

LOUISIANA USED MOTOR VEHICLE COMMISSION

STATE OF LOUISIANA

REGULAR MEETING

February 21, 2011

BEGINNING AT 9:35 A.M.

3132 VALLEY CREEK

BATON ROUGE, LOUISIANA

REPORTED BY:

BETTY D. GLISSMAN, CCR

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

1 APPEARANCES :

2
3 CHAIRMAN :

4 MR. GLEN ROBINSON

5
6 VICE CHAIRMAN :

7 MR. JOHN POTEET

8
9 COMMISSIONERS PRESENT :

10 MR. GEORGE BREWER

11 MR. TONY CORMIER

12 MR. GEORGE FLOYD

13 MR. KIRBY ROY

14 MR. DOUGLAS TURNER

15
16
17 REPRESENTING THE LOUISIANA USED MOTOR
18 VEHICLE COMMISSION :

19 ROBERT W. HALLACK, ESQUIRE
20 HALLACK LAW OFFICE
21 13007 JUSTICE AVENUE
22 BATON ROUGE, LOUISIANA 70816
23
24
25

1 ALSO PRESENT:
2

3 MS. KIM BARON

4 MR. DEREK PARNELL

5 MS. MONA ANDERSON
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1 MR. ROBINSON:
2 Kirby Roy, do you want to
3 lead us in the Pledge of Allegiance?

4 (Pledge of Allegiance.)

5 MR. ROBINSON:
6 Roll call, please.

7 MS. BARON:
8 Glen Robinson?

9 MR. ROBINSON:
10 Present.

11 MS. BARON:
12 George Brewer?

13 MR. BREWER:
14 Here.

15 MS. BARON:
16 Louis Bourgeois?

17 MR. BOURGEOIS:
18 (No response.)

19 MS. BARON:
20 Tony Cormier?

21 MR. CORMIER:
22 Here.

23 MS. BARON:
24 Ron Duplessis?

25

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

1 MR. ROBINSON:
2 Anyone that requested public
3 comments?

4 MS. BARON:
5 No, sir.

6 MR. ROBINSON:
7 Item #4, items for
8 discussion, the minutes from last month.
9 Have y'all reviewed them? Does anybody want
10 to make a motion?

11 MR. POTEET:
12 I make a motion that we
13 approve the minutes from the previous
14 meeting.

15 MR. CORMIER:
16 Second.

17 MR. ROBINSON:
18 First and second.
19 All in favor?
20 (All "Aye" responses.)

21 MR. ROBINSON:
22 Anyone opposed?
23 (No response.)

24 MR. ROBINSON:
25 Financial matters, Mr.

1 Parnell.

2 MR. PARNELL:

3 This is a review of the
4 financial report of January 2011. I will
5 have Ms. Mona Anderson review that for us,
6 if you would.

7 MS. ANDERSON:

8 Good morning. If you will
9 turn in your packets to the financials, Page
10 1 is the balance sheet. The cash balance at
11 the end of January was \$859,000. Account
12 number 104, the accounts receivable hearings
13 is the net. We received \$20,000 from Pro
14 Auto Sales and we assessed \$22,000 to
15 Midcity Auto. So that figure you see there
16 is the net of those two. It doesn't look
17 like much of an increase, but that's what
18 went on in that account. Under -- in the
19 accounts receivable online fee repayment,
20 the balance we have out right now is about
21 \$5,700. We are getting a few more that
22 trickle in here and as they come to renew
23 their license, but there were a number that
24 were not in business anymore.

25 If you will look down at the

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1 liability section of the balance sheet, we
2 started something new this month in an
3 effort to more accurately record the
4 Commission's liabilities. We started a
5 procedure of entering invoices -- vendor
6 invoices into the system when they are
7 received.

8 Prior to this, the invoices
9 were not entered until the time they were
10 paid. So if we received an invoice and it
11 wasn't due until next month, then the
12 invoice was not entered and you didn't see
13 your liability here, but account number 210
14 reflects your liability and most of that was
15 a benefit payment that we made at the
16 beginning of February. So this gives a
17 better picture of what your finances are and
18 it helps us to record. Prior to this, the
19 vendor charges were not recorded in the
20 account. So when we got to doing budget, we
21 couldn't call up a vendor account and say
22 how much did we pay AT&T last year or how
23 much did we pay for our water bill last
24 year. This will enable us to do that.

25 Going back to the report at

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1 the bottom of the page, Page 1, our profit
2 for this month was \$318,512.

3 If you will turn to the next
4 page, the monthly comparison report, the
5 year-to-date revenues were -- down at the
6 bottom of the page, the second column,
7 \$873,000, and that was about \$85,000 higher
8 than the revenue for the same period last
9 year. \$36,000 of that was an increase in
10 license fees. \$49,000 was increase in other
11 revenues. And Mr. Robinson asked about the
12 hearing cost and fines. The \$22,000 that's
13 on the -- that's indicated there, you had
14 been recognizing your revenue in the month
15 that it is earned and that's when you assess
16 it. When you assess that fine, then it
17 should be recognized as revenue.

18 I did talk to Roy Hebert,
19 because there was a question about it and he
20 concurred that that's how you recognize your
21 revenue in the month, because we could
22 collect on it next month. Now, it is on
23 your balance sheet in that accounts
24 receivable as not having been collected yet,
25 but you did assess that money. So it's a

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1 revenue for you.

2 MR. ROBINSON:

3 That was me. I don't believe
4 -- that's me. I don't believe it's a
5 revenue. I don't believe it is revenue
6 until you get money. I mean, we assess a
7 lot of fines. We'll never see it. So I had
8 brought it up and I had asked her to call
9 Roy Hebert, because in my opinion, it should
10 not be revenue. It should be recognized as
11 an outstanding and something that we might
12 get revenue on, but revenue is when you've
13 got something in your hand and not just, to
14 me, where we levee the fine.

15 MR. CORMIER:

16 Because you may never collect
17 it.

18 MR. ROBINSON:

19 You may never see it.
20 Exactly. So I don't see how something you
21 don't have can be revenue.

22 MR. POTEET:

23 That's cash versus account?

24 MS. ANDERSON:

25 Cash versus account, that's

1 correct.

2 MR. POTEET:

3 So you are going to put it on
4 the books as a receivable and you have to
5 recognize it somehow.

6 MS. ANDERSON:

7 Right. And should you not
8 collect it, just as we did with that \$1,600,
9 you are going to write it off and it's going
10 to be shown as a bad debt, and then it would
11 come out of your total revenues for the
12 year, but you still have to recognize that
13 -- and you probably will get in the bond,
14 \$20,000. So we will get the \$20,000 on it.
15 We may have to write off a piece of that.

16 MR. ROBINSON:

17 Well, he is still in
18 business, I'm told. So we should get --

19 MS. ANDERSON:

20 We should get all of it. We
21 are going to get all of that.

22 MR. ROBINSON:

23 What is the timeframe on
24 that, do you know off the top of your heads?

25 MS. BARON:

1 March 3rd. If it's not in
2 the office by March 3rd, I will file a claim
3 against the bond, because he received it on
4 February 3rd and we give him 30 days to pay
5 it.

6 MR. ROBINSON:

7 Well, we also need -- the
8 bond is not going to cover it. So we will
9 need to take steps to cover the portion
10 that's not going to be covered by the bond.
11 Make sure we do both.

12 MS. BARON:

13 Okay.

14 MS. ANDERSON:

15 So moving on to Pages 3 and
16 4 of that report, on your expenses on Page
17 4, your total expenses were about \$555,000,
18 which is down \$91,000 from the prior
19 year. The year-to-date net revenue over
20 expenses was \$318,500 and that was \$176,000
21 higher than the prior year.

22 MR. ROBINSON:

23 Is there anything that just
24 jumps out as to why it was down that month?
25 We didn't have an extra pay. We didn't have

1 a third payroll.

2 MS. ANDERSON:

3 Your salaries included -- if
4 you look up there on the top of Page 3, your
5 salaries included those termination
6 salaries. That was a non-recurring item.

7 MR. ROBINSON:

8 Okay.

9 MS. ANDERSON:

10 So that made a difference in
11 your salary amounts, but we are going to
12 credit the rest of it to Mr. Parnell's good
13 management.

