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LOUISIANA USED MOTOR VEHICLE COMMISSION
STATE OF LOUISIANA

REGULAR MEETING
October 20, 2014
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 MR. GEORGE BREWER

8 MR. TONY CORMIER (arrived late)

9 MR. RON DUPLESSIS

10 MR. KIRBY ROY

11 MR. HENRY "DARTY" SMITH

12 MR. DINO TAYLOR

13 MR. STEVEN OLAVE

14

15

16

17

18 REPRESENTING THE LOUISIANA USED MOTOR
19 VEHICLE COMMISSION:

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

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

25

1 ALSO PRESENT:

2

3 MS. KIM BARON

4 MR. DEREK PARNELL

5 MS. MONA ANDERSON

6 MS. TONYA BURKS

7 MR. DEWAYNE TAMBLING

8 MR. NESTOR GUILLORY

9 MR. BOB WOLLARD

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1 (PLEDGE OF ALLEGIANCE)

2 MR. POTEET:

3 Kim, roll call, please.

4 MS. BARON:

5 John Poteet?

6 MR. POTEET:

7 Here.

8 MS. BARON:

9 George Brewer?

10 MR. BREWER:

11 Here.

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 (No response.)

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 Mr. Olave?

13 MR. OLAVE:

14 Here.

15 MS. BARON:

16 Mr. Chairman, we have a quorum.

17 MR. POTEET:

18 Okay. Is anyone here today for
19 public comments?

20 MS. BARON:

21 No, sir.

22 MR. POTEET:

23 All right. So items for
24 discussion. We need approval of minutes
25 from the previous meeting. Has everybody

1 had a chance to read those?

2 MR. TAYLOR:

3 I make a motion.

4 MR. OLAVE:

5 Second the motion.

6 MR. POTEET:

7 All right. All in favor, say,

8 "Aye."

9 (All "Aye" responses.)

10 MR. POTEET:

11 Any opposed?

12 (No response.)

13 MR. POTEET:

14 All right. Financial matters.

15 We've got a few things to do here today.

16 Mona.

17 MS. ANDERSON:

18 If you will turn in your packets
19 to the financial statements for the month of
20 September 2014, under the statement of net
21 position, our cash in the bank at the end of
22 September was \$1,277,908. Accounts
23 receivable hearings and fines stayed the
24 same at \$203,900. Our current liabilities
25 at the bottom of the page were \$53,732.

1 On Page 2, you'll see the
2 deferred inflows for 2015 total \$276,250.
3 And we've received a few of the -- at the
4 end of September, we had received a few of
5 the 2015/16 renewals. So you see some 2016
6 second year money there.

7 On Page 3 is the statement of
8 revenues and expense -- revenues, expenses,
9 and changes in net position. The
10 year-to-date revenues at the end of
11 September were \$106,457, which is slightly
12 higher than last year. Under expenses, the
13 salaries year to date were \$106,457, which
14 is just a little higher than last year at
15 this time. Salaries and related benefits,
16 the benefits went up somewhat, about 4
17 percent. The remainder of the expenses
18 increased about \$5,000 this month compared
19 to the same month last year. We've been
20 updating the facility by replacing light
21 fixtures and we also have the fee for our
22 annual audit in these expenses.

23 On Page 5, the total expenses
24 were \$240,551, which resulted in a net --
25 negative change in net position of \$134,000

1 and \$47,747 for the month, which is a little
2 higher than it was last year. Turning on
3 to.

4 Page 6, the revenues and
5 expenditure comparison month to month, the
6 net position including the fund balance is
7 \$954,000. So this is the last month going
8 into our renewal year. So you will see our
9 income start picking up from here on.

10 And Page 7 is a graph of those
11 revenues, expenses, and net position. And
12 Page 8, you'll see our fee revenue, the most
13 -- most of which was our auction transaction
14 fees this time of year.

15 Moving on to the certificate of
16 deposit summary, there's no changes in this
17 report. All of our CDs will mature in 2015.

18 On Page 10, the accounts
19 receivable hearings, fines, the total at the
20 end of the month at the bottom was \$203,900.
21 We had fines assessed of \$1,250 and we
22 collected fines of \$1,125. \$125 was paid to
23 the Attorney General's Office for the
24 collection on the account for Larry Brown
25 and that is being paid on a monthly basis

1 now. We've received a couple of payments on
2 that.

3 And so unless there are any
4 questions, that concludes my report on the
5 financial statements.

6 MR. POTEET:

7 Do we have a motion to approve?

8 MR. SMITH:

9 So moved.

10 MR. POTEET:

11 Do we have a second?

12 MR. OLAVE:

13 Second.

14 MR. POTEET:

15 All in favor, say, "Aye."

16 (All "Aye" responses.)

17 MR. POTEET:

18 Any opposed?

19 (No response.)

20 MR. POTEET:

21 All right. So moving on to the
22 proposed fiscal budget for 15/16.

23 MS. ANDERSON:

24 The document you have there is
25 our proposed budget for the fiscal year

1 2015/16. On -- there are a number of
2 spreadsheets in this document. We're going
3 to start with the revenue and we might kind
4 of skip around a little bit. So starting
5 with the revenue, we estimated revenues to
6 be \$1,227,777, which is about 3 percent over
7 our 13/14 actual figures with the exception
8 of the enforcement action there. The figure
9 that you see -- the actual figure you see
10 there of \$192,000 in that first column
11 includes some of those fines that were
12 assessed in the last couple of meetings --
13 last couple of hearings that we had. So we
14 did increase the hearing fines over all of
15 those fines except that. Without those last
16 fines, we had about \$60,000. So we
17 increased it to \$78,000 and we feel like
18 since we have a compliance investigator in
19 District 3 now that we may have additional
20 fines in that area. Moving on --

21 MR. PARNELL:

22 Can we take a quick break,
23 because all of the rest of the packets are
24 not in there?

25 (Short break taken.)

1 MS. ANDERSON:

2 So, Kim, if you will click on the
3 tab that says salaries and related
4 expenditures -- okay. So -- I'm sorry.

5 Okay. So this is the recap of
6 the salaries. The following spreadsheet,
7 the one after that, that just says salaries
8 gives the individual salaries. The first
9 column there is the actual end of year for
10 14/15. That's what we budgeted and those
11 are how we're going to end up the year. And
12 so going forward, we budgeted 4 percent
13 above that for -- in case we realize that
14 merit increase in 2015. The retirement
15 benefits were increased this year. We have
16 -- we're paying 37 percent. We are
17 budgeting 40 percent for the majority of the
18 year, and then we normally have an increase
19 in June of the -- it would be June of 2016.
20 We have one month at a higher rate. So we
21 budgeted 40 percent for the majority of the
22 year and 41.2 percent for that remaining
23 month.

