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2                   **LOUISIANA USED MOTOR VEHICLE COMMISSION**

3                               **STATE OF LOUISIANA**

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6                   \* \* \* \* \*

7  
8                               **REGULAR MEETING**

9  
10                               **JULY 19, 2021**

11  
12                               **BEGINNING AT 9:30 A.M.**

13  
14                               **LOUISIANA STATE ARCHIVES**

15                               **3851 ESSEN LANE**

16                               **BATON ROUGE, LOUISIANA 70809**

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18                   \* \* \* \* \*

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21  
22  
23  
24                               **REPORTED BY:**

25                               Angie Henning, CCR, CVR

**A P P E A R A N C E S**

**CHAIRMAN:**

MR. RICHARD WATTS

**COMMISSIONERS PRESENT:**

MR. TRAVIS BROWN

MR. RICK DONNELL

MR. GEORGE FLOYD

MR. MATTHEW PEDERSON

MR. JEFFREY BRITT

MR. TONY CORMIER

**REPRESENTING THE LOUISIANA USED MOTOR**

**VEHICLE COMMISSION:**

ROBERT W. HALLACK, ESQUIRE

HALLACK LAW OFFICE

13007 JUSTICE AVENUE

BATON ROUGE, LOUISIANA 70816

\* \* \* \*

SHERI MORRIS, ESQUIRE

DAIGLE, FISSE & KESSENICH, PLC

8480 BLUEBONNET BOULEVARD, SUITE F

BATON ROUGE, LOUISIANA 70810

**A P P E A R A N C E S**

(continued)

**ALSO PRESENT:**

KIM BARON

DEREK PARNELL

MONA ANDERSON

MONTIE WISENOR

TANYA BURKS

RAYMOND ALLEMAN

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1 (Pledge of Allegiance.)

2 **MR. RICHARD WATTS:**

3 Roll call.

4 **MS. KIM BARON:**

5 Richard Watts?

6 **MR. RICHARD WATTS:**

7 Here.

8 **MS. KIM BARON:**

9 John Poteet?

10 (No response.)

11 George Floyd?

12 **MR. GEORGE FLOYD:**

13 Here.

14 **MS. KIM BARON:**

15 Tony Cormier?

16 **MR. TONY CORMIER:**

17 Here.

18 **MS. KIM BARON:**

19 Matt Pederson?

20 **MR. MATTHEW PEDERSON:**

21 Here.

22 **MS. KIM BARON:**

23 Jeffrey Britt?

24 **MR. JEFFREY BRITT:**

25 Here.

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1                   **MS. KIM BARON:**

2                   Steve Olave?

3                   (No response.)

4                   Ricky Donnell?

5                   (No response.)

6                   Travis Brown?

7                   **MR. TRAVIS BROWN:**

8                   Here.

9                   **MS. KIM BARON:**

10                  And Mike Russell?

11                  (No response.)

12                  Mr. Chairman, we have a quorum.

13                  **MR. RICHARD WATTS:**

14                  All right. Anybody out here for public  
15                  comments?

16                  **MS. KIM BARON:**

17                  No, sir.

18                  **MR. RICHARD WATTS:**

19                  Okay. I need adoption and approval of  
20                  the minutes from June.

21                  **MR. JEFFREY BRITT:**

22                  I make a motion.

23                  **MR. GEORGE FLOYD:**

24                  Second.

25                  **MR. RICHARD WATTS:**

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1                   Second. Item for discussion in  
2                   financial matters, Mona. We are doing  
3                   May and June; right?

4                   **MS. MONA ANDERSON:**

5                   Okay. If you will turn your binders  
6                   to the financial statements for the  
7                   month ending May 31. We have two sets  
8                   of statements to review. So, we will  
9                   just be hitting the highlights.

10                  Page 1 and 2 is the statement of  
11                  net position. The total cash in the bank  
12                  was \$1,902,439 dollars compared to last  
13                  year of \$2,358,000 dollars. There are no  
14                  changes in any other assets.

15                  On page 2 of the statement are the  
16                  deferred revenues for 2022. Those total  
17                  \$16,200 dollars compared to \$258,000  
18                  dollars last year.

19                  On the pages 3 through 5 the statement  
20                  of revenues, expenses, and changes in net  
21                  position, the month to date revenues were  
22                  \$82,463 dollars, and the year to date was  
23                  \$1,118,460 dollars.

24                  On pages 4 and 5, the expenditures were  
25                  a little higher than last year. And on

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1 page 5 at the bottom of the page, the  
2 month to date net position was a negative  
3 \$23,349 dollars, and the year-to-date net  
4 position was a negative \$157,603 dollars.

