

Regular Session, 2010
HOUSE BILL NO. 1222
BY REPRESENTATIVE ARNOLD

ACT No. 1036

1 AN ACT

2 To amend and reenact R.S. 32:1252(27), 1254(A)(19), (B), (C)(introductory paragraph) and
3 (9) and (10), (D)(introductory paragraph) and (7), (E)(7) and (9)(d), (F)(introductory
4 paragraph) and (4), (J)(introductory paragraph) and (5), (L)(introductory paragraph)
5 and (5), and (N), 1255(A), 1260(C), 1261(1)(a)(introductory paragraph) and (i), (b),
6 (d), (e), (g) through (i), (k)(i)(introductory paragraph) and (ii), (n), and (p),
7 (2)(introductory paragraph), (a) through (e), (f)(introductory paragraph), (ii), and
8 (iv), (g), and (i), (3), (4)(a), (b), and (d), (5)(a), (b), and (d), and (7), 1261.1,
9 1262(A)(1) and (B)(3), 1263, 1264, and 1268(A)(1)(introductory paragraph),
10 (a)(introductory paragraph), and (d), and (2), and (B), to enact R.S. 32:1252(51) and
11 (52) and 1260(E) and (F), and to repeal R.S. 32:1268.1, relative to the Motor Vehicle
12 Commission; to provide for definitions; to provide for changes to licensure for
13 persons licensed by the commission; to provide for changes to licensure
14 requirements; to provide for change to insurance requirements; to provide for
15 additional penalties and relief for the commission; to provide for changes to
16 unauthorized acts of licensee of the commission; to provide for changes to
17 termination requirements of a licensee of the commission; and to provide for related
18 matters.

19 Be it enacted by the Legislature of Louisiana:

20 Section 1. R.S. 32:1252(27), 1254(A)(19), (B), (C)(introductory paragraph) and (9)
21 and (10), (D)(introductory paragraph) and (7), (E)(7) and (9)(d), (F)(introductory paragraph)
22 and (4), (J)(introductory paragraph) and (5), (L)(introductory paragraph) and (5), and (N),
23 1255(A), 1260(C), 1261(1)(a)(introductory paragraph) and (i), (b), (d), (e), (g) through (i),
24 (k)(i)(introductory paragraph) and (ii), (n), and (p), (2)(introductory paragraph), (a) through

1 (e), (f)(introductory paragraph), (ii), and (iv), (g), and (i), (3), (4)(a), (b), and (d), (5)(a), (b),
2 and (d), and (7), 1261.1, 1262(A)(1) and (B)(3), 1263, 1264, and 1268(A)(1)(introductory
3 paragraph), (a)(introductory paragraph), and (d), and (2), and (B) are hereby amended and
4 reenacted and R.S. 32:1252(51) and (52) and 1260(E) and (F) are hereby enacted to read as
5 follows:

6 §1252. Definitions

7 The following words, terms, and phrases, when used in this Chapter, shall
8 have the meanings respectively ascribed to them in this Section, except where the
9 context clearly indicates a different meaning:

10 * * *

11 (27) "Motorcycle" means a motor vehicle having a seat or saddle for the use
12 of the rider and designed to travel on not more than three wheels in contact with the
13 ground but excluding a tractor and electric-powered scooters not required to be
14 registered.

15 * * *

16 (51) "Vehicle" means any motor vehicle, specialty vehicle, or recreational
17 product subject to regulation by this Chapter.

18 (52) "Dealer" means any person licensed to sell a motor vehicle, specialty
19 vehicle, or recreational product subject to regulation by this Chapter.

20 §1254. Application for license; requirements for licensure; contents; licenses;
21 franchise filings

22 A. The following persons shall be licensed by the commission in order to
23 engage in business in the state of Louisiana, regardless of whether or not said person
24 maintains or has a place or places of business in this state, and it is a violation of this
25 Chapter to operate without first obtaining a license:

26 * * *

27 (19) Auto shows, trade shows, and exhibitions, including ~~promoters~~
28 promoters and nonresident exhibitors.

