

NOTICE OF INTENT

**Office of the Governor
Motor Vehicle Commission**

Automotive Industry—Recreational Products
(LAC 46:V.309 and Chapters 15 and 17)

In accordance with the provisions of the Administrative Procedures Act, R.S. 49:950 et seq., and in accordance with Revised Statutes Title 32, Chapter 6, the Office of the Governor, Louisiana Motor Vehicle Commission, notice is hereby given that the Louisiana Motor Vehicle Commission finds it necessary to adopt §309 to implement the provisions of R.S. 49:953(C) which requires the agency to provide a Rule for an interested person to request the adoption, amendment, or repeal of a rule.

The Louisiana Motor Vehicle Commission finds it necessary to adopt this Rule to further implement the provisions of R.S. 49:953(C) which require an agency to provide a rule for an interested person to request the adoption, amendment, or repeal of a rule.

The legislature enacted R.S. 32:1256.1 to provide statutory authority for regional recreational product shows. This enactment resulted in Chapter 15 being inconsistent with the provisions of the statute requiring that it be repealed by the commission. Chapter 15, Recreational Product

Shows, will be repealed. Chapter 15, Recreational Product Shows, is being adopted with language to clarify the regional recreational product rules which will assist licensees in dealing with the regulatory scheme assigned to the commission. The Rule will increase the license fee for promoters, producers, or organizers from \$100 to \$500. The Rule will reduce the recreational product show license fee from \$500 to \$100. The Rule makes clear the order and priority of invitations to the regional recreational product shows and sets forth requirements for out of state exhibitors to participate. The Rule also establishes sales activities that may take place at a regional recreational product show.

Chapter 17, Recreational Product Static Offsite Displays; Off-site Expositions, is being adopted to replace provisions formerly contained in the repealed Chapter 15. This adoption allows the commission to continue to license dealers and regulate recreational product expositions and static offsite displays certain situations covered by Chapter 17. This will assure the consuming public will benefit by attendance at regional recreational product shows and expositions conducted by producers under the provisions of the Motor Vehicle Commission law.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part V. Automotive Industry

Subpart 1. Motor Vehicle Commission

Chapter 3. Hearing Procedures

§309. Petition for Commission Review of Rule

A. A request by an interested party for the adoption, amendment or repeal of a rule pursuant to R.S. 49:953(C), shall be made in the form of a petition to the commission. The petition shall include, but shall not be limited, to the following:

1. the name and address of petitioner;
2. specific reference to the statute or rules to which it relates;
3. a statement of the proposed action requested;
4. a summary of the content of the rule change proposed if for adoption or repeal; a summary of the change in the rule if proposed for amendment;
5. the specific citation of the enabling legislation purporting to authority the requested review;
6. a statement of the circumstances which require the adoption, amendment or repeal of the rule; and
7. other information appropriate for the commission's deliberation on the request.

B. The petition will be considered by the commission at its next regularly scheduled meeting provided the petition has been filed at least 30 days prior to that meeting.

C. The commission will either deny the petition in writing, stating the reason for denial, or shall initiate rule making proceedings within 90 days after submission of the petition.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 49:953(C).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 39:

Chapter 15. Recreational Product Shows

§1501. License and Regulation of Recreational Product Shows

A. The commission shall license and regulate recreational product shows at offsite locations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 37:2996 (October 2011), repromulgated LR 37:3262 (November 2011), amended LR 39:

§1503. Promoter, Producer or Organizer License Fee and Application

[Formerly §1505]

A. A promoter, producer or organizer shall obtain a license from the commission and its request for a license shall consist of the following:

1. the application for license shall be on forms prescribed by the commission and shall require such information as the commission deems necessary to enable it to determine the qualifications and eligibility of the applicant;
2. a license fee of \$500 for each year covered by the license;
3. a list of shows proposed or planned for the licensed year. This list shall be updated on an annual basis.

B. Any application not received at the appropriate time shall be charged a late fee in accordance with R.S. 32:1255(B).

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 37:2997 (October 2011), repromulgated LR 37:3262 (November 2011), amended LR 39:

§1505. Recreational Product Show License Fee and Application

[Formerly §1507]

A. The promoter, producer or organizer of a regional or national recreational product show shall be required to obtain a license for the show from the commission and its request for a license shall consist of the following:

1. the application shall be on a form prescribed by the commission and shall require such information as the commission deems necessary to enable it to determine the qualifications and eligibility of the applicant;
2. a license fee of \$100;
3. the license shall be for the recreational product show subject of the application.