5 On the following page 6, the  
6 year-to-date budget to actual expenditures  
7 that compares the expenditures from July  
8 2020 through May 21 to the budgeted  
9 expenditures.

10 Pages 7 and 8 are four-year revenue  
11 comparisons, and that contains the  
12 revenues for the past four years. The  
13 2020 and the '18 and '19 are comparable  
14 districts. And year to date is 22 percent  
15 lower than the same districts from that  
16 '18 and '19 year.

17 On page 9, the certificate of deposit  
18 report, there are no changes in that from  
19 April.

20 And on page 10, the accounts receivable  
21 hearings report, the Commission assessed  
22 \$1,250 dollars in May, and the payments  
23 received were \$2,109 dollars. The  
24 accounts receivable balance at the end of  
25 May was \$466,057 dollars.

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1                   So, unless there are any questions,  
2                   I will move on to the June statements.

3                   **MR. RICHARD WATTS:**

4                   Do you-all have any questions?

5                   (No responses.)

6                   **MR. MONA ANDERSON:**

7                   Okay. So, the June statements are  
8                   the unaudited financial statements. And  
9                   so, adjustments will be made to some of  
10                  the accounts once the audit is complete.  
11                  The balance in the bank at the end of  
12                  June was \$1,866,500 dollars, which is  
13                  about \$455,500 dollars lower than the same  
14                  time last year. And that is due primarily  
15                  to the HCR 71, House Concurrent Resolution  
16                  71, suspended the fees until July 1 of this  
17                  year.

18                  The current liabilities on page 2  
19                  were \$107,714 dollars, and the deferred  
20                  revenues year to date were \$261,370 dollars.  
21                  Total liabilities were \$4,547,878 dollars.

22                  Pages 3 through 5, the revenue and  
23                  expenditure statement, the revenues were --  
24                  year to date were \$1,204,000 dollars compared  
25                  to \$1,748,000 -- I'm sorry, \$1,744,000 dollars.



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1           And again, that is due to the revenue  
2           not coming in. We normally would have  
3           started receiving that revenue in October  
4           of 2020 through about February of '21.  
5           So, that revenue will start coming or  
6           has started coming in July and will  
7           continue to come in through the end of  
8           the year in addition to the other that  
9           we are renewing.

10           So, on the last page of that statement,  
11           page 5, the month to date net position was  
12           a negative \$21,108 dollars, and the year  
13           to date was a negative \$178,700 dollars.

14           The four-year budget to actual  
15           expenditures chart there, but again, those  
16           are not the amended -- that is not the  
17           amended budget.

18           Okay. So, on page 7, the four-year  
19           revenue comparison, again, low because of  
20           the HCR 71. We had a decrease of \$281,000  
21           dollars in revenues. And if you will note  
22           about three quarters of the way down on the  
23           first column, the overpayments are unusually  
24           high, \$167,000 dollars and those are the  
25           dealers who chose to remit their fees

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1 despite the HCR 71, and those were posted  
2 as over payments. They will then become  
3 revenue in July.

4 And we have -- the accounting  
5 department has been sending out letters  
6 starting on June 1 advising dealers of  
7 the amounts that are due to them. If they  
8 had any credits, we allowed them to take  
9 their credits against the amounts due  
10 for the '21 and '22 fees.

11 And in addition, we are still sending  
12 out letters to those dealers who didn't  
13 pay anything, to remind them that in order  
14 to get their '20/'22 license, they have to  
15 pay.

16 On page 9, the certificate of deposit  
17 report, again there are no changes in that  
18 report for the month.

19 On page 10, the accounts receivable  
20 hearings fines were \$465,139 dollars, and  
21 \$1,500 dollars of that was assessed and  
22 \$22,038 dollars was collected. \$179 dollars  
23 was written off as fees paid to the attorney  
24 general for collection on their Ready To Go  
25 Autoplex.

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1           Mr. Chairman, unless there are any  
2           questions, that concludes my report of  
3           the financials. We can vote on that.

4           **MR. RICHARD WATTS:**

5           Does anybody have any questions? I  
6           need a vote yay or nay. Does anybody  
7           approve?

8           **MR. JEFFREY BRITT:**

9           Make a motion.

10          **MR. RICHARD WATTS:**

11          Make a motion. Any second?

12          **MR. JEFFREY BRITT:**

13          Second.

14          **MR. RICHARD WATTS:**

15          We've got a second.

16          **MR. MONA ANDERSON:**

17          Okay. And next in your binder  
18          are the budget amendments for amending  
19          the budget for the 2021 fiscal year to  
20          bring it in line with the expenditures  
21          that we had not anticipated. The budget  
22          was created in October of 2019, and  
23          there were a few items at that time that  
24          we could not anticipate that need to be  
25          amended.