29 B.(1)(a) All applications for license or licenses shall be accompanied by the
30 appropriate fee or fees in accordance with the schedule set out in R.S. 32:1255. ~~It~~

1 ~~the event any application is denied and the license applied for is not issued, the entire~~
 2 ~~license fee shall be returned to the applicant.~~ All such fees shall be nonrefundable.
 3 Except as provided in Subparagraph (b) of this Paragraph and Paragraph (2) of this
 4 Subsection, all licenses issued under the provisions of this Chapter in accordance
 5 with the geographical location of the licensee will be for the year beginning and
 6 ending as follows:

7 1st Commission District--April 1 through March 31.

8 2nd Commission District--May 1 through April 30.

9 3rd Commission District--June 1 through May 31.

10 4th Commission District--July 1 through June 30.

11 5th Commission District--August 1 through July 31.

12 6th Commission District--September 1 through August 31.

13 7th Commission District--October 1 through September 30.

14 8th Commission District--November 1 through October 31.

15 (b) Commencing January 1, 2011, licenses shall be issued for a term of two
 16 years initially staggering the two-year license so Commission Districts 1, 3, 5, and
 17 7 will be issued a one-year license in 2011 and a two-year license thereafter.
 18 Recreational product license fees shall be prorated to cover the period from
 19 December 31, 2010, until license renewal.

20 (2) The license of any recreational products dealer ~~or~~ shall expire December
 21 31, 2010, and the license of any licensee who does not maintain a place of business
 22 in this state shall expire on December thirty-first of each year.

23 C. General licensing and compliance requirements for all license applicants
 24 and holders:;

25 * * *

26 (9) ~~All licensees are required to furnish and keep in force required liability~~
 27 ~~insurance coverage or liability protection provided by a liability trust fund as~~
 28 ~~authorized by R.S. 22:46(9)(d) on vehicles in accordance with the financial~~
 29 ~~responsibility laws of the state of Louisiana.~~ All applications for license pursuant
 30 to this Chapter shall include evidence the applicant has insurance covering its place

1 of business and its operation that complies with the financial responsibility laws of
 2 this state and as determined by the applicant and its insurance agent, that is necessary
 3 to provide coverage to the place and nature of the business sought to be licensed to
 4 protect the applicant and the consumers of this state. Failure to maintain such
 5 insurance ~~or liability protection~~ shall result in the immediate suspension of license,
 6 which suspension shall be effective as of the date of ~~said~~ the failure to maintain ~~said~~
 7 ~~liability~~ insurance coverage or ~~liability protection~~ until proof of the required ~~liability~~
 8 insurance ~~or liability protection~~ is furnished to the commission. If no proof is
 9 furnished to the commission within thirty days, the license of ~~said~~ such licensee shall
 10 be revoked. ~~Recreational product dealers selling all-terrain vehicles shall not be~~
 11 ~~required to furnish and keep in force the minimum garage liability insurance~~
 12 ~~coverage on all-terrain vehicles offered for sale unless the vehicles are utilized on the~~
 13 ~~streets and roadways for demonstration or any other purpose.~~

14 (10) All foreign ~~corporations~~ persons seeking or maintaining a license under
 15 this Chapter must be registered to do business in this state with the secretary of state.
 16 Evidence showing such registration shall be furnished by such applicant or licensee.

17 * * *

18 D. Additional licensing and compliance requirements for manufacturers,
 19 distributors, wholesalers, converters or secondary manufacturers, distributors or
 20 wholesalers, factory branches and distributor branches;

21 * * *

22 (7) Upon execution of a franchise, or addendum thereto, with a motor
 23 vehicle dealer, recreational products dealer, or specialty vehicle dealer, the
 24 manufacturer, distributor, wholesaler, or a convertor or secondary manufacturer shall
 25 immediately file with the commission a copy of the franchise or addendum.