24 The group insurance, we've
25 included a 10 percent increase in January of

1 2016. I'm sure you've all heard the OGB
2 story on the news. So we're not
3 anticipating an increase in premiums for
4 2015, but there's a lot up in the air as our
5 employees are making their choices about --
6 among the programs that are available to
7 them from OGB this year. However, we don't
8 anticipate it to be any more than this. So
9 we budgeted for the higher figure and we
10 could realize that we may have to amend the
11 budget later on in the year to reflect the
12 new coverages.

13 MR. ROY:

14 Mona, I'm not going to say the
15 name, but the fifth name, why is the group
16 insurance 10,000, double everybody else?

17 MS. ANDERSON:

18 That's a family coverage. The
19 others are single. The agencies of the
20 State pay a percentage of the premium, not
21 just for the employee, but also for their
22 dependents, and so that would be an employee
23 who has her entire family in there. Okay.

24 And, again, you know, some of the
25 plans that are being suggested do save the

1 agency some money. So we may see some
2 decrease in that area.

3 So moving back to that salaries
4 and benefits, Kim, you'll see the total
5 projected for salaries and benefits in that
6 last column \$948,157.

7 Moving on to -- let's see. It
8 should say, Board, Kim, on your tab. So
9 you'll see the per diem that we pay to
10 Commissioners. So we are budgeting in there
11 for a full attendance. It doesn't always
12 happen that way.

13 Moving on to travel, this would
14 be reimbursement for travel by Commissioners
15 and our compliance investigators and you'll
16 see there is an increase under the field
17 travel. Our investigator who retired and
18 came back will be using his personal vehicle
19 to travel and that will save us. So we had
20 to increase that area to compensate for
21 that, that travel that we're doing -- we're
22 paying him, but that will save us the cost
23 of purchasing an additional vehicle for the
24 additional staff that we have in compliance.

25 Moving on to operating expenses,

1 our budget includes a 5 percent increase
2 over the 2013/14 actual figures. All of the
3 expenses are pretty much what they've been.
4 We don't have anything out of the ordinary
5 there. If you're new to our Commission,
6 then under the printing description, we
7 print our -- we cut back quite a bit on our
8 printing, but we still have to print
9 postcards for -- to notify our dealers of
10 their renewals, revocation, cease and desist
11 orders.

12 Under maintenance/other, that
13 would encompass our general maintenance,
14 alarms, janitorial, lawn service, pest
15 control, that air-conditioning maintenance,
16 that -- those type of items. Rental would
17 be -- we have a lease agreement on our
18 copier, on our postage machine, and we also
19 have a storage unit for our records.

20 Under miscellaneous, other
21 miscellaneous, those would be our bank fees,
22 criminal background checks, our merchant
23 fees for our online program -- our online
24 payment program and our depreciation.

25 Moving on to professional

1 services, we have our contracts. We do
2 budget at the maximum amount of our
3 contracts just as a precautionary measure in
4 case we need those services. Under other
5 charges, I think those would be -- IT is
6 what it is. Kim, I'm sorry. And those
7 would be our various IT services. We have
8 access to DPS. We're paying for that
9 service. We're also paying an annual
10 licensing maintenance fee to CAVU, our CAVU
11 program. That figure has gone up and
12 they've notified us that it will continue to
13 go up. We are investigating other programs
14 to see what our options are, maybe on a two
15 year -- two or three years from now basis,
16 because we don't feel like we're getting a
17 lot for that. So we're looking at
18 comparable programs. For the new budget, it
19 would be \$23,000.

20 Moving on to acquisitions, we
21 plan to replace at least one of our
22 vehicles. We have an aging fleet, and so we
23 pretty much have to at least replace one
24 vehicle per year and we put some -- \$9,000,
25 some money there, to replace computers that

1 may be needing replacement as we go. Our
2 computers are going on six years. So we may
3 be -- we may be needing to do that. And
4 then major repairs at the bottom are just
5 normal amounts. We've not been spending
6 anything in that area, mainly because we had
7 -- we had some roof damage last year that
8 got paid by the date, but we were notified
9 that that may not continue, that we may have
10 to pick up that coverage ourselves. And so
11 if you turn -- if you will go to the
12 expenditures -- Kim, I think it's the second
13 tab. So our expenditures for the year,
14 we're budgeting -- proposing a budget of
15 \$1,334,582.

16 And onto the fund balance tab,
17 you'll see that -- our actual figures with
18 the fund balance in the first column. The
19 second column would be our budgeted, which
20 can change, and bringing that forward with
21 the proposed budget, you can see that will
22 bring our fund balance to \$887,000. Our net
23 income loss or net position is a negative,
24 but we feel like we need to update our
25 facility and keep our fleet current and in

1 MR. POTEET:

2 Any opposed?

3 (No response.)

4 MR. POTEET:

5 All right. Mona, thank you, good
6 work.

7 MS. ANDERSON:

8 Thank you.

9 MR. POTEET:

10 Before we are go on, Mona has
11 been an excellent employee since she's come
12 on board. She has helped us a lot in the
13 financial area where we had some -- all
14 right.

15 The next thing we have is payment
16 of invoice of Mr. Hallack.

17 MR. PARNELL:

18 Commissioners, find in your
19 packet Commissioner -- Counselor Hallack's
20 bill for services for September 2014. This
21 is the summary sheet. The bill of services
22 for September 2014 is \$3,325.

23 Commissioners, I ask that you approve
24 payment for Commissioner Hallack's bill.

25 MR. POTEET:

1 I need a motion.

2 MR. SMITH:

3 I make a motion.

4 MR. OLAVE:

5 Second the motion.

6 MR. POTEET:

7 All in favor?

8 (All "Aye" responses.)

9 MR. POTEET:

10 Any opposed?

11 (No response.)

12 MR. POTEET:

13 All right. Executive Director's
14 report.

15 MR. PARNELL:

16 Commissioners, you'll find in
17 your packet some of the charts that we have
18 as it relates to the enforcement side. The
19 first one is alleged issue counts. For the
20 month of September, there were 99 alleged
21 issues that were filed with the agency. The
22 next document is the case report. The case
23 report illustrates the total number of cases
24 assigned for September. The total number
25 was 66. The last report that's in the

1 document is the department summary report,
2 which shows that there were 37 cases for the
3 month of -- for the month of September that
4 were closed. Other items that were
5 conducted, there were five audits conducted
6 there were nine five-day notices issued.
7 There were 130 work orders and site visits
8 conducted. There were 25 physical
9 inspections and assigned title and
10 registrations are 23. Violations and
11 citations issued were 38. Total number of
12 refunds were \$12,275.65.

