislation and
6 crafting it?

7 MR. POTEET:

8 I would think around November.

9 MR. DUPLESSIS:

10 Okay. We might want -- since
11 this is such a hot issue, we might want to
12 look at setting our -- our legislative date
13 to see where we can meet -- be early getting
14 -- you know, I think maybe back in the
15 Archives would be appropriate. And then at
16 that time, we can come together and see what
17 the composition of that legislation may be.
18 What we can't do with this session is wait
19 for the 11th hour, because this fiscal year
20 -- last year, and this going to be a whole
21 new entourage of people this year.

22 MR. POTEET:

23 The new Governor takes office on
24 January 1st, right?

25 MR. DUPLESSIS:

1 Yes.

2 MS. MORRIS:

3 No, the third Monday in January,
4 something like that, around the 20th or
5 something.

6 MS. BARON:

7 The meeting in January is always
8 postponed to the next week because of Martin
9 Luther King.

10 MS. MORRIS:

11 Inauguration Day is a holiday. I
12 think that's the third Monday in January,
13 January 20.

14 MR. POTEET:

15 So we'll have to work around all
16 of that. Does that sort of answer --

17 MR. STRODERD:

18 Yes.

19 MR. POTEET:

20 I mean, I know we don't have a
21 definitive final answer, but we've got a
22 plan of action and that's what we've got to
23 do.

24 MR. STRODERD:

25 Progress.

1 MR. POTEET:

2 Yes. Okay. Well, thank you for
3 coming in and presenting your viewpoint.

4 MR. STRODERD:

5 Appreciate it.

6 MR. POTEET:

7 Okay. The next thing we have is
8 the ratification of imposed penalties.
9 Derek.

10 MR. PARNELL:

11 All right. Commissioners, please
12 find in your packet a chart that illustrates
13 the dealers that have been fined. We have
14 the stipulated agency orders and payment has
15 been made by all them on the list. I have
16 determined that the public interest can be
17 served without further administrative
18 proceedings. We have five dealers present.
19 Do we have any of these dealers present?

20 MS. BARON:

21 I don't believe, but I'll go
22 check.

23 No, sir, not for ratifications,
24 no, sir.

25 MR. PARNELL:

1 Well, I'll go through and list
2 the name of the dealer and the amount of
3 fine. The first one on the list, J&S Sales,
4 that be out of Port Allen, Louisiana. They
5 were fined \$300 for failing to keep an
6 established place of business, no licensed
7 salesperson, and the phone wasn't connected.

8 The second on the list is Jet Ski
9 Haven, LLC out of Shreveport, Louisiana.
10 They were fined for not operating from
11 address shown on the license, one count.

12 Houston Motors of Louisiana, LLC
13 out of Baton Rouge, Louisiana, they were
14 fined for committing a fraudulent act -- two
15 counts of committing a fraudulent act and
16 four counts of misuse of temporary tags,
17 they were fined \$2,000.

18 Geaux-Geaux Auto Sales, LLC out
19 of Maurice, Louisiana, they were fined for
20 not operating from address shown the
21 license, five counts, \$1,250.

22 Premier Cars and Trucks, LLC out
23 of Monroe, Louisiana, they were fined \$300
24 for one count of false, misleading, or
25 unsubstantiated advertising.

1 The total amount in penalties for
2 the month of August was \$4,100.

3 Commissioners, I ask that you
4 ratify the imposed civil penalties assessed
5 and accept the signed stipulated agency
6 orders.

7 MR. ROY:

8 (Makes motion.)

9 MR. SMITH:

10 Second.

11 MR. POTEET:

12 We have a motion by Kirby and a
13 second by Darty.

14 All in favor, say, "Aye."

15 (All "Aye" responses.)

16 MR. POTEET:

17 Any opposed?

18 (No response.)

19 MR. POTEET:

20 Those are ratified.

21 So the next thing is the
22 Executive Director's report.

23 MR. PARNELL:

24 Commissioners, the enforcement
25 division has been working real hard at

1 satisfying consumer complaints, and seeing
2 that our dealers are in compliance with the
3 law and the statutes. During the month of
4 August, there were 25 day notices issued.
5 34 physical inspections were done. 19
6 titles to be delivered to the consumer. 121
7 site visits were conducted. 7 audits were
8 conducted. 51 violations issued and
9 consumers helped get refunds of \$3,150. In
10 your packet, you will also find reports that
11 illustrate some of the actions that have
12 been going on with the endorsement area.
13 The first item is the alleged issue counts.
14 There were 141 alleged issues in the month
15 of August.

16 The next report is the case
17 report, which there were 83 cases assigned
18 in the month of August. 75 of those cases
19 still remain open, which in the month of
20 August there were 39 cases that were closed.
21 What I've really found that's very
22 interesting that -- I said this last month
23 and the month prior to that is that we've
24 really changed the perception and our
25 visibility has increased a great deal and

1 our enforcement side and pretty much
2 everything that we're doing as an agency.
3 You know, we have continued to hold our
4 internal enforcement meetings, which has
5 proved to be very successful as far as our
6 in office personnel the field office
7 personnel to know what's going on and we're
8 all on the same page. We've recently been
9 kind of focusing on our advertising and
10 monthly sales reports, trying to make sure
11 our dealers are doing the monthly sales
12 reports, because that was something that we
13 saw that wasn't being done as it should
14 have. Is there any questions or comments
15 about the enforcement, Commission, what's
16 been going on?

17 (No response.)

