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GOVERNOR



MICHAEL D. EDMONSON, COLONEL
DEPUTY SECRETARY

State of Louisiana
Department of Public Safety and Corrections
Public Safety Services

October 31, 2014

ELECTRONIC DELIVERY VIA E-MAIL

House Committee on Transportation, Highways
Public Works
Representative Karen St. Germain, Chairman

Senate Committee on the Judiciary B and
Senator Jean-Paul J. Morrell, Chairman

Re: Rules Proposed by the Louisiana Department of Public Safety and Corrections, Office of Motor Vehicles on the Removal of License Plates When the Owner/Operator Has a Suspended Driver's License

Dear Chairmen,

The Office of Motor Vehicles provides the following report to your committees as required by R.S. 49:968(D)(1)(b) for the proposed Notice of Intent that was published in the September 20, 2013 edition of the Louisiana Register on pages 1827 through 1829. This notice of intent proposed to adopt a new the rule in §329 on the removal of a license plate from a motor vehicle when the owner/operator has a suspended driver's license. A copy of the notice of intent is attached.

The Office of Motor Vehicles did not receive any public comment on the proposed rules during the comment period. As a result, a public hearing was not requested and therefore no public hearing was conducted.

As a result, no changes to the proposed rule text are necessary.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen A. Quidd".

Stephen A. Quidd
Attorney for La. DPS&C, OMV
(225) 925-6103, 925-6736

Attachment
c. Speaker of the House
President of the Senate

HCR 170 of the 2014 Regular Session of the Legislature. In particular, the proposed rules have no effect or impact on a "provider" in regards to:

1. the staffing level requirements or qualifications required to provide the same level of service;
2. the cost to the provider to provide the same level of service;
3. the ability of the provider to provide the same level of service.

Public Comments

All interested persons are invited to submit written comments on the proposed regulation. Such comments should be submitted no later than October 15, 2014, at 4:30 p.m. to Stephen A. Quidd, P.O. Box 66614, Baton Rouge, LA 70896; (225) 925-6103; fax: (225) 925-3974; or stephen.quidd@la.gov.

Public Hearing

A public hearing is scheduled for October 23, 2014 at 10 a.m. at 7979 Independence Blvd., Suite 301, Baton Rouge, LA 70806. Please call or e-mail in advance to confirm the time and place of meeting, as the meeting will be cancelled if the requisite number of comments is not received.

Jill P. Boudreaux
Undersecretary

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Electronic Reporting of Interlock Installation

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There will be no implementation costs or savings to state or local governmental units as a result of the proposed rule change. The proposed rule change requires authorized manufacturers of ignition interlock devices to submit driver reports electronically to the Department of Public Safety (DPS). Currently, reports are received on paper by the department and information is manually entered into the database. The rule change will allow DPS to enter the electronic reports received from the device manufacturers directly into the database.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed rule change will have no effect on revenue collections for the state as no revenue is generated from the submission of ignition interlock device reports. There will be no effect on revenue collections of local governmental units as only the state conducts this program.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed rule change may result in costs to companies that sell and install ignition interlock devices. The companies may incur programming costs related to sending records electronically, but the exact cost for each company cannot be determined.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change will have no effect on competition and employment.

Jill P. Boudreaux
Undersecretary
1409#066

Evan Brasseaux
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Public Safety and Corrections Office of Motor Vehicles

Removal of License Plate when Owner/Operator is Suspended (LAC 55:III.329)

In accordance with the provisions of R.S. 32:415.2, relative to the authority of the Office of Motor Vehicles, the Office of Motor Vehicles hereby publishes, and proposes to adopt LAC 55:III, Chapter 3, Subchapter A, §329, to implement the provisions of R.S. 32:415.2 as enacted by Act 802 of the 2014 Regular Session as it relates to the removal of license plates and the revocation of registration privileges when the owner of a motor vehicle has been determined to be operating that motor vehicle with a suspended driver's license, and to provide for the issuance of a hardship license plate if the registration privileges are revoked.

Title 55

PUBLIC SAFETY

Part III. Motor Vehicles

Chapter 3. License Plates and Removal of Plates, Registrations, and Title Transactions

Subchapter A. Types of License Plates and Removal of Plates

§329. Removal of License Plate When Owner/Operator Is Suspended

A. At the time of a law enforcement stop, if the operator of the vehicle is found to have a suspended license and it is further determined that operator is the sole owner of the vehicle the following will occur.

1. Notice of suspension ticket will be issued to the operator of the vehicle.

2. A sticker will be placed on the back of the rear windshield of the vehicle being operated.

3. The law enforcement office will remove the plate from the vehicle.

4. The officer will turn the ticket and the plate into the local Office of Motor Vehicles office within 3 business days.

B. Upon receipt of the Notice of Suspension, the Office of Motor Vehicles will confirm the operator is the sole owner of the vehicle and their operating privileges were suspended at the time of the violation.