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1                   So, if you look down into the  
2                   expenditure's section of the budget  
3                   amendments, there was \$3,000 dollars  
4                   additional in the complaints, investigator,  
5                   salaries which was the creation of the  
6                   supervisory position and a few other  
7                   salary changes.

8                   We contributed additional amounts to  
9                   employee's HSA, that is on the top of the  
10                  next page in the green column. We had  
11                  additional employees who participated in  
12                  that Health Savings Account plan.

13                  Under the employee's continuing  
14                  education, Civil Service charges Allstate  
15                  Agencies for the use of the LEO System,  
16                  which is what employees and commissioners  
17                  go on to for training. So, that went up  
18                  somewhat.

19                  There was an increase in insurance  
20                  rates due to losses and due to a rate  
21                  increase. So, those had to be amended.  
22                  That is about halfway down the page.

23                  The maintenance alarm line item needed  
24                  to be amended. As you know, when we had a  
25                  State vehicle that was vandalized and some

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1 cars stolen, so we installed a new system  
2 that had cameras in order to prevent that  
3 in the future.

4 We also had an increase in merchant  
5 account fees. The State of Louisiana was  
6 obligated to bid the merchant account  
7 services, which is what pays for our dealers  
8 to be able to go online and renew their  
9 licenses. And when that was bid, the fees  
10 went up; and we, of course, didn't know  
11 about that in 2019.

12 There was an increase in the postage  
13 due to the mailings for the HCR 71. And  
14 so, all of those positive changes were  
15 taken out of the professional services,  
16 which we budget at the total contract  
17 amount, but we never use the total contract  
18 amount. So, it is a zero net change in  
19 expenses. We are just moving money around  
20 from line item to line item.

21 And so, unless there are any  
22 questions, Mr. Chairman, that concludes  
23 my report on the budget amendments, and  
24 we need a vote to approve that.

25 **MR. RICHARD WATTS:**

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1 Any questions? I need a vote?

2 **MR. TONY CORMIER:**

3 I will make a motion.

4 **MR. RICHARD WATTS:**

5 Okay. You make a motion.

6 **MR. TRAVIS BROWN:**

7 Motion.

8 **MR. RICHARD WATTS:**

9 Tony, you make it. Travis second.

10 All right. Everybody in favor, yes?

11 (Several yes responses.)

12 **MR. RICHARD WATTS:**

13 Next is ratifications of imposed  
14 penalties.

15 **MR. DEREK PARNELL:**

16 All right. Commissioners, please  
17 find in your packet a chart that  
18 illustrates the licensees that were in  
19 violation of state law. These cases have  
20 been investigated, and I have determined  
21 that the public interest can be served  
22 without further administrative proceeding;  
23 thus, civil penalties were imposed. I  
24 will announce the name of the dealer upon  
25 which the imposed civil penalty was

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1 addressed.

2 The first one, the only one that  
3 we have last month is Auto Trends, LLC,  
4 from Baton Rouge, Louisiana. The fine  
5 amount was \$850 dollars. The compliance  
6 investigator went out and met with the  
7 dealer. We had a complaint from the  
8 finance company.

9 The finance company also stated that  
10 the consumer had been given a five-day  
11 dealer tag. When the 60-day tag expired,  
12 the investigator expunged and Alleman  
13 performed an audit and they found that  
14 the dealer was in violation of three  
15 counts of non-delivery of title and one  
16 count of issuing temp tags in violation  
17 of the law.

18 Commissioners, the total amount of  
19 civil penalties for the month was \$850  
20 dollars. I ask that you ratify the  
21 imposed civil penalties imposed.

22 **MR. RICHARD WATTS:**

23 Motion?

24 **MR. JEFFREY BRITT:**

25 Motion.

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1           **MR. TONY CORMIER:**

2                    Second.

3           **MR. MATTHEW PEDERSON:**

4                    Second.

5           **MS. SHERI MORRIS:**

6                    All in favor?

7           **MR. RICHARD WATTS:**

8                    Huh?

9           **MS. SHERI MORRIS:**

10                   All in favor?

11           **MR. RICHARD WATTS:**

12                   All in favor, are you-all in favor  
13 here?

14                    (Several yes responses.)