14 So if you will turn to Page
15 5, the budget balance report, we have --
16 down at bottom right-hand corner, we have 22
17 percent remaining to collect in revenues or
18 about \$246,000. Last year from February to
19 June, we collected \$205,000. So that 22
20 percent is a realistic figure to anticipate
21 we are going to collect for the coming
22 months.

23 If you turn to Pages 6 and 7,
24 with five months remaining, we should have
25 42 percent of budgeted expenses remaining to

1 spend. And we are at -- we have 47. So we
2 are in good shape there.

3 Turn to Page 7 -- I'm sorry,
4 Page 8, your three month comparison. The
5 revenues, of course, in January are down,
6 because we are at the end of our renewal
7 season compared to the last two months of
8 the quarter. On the next page, the expenses
9 -- the next two pages, the expenses for the
10 quarter are pretty steady with the exception
11 of the months where we had three biweekly
12 pay dates that fell in the same month as
13 opposed to two.

14 Turning to Page 11, your
15 certificate of deposit summary report, in
16 January we had a \$200,000 CD at Concordia
17 and we converted that into two \$100,000 CDs
18 and they currently both mature in July, but
19 when they come up for renewal, we are going
20 to extend one for a year to renew in July of
21 2012 and one to renew in October 2011. That
22 will give us a good spread of our maturity
23 dates. And we are going to continue to
24 investigate between now and the maturity of
25 the Landmark CDs. We are going to look for

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1 higher rates, if they exist.

2 MR. ROBINSON:

3 Something else we need to
4 look for that a lot of banks are doing now,
5 they give you that one time interest rate
6 bump. I mean, at some point, rates have to
7 go up. We need to make sure if we can when
8 we renew that it has a provision that it can
9 be raised one time. I mean, that's gotten
10 to be real common in banking, now.

11 MR. ROY:

12 And usually you have to ask.

13 MR. ROBINSON:

14 You have to ask. They won't
15 volunteer it, but -- especially if -- if
16 not, I wouldn't renew anything for too long
17 a period of time. I mean, at some point
18 something -- yes, they are going to have to
19 raise some rates. So we need to try to make
20 sure we have a provision where we can bump
21 it one time.

22 MS. ANDERSON:

23 But just so that you know, I
24 think in the newspaper this weekend they
25 were saying that the average rates right now

1 are far below what we are seeing right here.
2 It's not good right now.

3 So if you will turn to the
4 revenue and expenditure comparison, the net
5 of revenue over expenditures was \$318,512.
6 Last year at this same time, it was only
7 \$197,000. So that's quite -- I'm sorry, it
8 was only \$121,000. That's a \$197,000
9 increase in revenue over expenditures.

10 On the very last page, your
11 accounts receivable report of the hearings,
12 again that shows you the \$20,000 that was
13 collected from Pro Auto Sales and you voted
14 last month to write off the \$1,600. And the
15 assessed money on Midcity Auto, \$22,000.

16 Last in your packet -- unless
17 there are any questions about the
18 financials, the last sheet behind your
19 financials in the packet is a direct deposit
20 form. We are working to save time, money,
21 be more green, we are moving to a paperless
22 payroll. Our employees currently do direct
23 deposit and we are working with a company
24 that does that to provide -- they provide a
25 secure site that the employees can access

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1 their paycheck stub information, which would
2 -- we wouldn't have to purchase checks. We
3 wouldn't have to do printouts and they could
4 just go online. If people lose their stubs
5 and they need it for some sort of
6 information, they could go online and just
7 look at their stub, and it's kind of an
8 interesting set up that they have. They are
9 going to have the same banner that's on our
10 website. It's going to appear at the top of
11 the site that the employees go to. So I
12 think that's a good thing for our employees
13 and for us.

14 And what we would like to
15 offer the Board is -- I'm sorry, the
16 Commissioners to change from -- you are
17 currently receiving two paper checks in the
18 mail and I know I don't like to go to the
19 bank any more than anybody else. So we
20 would like to offer direct deposit. If you
21 are interested in it you can complete the
22 form. You can either complete it now and
23 attach a voided check or take it back with
24 you and send it in, and then you could
25 access your stub. What happens is, this

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1 company will send you an e-mail and tell you
2 the stub is available. It will have a link
3 to our -- it's our Commission's -- our site.
4 It's not our website, but it will be a
5 special site set up just for our Commission
6 to view your check stubs, so you can see
7 what's put into your account. I think that
8 will be a lot easier for everyone concerned.
9 I know small checks just kind of sit around
10 sometimes until you get a chance to go to
11 the bank.

12 So if you have any questions
13 please let me know. Thank you.

14 MR. ROBINSON:

15 Any questions on the
16 financials?

17 (No response.)

18 MR. ROBINSON:

19 Thank you very much.

20 MR. CORMIER:

21 I make a motion to approve
22 the financials.

23 MR. ROY:

24 Second.

25 MR. ROBINSON:

1 A motion and a second to
2 approve the financials.

3 All in favor?

4 (All "Aye" responses.)

5 MR. ROBINSON:

6 Any opposed?

7 (No response.)

8 MR. ROBINSON:

9 The motion passes.

10 Item C, legal matters,
11 litigation that's pending. Mr. Hallack.

12 MR. HALLACK:

13 Last week, we were supposed
14 to have the judgment made executory in
15 Covington on the Sundance Boats matter, but
16 unfortunately the court had screwed up and
17 the order setting it for hearing said 9:30,
18 but the notice from the Clerk of Court said
19 1:30. So they rescheduled it for March
20 30th. Once we get a judgment from District
21 Court, we will be able to execute it in any
22 other state, whether it is Florida or
23 Georgia, under the full faith and credit
24 laws. Under the full faith and credit laws,
25 they don't have to honor an administrative

1 agency. In fact, you can't execute an
2 administrative agency order even within the
3 State of Louisiana without a District Court
4 making it executory and enforcing it. So,
5 unfortunately, because of a screw up on the
6 court's part, we are delayed again until
7 March 30th.

8 MR. ROBINSON:

9 But it will be recognized in
10 any other state?

11 MR. HALLACK:

12 Yes, sir. The total judgment
13 amount will be somewhere around a million
14 and a half. We have two of these cases.
15 The other one is against Crownline and they
16 are both in Covington. The reason why we
17 filed them in Covington is because at the
18 time they had two dealers there. Sundance
19 had a dealer in Slidell and Crownline had a
20 dealer in Mandeville.

21 MR. ROBINSON:

22 And they don't have dealers
23 anymore?

24 MR. HALLACK:

25 Well, according to the dealer

1 for Sundance Boats, he's come back to
2 Louisiana and has another dealer in
3 Louisiana. We don't know where. We asked
4 Ms. House, the Director of the New Car
5 Commission who regulates that now, where
6 they are at and she has talked to Derek. We
7 don't know what the status is.

8 MR. PARNELL:

9 I haven't gotten --

10 MR. ROBINSON:

11 That was just a few days ago
12 when you asked -- that was just like last
13 week. So March 30th then.

14 MR. HALLACK:

15 Yes, sir.

16 MR. ROBINSON:

17 Anything else on legal stuff?
18 I know it's winding down.

19 MR. HALLACK:

20 As far as Sundance Boats and
21 Crownline, that's it. We do have a judgment
22 from the First Circuit Court of Appeals on
23 the Double Tree and Atchafalaya and they owe
24 us \$600 each and so we can collect that.

25 MR. ROY:

1 The Sundance, that's an
2 appeal, is that the appeal?

3 MR. HALLACK:

4 No, sir. It was an appeal,
5 that's correct, but we won the appeal at the
6 First Circuit. So now it is back at the
7 District Court to have the judgment
8 approved.

9 MR. ROBINSON:

10 Has -- the timeframe for them
11 to appeal to the Supreme Court has that
12 expired?

13 MR. HALLACK:

14 Yes, sir.

15 MR. ROBINSON:

16 So they really have no option
17 at this point.

18 MR. HALLACK:

19 That's correct. It's final.

20 MR. ROBINSON:

21 That's going to be
22 interesting.

23 Any other questions for Mr.
24 Hallack?

25 MR. HALLACK:

1 And just to let you know,
2 too, that the -- when this Commission tries
3 to collect a penalty or a debt owed to this
4 Commission, we are able to get attorney's
5 fees. Our statutes allow us to collect
6 attorney fees for all legal proceedings
7 where we are trying to collect a debt owed
8 to us.