26 E. Additional licensing and compliance requirements for motor vehicle and
 27 recreational products dealers.

28 * * *

1 (7) All motor vehicle or recreational products ~~dealers shall furnish evidence~~
2 ~~that they currently have garage liability insurance or liability protection provided by~~
3 ~~a liability trust fund as authorized by R.S. 22:46(9)(d) covering their place of~~
4 ~~business. The required insurance policy or liability protection shall have limits of~~
5 ~~not less than one hundred thousand dollars for bodily injury to one person, three~~
6 ~~hundred thousand dollars per accident, and fifty thousand dollars for property~~
7 ~~damage~~ dealer applications for license pursuant to this Chapter shall include
8 ~~evidence the applicant has insurance covering its place of business and its operation~~
9 ~~that complies with the financial responsibility laws of this state and as determined~~
10 by the applicant and its insurance agent, that is necessary to provide coverage to the
11 place and nature of the business sought to be licensed to protect the applicant and the
12 consumers of this state. Said Such insurance or liability protection shall be
13 maintained throughout the period of licensure. Failure to maintain such insurance
14 ~~or liability protection~~ shall result in the immediate suspension of license, which
15 suspension shall be effective as of the date of ~~said~~ the failure to maintain ~~said~~ such
16 ~~liability insurance coverage or liability protection~~ until proof of the required ~~garage~~
17 ~~liability insurance or liability protection~~ is furnished to the commission. Should no
18 proof of insurance ~~or liability protection provided by a liability trust fund as~~
19 ~~authorized by R.S. 22:46(9)(d)~~ be furnished to the commission within thirty days, the
20 license of ~~said~~ such licensee shall be revoked. ~~Recreational products dealers selling~~
21 ~~all-terrain vehicles shall not be required to furnish and keep in force the minimum~~
22 ~~garage liability insurance coverage on all-terrain vehicles offered for sale unless the~~
23 ~~vehicles are utilized on the streets and roadways for demonstration or any other~~
24 ~~purpose.~~

* * *

(9)

* * *

28 (d) Notwithstanding any other provisions of law to the contrary, any motor
29 vehicle ~~or recreational products~~ dealer holding a license hereunder shall not be
30 required to obtain a license as a motor vehicle lessor, used motor vehicle dealer, or

1 specialty vehicle dealer or converter, when modifying or selling those vehicles ~~or~~
2 ~~products~~ he is duly franchised and licensed to sell, provided such operations are
3 conducted from the location from which ~~said~~ such motor vehicle ~~or recreational~~
4 ~~products~~ dealer is licensed to do business.

5 * * *

6 F. Additional licensing and compliance requirements for used motor vehicle
7 facilities operated by new motor vehicle dealers, motor vehicle lessors and specialty
8 vehicle dealers:

9 * * *

10 (4) All used motor vehicle facilities licensed by the commission shall
11 furnish, ~~evidence that they currently have garage liability insurance or liability~~
12 ~~protection provided by a liability trust fund as authorized by R.S. 22:46(9)(d)~~
13 ~~covering their places of business. The required insurance policy or liability~~
14 ~~protection shall have limits of not less than one hundred thousand dollars for bodily~~
15 ~~injury to one person, three hundred thousand dollars per accident, and fifty thousand~~
16 ~~dollars for property damage. in their application for license pursuant to this Chapter,~~
17 ~~evidence the applicant has insurance covering its place of business and its operation~~
18 ~~that complies with the financial responsibility laws of this state and as determined~~
19 ~~by the applicant and its insurance agent, that is necessary to provide coverage to the~~
20 ~~place and nature of the business sought to be licensed to protect the applicant and the~~
21 ~~consumers of this state. Said Such~~ insurance ~~or liability protection~~ shall be
22 maintained throughout the period of licensure. Failure to maintain such insurance
23 ~~or liability protection~~ shall result in the immediate suspension of license, which
24 suspension shall be effective as of the date of ~~said~~ the failure to maintain ~~said~~
25 ~~liability~~ such insurance coverage ~~or liability protection~~ until proof of the required
26 ~~garage liability insurance or liability protection~~ is furnished to the commission.
27 Should no proof of insurance ~~or liability protection provided by a liability trust fund~~
28 ~~as authorized by R.S. 22:46(9)(d)~~ be furnished to the commission within thirty days,
29 the license of ~~said~~ such licensee shall be revoked. ~~Recreational product dealers~~
30 ~~selling all-terrain vehicles shall not be required to furnish and keep in force the~~