13 The next item under my report is
14 general information. I just wanted -- last
15 week, we did send out renewal postcards.
16 They've been sent out and they're ready --
17 we're ready for the renewal process to start
18 now. Any Commissioners on-board here that
19 have not yet went online and filed -- filled
20 out their information, so we can go ahead
21 and renew, please go ahead and do that and
22 if you run into any issues or anything like
23 that, please let me know as you go through
24 that process, so we can try to see if we can
25 work out any kinks that we may have. That

1 completes the Executive Director's report.

2 MR. POTEET:

3 Did everybody get their postcard?

4 MR. BREWER:

5 I didn't get mine.

6 MR. POTEET:

7 You didn't get yours?

8 MR. BREWER:

9 No.

10 MR. POTEET:

11 I got mine Wednesday.

12 MR. TAYLOR:

13 I got my completed. It went
14 smooth, because she wasn't in my office.

15 MR. POTEET:

16 That's postcard is just a
17 reminder, you can go online and do it,
18 anyway.

19 Okay. Thank you, Derek.

20 All right. The next thing on the
21 agenda is we have a settlement offer. Mr.
22 Hallack.

23 MR. HALLACK:

24 Okay. We have a settlement offer
25 in your packet on K&L Auto Crushers. This

1 stems from an investigation conducted by
2 Nestor Guillory into a dismantler in
3 DeRidder and from that dismantler, we
4 received certain documents from K&L Auto
5 Crushers as to their crushing business in
6 Louisiana. They're actually a Texas
7 business. And based on that investigation
8 into the DeRidder business, we learned some
9 information from K&L. They were very
10 cooperative in our investigation into -- if
11 we have it. What Ms. Baron is going to hand
12 to you is a report that we received from K&L
13 Auto Crushers. That report is what was
14 provided to us by K&L stemming from our
15 investigation into this dealer, dismantler,
16 parts recycler out of DeRidder.

17 MS. MORRIS:

18 Is anyone here from K&L?

19 MR. HALLACK:

20 Yes.

21 Anyway, we have a statement that
22 should be in your packet.

23 Kim, is it in the book?

24 MS. BARON:

25 It's in the book.

1 MR. HALLACK:

2 Okay. If you look in the agenda
3 notebook, you'll see a stipulated proposal
4 from K&L. It's the fourth -- it looks like
5 the purple tab. The second page is the
6 stipulated agency order. You see under #1,
7 K&L Auto Crushers was cited for 648
8 violations for crushing without a license in
9 the state of Louisiana. They agreed and
10 sent us a check for 16 -- whatever the
11 stipulated order is.

12 MS. BARON:

13 It's on the very last page.

14 MR. HALLACK:

15 If you look at the very last
16 page, they sent us a check for \$16,325, and
17 if you look at the very first page, there's
18 a letter dated October 3, 2014 from K&L Auto
19 Crushers from their comptroller, who is Bob
20 Wollard, who is here with us today,
21 explaining why they were paying \$16,325.

22 So we have a stipulated agency
23 order where they are agreeing to plead
24 guilty to the violations, 648, and they're
25 willing to pay \$16,325. And if you look at

1 the report that was given to Investigator
2 Guillory, the long and short of the report
3 is that K&L Auto Crushers bought
4 approximately 5,500 cars in the state of
5 Louisiana and you can see that that is for
6 the period of January 1, 2012 to August 31,
7 2014. For those 5,500 vehicles, K&L Auto
8 Crushers paid approximately 1.5 million
9 dollars.

10 Mr. Wollard, do you have any
11 statements that you want to make in support
12 of the stipulation you have offered to the
13 Commission?

14 MR. WOLLARD:

15 Well, I would like to point out
16 and state that when you say 648 violations,
17 that's 648 vehicles and not separate
18 incidents. When we go into a yard to crush,
19 we'll -- you know, the guy may have 20 loads
20 and there's 15 cars on each load. So, you
21 know, that was over a two- or three- year
22 period there and that's individual vehicles
23 and it's not that many violations.

24 And as I said in my first letter
25 to the Commission, this was just an

1 oversight on my part, because the license --
2 we had had the license for several years
3 before this period that it wasn't renewed
4 and certainly for a \$200 license, you
5 wouldn't want to risk the kind of fees that
6 you're talking about here. It was just an
7 oversight.

8 We had a fellow in our office
9 that took care of all these things and he
10 had a stroke and things sort of got jumbled
11 up in the office, assigned those jobs, and
12 so I inherited it and just overlooked it for
13 that period. And as soon as Mr. Guillory
14 called and asked for the information on
15 Willis Bailey, as we know it's DeRidder Auto
16 Parts, you know, we immediately reviewed the
17 license to make sure we have it through the
18 end of 2015 and -- so I didn't have any
19 hesitation. I went over to Shreveport to
20 meet him and took him everything that we had
21 on Willis Bailey, and then subsequently we
22 gave you everything we had on every other
23 dealer that we deal with. So there was no
24 attempt on our part to hide anything from
25 the Commission. You know, we also have a --

1 we don't have it now, but we had a
2 demolition division that had a construction
3 license in Louisiana. So all of these
4 things have always been kept up to date.
5 This was just strictly an oversight on my
6 part.

7 MR. HALLACK:

8 Mr. Guillory, do you have
9 anything you want to add?

10 MR. GUILLORY:

11 I mean, just to reiterate what
12 he's saying. They were cooperative from day
13 one. They never fought me on any of this.
14 Anything we asked, they were very
15 forthcoming with. They did help us as far
16 as sending us the information on all the
17 other people that he crushed for, because
18 that is going to help us on identifying some
19 people that are crushing without a license.

20 MR. TAYLOR:

21 What is the \$16,325 figure -- did
22 you come up with that figure?

23 MR. WOLLARD:

24 No. I think the penalty is \$250
25 per vehicle, isn't it?

1 MR. HALLACK:

2 No. There's no standard set.
3 The maximum fine is \$2,000. So it can be
4 anything.

5 MR. WOLLARD:

6 Well, he came up with a penalty
7 of \$163,000. There was no possible way that
8 we can pay that kind of fine. So we just
9 took 10 percent of it, which is actually
10 more than a week's payroll for us, and that
11 was our offer to the Commission just to try
12 to get the thing settled.

13 MR. HALLACK:

14 But looking at the report that
15 you gave to Mr. Guillory, it appears that
16 you bought 1.5 million dollars worth of cars
17 in the state of Louisiana during that period
18 of time.

19 MR. WOLLARD:

20 Well, most of that \$1,500,000
21 would have stayed in the state of Louisiana.
22 We don't keep that. We make about \$4 a
23 vehicle.

24 MR. HALLACK:

25 The people that you buy these

1 cars from, are they required to pay any kind
2 of sales tax on the vehicles that they
3 purchase -- that you purchase from them?