C. The owner/operator of the vehicle has 10 business days upon receiving the violation to clear their driving record of all fines and suspensions with the proper compliance to have their plate returned to them.

D. If the owner does not clear all fines and suspensions within the 10 business days of the issuance of the violation, the Office of Motor Vehicles will destroy the plate. Operators complying with the law after ten business days will be required to purchase a replacement plate and pay any applicable registration fees.

E. After the expiration of the 10 day period, the vehicle shall not be operated on the public streets and highways until the motor vehicle is registered in accordance with this law. In the event the motor vehicle is being driven after the expiration of the temporary sticker, the motor vehicle shall be impounded.

F.1. A hardship license plate will be issued for the vehicle being operated at the time of the violation if the applicant submits an application for hardship plate and provides sufficient documentation and information substantiating the claim that the removal of the vehicle's license plate and the suspension or revocation of his driving privileges will deprive him or his family of the necessities of life, or will prevent him or his family from earning a livelihood.

2. If the department finds that the removal of the vehicle's license plate and the suspension or revocation of his driving privileges will deprive him or his family of the necessities of life, or will prevent him or his family from earning a livelihood, the department may issue a hardship license plate to be placed on the motor vehicle.

3. A hardship license plate shall be a valid plate type on all motor vehicles with the exception of those operating under one of the following plate types at the time of the violation. The following plate types at the time of the violation shall be eligible for reissue of the same plate type. The vehicle record will be flagged as having been issued a notice of suspension and use of the vehicle is being permitted as a result of a departmentally approved hardship:

- a. mobility impaired plate;
- b. hearing impaired plate;
- c. disabled veteran plate;
- d. forest plate;
- e. gravel plate;
- f. city use plate;
- g. farm plate.

4. A hardship license plate is not a driver's license, and is not an authorization to drive for a person whose driving privileges are suspended or otherwise denied. Any person operating a motor vehicle with a hardship plate shall possess a valid driver's license at all times, and such person shall comply with all laws regulating driver's licenses and driving privileges.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:415.2 (D)(1).

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of Motor Vehicles, LR 40:

Family Impact Statement

The proposed Rule will not have any known or foreseeable impact on any family as defined by R.S. 49:972(D) or on family formation, stability and autonomy. Specifically there should be no known or foreseeable effect on:

1. the stability of the family;
2. the authority and rights of parents regarding the education and supervision of their children;

3. the functioning of the family;
4. family earnings and family budget;
5. the behavior and personal responsibility of the children;
6. local governmental entities have the ability to perform the enforcement of the action proposed in accordance with R.S. 40:1730.23.

Poverty Impact Statement

The proposed Rule amends LAC 55-III.325. These Rule changes should not have any known or foreseeable impact on any child, individual or family as defined by R.S. 49:973(B). In particular, there should be no known or foreseeable effect on:

1. the effect on household income, assets, and financial security;
2. the effect on early childhood development and preschool through postsecondary education development;
3. the effect on employment and workforce development;
4. the effect on taxes and tax credits;
5. the effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Small Business Statement

The impact of the proposed Rule on small businesses has been considered and it is estimated that the proposed action is not expected to have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed Rule on small businesses.

Provider Impact Statement

The proposed rules do not impact or affect a "provider." "Provider" means an organization that provides services for individuals with developmental disabilities as defined in HCR 170 of the 2014 Regular Session of the Legislature. In particular, the proposed rules have no effect or impact on a "provider" in regards to:

1. the staffing level requirements or qualifications required to provide the same level of service;
2. the cost to the provider to provide the same level of service;
3. the ability of the provider to provide the same level of service.

Public Comments

All interested persons are invited to submit written comments on the proposed regulation. Such comments should be submitted no later than October 15, 2014, at 4:30 p.m. to Stephen A. Quidd, P.O. Box 66614, Baton Rouge, LA 70896; (225) 925-6103; fax: (225) 925-3974; or stephen.quidd@la.gov.

Public Hearing

A public hearing is scheduled for October 23, 2014 at 10 a.m. at 7979 Independence Blvd. Suite 301, Baton Rouge, LA 70806. Please call or e-mail in advance to confirm the time and place of meeting, as the meeting will be cancelled if the requisite number of comments is not received.

Jill P. Boudreaux
Undersecretary

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**

**RULE TITLE: Removal of License Plate when
Owner/Operator is Suspended**

**I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO
STATE OR LOCAL GOVERNMENT UNITS (Summary)**

The proposed rule change will result in an increase in self-generated revenue (SGR) expenditures in the amount of \$261,310 and an increase of five positions as a result of Act 802 of 2014. Act 802 provides for the removal of license plates on vehicles owned and driven by persons with suspended or revoked driver's licenses. As a result of removing license plates, law enforcement submits the plates to the local OMV office to be processed. After the plate is removed and submitted to OMV, the person whose plate was removed must go to the local OMV to pay a reinstatement fee of \$10 to receive that plate. To handle the increased processing, five additional Motor Vehicle Compliance Analysts will be needed. There will be no costs or savings to local governmental units as only the Office of Motor Vehicles will administer this plan.

