SLS 10RS-763

## **ORIGINAL**

Regular Session, 2010

SENATE BILL NO. 198

BY SENATOR DUPLESSIS

FINANCIAL INSTITUTIONS. Authorizes financial institutions to charge certain fees in connection with motor vehicle transactions. (gov sig)

1	AN ACT
2	To amend and reenact R.S. 32:707.2(C)(2) and (3), and to enact R.S. 6:969.18(A)(5) and
3	R.S. 32:707.2(H), relative to electronic lien and title services; to authorize financial
4	institutions to charge consumer fees in connection with motor vehicle transactions;
5	and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 6:969.18(A)(5) is hereby enacted to read as follows:
8	§969.18. Documentation and compliance fees; notary fees; transfer of equity and
9	other fees; disclosure
10	A. * * * *
11	* * *
12	(5) The seller or extender of credit may charge the consumer fees and
13	expenses for electronic lien and title services, pursuant to R.S. 32:707.2,
14	provided in connection with a motor vehicle credit transaction.
15	* * *
16	Section 2. R.S. 32:707.2(C)(2) and (3) are hereby amended and reenacted and R.S.
17	32:707.2(H) is hereby enacted to read as follows:

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	§707.2. Electronic media system for lien recordation and title information; fees;
2	required bond; confidentiality of information; rules and regulations
3	* * *
4	C. * * *
5	(2) Each <del>bank</del> federally insured depository institution that originates more
6	than two hundred fifty motor vehicle transactions per year, and each, finance
7	company, lending institution, or other lender shall designate a public tag agent with
8	which such bank, finance company, lending institution, or other lender shall interface
9	its computer system for the purpose of receiving electronic confirmation from the
10	department, of the receipt and the filing of the security interest on the subject motor
11	vehicle. Each bank federally insured depository institution that originates more
12	than two hundred fifty motor vehicle transactions per year, and each, finance
13	company, lending institution, or other lender shall also designate such public tag agent
14	when transmitting a release or satisfaction of its lien.
15	(3) Any request to convert an electronic lien and title record to a paper document
16	shall be forwarded to the department by the bank federally insured depository
17	institution, finance company, lending institution, or other lender through its interface
18	with its designated public tag agent. Upon receipt of the appropriate title and handling
19	fees, the department shall provide the requested paper title.
20	* * *
21	H. The procedures referred to in this Section shall be referred to as
22	electronic title and lien services or E.T.L. services.
23	Section 3. This Act shall become effective upon signature by the governor or, if not
24	signed by the governor, upon expiration of the time for bills to become law without signature
25	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
26	vetoed by the governor and subsequently approved by the legislature, this Act shall become
27	effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

## DIGEST

<u>Proposed law</u> authorizes the seller or extender of credit to charge the consumer fees and expenses for electronic lien and title services, pursuant to <u>present law</u>, provided in connection with a motor vehicle credit transaction as defined in <u>present law</u>.

Present law lists banks as one of the financial institutions that is subject to present law.

<u>Proposed law</u> changes references to banks to federally insured depository institution that originate more than 250 motor vehicle transactions per year.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 32:707.2(C)(2) and (3); adds R.S. 6:969.18(A)(5) and R.S. 32:707.2(H))