1 ~~minimum garage liability insurance coverage on all-terrain vehicles offered for sale~~
2 ~~unless the vehicles are utilized on the streets and roadways for demonstration or any~~
3 ~~other purpose.~~

4 * * *

5 J. Additional licensing and compliance requirements for motor vehicle
6 lessors.;

7 * * *

8 (5) All motor vehicle lessors, ~~shall furnish evidence that they currently have~~
9 ~~garage liability or other general liability insurance covering their place of business.~~
10 ~~The policy must have limits of not less than one hundred thousand dollars for bodily~~
11 ~~injury to one person, three hundred thousand dollars per accident and fifty thousand~~
12 ~~dollars for property damage. in their application for license pursuant to this Chapter,~~
13 ~~shall include evidence the applicant has insurance covering its place of business and~~
14 ~~its operation that complies with the financial responsibility laws of this state and as~~
15 ~~determined by the applicant and its insurance agent, that is necessary to provide~~
16 ~~coverage to the place and nature of the business sought to be licensed to protect the~~
17 ~~applicant and the consumers of this state. Said Such insurance must be maintained~~
18 ~~throughout the period of licensure. Failure to maintain such insurance shall result~~
19 ~~in the immediate suspension of license, which suspension shall be effective as of the~~
20 ~~date of said ~~the~~ failure to maintain ~~said liability~~ such insurance coverage until proof~~
21 ~~of the required ~~garage liability~~ insurance is furnished to the commission. Should no~~
22 ~~proof of insurance be furnished to the commission within thirty days, the license of~~
23 ~~said such licensee shall be revoked.~~

24 * * *

25 L. Additional licensing and compliance requirements for specialty vehicle
26 dealers.;

27 * * *

28 (5) All specialty vehicle dealers, ~~shall furnish evidence that they currently~~
29 ~~have garage liability insurance covering their place of business. The policy must~~
30 ~~have limits of not less than one hundred thousand dollars for bodily injury to one~~

1 ~~person, three hundred thousand dollars per accident and fifty thousand dollars for~~
 2 ~~property damage.~~ in their application for license pursuant to this Chapter, shall
 3 include evidence the applicant has insurance covering its place of business and its
 4 operation that complies with the financial responsibility laws of this state and as
 5 determined by the applicant and its insurance agent, that is necessary to provide
 6 coverage to the place and nature of the business sought to be licensed to protect the
 7 applicant and the consumers of this state. ~~Said~~ Such insurance must be maintained
 8 throughout the period of licensure. Failure to maintain such insurance shall result
 9 in the immediate suspension of license, which suspension shall be effective as of the
 10 ~~date of said~~ the failure to maintain ~~said liability~~ such insurance coverage until proof
 11 of the required ~~garage liability~~ insurance is furnished to the commission. If no proof
 12 of insurance is furnished to the commission within thirty days, the license of ~~said~~
 13 such licensee shall be revoked.

* * *

15 N. Any person who sells or offers to sell new motor vehicles, recreational
 16 products, or specialty vehicles, or leases, rents, or offers to lease or rent new motor
 17 vehicles, recreational products, or specialty vehicles, or conducts and designs
 18 advertising or participates in special sales events on behalf of licensees, and which
 19 is not a licensee of the commission shall, nonetheless, be subject to the provisions
 20 of Chapter 6 of Title 32 and the rules and regulations of the commission ~~which~~
 21 ~~pertain to the regulation of advertising.~~

§1255. Fees; penalties

23 A. To defray the cost of issuing licenses and administering this Chapter, the
 24 commission shall fix reasonable fees to be assessed under this Chapter: as follows:

25 (1) The license for each manufacturer, distributor, converter, motor vehicle
 26 lessor franchisor, or wholesaler, and factory branch or distributor branch, shall not
 27 exceed one thousand dollars for each year covered by the license.