9 MR. ROBINSON:

10 But this agency has the
11 status to collect in another state. We
12 don't have to go to like the AG's office.

13 MR. HALLACK:

14 No, sir.

15 MR. ROBINSON:

16 We can do it here.

17 MR. HALLACK:

18 Yes, sir.

19 MR. ROBINSON:

20 Would they have the right to
21 try to have this case reheard in their
22 state?

23 MR. HALLACK:

24 No, sir. That's the whole
25 purpose behind the full faith and credit,

1 that they have to give full faith and credit
2 for the judgment of another state.

3 MR. ROBINSON:

4 Did we at one point -- as a
5 Commission, did we take some kind of action
6 that would allow you guys to negotiate? We
7 talked about it.

8 MR. PARNELL:

9 Yes, we did.

10 MR. ROBINSON:

11 Do we want to continue to do
12 that or do we just want to wait at this
13 point and let the legal process play out?

14 MR. HALLACK:

15 We approached them -- they
16 approached us initially and said we would
17 like to try to resolve this. So we wrote
18 them back and said, okay, for what? And
19 they never got back with us.

20 MR. ROBINSON:

21 My question is: Do we want
22 to continue to have the authority out there
23 to do that or at this point, do we not want
24 to negotiate and let this go effective on
25 March 30th and file the appropriate

1 documents and -- it's Georgia, don't you
2 think -- I think it's Georgia.

3 MR. HALLACK:

4 Well, actually, this
5 gentleman that was at your last meeting
6 named Frank said they have a huge plant and
7 operation in Florida.

8 MR. ROBINSON:

9 I'm just reminding the
10 Commissioners that we did vote, I think, to
11 allow you guys to do that, if I remember
12 correctly.

13 MR. POTEET:

14 Yes, we did.

15 MR. ROBINSON:

16 And whether or not we want to
17 leave that as it is or whether we want to
18 withdraw and just let the legal aspect of
19 this continue to play out, they wouldn't
20 seem to have a lot of leverage left at this
21 point.

22 MR. TURNER:

23 Do we have any idea what the
24 net worth of this company is?

25 MR. ROBINSON:

1 I know we tried to do some
2 research on it and we didn't find a whole
3 lot of information.

4 MR. HALLACK:

5 Maybe that's something you
6 ought to consider doing is doing an asset
7 search for this company. It costs a little
8 bit more than your normal monthly fee, and I
9 don't know if we subscribe to some kind of
10 service or not, but we probably need to
11 subscribe to some type of service that will
12 allow you to access certain things
13 about individuals who may owe money to
14 you. For instance, it used to be -- and I'm
15 sure it's gone down considerably. It used
16 to be around \$1,000 to do a full asset
17 research on somebody.

18 MR. BREWER:

19 You can't get that through
20 Dunn and Bradstreet?

21 MR. HALLACK:

22 Yes, for a fee.

23 MR. ROBINSON:

24 For a fee. I don't know how
25 reliable --

1 MR. TURNER:

2 I don't think they are
3 reliable.

4 MR. POTEET:

5 Dunn and Bradstreet is not
6 that reliable.

7 MR. ROBINSON:

8 Yes. I don't know that too
9 much. I just want to make sure that the
10 Commissioners are still okay with the fact
11 that we granted the authority for them to
12 negotiate it.

13 Everybody is still
14 comfortable with that?

15 MR. POTEET:

16 I am.

17 MR. ROBINSON:

18 I just don't want you to
19 forget and something come up in 60 days and
20 people are going, wait a minute.

21 MR. HALLACK:

22 Well, everything still has to
23 be approved by the Commission.

24 MR. ROBINSON:

25 I know.

1 Item D.

2 MR. PARNELL:

3 Item D, the Office and Motor
4 Vehicle update. I spoke with Jill Jarreau
5 who is the supervisor over the dealer plate
6 section under the OMV and inquired about the
7 status of the new system that OMV that will
8 facilitate changing dates in their system,
9 which would allow us to do a staggered
10 license renewal. With previous
11 communication, she stated that once the new
12 computer system was in place, they will be
13 able to make those date adjustments, which
14 will coincide with us actually doing a
15 staggered licensing. She advised that
16 according to the last update that she
17 received, the dealer plate programming is
18 now moving along, but the dealer plate
19 transactions are coded for the post part,
20 but however the financial and back end
21 processes are not. So they are still not
22 completely finished updating their system
23 and -- which would allow us to coincide with
24 them as it relates to the dates.

25 At our last meeting, I was

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1 speaking with Ms. House about that
2 particular issue. I asked her what did they
3 do to coincide with the Office of Motor
4 Vehicles. She said they didn't. They just
5 went forward and did their side of things.
6 They just staggered the licenses and they
7 dealt with them later. But we are trying to
8 make an effort to make sure we are working
9 with the Office of Motor Vehicles.

10 MR. ROBINSON:

11 How do they label their
12 dealer plates? I mean, the dealer -- the
13 problem here is your dealer plates and if we
14 are granting a license to somebody that
15 expires in June, let's say, and, you know,
16 your dealer plate is not -- does not expire
17 at the same time, there's going to be people
18 that are going to have trouble. They are
19 going to go and -- their dealer plates are
20 going to be rejected as best as we
21 understand it. I wonder how they get away
22 with it. They've all got dealer plates.

23 MR. POTEET:

24 Maybe they handle it like our
25 insurance with continuing -- because a lot

1 of -- everybody doesn't buy their insurance
2 in January. So you have a continuing
3 certificate. So you have to prove your -- I
4 guess prove your license is valid when you
5 go get your plate.

6 MR. ROBINSON:

7 This is the single biggest
8 problem the Commission has. We cannot
9 handle the volume of renewals as they come
10 in basically in October, November, and
11 December. We still have some that we have
12 not finished processing and we are at the
13 end of February. I mean, we have got to get
14 away from everybody renews in basically the
15 same 60 day window. I know I have had many
16 complaints. I know others have had
17 complaints, too, and we've got people out
18 there still without a license. So, I mean,
19 we need to try to get it resolved and we've
20 got to start staggering the renewals. And
21 the dealers that I talk to, the same thing,
22 no one objects. They say, if I have to pay
23 for two years, I will pay for two years.

24 MR. POTEET:

25 I haven't heard one

1 objection.

2 MR. TURNER:

3 It's just common sense.

4 MR. POTEET:

5 Out of 100 people, I haven't
6 heard one person say that they object to any
7 staggering or two year licenses or anything
8 like that. Now is a good time to ask them
9 how they feel about it, January and
10 February, because that's when, you know,
11 there are issues and problems with getting
12 their license taken care of.

13 MR. ROBINSON:

14 So we've got to try to get
15 this on the fast track. We've got to figure
16 out a way that we are not continually in
17 this bind. So let's see how they handle the
18 dealer plates. And, you know, we need to
19 try to have something, if we can, together
20 for the next meeting as to how we are going
21 to start separating up this renewal process.
22 Are we going to try to do twice a year, are
23 we going to try to do quarterly or y'all
24 have internal ideas as to what might be
25 better?

1 MR. PARNELL:

2 I think two renewals per year
3 would be better than the quarterly, just
4 getting it established and move forward. I
5 think it would be better. We have talked
6 about that.

7 MR. ROBINSON:

8 We need to have something
9 submitted for next month, you know, as to
10 what the plan of action is. So we need to
11 try to get it implemented.

12 MR. POTEET:

13 What about a two year
14 license?

15 MR. PARNELL:

16 That was always something we
17 discussed, but I think from what we talked
18 about in the past, two year licenses or one
19 are awarded to, I guess, dealers that have
20 been business 10 years or more. It just
21 depends on how we want to structure it.

22 MR. POTEET:

23 I was thinking that if we did
24 a two year license, if you did that as part
25 of this, you could even stretch it out

1 further. If you took half -- theoretically,
2 if you took half of them in the first go
3 round and you have some guys that are going
4 to be a one year license, and then other
5 guys on a two year. Then, those ones at one
6 year, the next time, they've got a two year.
7 Now you've got them staggered by the two
8 year licenses. Then, you get them staggered
9 by the January, June or January, July and
10 now you've really got it stretched out over
11 -- as a group, four different groups.