4 MR. WOLLARD:

5 Well, I don't know, because we're
6 a wholesaler, and so we in turn just -- the
7 cars go from -- when we crush them, the cars
8 go to a steel mill, and so we're just like a
9 wholesaler. I assume in Louisiana if you're
10 a wholesaler, then you don't pay sales tax.
11 The cars go to a steel mill and they're made
12 into new steel. And so I don't know what
13 the sales tax requirements are for the
14 individual auto parts dealers here.

15 MR. HALLACK:

16 I just have some questions. We
17 had a gentleman in here by the name of
18 Gregory Brooks that a cease and desist order
19 was issued against. Do we have any present
20 violations against Mr. Brooks?

21 MS. GUILLORY:

22 Well, he has outstanding
23 violations that haven't been settled, yet.

24 MR. HALLACK:

25 Okay.

1 MR. DUPLESSIS:

2 Is that part of this case without
3 impugning --

4 MR. HALLACK:

5 It's all separate and apart.

6 MR. DUPLESSIS:

7 I take it K&L is a mobile
8 crusher?

9 MS. GUILLORY:

10 Yes.

11 MR. WOLLARD:

12 Correct.

13 MR. DUPLESSIS:

14 Y'all go on site, you have a
15 physical footprint in Louisiana? Do you
16 have a physical footprint in Louisiana?

17 MR. WOLLARD:

18 No, sir, we don't.

19 MR. DUPLESSIS:

20 You don't have a yard. Okay.

21 MS. GUILLORY:

22 As far as crushing goes.

23 MR. DUPLESSIS:

24 Right.

25 MR. GUILLORY:

1 I mean, they do have a presence
2 in Louisiana, but it's in the form of --

3 MR. WOLLARD:

4 K&L doesn't, but my boss is an
5 investor in Coushatta Iron and Metal. I
6 told you about him. And we do have a
7 physical footprint there and I've talked to
8 Ms. Baron and she's going to refer me to the
9 lady in here to make sure that we're doing
10 everything at that yard, because we would
11 have to report under the hulk law, and so
12 we've already talked to the people that do
13 our software about -- because they -- they
14 are -- they -- their software is already
15 reported to -- it's the National Motor
16 Vehicle -- I don't know what initials stand
17 for, but they are -- we are reporting that
18 on a daily basis, but the hulk law, there
19 just seems to be some confusion on, because
20 when I was talking to him, he said that none
21 of his people that he does IT work for --
22 and I don't know how many customers he has
23 in Louisiana. There may be two or it may be
24 five, I don't know -- are reporting under
25 the hulk laws, and so I think there's just

1 some confusion on that. I don't know. But,
2 you know, I have a lot of questions myself
3 and I think we're getting it all straight
4 now.

5 So Ms. Baron has referred me to
6 the lady in office here that is going to
7 make sure that we've got that down, because
8 if you read the law, it's kind of confusing
9 to us as to whether, you know, there would
10 be -- we would need to report them under the
11 hulk law and the fellow at your office here
12 that was helping me this morning indicated
13 that the guy that has the dismantlers
14 license or the auto scrap vehicle license is
15 the one that's actually responsible for
16 reporting those under the hulk law. We just
17 have to make sure that we have a title on
18 the vehicle, which we've always done, or an
19 affidavit on the vehicle.

20 So, in fact, some of those lists
21 that we have of those titles are what we've
22 given to the Commission to verify that we've
23 made lists of all the vehicles in the yard.
24 So we've always done that in Texas. We've
25 always had a two part form and you left one

1 part with the salvage yard in Texas, and
2 then we keep the other copy in the office.
3 In Louisiana, we left a copy with the fellow
4 we were crushing for, and then the steel
5 mills in Texas require that you have a copy
6 of that with the truck when you bring the
7 load into the steel mill. So they have all
8 of that information. In fact, some of that
9 was recovered from Texas Port Recycling in
10 Houston that I was able to pass on to Mr.
11 Guillory.

12 MR. GUILLORY:

13 He was able to assist us with
14 that, so we could make sure that it was a
15 joint deal with State Police that first
16 brought us to DeRidder scrap and we wanted
17 to run it down and make sure that there
18 weren't any more stolen vehicles outside the
19 one that we found after he had -- it was
20 separate and apart from his work, but we
21 were just -- they were able to finally track
22 down the stuff and get it to us to where we
23 could verify that none of those vehicles
24 that they had shredded were stolen.

25 MR. DUPLESSIS:

1 So the initial complaint was a
2 stolen vehicle?

3 MS. GUILLORY:

4 No. The initial complaint was
5 they were dismantling without a license at
6 DeRidder Scrap.

7 MR. DUPLESSIS:

8 Okay.

9 MR. HALLACK:

10 Not the --

11 MS. GUILLORY:

12 They were just going in to do --
13 to crush.

14 MR. WOLLARD:

15 They have a license now, because
16 we got his license from him last week.

17 MR. DUPLESSIS:

18 Very good.

19 MR. HALLACK:

20 Also, too, Mr. Wollard had
21 provided us with a profit and loss
22 statement, which is part of your packet. He
23 summarized the profit and loss statement in
24 his letter of October 3, 2014. You can see
25 they turned a profit of \$77,000 in 2012 and

1 a loss of \$289,000 in 2013, and they have a
2 loss of \$136,000 in the first nine months of
3 2014. That's part of the justification that
4 he's given for the fine of \$16,325. Also,
5 too, they claim that the revenue on the cars
6 that they purchased, the 648 that you have
7 the statement on, was only 18,9 -- 792
8 dollars out of gross purchases, like I said
9 were approximately 1.5 million.

10 Does anybody else have any
11 questions for me, Mr. Guillory, or Mr.
12 Wollard?

13 MS. MORRIS:

14 Are you recommending approval?

15 MR. HALLACK:

16 Well, let me ask you this. Would
17 y'all like to discuss this in Executive
18 Session?

19 MR. POTEET:

20 Anybody want to go into Executive
21 Session.

22 (No response.)

23 MR. POTEET:

24 I don't think so.

25 MR. HALLACK:

1 So we do need a motion to approve
2 or a motion to reject.

3 MR. ROY:

4 The bottom line is, he's turning
5 himself in.

6 MR. POTEET:

7 Yes. And he's renewed his
8 license.

9 Derek, do you have any comments
10 on that?

11 MR. PARNELL:

12 No.

13 MR. WOLLARD:

14 Well, we don't have anything to
15 hide. Like I said, it was an oversight on
16 our part and we just -- you know, when Mr.
17 Guillory called, you know, I didn't
18 hesitate. I gave him everything we had.

19 MS. GUILLORY:

20 They did. They got their license
21 -- he got his license renewal done really,
22 really quick.

23 MR. HALLACK:

24 But at 648 at \$250, is that how
25 they figured out the fine of \$16,325?

1 MR. WOLLARD:

2 No. The fine comes to \$163,000,
3 but there's no possible way that we can pay
4 that. So we did the best we could with it.