1 from such party all costs of the proceeding, including but not limited to court costs,
2 discovery costs, and reasonable attorney fees incurred by the commission in
3 enforcing its order.

4 §1261. Unauthorized acts

5 It shall be a violation of this Chapter:

6 (1) For a manufacturer, a distributor, a wholesaler, distributor branch, factory
7 branch, converter or officer, agent, or other representative thereof:

8 (a) To induce or coerce, or attempt to induce or coerce, any licensee ~~or~~
9 ~~specialty vehicle dealer:~~

10 (i) To order or accept delivery of any recreational product, motor vehicle or
11 vehicles, appliances, equipment, parts or accessories therefor, or any other
12 commodity or commodities which shall not have been voluntarily ordered.

13 * * *

14 (b) To refuse to deliver to any ~~duly licensed motor vehicle dealer~~ licensee
15 having a franchise or contractual arrangement for the retail sale of ~~new motor~~
16 vehicles sold or distributed by such manufacturer, distributor, wholesaler, distributor
17 branch or factory branch, any motor vehicle, publicly advertised for immediate
18 delivery, within sixty days after such dealer's order shall have been received.

19 * * *

20 (d) To unfairly, without just cause and due regard to the equities of ~~said~~ such
21 dealer, cancel the franchise of any ~~motor vehicle dealer~~ licensee. Failure to meet
22 performance standards based on a survey of sales penetration in a regional, national,
23 territorial, or other geographic area shall not be the sole cause for cancellation of a
24 franchise. The nonrenewal of a franchise or selling agreement with ~~said~~ such dealer
25 or his successor without just provocation or cause, or the refusal to approve a
26 qualified transferee or qualified successor to the dealer-operator as provided for in
27 the franchise or selling agreement, or solely for failure to meet performance
28 standards based on a survey of sales penetration in a regional, national, territorial,
29 or other geographic area, shall be deemed an evasion of this Paragraph and shall
30 constitute an unfair cancellation, regardless of the terms or provisions of such

1 franchise or selling agreement. However, at least ~~ninety days~~ ninety-days notice
 2 ~~must~~ shall be given to the dealer of any cancellation or nonrenewal of a franchise
 3 except for a cancellation arising out of the financial default of the motor vehicle
 4 dealer or fraudulent activity of the dealer principal which results in the conviction
 5 of a crime punishable by imprisonment. The provisions of this Subsection relating
 6 to performance standards shall not apply to recreational products dealers.

7 (e) To refuse to extend to a ~~motor vehicle dealer~~ licensee the privilege of
 8 determining the mode or manner of available transportation facility that ~~said~~ such
 9 dealer desires to be used or employed in making deliveries of ~~new motor~~ vehicles to
 10 him or it.

11 * * *

12 (g) To delay, refuse, or fail to deliver motor vehicles in reasonable quantities
 13 relative to the ~~new motor vehicle dealer's~~ licensee's facilities and sales potential in
 14 the relevant market area. This Subparagraph shall not be valid, however, if such
 15 failure is caused by acts or causes beyond the control of the manufacturer,
 16 distributor, or other such party.

17 (h) To ship or sell motor vehicles ~~to a motor vehicle dealer~~ or recreational
 18 products to a licensee prior to the ~~motor vehicle dealer~~ licensee having been granted
 19 a license by the commission to sell such ~~motor~~ vehicles.

20 (i) To unreasonably withhold consent to the sale, transfer, or exchange of the
 21 franchise to a qualified transferee capable of being licensed as a ~~new motor vehicle~~
 22 dealer in this state, provided the transferee meets the criteria generally applied by the
 23 manufacturer in approving new ~~motor vehicle~~ dealers and agrees to be bound by all
 24 the terms and conditions of the standard franchises.