12 MR. ROBINSON:

13 Are we okay legislatively to
14 issue a two year license?

15 MR. HALLACK:

16 No. We would have to change
17 our law.

18 MR. ROBINSON:

19 We changed the date.

20 MR. HALLACK:

21 We changed the date.

22 MR. ROBINSON:

23 We changed the dates, but we
24 didn't put anything in about granting a two
25 year license.

1 MR. HALLACK:

2 Right.

3 MR. ROBINSON:

4 It would take a legislative
5 act to do that.

6 MR. HALLACK:

7 What you are proposing is
8 what the New Car Commission does.

9 MR. PARNELL:

10 They are going way from the
11 quarterly. They are going to two year
12 licenses.

13 MR. POTEET:

14 Two year licenses with two
15 different times of the year.

16 MR. ROBINSON:

17 Yes.

18 MR. POTEET:

19 I think that really gets it
20 stretched out. Why do you have to have
21 legislative approval to get a two year
22 license?

23 MR. HALLACK:

24 Well, right now the law
25 provides that your license is good for one

1 year.

2 MR. ROBINSON:

3 I mean -- I'm sorry. I just
4 want to point it out, because if we can't do
5 it at this point -- I'm not saying that's a
6 bad thing. I didn't think we had it in our
7 jurisdiction to grant a two year license.
8 But, you know, that would be something very
9 easy to get passed and I know Ron is not
10 here to talk about what's -- and I have been
11 out. I mean, I wasn't here. So we will get
12 to that in a minute, but legislatively what
13 we are going to try to accomplish this year
14 -- I mean, it would be very easy to get it
15 passed.

16 MR. POTEET:

17 That's something else that I
18 talked to Sheri Morris about last week, and
19 I have talked to a couple of auctions since
20 then, is having the license filed at the
21 auction, actually do the paperwork and have
22 the auction turn it in for them, and she
23 said her issue -- that what she was --
24 although there were some agencies that she
25 worked for that did that where you didn't

1 have to go right to the agency itself, she
2 said they can charge a nominal fee, but in
3 the meantime in discussing this with some
4 other dealers and some other auctions, said
5 what if we charge the dealer, we chose -- if
6 you want us to help you with your license,
7 we'll fill it out, help you fill it out and
8 get it all done, send it in and make sure --
9 and I even told her we would guaranty it
10 would be right. And I propose that we do
11 some kind of a pilot program. My auction
12 can do that. We'll try it out in the next
13 go round or something.

14 I mean, is there any
15 objection to that sort of thing? My
16 reasoning is this: The auctions -- at this
17 time of year, we are the ones that deal with
18 tons of people who don't have their license
19 and we have to make a decision as to whether
20 we let them do business or not. Number two,
21 almost every dealer in the state, I would
22 say way more than half, attend at least one
23 auction a week. So if you have something
24 like that where you are going in, you know
25 the people, you feel comfortable with them,

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1 we sort of -- in our mind, we know which
2 dealers are adept and which ones are not so
3 adept at filling out paperwork. You know,
4 we can help them, guide them, things like
5 that. It would be an advantage to us as the
6 auction to expedite business and getting
7 people's license and it would be an
8 advantage to some dealers.

9 MR. ROBINSON:

10 I don't have a problem with
11 it. The greatest thing the state ever did
12 was to allow third party companies to take
13 the place of DMV. I mean, who of us deal
14 with DMV anymore and not the local title
15 company?

16 MR. POTEET:

17 Right.

18 So I'm just throwing that out
19 there, that it would be -- our auction would
20 be willing to try that. As I said, I talked
21 to at least two other auctions.

22 MR. ROBINSON:

23 But that would have to be
24 legislatively written, too.

25 MR. HALLACK:

1 I don't think so.

2 MR. POTEET:

3 According to Sheri, no.

4 MR. HALLACK:

5 The only question I would
6 have would be with regard to being a
7 licensee of the Commission playing a dual
8 role. It almost seems like you would need
9 to set up a different business within your
10 business. Do you see what I'm saying? My
11 only concern would be ethics. Could you
12 ethically do this and hold a license with
13 the Commission? I wouldn't have any
14 question about it and it may not even be an
15 issue, but I wouldn't think it would be any
16 issue if you had like a business within your
17 business.

18 MR. POTEET:

19 If there is a fee involved --

20 MR. HALLACK:

21 If you did it for free, there
22 is no conflict.

23 MR. ROBINSON:

24 He's the one who is asking,
25 not me.

1 MR. POTEET:

2 If that is the issue, that
3 would be one thing, but I wouldn't see where
4 -- because, I'm not granting the license.
5 I'm only filling it out and telling the
6 person, okay, we'll expedite this and in the
7 sense to expedite it in the sense that we
8 make sure you fill it out properly before it
9 comes in here. That helps the Commission
10 out, because we know how to fill them out,
11 and then it helps the dealer, because he is
12 getting some advice.

13 MR. BREWER:

14 Charge the dealer direct for
15 the \$25 --

16 MR. POTEET:

17 Yes. I just threw that
18 number out there, because I figured, you
19 know --

20 MR. BREWER:

21 It would probably take that
22 much with your employees filling that out.

23 MR. ROBINSON:

24 And these title companies,
25 they charge a fee on every transaction.

1 MR. HALLACK:

2 But you see, they are not
3 licensed by that particular agency, though.
4 We don't license the title company.

5 MR. POTEET:

6 Let me make --

7 MR. ROBINSON:

8 They are probably licensed by
9 Motor Vehicle. So that, to me, would be the
10 same --

11 MR. POTEET:

12 Check with Sheri, because she
13 was going to look into some of the other
14 agencies she works with as to how they did
15 that. My point is, I would be willing to --
16 at our auction, we would be willing to do a
17 pilot program where maybe we'll do 10 or 20
18 dealers and see how it works out or
19 something like that. We'll come up with
20 something. We've got to -- we'll have time
21 to think about that.

22 MR. ROBINSON:

23 Does anybody see some
24 downsides to it? Doug, you --

25 MR. TURNER:

1 Not that -- I mean, I don't
2 know what percentage of dealers fill out
3 their own paperwork, but some of them don't
4 -- really aren't sure how to do it. They
5 will use a notary, whoever does their notary
6 work usually and they will get them to fill
7 it out. A lot of times, they get their bond
8 through the same company and everything, I
9 think. So I don't see a problem with that
10 at all.

11 MR. ROBINSON:

12 What about internally? I
13 don't see where there would be a -- you
14 might get three or four renewals in from an
15 auction at a time instead of just getting
16 three or four in the mail. And the thing
17 is, it would probably be correct. You
18 wouldn't have to set it aside and send out
19 letters.

20 MS. BARON:

21 If they are incorrect, then
22 we could put them in a separate stack and
23 know that those could be issued without any
24 problems.

25 MR. ROBINSON:

1 We are a little off, I guess,
2 track, but as long as we are here, we are
3 going to keep going. You know, I for a long
4 time wanted it mandatory you have to have an
5 e-mail address to have a license. Can we
6 enforce that?

7 MR. HALLACK:

8 I'm sorry, say again.

9 MR. ROBINSON:

10 That you have to have a
11 current valid e-mail address to maintain a
12 license with us. Can we enforce that or
13 does that need to be written -- does that
14 have to go before --

15 MR. HALLACK:

16 Yes, absolutely, it has to be
17 written in the law. Your qualifications to
18 hold license are in the law. Any addition
19 to that has to be written in.

20 MR. ROBINSON:

21 We have got to get that
22 implemented.

23 MR. HALLACK:

24 Sure, absolutely.

25 MR. ROBINSON:

1 I mean, we are -- just last
2 month, we spent \$3,500 on postage. And the
3 thing is, it slows the dealer down. If you
4 get the renewal in today and you know there
5 is a problem, you pop out an e-mail to the
6 guy and you go on. You know, we don't do
7 that. We have to compose letters. We have
8 to sign them. We do the envelope, process
9 it. It's just -- it would just be another
10 way to speed up the renewal process and it
11 is beneficial to the dealer, because he is
12 not waiting a week to get something in the
13 mail saying he's got a problem. He will
14 have it basically at the time the problem
15 was discovered.

16 MR. POTEET:

17 Plus, it would expedite any
18 communication. We talked about that,
19 communication with the licensees.

20 MR. ROBINSON:

21 We don't have to do that big
22 mail out. What do we spend when we do that
23 mail out of licenses? That's probably
24 \$7,000, \$7,000 just for that.