5 MR. HALLACK:

6 Okay. Did anybody calculate what
7 it would be at \$50 per transaction or per
8 vehicle?

9 I mean, you certainly have the
10 ability to go back to Mr. Wollard and say,
11 we reject that, we think this is a better
12 number. The last time we caught someone who
13 was selling travel trailers in the state of
14 Louisiana without a license, they gave us a
15 stipulated fine of \$90,000. So that's the
16 precedent if you want to look for something
17 that y'all done in the past.

18 MR. POTEET:

19 Does anybody want to make a
20 motion?

21 MR. BREWER:

22 I make a motion we accept the 16.

23 MR. POTEET:

24 All right. We have a motion on
25 the floor.

1 MR. OLAVE:

2 I'll second.

3 MR. POTEET:

4 All in favor, say, "Aye."

5 (All "Aye" responses.)

6 MR. POTEET:

7 Any opposed?

8 (No response.)

9 MR. ROY:

10 That was a good strategy.

11 MR. POTEET:

12 We accept the -- so we accept
13 that.

14 MR. WOLLARD:

15 Sir?

16 MR. ROY:

17 That was good strategy with the
18 check.

19 MS. BARON:

20 We have to deposit it within
21 three days.

22 MR. POTEET:

23 All right. Does anybody have
24 anything else?

25 MR. WOLLARD:

1 Well, I would like to thank you
2 very much for your consideration.

3 MR. DUPLESSIS:

4 Thank you as well.

5 MR. POTEET:

6 All right. Next thing on the
7 agenda is ratifications of license
8 revocations. We've got a couple of those.

9 MR. PARNELL:

10 In your packet, there are two
11 ratifications. We have Pearl Towing &
12 Recovery of Bastrop and U Can Ride, LLC of
13 Marksville. Do we have anybody here?

14 MS. BARON:

15 No, sir.

16 MR. PARNELL:

17 U Can Ride, LLC is at 240 Tunica
18 Drive East, Marksville, Louisiana, 71351.
19 The license UD number is 243738. The
20 suspension letter was sent out on July 7th
21 of 2014, because of no licensed
22 salespersons. The notice of revocation was
23 sent on September 2nd of 2014.

24 The second one that we have is
25 Pearl Towing & Recovery at 143 East Carter

1 Street, Bastrop, Louisiana 71220. The
2 license UD number is 242082.

3 Commissioners, I ask that you
4 ratify the revocations of all licenses --
5 dealers listed above.

6 MR. POTEET:

7 Do I have motion to ratify?

8 MR. SMITH:

9 I make a motion.

10 MR. BREWER:

11 Second.

12 MR. POTEET:

13 Second from Mr. Brewer.

14 All in favor, say, "Aye."

15 (All "Aye" responses.)

16 MR. POTEET:

17 Any opposed?

18 (No response.)

19 MR. POTEET:

20 All right. Those revocations are
21 ratified.

22 All right. So the next thing we
23 have are administrative hearings.

24 MR. HALLACK:

25 We have one that's agreed to a

1 stipulation this morning. Can I bring her
2 in right now?

3 MR. POTEET:

4 Sure.

5 MR. HALLACK:

6 We need a motion to adjourn.

7 MR. TAYLOR:

8 I make a motion to adjourn.

9 MR. OLAVE:

10 I second the motion.

11 MR. POTEET:

12 All in favor, say, "Aye."

13 (All "Aye" responses.)

14 (Meeting adjourned at 10:19 a.m.)

15 MR. POTEET:

16 We are going back to the
17 Executive Director's report on general
18 information. We're going to continue the
19 meeting by going back to -- Derek, under
20 general information, I believe we need to
21 talk just a few minutes about the -- where
22 we're going with this financing license.

23 So Ron and I have been discussing
24 this a little bit along with Mr. Taylor,
25 he's not here now, but, you know, I think

1 we're into mid October. We probably need to
2 have some sort of a plan -- a legislative
3 plan to come up with something there.

4 MR. PARNELL:

5 This is the time to start.

6 MR. POTEET:

7 Yes. Does anybody have any
8 comments? I guess just a little bit of
9 background to refresh everybody, we kind of
10 kicked this thing around with the financing
11 license. Right now the New Car Commission
12 has the jurisdiction and we think it's an
13 inconvenience or a burden on our dealers to
14 have to deal with two different commissions,
15 especially on something that's such a
16 significant thing. So, you know, our
17 feeling is that our dealers would be better
18 served and we would better -- more effective
19 as a Commission if we have some sort of a
20 law on the books that gives us the right to
21 regulate and license the used car dealers.

22 Does anybody have any comments
23 about that in general?

24 MR. HALLACK:

25 Ms. Morris had recommended

1 something at the last meeting about sending
2 a letter to the New Car Commission asking
3 them to explain their position as to the
4 law. Did y'all still want to do that? I
5 think it's a good idea.

6 MR. POTEET:

7 Well, I think we're going to have
8 to do that anyway.

9 MR. HALLACK:

10 Right.

11 MR. POTEET:

12 But I think we need to in
13 parallel start looking at a possible
14 legislative conclusion.

15 Ron.

16 MR. DUPLESSIS:

17 You know, this thing kind of --
18 my reflection, it's like raising children.
19 Instead of having a joint voice boss --
20 joint voice of parenting, we have our
21 Commission. Now, having mommy and daddy and
22 we have two different opposing factors, and
23 I think we saw this originally with the rent
24 to own, that the dealers sought refuge into
25 the lease to own with the New Car

1 Commission, and I think it's imperative in
2 the scheme of law in the state and I would
3 think that Sheri and maybe John and Robert
4 would agree that we need an order just to be
5 a good commission. We need to have a clear
6 plan and a clear scheme of law to our
7 constituents and not have two argumentable
8 concerns for the dealers to figure out.

9 You know, when you ask --
10 business is complicated enough and when you
11 ask a dealer to do something and he
12 complies, and then another agency says,
13 well, that's a conflict, that doesn't
14 reflect well in the state and it doesn't
15 reflect well in the scheme of law. And I
16 think that the finance portion came years
17 ago, because I was around, unfortunately,
18 and old enough to remember that -- how it
19 came into being, and it was to be a
20 self-governing body for the New Car
21 Commission, because we had so many
22 stipulations of manufacturer rebates. You
23 know, being captive with GM -- and, well,
24 you know, now it's GMAC, but we have
25 actually Allied, GM Financial, Wells, and

1 Ameri-Credit, all are captives to us and we
2 had these rebates and we had these
3 conditional rebates, crazy things. It's
4 very complicated and the Board of Financial
5 Institutions would just go nuts trying to
6 understand what we deal with to comply with
7 federal law. We have a federal agency out
8 there now that is making sure people are
9 getting a good deal.