25 * * *

26 (k)(i) To sell or offer to sell a new or unused motor vehicle or recreational
 27 product directly to a consumer except as provided in this Chapter, or to compete with
 28 a ~~new motor vehicle dealer~~ licensee in the ~~same line~~ same-line makes, models, or
 29 classifications operating under an agreement or franchise from the aforementioned

1 manufacturer. A manufacturer shall not, however, be deemed to be competing when
2 any one of the following conditions are met:

3 * * *

4 (ii) After any of the conditions have been met under Subitems (aa) and (bb)
5 ~~above, of Item (i) of this Subparagraph,~~ the commission shall allow the manufacturer
6 ~~of new motor vehicles~~ to compete with ~~new motor vehicle dealers~~ licensees of the
7 same-line makes, models, or classifications under an agreement or franchise from
8 said manufacturer for longer than two years when, in the discretion of the
9 commission, the best interest of the manufacturer, consuming public, and ~~new motor~~
10 ~~vehicle dealer~~ licensees are best served.

11 * * *

12 (n) To fail to designate and provide to the commission in writing the
13 community or territory assigned to a ~~motor vehicle dealer~~ licensee.

14 * * *

15 (p) To unreasonably discriminate among competing, ~~similarly-situated~~
16 similarly situated, ~~same-line~~ same-line make ~~motor vehicle~~ dealers in the sales of
17 vehicles, in the availability of such vehicles, in the terms of incentive programs or
18 sales promotion plans, or in other similar programs.

19 * * *

20 (2) For a motor vehicle dealer, specialty vehicle dealer, recreational product
21 dealer, used motor vehicle dealer, or a motor vehicle salesman:

22 (a) To require a purchaser of a ~~new motor~~ vehicle, as a condition of sale and
23 delivery thereof, to also purchase special features, appliances, accessories, or
24 equipment not desired or requested by the purchaser; however, this prohibition shall
25 not apply as to special features, appliances, accessories, or equipment which are
26 permanently affixed to the vehicle.

27 (b) To represent and sell as a new ~~motor~~ vehicle any ~~motor~~ vehicle, the legal
28 title of which has been transferred by a manufacturer, distributor, or dealer to an
29 ultimate purchaser.

1 (c) To resort to or use any false or misleading advertisement in connection
2 with his business as such ~~motor~~ vehicle dealer or motor vehicle salesman.

3 (d) To sell or offer to sell makes, models, or classifications of new ~~motor~~
4 vehicles for which no franchise and license to sell is held.

5 (e) Except as otherwise approved by the commission, to sell or offer to sell
6 a ~~motor~~ vehicle from an unlicensed location.

7 (f) To deliver to a prospective purchaser a new or a used ~~motor~~ vehicle on
8 a sale conditioned on financing, i.e., a spot delivery, except on the following terms
9 and conditions which shall be in writing and shall be a part of the conditional sales
10 contract or other written notification signed by the purchaser:

11 * * *

12 (ii) That the ~~motor~~ vehicle being offered for trade-in by the purchaser shall
13 not be sold by the ~~motor-vehicle~~ dealer until the conditional sale is complete.

14 * * *

15 (iv) That if the conditional sale is not completed, the ~~motor-vehicle~~ dealer
16 shall immediately refund to the purchaser upon return of the vehicle all sums placed
17 with the dealership as a deposit or any other purpose associated with the attempted
18 sale of the vehicle.

19 * * *

20 (g) To pay a fee to any person in return for the solicitation, procurement, or
21 production by that person of prospective purchasers for new and used ~~motor~~
22 vehicles, except to a salesman licensed under the provisions of this Chapter.

23 * * *

24 (i) When selling a ~~motor~~ vehicle to a consumer, to assess any consumer
25 services fees, which shall include fees for treating the interior upholstery of the
26 vehicle, oil changes, roadside assistance, dealer inspections, or any other service
27 offered by the dealer, without allowing the buyer to refuse such services and be
28 exempt from payment for such services. The provisions of this Subparagraph shall

1 not apply to ~~dealer-added~~ dealer-added options or accessories which are permanently
2 affixed to the vehicle.