25 MR. PARNELL:

1 That's why this year when we
2 went into the renewal period, we put on the
3 actual application to ensure that you have
4 to have -- or we didn't put it in terms of
5 mandatory, but we said we would prefer a
6 valid e-mail address, and if we do have a
7 valid e-mail address, they are not sending
8 out those letters. If we look in the system
9 and we see that have a problem, we will send
10 an e-mail to them and let them know, hey, we
11 need this and this, this is what we need
12 back. They will communicate back with us,
13 but realistically, most people don't.

14 MR. ROBINSON:

15 What did we spend on postage
16 last year?

17 MS. ANDERSON:

18 I didn't want to say about
19 the \$3,500. This is how it works with our
20 postage system. We load the meter with the
21 postage and we do that -- I believe that it
22 is twice a year -- that they have been doing
23 \$3,500 twice a year, and then that postage
24 just sits there. So that's not an accurate
25 we use that much figure. It was spent and

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1 it's in the meter to be used and it's been
2 used in the past, but not in one month. So
3 we can look at, you know, spreading that out
4 a little bit and making more --

5 MR. ROBINSON:

6 Well, we budgeted \$7,200 for
7 postage.

8 MS. ANDERSON:

9 Right. So that's what --
10 normally, twice a year, they deposit -- they
11 send a check and that gets deposited in the
12 meter, so that we can then use it up. And
13 we can break that down into smaller amounts,
14 but that still is how much you are spending.

15 MR. ROBINSON:

16 But the way it helps
17 everybody is the speed of the process.

18 MS. ANDERSON:

19 Right.

20 MR. ROBINSON:

21 That way the dealer would
22 know immediately that he had a problem. He
23 could get the correction versus, you know,
24 waiting a week to get a letter. So, I
25 mean, these are two things we need to

1 try to get in our legislative packet.

2 MR. PARNELL:

3 Also, one other thing, since
4 we are on it, was the upgrade that we are
5 moving for, for CAVU, because with CAVU, the
6 dealers themselves can go online and make a
7 lot of changes themselves versus not being
8 able to do some and we still have to go
9 through the process of sending out e-mails
10 and/or --

11 MR. ROBINSON:

12 We have a lot of work to do
13 on the online system. Like when I did mine,
14 you renew a license, you pay for it. You go
15 renew the next license -- salesman license,
16 you pay for it. If you've got 10 salesmen,
17 you are paying 10 times. There is no
18 shopping cart. I mean, we've got a lot of
19 work to do on that system, but I think we
20 have, over the months, have come to the
21 conclusion we are staying with CAVU. So now
22 we need to look at what we need to spend to
23 get it upgraded since we are going to stay
24 with them. You know, a few months ago, we
25 didn't know if we were going to stay with

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1 them. So now we need to go for the
2 upgrades.

3 MR. TURNER:

4 As far as making a decision
5 on the renewal process, can we research like
6 how many dealers we have that have been in
7 business 10 years and give us an idea of how
8 many that would be and maybe look at
9 alphabetically if they are 50/50 how that
10 would work, so we are talking about it at
11 the next meeting, we have we will have more
12 facts and figures?

13 MS. ANDERSON:

14 Okay.

15 MR. TURNER:

16 The thing you had brought up
17 before about the salesmen, when you hire a
18 salesman, you are supposed to license him
19 the day he starts. We had talked about
20 trying to change that. Is that a viable
21 thing for us to do?

22 MR. HALLACK:

23 We changed it.

24 MR. ROBINSON:

25 We changed it. That's a

1 policy procedure. We changed it to 30 days,
2 didn't we?

3 MR. HALLACK:

4 I think it was 15 days.

5 MR. ROBINSON:

6 I thought it was 30.

7 MR. HALLACK:

8 I think it is 15.

9 MR. POTEET:

10 I think we wanted 30.

11 MR. TURNER:

12 I keep hiring salesmen and
13 they last two weeks and they are gone.

14 MR. ROBINSON:

15 I had asked for 30 days and
16 y'all gave me 15. Because, I feel just like
17 you, I mean, 50 percent of the salesmen you
18 hire aren't there at the end of 30 days and
19 I just thought it was really unfair that we
20 were requiring you to license them, because
21 a lot of them don't stay the full day. But
22 under our statutes, you had to apply for
23 that license that first day, but that can be
24 changed to 30 days with a vote of the
25 Commission.

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1 MR. TURNER:

2 I make a motion we change it
3 to 30 days.

4 MR. ROBINSON:

5 It probably has to be on the
6 agenda.

7 MR. HALLACK:

8 You can amend the agenda with
9 a two-thirds vote.

10 MR. ROBINSON:

11 Put it on the agenda for next
12 month. We will see if they -- I mean, it's
13 somewhat of a problem, and then if for some
14 reason that salesman came in, you know, he
15 worked for four days and he happened to sell
16 a car and he ended with a complaint filed, I
17 mean, the first thing you get when the
18 investigator comes through the door is
19 you've got an unlicensed salesman. And most
20 dealers are the same way, they want to make
21 sure the guy is going to stick around before
22 they -- I mean, I've paid for licenses and
23 the guy is gone before I got his license.

24 MR. TURNER:

25 Yes, me too.

1 MR. ROBINSON:

2 I know we want revenue, but
3 we don't want it under those circumstances.
4 We will talk about it again next month.

5 Anyway, as far as Motor
6 Vehicle, you know, let's just ratchet it up
7 a notch. We've got to get some staggered
8 renewals.

9 Did you have anything else on
10 that?

11 MR. PARNELL:

12 On that in particular, no.

13 MR. ROBINSON:

14 Then, we'll move on to Item
15 E.

16 MR. PARNELL:

17 Item E is discussion of Motor
18 Vehicle -- Louisiana Motor Vehicle
19 Commission and the LUMVP meeting that was
20 held. Lessie House is the Director and
21 Burgess McCranie as counsel and myself and
22 Robert Hallack, we met. Just -- the main
23 reason for the meeting, they had a complaint
24 and it was at their request. It was here at
25 the office. We were trying to discuss

1 leasing versus rent to own. It was
2 triggered by a complaint that they had.

3 There are dealers that are
4 claiming that they are leasing when they are
5 actually doing rent to own and visa versa.
6 The main thing there -- the concern was they
7 wanted to know if we could actually
8 collaborate and work together at finding out
9 if these dealers are actually doing that
10 improperly. The first step within that
11 would be with our counsel, Mr. Hallack, and
12 theirs, Burgess McCranie. They were
13 supposed to get together and look at the
14 specifics to specify exactly what delineates
15 between the two. So that's the stage that
16 we are at. I don't know if you've heard
17 anything from him as of yet, but we are
18 trying to work with them as much as possible
19 and they come in and ask us that. So I
20 think that's a good move on our part. We
21 have been working together really well in
22 the past and what's going to happen is once
23 they have the framework in place together
24 with our investigator and theirs, they will
25 go out to a particular dealer and

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1 investigate the problem together. So I
2 agree with them and I thought it would be
3 good for us to actually work with them on
4 that.

5 MR. HALLACK:

6 I kind of got a feeling of
7 where this going to go. They are going to
8 basically say there is no such thing as rent
9 to own and everything is leasing, so
10 everything needs to be with their
11 commission. They have an opinion on it from
12 an attorney, a law firm, that represents
13 their dealer that was complaining about one
14 of our dealers and, basically, that opinion
15 states that there is no such thing as rent
16 to own. It is either lease or credit
17 transaction. So -- and they regulate both
18 leases and credit transactions.

19 Their position, from what I
20 gathered, was that -- our law states that
21 anything that's over two years old is a
22 rental, rent to own, that is regulated by
23 this Commission. Anything inside of two
24 years is a lease, which they regulate.
25 Their position was when that was written

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1 into law, there was no such thing as rent to
2 own. There was just daily rental. But then
3 when they came up with rent to own, that
4 came under daily rentals and that came under
5 this Commission. We basically have 120
6 dealers -- 100 to 120 dealers who do rent to
7 own, but their position is there is no such
8 thing as rent to own, there is only leasing.

9 MR. ROBINSON:

10 It's grown that much, we have
11 over 100 RTO dealers?

12 MS. BARON:

13 Yes.

14 MR. ROBINSON:

15 Boy, has that changed.

16 MS. BARON:

17 When they come in here, we
18 make sure that their contract says rent to
19 own and not lease and that their insurance
20 says rent and not lessor or whatever. So,
21 you know, we cover our bases as far as that
22 is concerned.