**II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE
OR LOCAL GOVERNMENTAL UNITS (Summary)**

The proposed rule change will result in an increase in SGR revenues as a result of Act 802 of 2014. Act 802 provides for a \$10 reinstatement fee to be charged for removing a license plate due to a revoked or suspended driver's license. The exact increase in revenue is unknown. There were approximately 307,000 persons with suspended or revoked licenses in FY 13. To the extent 10% of those drivers would be issued a violation, 30,700 violations may be issued annually and drivers that pay the \$10 reinstatement fee would generate \$307,000 (307,000 suspended or revoked drivers x 10% violation issuance x \$10) in reinstatement fees. The revenue generated by fee collections would be used to offset expenditures for OMV. There will be no effect on revenue collections to local governmental units as only the Office of Motor Vehicles will administer this plan.

**III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO
DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL
GROUPS (Summary)**

The proposed rule change will affect persons who have a license plate removed due to a revoked or suspended driver's license. These persons would have to pay a ten dollar reinstatement fee.

**IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)**

Pursuant to Act 802, the proposed rule change will result in OMV hiring an additional five analysts to handle the anticipated workload.

Jill P. Boudreaux
Undersecretary
1409#065

Evan Brasseaux
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Public Safety and Corrections
Office of Motor Vehicles**

Title Transactions (LAC 55:III.395 and 397)

In accordance with the provisions of R.S. 32:705.1 for donations of motor vehicles in connection with a new car dealer transaction and R.S. 32:707(O) for water damaged vehicles which do not meet the salvage threshold, relative to the authority of the Office of Motor Vehicles, the Office of Motor Vehicles hereby publishes, and proposes to adopt LAC 55:III, Chapter 3, Subchapter D, §395, to implement

the provisions of R.S. 32:705.1 as enacted by Act 464 of the 2014 Regular Session as it relates to water damaged vehicles, and to adopt LAC 55:III, Chapter 3, Subchapter D, §397, to implement the provisions of R.S. 32:707(O) as it relates to donated motor vehicles in connection with a transaction at a dealer licensed by the Louisiana Motor Vehicle Commission. Subchapter D as well as §395 and §397 are new Sections and do not amend or repeal any existing Sections.

**Title 55
PUBLIC SAFETY**

Part III. Motor Vehicles

**Chapter 3. License Plates and Removal of Plates,
Registrations, and Title Transactions**

Subchapter D. Title Transactions

**§395. Donations by Manual Gift at a Louisiana Motor
Vehicle Commission Licensed Dealer**

A. The donation of a titled motor vehicle by manual gift as provided by *Civil Code* article 1543 and documented by delivery of the motor vehicle's previously issued certificate of title that is executed by the donor-owner may be submitted to the Office of Motor Vehicles in connection with a motor vehicle transaction by a Louisiana Motor Vehicle Commission licensed dealer.

B. Subsequent to donation of a titled motor vehicle by manual gift authorized in the previous paragraph, the licensed dealer shall cause the donor and the donee to execute the form approved by the department that memorialized the fact the donation was accomplished by manual gift. This completed form, together with the previously issued title, duly endorsed, shall accompany the paperwork submitted by, or on behalf of the dealer, to the Office of Motor Vehicles.

C. Any transaction, which includes a donation by manual gift, submitted by, or on behalf of the dealer, to the Office of Motor Vehicles, which does not include the completed form required in this Section, shall not be processed and shall be returned to the dealer who submitted the transactions.

D. Nothing in this Section shall prohibit a dealer licensed by the Louisiana Motor Vehicle Commission from submitting a transaction which includes a donation by authentic act.

E. Donations of motor vehicles not associated with a transaction by a dealer licensed by the Louisiana Motor Vehicle Commission shall be by authentic act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:705.1.

HISTORICAL NOTE: Promulgated by the Department of Public Safety and Corrections, Office of Motor Vehicles, LR 40:

§397. Water Damaged Vehicles

A. A motor vehicle whose power train, computer, or electrical systems have sustained water damage that does not meet the criteria for a salvage title or a certificate of destruction, shall be issued a branded title indicating the vehicle has sustained water damage.

B. The power train shall include the main components that generate power and deliver the power to the road surface, including but not limited to the engine, the transmission or transaxle including associated axles and CV joints, the drive shafts, and the differentials.

C. The insurance company, owner, or dealer, applying for the water damage brand on a motor vehicle which does not meet the criteria for a salvage title or certificate of