3 * * *

4 (3) For a motor vehicle or recreational product lessor or motor vehicle lessor
5 agent:

6 (a) To represent and sell as a new ~~motor~~ vehicle any ~~motor~~ vehicle which has
7 been used or intended to be used and operated for leasing and rental purposes.

8 (b) To resort to or use any false or misleading advertising in connection with
9 the business of leasing or renting ~~motor~~ vehicles.

10 (c) To lease, rent, sell, or offer to sell a ~~motor~~ vehicle from a location not
11 licensed for such activity.

12 (d) To rent or lease any ~~motor~~ vehicle which has been located within ~~the~~ this
13 state ~~of Louisiana~~ for a period of thirty days or more, unless such ~~motor~~ vehicle has
14 been issued a Louisiana license plate by, and all license fees and taxes have been
15 paid to, ~~the~~ this state ~~of Louisiana~~.

16 (e) To pay a fee to any person in return for the solicitation, procurement, or
17 production by that person of prospective lessees of ~~motor~~ vehicles, unless the person
18 receiving the fee is a lease facilitator who holds a valid license as provided by this
19 Chapter and a valid appointment from the motor vehicle lessor as provided by R.S.
20 32:1266(B)(1). The fees prohibited by this Subparagraph shall not include amounts
21 paid to a ~~motor vehicle~~ dealer as part of the consideration for the sale or assignment
22 of a lease or leased vehicle or other amounts paid to the ~~motor vehicle~~ dealer who
23 transfers the title on the vehicle or assigns the lease contract to the motor vehicle
24 lessor.

25 (f) To fail to fully and completely explain each charge listed on a retail
26 buyer's or lessee's order or vehicle invoice or leasing agreement prior to the lease of
27 a vehicle.

28 (g) When leasing a ~~motor~~ vehicle to a consumer, to assess any consumer
29 services fees, which shall include fees for treating the interior upholstery of the
30 vehicle, oil changes, roadside assistance, dealer inspections, or any other service

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 offered by the motor vehicle lessor, without allowing the consumer to refuse such
2 services and be exempt from payment for such services. The provisions of this
3 Subparagraph shall not apply to motor vehicle ~~lessor-added~~ lessor-added options or
4 accessories which are permanently affixed to the vehicle.

5 (4) For a lease facilitator:

6 (a) To hold himself out to any person as a "leasing company", "leasing
7 agent", "lease facilitator", or similar title, directly or indirectly engaged in the
8 business of a lease facilitator, or otherwise engaged in the solicitation or procurement
9 of prospective lessees for ~~motor~~ vehicles not titled in the name of and registered to
10 the lease facilitator, without holding a valid lease facilitator license and being in
11 compliance with the terms of this Chapter.

12 (b) To sell or offer to sell a new ~~motor~~ vehicle.

13 * * *

14 (d) To sign a ~~motor~~ vehicle manufacturer's statement of origin to a vehicle,
15 accept an assignment of a manufacturer's statement of origin to a vehicle, or
16 otherwise assume any element of title to a new ~~motor~~ vehicle.

17 * * *

18 (5) For a broker:

19 (a) To hold himself out to any person as a "broker", "purchasing company",
20 "sales agent", or similar title, engaged in the business of broker, or otherwise
21 engaged in the solicitation or procurement of prospective purchasers for ~~motor~~
22 vehicles not titled in the name of and registered to the broker, unless the broker holds
23 a valid broker license and is in compliance with the terms of this Chapter.

24 (b) To sell, or offer to sell, or display a new ~~motor~~ vehicle.

25 * * *

26 (d) To sign a ~~motor~~ vehicle manufacturer's statement of origin to a vehicle,
27 accept an assignment of a manufacturer's statement of origin to a vehicle, or
28 otherwise assume any element of title to a new ~~motor~~ vehicle.