10 This is not about limiting
11 competition. I mean, that's not what we're
12 here to do. We're here to make sure that
13 our constituents, both the consumers and the
14 used car dealers, are coming together to
15 draft a fair transparent clear cut deal and
16 I don't think that -- right now that we're
17 achieving that between the two agencies. So
18 I think we understand the used car side more
19 clearly than the new car dealers do.

20 Being a new car dealer, I see a
21 conflict and that's a very unique position,
22 for me to look at both sides clearly, and I
23 think that we have to be fair by the same
24 token. I think we've overlooked a lot of
25 violations in the newspaper that Dino and

1 other people have looked at that we need to
2 clear up as an agency and we need to adopt
3 some good advertising regulations, and we
4 did so last session.

5 Now, the New Car Commission wants
6 to come and, you know, offer us input.
7 We've asked for that. We've asked for that
8 every year and they told us, no, they
9 weren't really that concerned. But they
10 moved in a different direction trying to
11 capture our constituents and our licensees
12 and I think that's a conflict. We've
13 offered the olive branch and I think we've
14 been fair with it.

15 So, you know, I think that we
16 have to get them off point zero, that either
17 they're going to govern our constituents,
18 which we will oppose that, or they'll allow
19 us to govern our constituents in a fair
20 and equitable manner, and that's just the
21 end of the subject. I think that we can
22 extend our hand to reach an amicable
23 agreement. I don't think I've seen the
24 cooperation, and I will yield to you, Derek,
25 and, Sheri, and John, that they were willing

1 to craft an agreement. They've kind of --
2 they kind of wanted us just to go away. So
3 at this point, I think this Commission is
4 obligated to protect both the consumer and
5 our own constituents and licensees, and I
6 think unfortunately it's going to result in
7 legislation and a number of recital from
8 previous sessions. That's how all this kind
9 of got going to begin with. So that would
10 be my position on that.

11 MR. POTEET:

12 We have Dewayne Tambling here
13 from the LIADA.

14 Dewayne, do you have any comments
15 on this? I know this has been an issue
16 within the used car community for quite a
17 while.

18 MR. TAMBLING:

19 I'm fairly new, of course, to the
20 Board. Eric has been handling most of this.
21 John -- Eric was in here, I think, meeting
22 before last and stated, you know, his
23 comments and I'm in the same boat with Ron.

24 MR. POTEET:

25 Yes. I agree with Ron, too. I

1 think when you start looking at this from
2 the standpoint of -- well, from the
3 consumers for sure, there needs to be
4 something that is clear cut. We saw some
5 examples that Dino had brought in the
6 newspaper up in Monroe and the Shreveport
7 area and definitely there are some issues
8 there that we see that -- you know,
9 logically, we can see that the things were
10 wrong, but people are a little unsure. And
11 I think it's -- I just go back to the same
12 thing, it's an undue burden on our used car
13 dealers to have to have two different
14 commissions, especially if one commission
15 really is not giving them much guidance.
16 They're just kind of throwing the law out
17 there and saying, you know, you figure it
18 out and if we happen to get around to
19 looking at you, you better not be the one
20 that gets looked at. And I think we can do
21 a better job of that. And I guess until we
22 can -- unless we can come up with some kind
23 of solution, which we've tried to -- we've
24 been trying to come up with something for a
25 couple of years now.

1 MR. BREWER:

2 They probably aren't going to
3 want to give up the fund. I'm sure that has
4 nothing to do with it, huh?

5 MR. POTEET:

6 Probably not.

7 MR. DUPLESSIS:

8 Well, they are happy to give up
9 the educational seminar to us without
10 compensation. But, you know, they -- I
11 think it's about control and it's about the
12 revenue and that's not -- that should not be
13 a consideration in the scheme of law in
14 Louisiana. It's bad for your constituents
15 and your licensees and it shouldn't be about
16 revenue and it shouldn't be about undue
17 control. You've got enough control in
18 business today. And do I agree with all the
19 control? Well, some of it. You have to
20 have it, but it's becoming to where it's
21 burdensome to dealers and when you put two
22 sources and you don't give them the
23 educational background, that's an issue.
24 You need to let clear -- the dealers clearly
25 know what they need to do to comply. And

1 we've sat here in these meetings and when we
2 walk in and we see a guy willing to comply,
3 we know he's tried, we'll help him. The guy
4 that says, take a hike, I don't think we see
5 it quite the same way, you know. But we
6 need to let them know what's expected of
7 them, what they need to comply with, and I
8 don't see the New Car Commission offering
9 that education value right here.

10 MR. PARNELL:

11 Have they ever had any
12 educational aspects as it relates to --

13 MR. DUPLESSIS:

14 No. You see the -- really, the
15 dynamics of the two businesses are so
16 totally different, and please don't take
17 offense with us, but when you have the LADA
18 that's so strong with your insurance
19 programs and so many others things, the
20 capitalization of the dealers, they have a
21 lot of seminars, educational background.
22 They have it posted on the Internet and
23 they're a strong -- they are a well-run
24 organization, that's been the informational
25 source for the new car dealer and when

1 something comes up like some of the new
2 legislation, you know it's out there. They
3 have an active lobbyist. They've got a
4 large active staff. Probably their payroll
5 is a half a million bucks a year or more
6 just on the people they retain, you know,
7 simply for lobbying and office services.
8 So, you know, they're a much more congealed
9 group. So that's really where the education
10 comes through, not through the LMVC.

11 MR. HALLACK:

12 I mean, they took 35 percent of
13 our revenue in 2008.

14 MR. DUPLESSIS:

15 I think we can put that revenue
16 to much better use.

17 MR. POTEET:

18 Well, I think that -- unless
19 there are any other comments, I think that
20 we've got to start moving towards this at
21 least, you know, sort of in a hurry. We've
22 got -- talking to them about what's going to
23 happen and, you know, maybe we can throw
24 that out there and say, this is what we're
25 thinking about doing, we feel like we've got

1 to do something for our constituents. We've
2 got -- what do we have, 2,800 dealers, and I
3 realize not all of them have a finance
4 license. What did we say, 900?

5 MR. PARNELL:

6 Yes. It's about 3,500.

7 MR. POTEET:

8 So you've got a lot of -- you've
9 got a lot of people out there that are kind
10 of wandering through it or at least trying
11 to figure out what's going on.

12 MR. CORMIER:

13 You're really going to disrupt
14 them from coming from two different agencies
15 being monitored.

16 MR. POTEET:

17 I think that Ron's point -- and
18 this is not a rap on our constituents, but,
19 you know, if you take -- if you take new car
20 dealers -- and this is my opinion -- if you
21 take new car dealers and you spread them
22 across the spectrum, the spectrum is about
23 that wide. For used car dealers, the
24 spectrum is this wide. You've got a lot of
25 guys that are, you know, selling 15 or 20

1 car a year. They're mom and pop type
2 dealers and you have big, big guys that are
3 very sophisticated and know all of the
4 tricks of the trade and I think our job is
5 to take care of all of those people -- our
6 constituents.