23 MR. HALLACK:

24 If we don't watch this,
25 there's a potential of losing about 120

1 dealers.

2 MR. ROBINSON:

3 Any questions on that? That
4 just started. So that's kind of in its
5 infancy.

6 The next item is Dorothy
7 Andry. We are going to reset that for --
8 put it on the agenda for next month. So we
9 are not -- we don't have to deal with that
10 today.

11 Then, Item 5, Executive
12 Director's report.

13 MR. PARNELL:

14 All right. The first item is
15 review of field investigator activities. In
16 your packet at the back of your packet, I
17 put a report in your packet to kind of help
18 illustrate what is going on out there in the
19 field. We continue finding different ways
20 of inputting information into the CAVU
21 system, which will in the future produce
22 better reports. The first page we will look
23 at is the alleged issue counts report.
24 Basically, when complaints come in, they are
25 put into the system and broken out in each

1 specific issue. For example, one complaint
2 may come in -- a complainant may have
3 multiple alleged issues on that complaint --
4 on that complaint document. This is done --
5 we are trying to break it out and make sure
6 that it's done in a way that we can get the
7 number and the type of alleged issues that
8 have come in holistically. This report in
9 the month of January is 102 alleged issue
10 counts. Typically, every month the alleged
11 issue of non-delivery of title is the
12 largest, as it is here, on this particular
13 report, which is about 30 percent of the
14 alleged issue totals.

15 If you turn with me to the
16 second page, the second page kind of shows
17 you a comparison where we were January 2010
18 versus January 2011 in terms of actual
19 assigned cases. This year January 2011,
20 there were 76, which was about a 124 percent
21 increase of assigned cases to that of
22 January of 2010. And it kind of broke it
23 out who has those cases assigned to them on
24 this document as well.

25 MR. ROY:

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1 I have a question.

2 MR. PARNELL:

3 Yes, sir.

4 MR. ROY:

5 On the first page, you have
6 102 and on the second page you have 76.

7 MR. PARNELL:

8 The discrepancy is, for
9 example, if one consumer sends in a
10 complaint and he has maybe four issues on
11 that particular complaint, on this actual
12 report, it's going to break out each issue.
13 This one is going to group those complaints
14 together.

15 MR. ROBINSON:

16 I guess some complaints we
17 handle in the office. We don't assign them
18 to an investigator.

19 MR. PARNELL:

20 Right. That's why you see
21 Kim --

22 MR. ROBINSON:

23 It's obvious it needs to be
24 referred to Motor Vehicle or referred to --
25 so some of it is done here and doesn't

1 actually get out to an investigator.

2 MR. PARNELL:

3 Right.

4 MR. TURNER:

5 Is the -- are we double the
6 number of problems over a year ago, has that
7 rate doubled or are we reporting it better?

8 MR. PARNELL:

9 Well, I think it -- actually,
10 reporting it better, but I think it was an
11 increase, but I think the reporting is a
12 little bit better, because what we have been
13 doing -- Kim has been going in the system
14 and making -- fine tuning exactly what we
15 are putting in the system and how we are
16 reporting it to the Commissioners. It's a
17 little bit of both.

18 MR. ROBINSON:

19 We are trying to get back --
20 my first term on this Commission, we used to
21 get a monthly report and Derek and I have
22 been working to get back to where you guys
23 have some good information as to what's
24 going on in terms of number of reports and
25 how much the field people are doing.

1 Historically, when I was on here before to
2 have 34 cases in a month was -- you never
3 had a number that low. I don't know what
4 that particular January meant, but, I mean,
5 we always had -- June used to do the report.
6 It was 70, 100, 120. I don't know if you
7 remember any. I'm looking at William -- I
8 mean, you remember the report. Over 100 was
9 the norm, as I recall. So I just think
10 that's really strange that we had 34 that
11 particular month.

12 MR. PARNELL:

13 The next form is the case
14 report of account of assigned showing the
15 open cases. If you notice, this one -- you
16 are going to see a discrepancy between the
17 76 and 79 total of assigned cases. That
18 difference is -- if you notice on this
19 report, it has me for one and claims against
20 bond, it has two on there. So completed
21 cases as it relates to this report in
22 particular, is 18, and 61 of those cases
23 remain open, 23 percent complete, if you
24 will, and it breaks out each one of the
25 cases, each individual investigator and the

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1 amount of cases that they were assigned in a
2 particular month. Typically, we would have
3 -- June Powell and Stacy Gaudin, their
4 numbers would be drastically higher than
5 Monty's and Ronnie's in the northern part of
6 the state. What I have been trying to do is
7 trying to do is try to even them out a bit,
8 so they don't have two or three cases and
9 some of our investigators down here will
10 have 40. So I try to even that out and they
11 actually come down and work those cases.
12 They are mainly in the southwest part of the
13 state where we don't have an investigator.

14 MR. ROBINSON:

15 And keep in mind that Monty,
16 particularly, he could easily have a six,
17 seven hour commute round trip to work a case
18 where June might have an hour, you know.
19 So, geographically, the territories are
20 vastly different. So Stacy doesn't -- you
21 know, she doesn't get out of New Orleans,
22 but Monty goes from Winnsboro to Lake
23 Charles. Actually, he goes from Lake
24 Providence to Lake Charles. So that's
25 corner to corner of the state.

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1 MR. PARNELL:

2 If you will turn with me to
3 the last page, it shows the amount of cases
4 that were actually closed in the month of
5 January, which is not specifically just the
6 ones that were open in that month. If you
7 notice, it kind of breaks it out. There
8 were 63 total cases. Two were support tech
9 supervisor, which is Kim. Field
10 investigators, there were six.
11 Administrative Manager, which is me, it
12 shows 55. I want to kind of explain why it
13 shows 55.

14 During that month, I had Kim
15 working a lot on renewals. So I was
16 actually going in and closing out the cases
17 myself. Typically, I would go in and
18 approve the case, send it to her and then
19 she would actually close it out and assign
20 it to the proper investigator. If you
21 notice, it shows 55 for me. So I worked
22 those, but what I did was I didn't actually
23 go in and assign it to the individual
24 investigator. I just closed it out as me.
25 So it's going to look like I did that many,

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1 which I didn't. But in an effort -- as
2 Chairman Robinson stated, in an effort to --
3 he's been telling me quite a lot we really
4 need to make sure it is in the report.

5 MR. ROBINSON:

6 I mean, this is information I
7 thought you would like to see every month.

8 MR. PARNELL:

9 What I will do is -- well,
10 I'm seeing that there are better ways to
11 actually put the information in the system
12 that will produce better reports than what
13 you have in front of you. So over the next
14 couple of months, they are going to get
15 better and better and more detailed. So we
16 will be moving in that direction.

17 MR. ROBINSON:

18 It gives you guys more of an
19 understanding of what goes on and what we
20 deal with. The first one kind of breaks
21 down the categories. You know, what I
22 always look for is non-delivery of title and
23 things like that, which can be signs of a
24 problem.

25 MR. PARNELL:

1 Typically, every month that
2 is the largest number of related issues.

3 The next Item #2 is the last
4 renewal update. We entered the renewal
5 season for 2011 licenses with 8,004 eligible
6 for renewal. As of February 17, 2011, the
7 Commission has renewed 6,225 licenses, which
8 is 78 percent of the 8,000 number, which
9 left a remaining 1,779, 22 percent of that
10 number. Although that 1,779 seems to be
11 pretty large, actually in-house I had them
12 go in and just see what we actually have in
13 the building and it was 544 licenses here in
14 the building. 149 of those are ones that
15 have -- we have issued send backs to them
16 meaning that we need more information from
17 them or something was sent in incorrectly
18 and 395 are actually on the shelf that they
19 are pulling daily. So the number is not as
20 large as the 1,799, but, again, 544 are
21 still out there that we are still processing
22 and have to get through. 151 of those are
23 actual dealers. 254 are actual salesmen.

24 MR. ROBINSON:

25 A lot of those might be gone,

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1 too.

2 MR. PARNELL:

3 A lot of those they may be
4 gone. So that number of the 8,000,
5 initially that's what is -- you know, we
6 plug in the system and it can show us what
7 we have eligible. That doesn't mean that
8 all of those are going to renew. So that's
9 pretty much where we are now with that.