29 * * *

1 §1263. Motor vehicle repairs

2 Suppliers of mechanical repairs and services for ~~motor vehicles~~ any vehicle
 3 subject to regulation pursuant to this Chapter shall provide each consumer with an
 4 itemized bill indicating repairs and services performed, parts replaced, or materials
 5 used, the total labor charge, and the identity of the mechanic, repairman, or supplier
 6 who performed the work. However, nothing in this Section shall prohibit a supplier
 7 of mechanical repairs and services from charging a service fee for the use of shop
 8 supplies such as rags, fender covers, small amounts of fluid, or other items which are
 9 not itemized, provided that ~~said~~ such fee does not exceed five percent of the total
 10 invoice for mechanical repairs or thirty-five dollars, whichever is less.

11 §1264. Damage disclosure

12 A. Whenever a new ~~motor~~ vehicle subject to regulation pursuant to this
 13 Chapter is sold to any person, the seller shall notify the purchaser of any body
 14 damage or mechanical damage which the vehicle has sustained that exceeds six
 15 percent of the manufacturer's suggested retail price or, in the case of recreational
 16 vehicles, six percent of the manufacturer's wholesale price. Such notice shall be in
 17 writing and a copy thereof shall be delivered to the purchaser prior to or
 18 simultaneous with transfer of the vehicle title.

19 B. Replacement of a new recreational vehicle's instrument panels,
 20 appliances, furniture, cabinetry, televisions, audio equipment, or similar residential
 21 components shall not be deemed "damage" pursuant to this Section if such items are
 22 replaced with original manufacturers' parts and materials.

23 ~~B.~~ C. This Section shall apply to all instances of vehicular body or
 24 mechanical damage to ~~new motor~~ vehicles and to all actions involving such damage,
 25 notwithstanding the application of other codal, statutory, or regulatory provisions,
 26 including but not limited to Civil Code Articles 2520 et seq.

27 * * *

28 §1268. Requirements upon termination; penalty; indemnity

29 A.(1) In the event the licensee ceases to engage in the business of being a
 30 motor vehicle, recreational products, or specialty vehicle dealer, or ceases to sell a

1 particular make of motor vehicle, recreational product, or specialty vehicle and after
 2 notice to the manufacturer, converter, distributor, or representative by ~~registered or~~
 3 certified mail or commercial delivery service with verification of receipt, within
 4 thirty days of the receipt of the notice by the manufacturer, converter, distributor, or
 5 representative, the manufacturer, converter, distributor, or representative shall
 6 repurchase:

7 (a) All new motor vehicle, recreational product, and specialty vehicles of the
 8 current and last prior model year delivered to the licensee and parts on hand that
 9 have not been damaged or substantially altered to the prejudice of the manufacturer
 10 while in the possession of the licensee. As to recreational products dealers, the
 11 repurchase of parts shall be limited to those listed in the manufacturer's price book.
 12 The motor vehicle, recreational product, and specialty vehicles and parts shall be
 13 repurchased at the cost to the licensee which shall include without limitation freight
 14 and advertising costs, less all allowances paid to the dealer, except that new
 15 automobiles shall be purchased on the schedule as follows:

16 * * *

17 (d) The manufacturer, converter, distributor, or representative shall pay to
 18 the dealer the costs of transporting, handling, packing, and loading of recreational
 19 product, motor and speciality vehicles, or parts, signs, tools, and equipment subject
 20 to repurchase.

21 (2) The manufacturer or converter shall make the required repurchase after
 22 the dealer terminates his franchise and within thirty days for motor and speciality
 23 vehicle dealers and sixty days for recreational products dealers of the submission to
 24 it, by ~~registered or~~ certified mail, return receipt requested, or commercial delivery
 25 service with verification of receipt, of a final inventory of motor vehicles and parts
 26 on hand.

27 B. Failure to make ~~said~~ such repurchase without just cause shall subject the
 28 manufacturer or converter to a penalty of one and one-half percent per month, or
 29 fraction thereof, of the inventory value or returnable recreational product, speciality