18 MR. POTEET:

19 I don't think so.

20 MR. PARNELL:

21 Well, in general news, we did
22 receive -- Mona did mention that earlier.
23 We received one of our State vehicles.
24 Louisiana Property Assistance has sent a
25 notice that we do need to get a GPS on those

1 vehicles and I'll be contacting them this
2 week to try to set a time. We need to go
3 through them to get those GPSs set up on the
4 vehicles. Each vehicle is like \$25 per
5 month and we need to pay them in order to
6 have that on the vehicles. This is supposed
7 to streamline some of our efforts long-term
8 in reporting to them, Property Assistance
9 and things like that. Our renewal period,
10 we've already sent out postcards and those
11 postcards again are just to notify everyone
12 that renewal time is upon us. As always,
13 our first renewal time will guaranty that
14 they'll have their license by January 1 if
15 sent in by November 1. We'll get those
16 postcards out probably in the beginning of
17 October and we'll be able to move forward
18 from that. That ends my Director's report.

19 But I do want to make a personal
20 note. I would thank everyone for the
21 concerns about my family and what has been
22 happening. So thank you.

23 MR. DUPLESSIS:

24 Derek, tell us about CAVU real
25 quick. I know you were looking at changing

1 it.

2 MR. PARNELL:

3 We are currently -- we looked at
4 two different licensing programs that we
5 kind of liked, one which is kind of ready to
6 go right now, but the cost is pretty large.
7 There was also another one that's kind of
8 starting up. He's been doing it for a short
9 amount of time, but it can be more curtailed
10 to exactly what we're looking for. What we
11 want to do is kind of sit back maybe another
12 year or so and continue on with CAVU,
13 although with the expectation that we know
14 we need to move beyond it in the future, but
15 just to see where the other solutions are
16 going, because there's not a lot of
17 solutions that's out there that really can
18 produce what we really need to get done as
19 far as our licensing side, enforcement side,
20 and there's not a lot of products out there
21 that really work in the governmental phase
22 of things the way we would like to. So we
23 kind of want to put it on the back burner
24 for now just to try to see where it goes,
25 other solutions develop and where they moved

1 to. It's kind of a situation we want to
2 make sure we make the right decision,
3 because we want to be with the company and
4 the solution that we can grow with in the
5 future, in the next 10 to 15 years and we
6 would still be satisfied with. And we
7 really want to make sure that we do our due
8 diligence on the front end to make sure
9 we're getting the right product.

10 MR. POTEET:

11 Does anyone have any questions
12 for Derek?

13 (No response.)

14 MR. POTEET:

15 All right. I guess we need to
16 adjourn and come back for the administrative
17 hearings.

18 MR. CORMIER:

19 (Makes motion.)

20 MR. SMITH:

21 Second.

22 MR. POTEET:

23 Second by Darty.

24 All in favor, say "Aye."

25 (All "Aye" responses.)

1 MR. POTEET:

2 That's passes. So we've got --
3 we'll adjourn, come back in five minutes.
4 Is that long enough for everybody, five
5 minutes.

6 (Recess taken.)

7 MR. POTEET:

8 We need to reconvene. We need to
9 add an item to the agenda. The attorneys's
10 billing for the past month. All in favor,
11 say, "Aye."

12 (All "Aye" responses.)

13 MR. POTEET:

14 Any opposed?

15 (No response.)

16 MR. POTEET:

17 Mr. Parnell, you've reviewed
18 these?

19 MR. PARNELL:

20 Yes. You have two documents
21 before you if from your two attorneys. The
22 first one is Robert Hallack. It was payment
23 for August. His invoice amount is
24 \$5,062.50. I ask that you accept the
25 invoice of payment and approve of service

1 for Attorney Hallack. I have reviewed his
2 services, and accounting staff has reviewed
3 the monies to make sure that it is all
4 calculated correctly and it is the correct
5 amount.

6 MR. POTEET:

7 Do I have a motion?

8 MR. SMITH:

9 I make a motion.

10 MR. OLAVE:

11 I second the motion.

12 MR. POTEET:

13 All in favor, say, "Aye."

14 (All "Aye" responses.)

15 MR. POTEET:

16 Any opposed?

17 (No response.)

18 MR. PARNELL:

19 All right. And the second is
20 Attorney Morris. Her bill of services for
21 the month of August is \$3,307.50. I have
22 reviewed the invoice for services for
23 Attorney Morris.

24 MR. OLAVE:

25 I make a motion, Mr. Chairman, we

1 accept the bill, the attorney's bill.

2 MR. CORMIER:

3 Second.

4 MR. POTEET:

5 Second from Toney Cormier.

6 All in favor, say, "Aye."

7 (All "Aye" responses.)

8 MR. POTEET:

9 Any opposed?

10 (No response.)

11 MR. POTEET:

12 The motion passes.

13 Is there anything that we need to
14 add for next month's agenda other than what
15 was discussed today?

16 All right. Motion to adjourn.

17 MR. TAYLOR:

18 Second.

19

20 (Meeting adjourned at 11:36 p.m.)

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REPORTER'S CERTIFICATE

I, BETTY D. GLISSMAN, Certified Court Reporter, Certificate No. 86150, in and for the State of Louisiana, do hereby certify that the Louisiana Used Motor Vehicle Commission September 21, 2015, meeting was reported by me in the stenotype reporting method, was prepared and transcribed by me or under my personal direction and supervision, and is a true and correct transcript to the best of my ability and understanding.

This October 1, 2015, Baton Rouge, Louisiana.

BETTY D. GLISSMAN, CCR
CERTIFIED COURT REPORTER