7 Just like a consumer, some
8 consumers are, you know, not as bright as
9 some others and they need a little bit more
10 help than some that are pretty some
11 sophisticated, but nevertheless all those
12 people are our constituents and I think that
13 the -- you know, the process we have right
14 now is just untenable. It doesn't work well
15 for used car dealers and by extension it
16 doesn't work well for the consumers.

17 MR. CORMIER:

18 I have never defined exactly how
19 this dealer has a dealer license -- the
20 finance license. Did we ever come to a
21 conclusion on that?

22 MR. POTEET:

23 Not really.

24 MR. DUPLESSIS:

25 No. I think actually within the

1 -- within the conflict of their own
2 commission law, there was an entity by which
3 it referred to, I think a dozen cars or
4 something like that, has a finance license,
5 and if memory serves me correctly, that was
6 about a new car dealer actually holding his
7 own buy here, pay here, and now it's been
8 interpreted to be a used car dealer.

9 Now, that's off the board. So
10 I'm not really sure -- this is kind of my
11 interpretation of knowing Regulation M, Z,
12 and TILA, all the regulations pretty well.
13 I would say if you take a credit app and you
14 sit down -- you're in the actual act of
15 transacting a credit contract, credit
16 purchase, so, therefore, you would be under
17 that particular act. The state law and
18 federal law says that you don't have to
19 report -- you don't have to be -- you're
20 exempt under 25 units. That really is the
21 one that we should use as our threshold.

22 With that being said, we can
23 easily write in what we define as a credit
24 transaction, the number of transactions that
25 as required to have a credit license, and

1 MR. DUPLESSIS:

2 You don't need it unless you're
3 doing buy here, pay here. And the only one
4 that I know of that may qualify for that
5 would be Giles in Lafayette.

6 MR. POTEET:

7 So it's even -- it's not just
8 another commission that's regulating used
9 car dealers, it's a commission that has no
10 other connection to what they do on a daily
11 basis.

12 MR. DUPLESSIS:

13 Correct. They would have no
14 input and the other aspect --

15 MR. POTEET:

16 We're going to regulate credit
17 cards over at the hairdressers. They will
18 just jump on that.

19 MR. DUPLESSIS:

20 Also, there's no representation
21 on that board by used car dealers to have a
22 voice in that control.

23 MR. POTEET:

24 I think we have enough reasons.
25 We just need to put it together and, you

1 know, see if we can get it through.

2 MR. CORMIER:

3 It seems to me on the used car
4 side that it should be on the dealers that
5 do indirect financing. The small dealers
6 that take a credit app and send it to their
7 finance company --

8 MR. BREWER:

9 But you can't take the credit
10 app.

11 MR. POTEET:

12 No. You're arguing federal law.

13 MR. DUPLESSIS:

14 And you are arguing state law.

15 MR. BREWER:

16 It just seems to me that --

17 MR. DUPLESSIS:

18 There's a 25 contract threshold
19 under federal law and I do not know if that
20 still exists. I would think that it does
21 and under 25, you don't have to be licensed
22 and you don't have to report to the credit
23 bureau under 25. The 26 contract invokes
24 for --

25 MR. BREWER:

1 Per year?

2 MR. DUPLESSIS:

3 Per year.

4 So mom and pop, you know,
5 although they would not be exempt from TILA,
6 fines, violations and that sort of thing,
7 they would not have to register and comply.

8 MR. CORMIER:

9 How much is it to have a finance
10 license, 200?

11 MR. PARNELL:

12 Four.

13 MR. DUPLESSIS:

14 400. We could also go into our
15 own --

16 MR. POTEET:

17 We can set that as our fee.

18 MR. DUPLESSIS:

19 -- our fee as well. In fact,
20 this is a fiscal session and we could make
21 that recommendation within a fiscal not that
22 would reduce the cost if that would be an
23 interest for dealers.

24 MR. BREWER:

25 I think there's a lot of

1 independent used car dealers that would
2 gladly get the license if they understood it
3 and could get some help in their business.

4 MR. CORMIER:

5 Correct.

6 MR. BREWER:

7 And \$400 doesn't sound like a
8 lot, but it's so confusing right now. We
9 don't know whether to put up the \$400 or
10 wait and see what's going to happen, you
11 know.

12 MR. OLAVE:

13 I do like the idea of sending a
14 letter, though, with all the concerns that
15 we addressed today and my last meeting was
16 my first one back and I know there was some
17 discussion. Y'all went and visited the New
18 Car Commission and discussed some of these
19 concerns in the past?

20 MR. PARNELL:

21 We visited with them, I think
22 like, two times, if I'm not mistaken. Some
23 of these concerns did come up, but it's kind
24 of been ongoing. It's kind of been
25 compounded and as we're going further and

1 further, we're starting to unravel more.

2 MR. OLAVE:

3 Well, sure, yes, you're starting
4 to see all of the different problems with
5 it.

6 MR. PARNELL:

7 But we -- I think we're required,
8 because we do have an interagency agreement
9 with the New Car Commission and us and
10 whenever we're about to do something, we do
11 let them know what's going on, because from
12 what I understand reading that document, the
13 Governor's office doesn't want to see a lot
14 of fighting between the agencies. That's
15 why we're under this umbrella. So, I mean,
16 we do have an interagency agreement with
17 them to make sure that we notify them as
18 they do with us.

19 MR. HALLACK:

20 I want to point out they violated
21 that agreement in 2008, too. That was
22 during the Foster administration. Mike
23 Foster made it clear that the two agencies
24 aren't going to fight and that's how that
25 interagency agreement came up. Mike Foster

1 leaves in 2008. We get blindsided and, like
2 I said, they took 35 percent of our revenue
3 without so much of a hint. I mean, I'm down
4 at the Legislature with a Commissioner
5 trying to get legislation passed and they
6 came up to us and said, don't you know?

7 MR. PARNELL:

8 Did they do that or who did that?

9 MR. HALLACK:

10 Well, we didn't help them do
11 that, no.

12 MR. PARNELL:

13 Somebody helped them do that.

14 MR. HALLACK:

15 Well, I mean, we all know the
16 story.

17 MR. POTEET:

18 We were not in a good negotiating
19 position in 2008.

20 MR. DUPLESSIS:

21 No, we weren't. That was part of
22 that.

23 MR. HALLACK:

24 I mean, they left us crippled.
25 Thank goodness for the efforts that we have.

1 MR. POTEET:

2 You left a Governor out. Wasn't
3 there one in between?

4 MR. HALLACK:

5 Kathleen Blanco.

6 MR. POTEET:

7 Well, okay, so what do we need to
8 do?

9 MR. HALLACK:

10 Well, one of the first things
11 that the Legislature is going to want you to
12 do is show what efforts you made to work
13 this out with the other agency. And I think
14 you should start with Sheri writing them a
15 letter, by what authority are you claiming
16 to do this by, that letter, maybe some other
17 stuff. So you've got to show the
18 Legislature what efforts you've made to work
19 with them. Okay. Number two, you've got to
20 start empowering your base. You've got to
21 go to the dealers and say, is this what you
22 want, do you want to be regulated by the New
23 Car Commission?