10 The last online pay stub for
11 LUMVC, that was already covered within the
12 financial report. Small purchase, laptops
13 for field investigators, this is something
14 that I'm kind of running into a pretty tough
15 situation. When I initially started here in
16 2009, December -- January -- I'm sorry,
17 November 30. I don't even know when I
18 started. We had like seven laptops surplus
19 that we can kind of change out parts-wise
20 with our field investigators -- our four
21 field investigators. Right now currently,
22 we issued the last one to our field
23 investigator. So I really don't have any
24 extra ones here that they can really use
25 that are working. They have been running

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1 into problems. They are just not working.
2 The keyboards don't work anymore.
3 Processors are going out on them. Granted,
4 they are pretty old laptops already. The
5 software on them is pretty bad. It's really
6 not worth trying to upgrade those. It's
7 more costly than to look to purchasing some
8 newer ones. So what I've been doing, and,
9 Mona, if you can help me out here a little
10 bit, we have been doing a lot of research as
11 it relates to purchasing, making sure that
12 we do our proper purchasing and making sure
13 we have the proper paperwork in place, any
14 limits that we may have out there as it
15 relates to purchasing any items, and I just
16 wanted to let you know that I want to try to
17 move forward with actually purchasing some
18 newer laptops for the field investigators,
19 so that we can actually do more things as it
20 relates to reporting and usage out there in
21 the field.

22 MR. ROBINSON:

23 We have to get new laptops.
24 That's the bottom line. I mean, it's
25 archaic some of the stuff that we do.

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1 MR. POTEET:

2 Are those Commodores?

3 MR. PARNELL:

4 I mean, it's ridiculous. We
5 can't do anything with them. Some of them
6 even have Windows 98 on them. We are really
7 in a bad place with those.

8 MR. ROBINSON:

9 So we are going to have to
10 replace some laptops, yes.

11 MR. PARNELL:

12 That's all I have for the
13 Executive Director's report.

14 Are there any questions,
15 comments or concerns?

16 (No response.)

17 MR. ROBINSON:

18 Okay. Thank you for the
19 report.

20 The Legislative Committee,
21 Ron is not here today and he has most of
22 that information. Anything --

23 MR. PARNELL:

24 I spoke with him and Sheri as
25 well and his sentiment was pretty much that

1 we don't have a lot to actually do this
2 year. We can do some things in relating --
3 related to cleanup some of the issues that
4 we talked about doing and/or just some other
5 language within the statute to cleanup, but
6 maybe not enough to actually go before the
7 legislation this year. So I don't know if
8 you guys want to have a discussion on that.
9 Is that something -- do we want to move
10 forward and try to do legislation this year?
11 It's not a lost issue.

12 MR. ROBINSON:

13 I think we ought to do one
14 bill and do some cleanup and include two
15 year renewals, e-mails, anything else that
16 needs to be cleaned up. Hopefully, it will
17 be non-controversial. It will all be pretty
18 easy to get through, but like -- is this the
19 five bill year?

20 MR. HALLACK:

21 Yes.

22 MR. ROBINSON:

23 They can only introduce five
24 bills. So you are going to have to get your
25 authors pretty quick.

1 MR. PARNELL:

2 I have one committed already,
3 maybe -- actually I can't remember his name.
4 That's pretty bad. I'm sorry.

5 MR. ROBINSON:

6 I think we need to do it,
7 because I think it will help internally
8 whether it's things that we've just got to
9 get done. You know, the two year renewal I
10 think needs to be written where there is
11 some discretion on the part of the
12 Commission. I don't think you should be
13 able to start off with a two year -- I mean,
14 at what point do the Commissioners think the
15 dealer ought to be eligible to do a two year
16 license? Or do you think you should be able
17 to do it initially?

18 MR. BREWER:

19 After 10 years would be a
20 good solid number. If a man has been in
21 business for 10 years, he is going to be
22 around for a while.

23 MR. TURNER:

24 That's why I asked how many
25 ten year members we have.

1 MR. FLOYD:

2 Maybe reduce that to about
3 seven.

4 MR. BREWER:

5 You don't know --

6 MR. ROBINSON:

7 Well, what's the down side
8 for a two year? We get the revenue for two
9 years. If they go out of business, it's not
10 returnable.

11 MR. POTEET:

12 I would say it's the other
13 way around. I think everybody ought
14 to be on a two year, start them out
15 and if they are going to be a problem, they
16 are probably going to be a problem in the
17 first few months as opposed to the middle of
18 that two year time, and we get the revenue
19 right up front.

20 MR. ROBINSON:

21 So you would start with the
22 initial --

23 MR. POTEET:

24 I mean, if there are
25 problems, you are going to get complaints on

1 them and you are going to monitor them.
2 Whether they have been in business for two
3 years or 12 years --

4 MR. PARNELL:

5 Even if we did that every two
6 years and actually renewing every year.
7 Unless you want to do it for -- well,
8 it would probably be better to do it that
9 way. We will have a group of licenses that
10 we renew every year.

11 MR. POTEET:

12 Use the alphabet -- split up
13 the alphabet and you can say here we go and
14 start working on that staggering of the two
15 years.

16 MR. ROBINSON:

17 So you would make it
18 mandatory, if you are going to apply for a
19 license, you buy a two year license, so you
20 wouldn't be able to come in and get a one
21 year?

22 MR. POTEET:

23 Yes, that's what I would do.

24 MR. ROBINSON:

25 How do other people feel?

1 MR. CORMIER:

2 I feel it's good. I mean,
3 who is going to want to buy a license
4 expecting to stay in business one year to
5 begin with, you know.

6 MR. ROBINSON:

7 What would happen on the
8 bond, could you buy a bond for two years?

9 MR. HALLACK:

10 You would have to be able to
11 buy a bond for two years.

12 MS. BARON:

13 You can buy a bond for up to
14 10 years, and they have some that now they
15 are -- I had a couple of bond companies ask
16 me if we would accept a bond that was no end
17 date and the only way it would end is they
18 would send us a cancellation if they were
19 going to cancel the bond, but if they
20 weren't going to cancel it, then we wouldn't
21 get a continuation certificate. It would
22 just be an ongoing bond with no close date
23 on it. And I had mentioned that to Mr.
24 Parnell.

25 MR. ROBINSON:

1 They are trying to stop the
2 processing, too.

3 MS. BARON:

4 Yes.

5 MR. ROBINSON:

6 I mean, the process they do
7 to process a bond every year for \$220 fee.

8 MS. BARON:

9 We had one bond company this
10 year that absolutely refused to do a one
11 year continuation certificate. So we had to
12 accept the two year. They had bought it for
13 two years, anyway. So we had to accept the
14 two years, because the bond company
15 absolutely refused to do a continuation
16 certificate for less than two years.

17 MR. ROBINSON:

18 As far as legislatively,
19 though, we can just change to where we would
20 have the authority to do up to a two year
21 license.

22 MR. HALLACK:

23 Yes, sir.

24 MR. ROBINSON:

25 And then we could determine

1 exactly how. I mean, all of these things --
2 all this is going to do is make it a more
3 streamlined and more efficient operation.
4 And I'll bet you the dealers would be happy.
5 It will be a bigger change, but they won't
6 have to worry about it.

7 MR. POTEET:

8 Everyone I talked to has been
9 for that, the two year and for the
10 staggering.

11 MR. ROBINSON:

12 So, yes, I would like to --
13 again, I don't know how everybody feels. I
14 think that we ought to have some type of
15 legislative packet to try to accomplish
16 those things. I can't imagine the
17 Legislature would care if we asked for the
18 ability to do a two year license. You might
19 have a little back up on mandatory e-mail,
20 but, again, you can go to your library and
21 have e-mail for free. I mean, it's not like
22 a cost to people, but we might have a little
23 -- anyone else, I mean, would everybody be
24 comfortable with just going with two year
25 licenses?

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1 MR. TURNER:

2 Yes.

3 MR. CORMIER:

4 Yes.

5 MR. ROBINSON:

6 I don't know of any -- I
7 mean, Ron didn't really have anything large
8 as far as legislatively. So does anybody
9 know what the time would be to get your bill
10 filed?