15           **MR. MONTIE WISENOR:**

16                    Good morning. These are the field  
17 totals for the monthly executive report  
18 for the field investigator for the month  
19 of June. We had -- there were seven  
20 audits for that month.

21                    One notice of revocation. Site visits,  
22 work orders were 42; cease and desist, there  
23 was one issued; assisted with registration  
24 for consumers were 11; six violations were  
25 issued during that month. There was a



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1           \$20,000 dollar refund issued. I'm assuming  
2           that is a purchase of a buy back of a  
3           consumer.

4           Out of the assigned cases, there were  
5           30 closed. Out of non-assigned, there were  
6           18. And we had 22 physical inspections  
7           for the month. That is all.

8           **MR. RICHARD WATTS:**

9           Thank you.

10          Derek?

11          **MR. DEREK PARNELL:**

12          Commissioners, just to give you an  
13          update on a few items that we had talked  
14          about in the past. An update on public  
15          safety, public tag agent application  
16          packet, that we have been working on,  
17          we have finished the entire first stage  
18          of the packet. We have submitted it to  
19          the Office of Motor Vehicles for -- upon  
20          their approval. They informed us to go  
21          on to go onto second stage, and upon  
22          that stage we will have to submit the  
23          bond and all of that information.

24          The one thing that I have to do this  
25          week is I have to go over there and do

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1 the background check, because as I signed  
2 off on it. I do have two persons on staff  
3 that is also -- or have already done that  
4 process. But I have to go ahead and  
5 complete that process in order to complete  
6 the same one set up.

7 Once we get that information back  
8 from them, then again, like I said we can  
9 move on to Stage II. They said they are  
10 going to try to work with us on expediting  
11 the process. So, that will work well for  
12 us.

13 I'm going to try to schedule a meeting  
14 with a few representatives from the Office  
15 of Motor Vehicles, just to make sure that we  
16 have all the information, everything that  
17 we need as far as moving forward with  
18 getting the public tag agent.

19 We already have the system where we can  
20 get in set up already. But I just want to  
21 make sure that all of the fine nuances are  
22 all well taken care of, so we can go ahead  
23 and hit the ground running with that  
24 process.

25 I think you can find in your package,

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1           also, during a conversation I had with  
2           Chairman Watts, he expressed, the concern  
3           that he really wanted to show some  
4           appreciation for Henry Darty Smith.  
5           So, I think we have a copy of the draft  
6           that were going to ask them to go ahead  
7           and create and make that for him, just in  
8           appreciation for all his years of service  
9           with this Commission. He was one that was  
10          here all the time with us and someone we  
11          could always count on. Unforeseen  
12          instances, he passed.

13                 So, next month, we should get that  
14                 within a week or so, next month. I think,  
15                 Commissioner Watts said he -- Chairman  
16                 Watts wanted to maybe reach out with his  
17                 wife and family members and see, you know,  
18                 if we want to do a presentation, and we  
19                 will put the plaque up in our office  
20                 ongoing.

21                 Commissioners, I do not have any other  
22                 items. If you have any questions, comments  
23                 or concerns, please do so.

24                 **MR. RICHARD WATTS:**

25                 Any questions?

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1 (No responses.)

2 Thank you. All right. Next, we have  
3 got on the agenda is our hearings coming  
4 up, and then we move -- we changed this  
5 around. The Bowling hearing is after --

6 **MR. ROBERT HALLACK:**

7 Mr. Chairman, I think it would be  
8 probably more efficient to do the Bowling  
9 matter first because it shouldn't take that  
10 long.

11 **MR. RICHARD WATTS:**

12 Okay.

13 **(LUMV Meeting Adjourned at 9:55 a.m.**  
14 **and Hearings to Commence)**

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**R E P O R T E R ' S P A G E**

1  
2  
3 I, Angie Henning, Certified Court Reporter,  
4 in and for the State of Louisiana, the officer,  
5 as defined in Rule 28 of the Federal Rules of  
6 Civil Procedure and/or Article 1434(b) of the  
7 Louisiana Code of Civil Procedure, before whom  
8 this hearing was taken, do hereby state on the  
9 record:

10 that due to the interaction in the  
11 spontaneous discourse of this proceeding, dashes  
12 (--) have been used to indicate pauses, changes  
13 in thought, and/or talkovers; that same is the  
14 proper method for a court reporter's  
15 transcription of a proceeding; that the dashes  
16 (--) do not indicate that words or phrases have  
17 been left out of this transcript; and that any  
18 words and/or names which could not be verified  
19 through reference material have been denoted with  
20 the phrase "(phonetic)."