24 MR. POTEET:

25 I can tell you right now, they do

1 not. They do not.

2 MR. HALLACK:

3 Well, I know, but you've got to
4 get with these guys to be able to pick up
5 the phone and call somebody.

6 MR. POTEET:

7 By the way, in case you guys
8 don't know, Dewayne is now the Executive
9 Director. The LIADA has not had an
10 Executive Director for two years.

11 MR. TAMBLING:

12 Several years.

13 MR. POTEET:

14 Yes, at least two years. And the
15 President has been taking on that role and
16 he's got a job to do. I mean, he has a real
17 job. So, understand, they had no Executive
18 Director whose job it is to do all this
19 stuff. So now we have somebody there and I
20 think Dewayne -- Dewayne and I have had some
21 discussion. I know he's had lots of
22 discussions with other dealers. And I think
23 what you just said is perfect, we need to
24 start calling our -- when we get this thing
25 rolling, the LIADA needs to take a big step

1 forward and --

2 MR. TAMBLING:

3 I'll be more than glad to.

4 MR. POTEET:

5 -- say what they want. I mean,
6 I'm not telling them what they should say.
7 I'm not saying that -- they can say what
8 they want and I can -- I can only surmise
9 what they want, which is not to be regulated
10 by the New Car Commission.

11 MR. DUPLESSIS:

12 One state ethics, we can't lobby,
13 but we can show up at the table and if you
14 were to reflect on some of lobbying efforts
15 other groups have, that they have to show up
16 at the hearing, they have to show up, sign
17 their card, show up at the table, and then,
18 you know, some of the horror stories we
19 heard, you may want to sit at the table and
20 testify, which is perfectly acceptable and
21 encouraged. That's what's going to be a
22 defining influential factor of getting it
23 out of committees, on the floor, and getting
24 it passed.

25 MR. TAMBLING:

1 Okay.

2 MR. HALLACK:

3 In the years past, we had new
4 motor vehicle dealers who actually sat in
5 the Legislature. I don't know even know if
6 there is one out there now.

7 MR. POTEET:

8 Well, I know in the rent to own,
9 a couple of those guys went and sat in.

10 MR. HALLACK:

11 No, no, I'm talking about --

12 MR. POTEET:

13 That are elected.

14 MR. HALLACK:

15 Yes.

16 MR. POTEET:

17 Do we have any?

18 MR. HALLACK:

19 So the next meeting we have, we
20 need to have a representative attend it and
21 explain to their people what's going on and
22 what we need to do and what we're going to
23 do.

24 MR. TAMBLING:

25 That will work.

1 MR. DUPLESSIS:

2 Well, we need to schedule a
3 legislative meeting somewhere in December,
4 because I think this is going to be
5 potentially one of our stickier -- and if
6 there's a way to work this out --

7 MR. PARNELL:

8 Do you want to have more than one
9 bill, do you want to put this one bill by
10 itself?

11 MR. DUPLESSIS:

12 I think one bill.

13 MS. BARON:

14 Do you want to have one after the
15 Commission meeting, because the Commission
16 meeting in December is on the 15th?

17 MR. DUPLESSIS:

18 If you think this room is big
19 enough for it or we can --

20 MS. BARON:

21 Do we need to start earlier than
22 December?

23 MR. POTEET:

24 We have to lay the ground work.

25 MR. DUPLESSIS:

1 about that, they should voice their
2 concerns, whether they want it or don't want
3 it.

4 MR. DUPLESSIS:

5 That's in a meeting in December.

6 MR. POTEET:

7 Attend the meeting in December.

8 MR. BREWER:

9 I would suggest they don't take
10 any credit apps without the license, right?

11 MR. DUPLESSIS:

12 I think as a Commission we
13 suggest nothing.

14 MR. POTEET:

15 We don't --

16 MR. BREWER:

17 Well, we don't -- it's kind of
18 hard when they call and ask, can I take a
19 credit app?

20 MR. POTEET:

21 Well, my answer would be to get a
22 financing license.

23 MR. BREWER:

24 If you have the finance license,
25 you can?

1 MR. PARNELL:

2 Yes. Anything beyond that would
3 be suggesting that they not follow the
4 rules.

5 MR. BREWER:

6 Right.

7 MS. MORRIS:

8 They risk receiving a violation
9 from the New Commission.

10 MR. CORMIER:

11 Encourage them to come to the
12 meeting.

13 MR. POTEET:

14 As soon as we have a date and a
15 time and a place, we'll let them know, but
16 probably in December.

17 MR. OLAVE:

18 They've actually issued
19 violations, the New Car Commission?

20 MR. DUPLESSIS:

21 Yes.

22 MR. POTEET:

23 Yes, they have.

24 MR. HALLACK:

25 Yes.

1 MR. DUPLESSIS:

2 They've issued a number of
3 violations not concerning finance.

4 MR. POTEET:

5 More advertising.

6 MR. OLAVE:

7 The collateral aspects to
8 regulation.

9 MR. DUPLESSIS:

10 What that does is impede our
11 ability to control our licensees and that
12 brings, you know, conflict of law, which
13 scheme of law are you under, new car or used
14 car. You know, that's not fair to the
15 licensees.

16 MR. OLAVE:

17 Well, the discussion was about
18 the word wholesale at one point in the name
19 -- some businesses' name. Is that still
20 going on?

21 MR. POTEET:

22 Good question.

23 Any other discussion?

24 (No response.)

25 Motion to adjourn.

1 MR. SMITH:

2 I'll make a motion.

3 MR. CORMIER:

4 Second.

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6

7 (Meeting adjourned at 11:56 a.m.)

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REPORTER'S CERTIFICATE

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3 I, BETTY D. GLISSMAN, Certified Court
4 Reporter, Certificate No. 86150, in and for
5 the State of Louisiana, do hereby certify
6 that the Louisiana Used Motor Vehicle
7 Commission October 20, 2014 meeting was
8 reported by me in the stenotype reporting
9 method, was prepared and transcribed by me
10 or under my personal direction and
11 supervision, and is a true and correct
12 transcript to the best of my ability and
13 understanding.

14 This October 28, 2014, Baton Rouge,
15 Louisiana.

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24 BETTY D. GLISSMAN, CCR
25 CERTIFIED COURT REPORTER