11 MR. HALLACK:

12 Pre-filing is March 15th.

13 One thing that we talked
14 about when you were a Commissioner five, six
15 years ago, we actually wrote it, was spot
16 delivery. We don't have a spot delivery
17 law. We could sure use one, because we are
18 starting to see more and more of that. Last
19 month, we had a hearing on a dealer who was
20 basically collecting \$300 for nothing. He
21 had it in his mind that it was a down
22 payment. It was actually a deposit to hold
23 a car. But we really need to look at doing
24 the spot delivery and that's so
25 non-controversial, nobody will disagree with

1 that.

2 MR. ROBINSON:

3 I thought the Commission
4 voted that we were going to -- it just never
5 got sent to the Legislature?

6 MR. HALLACK:

7 No, sir. You were here when
8 we wrote it.

9 MR. ROBINSON:

10 I remember it, because we
11 were having a lot of problems with it. You
12 still have what was voted?

13 MR. HALLACK:

14 Yes, sir.

15 MR. ROBINSON:

16 Let's put it on the agenda
17 for next month.

18 MR. HALLACK:

19 Okay.

20 MR. ROBINSON:

21 You remember, the Commission
22 voted on it. I didn't know that it never
23 got in the Legislative packet.

24 MR. HALLACK:

25 It got in the packet, but

1 whatever happened, it was pulled.

2 MR. ROBINSON:

3 But I could see where it
4 could be a little controversial at the
5 capitol. It's been too long. I don't
6 remember the verbiage in that thing. Let's
7 just get it on the agenda for next month and
8 have a copy in the packet, or better than
9 that, e-mail it out to everybody, so they
10 can read it beforehand.

11 We do not have any hearings?

12 MR. PARNELL:

13 No, not for this month. Next
14 month, I'm scheduling a pretty large
15 hearing. So I would request that if
16 everyone be present, it would be great.

17 MR. ROBINSON:

18 The last item -- I mean,
19 we've already said a lot of things to put on
20 the agenda. I'm sure one of you have made
21 notes. So we will make sure it is on there.
22 I'm a big proponent for having a legislative
23 package that gives us more freedom in how we
24 manage and run this place. We've got to get
25 away from some of these ongoing problems

1 that we have. I do agree. I think, you
2 know, every dealer would love to buy a two
3 year -- well, most.

4 MR. PARNELL:

5 Well, most of them would.

6 MR. ROBINSON:

7 Does anyone -- any
8 Commissioner have anything that they want on
9 the agenda for next month?

10 MR. TURNER:

11 I would like to discuss
12 curbstoning, again.

13 MR. ROBINSON:

14 Okay.

15 MR. TURNER:

16 The guy that's doing it
17 around me, especially now that it's tax
18 time, with a shopping center right down the
19 street from me half of a block, he is
20 putting the orange tags on the windows. Two
21 days later they are gone and there's a fresh
22 set of cars out there and they are real
23 cheap cars. But I have -- the past Saturday
24 around two o'clock, going to my store, a guy
25 who was of Spanish decent was changing a

1 tire on one of the cars and it's like a
2 little used car lot. He's got like six or
3 seven with shoe polish and all of that and
4 there's all kind of activity, people buying
5 the cars. It's just ridiculous.

6 MR. ROBINSON:

7 So when you are a large
8 independent dealer like yourself, you don't
9 have to go to work until two o'clock.

10 Put the copy of curbstoning
11 that we passed in the packet, so that
12 everybody can review it, too, or e-mail it
13 out if you want.

14 MR. HALLACK:

15 At the Legislative Committee
16 meeting that we had -- we have in our law
17 what is called the black market sales. It's
18 a law that anybody who pretends to be a
19 dealer, but not have a license, we have a
20 separate law for that. In the legislative
21 -- and the fine for it is only \$1,000, but
22 in the Legislative Committee meeting that we
23 had, everybody agreed that they should bump
24 the fine to \$5,000 to make it where it's
25 punishment, you know.

1 MR. ROBINSON:

2 You don't know who's doing
3 it?

4 MR. TURNER:

5 Well, Stacy and I have been
6 working on it and we are working with our
7 parish official, the zoning guy, and I even
8 had one of my lot guys go out there in the
9 morning when there's a fresh car there and
10 get the VIN number and the phone number
11 that's on the car, you know, that's in shoe
12 polish, and whoever it is has seen us doing
13 it and now they've put like a piece of paper
14 over the VIN. I mean, you know --

15 MR. HALLACK:

16 Also, Mr. Turner, it is a
17 criminal act. It's a misdemeanor for
18 anybody to sell a used car without a
19 license. So you can actually contact the
20 sheriff's department.

21 MR. TURNER:

22 Well, it used to be white
23 collar crime, yes. They usually don't fool
24 with that.

25 MR. POTEET:

1 Where are the cars parked?

2 MR. TURNER:

3 You know where my place is on
4 Veterans?

5 MR. POTEET:

6 Yes.

7 MR. TURNER:

8 Do you know where the K-Mart
9 is?

10 MR. POTEET:

11 Yes.

12 MR. TURNER:

13 That's where they are.

14 MR. POTEET:

15 Is there anything that says
16 K-Mart has any responsibility in that?

17 MR. HALLACK:

18 No.

19 MR. TURNER:

20 And the official with
21 Jefferson Parish zoning says there is like a
22 corporation that owns that property where
23 K-Mart is and he hasn't been able to get
24 anywhere with them. They are not
25 cooperative.

1 MR. ROBINSON:

2 It wouldn't be wrong for him
3 to rent it out. It's not up to the owner of
4 the property. It's not his responsibility.

5 MS. BARON:

6 Did you say was Stacy was
7 aware of this?

8 MR. TURNER:

9 Oh, yes.

10 I would like to see her
11 position herself on a Saturday and she walk
12 up there and find out what's going on and
13 see what they say.

14 MR. ROBINSON:

15 Anyone else have anything?

16 MR. BREWER:

17 I have a question. I know
18 that this Commission recognizes consumer
19 complaints to dealers. Can we have a dealer
20 against a dealer if there is a theft
21 involved?

22 MR. HALLACK:

23 Absolutely, yes.

24 MR. ROBINSON:

25 Absolutely.

1 MR. BREWER:

2 Well, I have a personal
3 problem that I've been trying to deal with
4 for a couple of months now. A guy beat me
5 out of \$22,000. He has my titles.

6 MR. ROBINSON:

7 I wouldn't say too much right
8 now.

9 MR. BREWER:

10 I made a complaint. Should I
11 get an attorney or should I just see what we
12 can do through the Commission?

13 MR. ROBINSON:

14 For right now, you just need
15 it to let it run its course. You don't need
16 to bring it up in the Commission meeting.

17 MR. BREWER:

18 I didn't know if I was
19 wasting the Commission's time to investigate
20 this or what?

21 MR. ROBINSON:

22 But, no, we have certain
23 things we can do.

24 MR. POTEET:

25 Any complaints against a used

1 motor vehicle dealer can come to this
2 Commission, any kind.

3 MR. ROBINSON:

4 Yes. If somebody has a
5 complaint on somebody that we license, they
6 can file a complaint.

7 MR. BREWER:

8 I always thought, you know,
9 we are trying to weed out the bad guy
10 and this man is applying for a new
11 dealer's license now. So you might hold
12 that up until after we investigate him or
13 something. I don't know if you can do that.

14 MR. HALLACK:

15 You can hold renewal for up
16 to 60 days.

17 MR. BREWER:

18 You can? I was just curious.
19 I would appreciate any help.

20 MR. ROBINSON:

21 We're done unless anybody has
22 something.

23 MR. POTEET:

24 I make a motion that we
25 adjourn.

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MR. TURNER:

Second.

MR. ROBINSON:

All in favor?

(All "Aye" responses.)

(Meeting adjourned at 10:51 A.M.)

1 REPORTER'S CERTIFICATE
2

3 I, BETTY D. GLISSMAN, Certified
4 Court Reporter, Certificate No. 86150, in
5 and for the State of Louisiana, do hereby
6 certify that the Louisiana Used Motor
7 Vehicle Commission February 21, 2011 meeting
8 was reported by me in the stenotype
9 reporting method, was prepared and
10 transcribed by me or under my personal
11 direction and supervision, and is a true and
12 correct transcript to the best of my ability
13 and understanding.

14 This March 11, 2011, Baton Rouge,
15 Louisiana.

16
17
18
19
20
21

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

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