B. The application must be submitted to the commission no less than 90 days prior to the opening date of the recreational product show. Any application received after that date shall be charged a late fee in accordance with R.S. 32:1255(B).

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 37:2997 (October 2011), repromulgated LR 37:3262 (November 2011), amended LR 39:

§1507. Regional Recreational Product Show; Invitation and Priority

A. The promoter shall contact and invite all licensees of the type of recreational products to be displayed at a regional recreational product show as follows.

1. All Louisiana recreational product dealers whose area of responsibility for the brands they represent includes the location of the show shall not later than 75 days prior to the beginning date of the show be invited and have the first

option to participate in the show. These licensees shall notify the promoter or producer of its participation in the show within 10 business days of the receipt of the invitation.

2. Louisiana dealers whose area of responsibility does not include the location of the show shall not later than 60 days prior to the beginning date of the show be invited and have the second option to participate in the show, provided that a dealer shall not show the same brand of recreational product as shown by a participating Louisiana recreational product dealer whose area of responsibility includes the location of the show.

3. The promoter shall accept any request from a licensed Louisiana recreational product dealer not excluded by Paragraph 2 of this Subection to participate in the show so long as space is available at the location of the show as determined by the producer. These licensees shall notify the producer or promoter of its participation in the show within 10 business days of the receipt of the invitation.

4. The promoter after complying with Paragraphs 1, 2 and 3 of this Subsection, may invite nonresident recreational product dealer, distributors, or manufacturers who shall not show the same brand of recreational products as shown by participating Louisiana recreational product dealers.

5. No recreational vehicle dealer, distributor or manufacturer shall participate in any regional recreational product show where its product line of recreational vehicles is represented by a dealer whose area of responsibility includes the location of the show, whether or not that dealer participates in the show. If no dealer's area of responsibility includes the location of the show, any dealer, distributor or manufacturer of a product line of recreational vehicles may participate in the show for so long as space is available as determined by producer.

6. The promoter shall maintain all records of invited, participating and declining dealers and shall furnish these records to the commission 10 working days prior to the opening of the recreational products show.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 39:

§1509. Non-Louisiana Display Permit Fee and Application

A. A non-Louisiana recreational product dealer, distributor or manufacturer shall obtain a display permit to participate in a regional recreational product show not later than 10 business days prior to the date of the show by providing the following:

1. its name and address;
2. a copy of its current equivalent license from the state of its domicile;
3. a statement to be disclosed at the show to attendees the location of where warranty repairs will be made for products it will display at the show;
4. the name, site and date of the show for which a display permit is sought; and
5. a registration fee of \$250.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 39:

§1511. Sales at a Regional Recreational Product Show

A. Except for a licensed Louisiana recreational product dealer whose area of responsibility includes the site of the regional recreational product show, a licensed recreational product dealer or non-resident recreational product dealer may not complete a sales transaction (by accepting purchase funds, completing the paperwork and delivering a product) for recreational products at a regional recreational product show. This restriction shall not apply to or extend to sales price negotiation, accepting deposits, setting closing dates, or completing a buyer's order.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 39:

Chapter 17. Recreational Product Static Offsite Displays; Offsite Expositions

§1701. Offsite Expositions of Recreational Products [Formerly §1513]

A. The executive director must approve all offsite expositions by licensed recreational products dealers. A request for an offsite exposition, accompanied by a fee of \$200, must be received and approved by the executive director 10 days prior to the commencement of the exposition. Any application received after that date shall be charged a late fee in accordance with R.S. 32:1255(B).

B. The location of any off-site exposition must be within the dealer's area of responsibility.

C. An off-site exposition of recreational products is limited to a single dealer and shall not exceed nine days.

D. A recreational products dealer may have only four off-site expositions per calendar year and at the same location only once each six months.

E. The number of vehicles at any off-site exposition of recreational products will be left to the discretion of the executive director.

F. The presence of any sales personnel, business cards, brochures, pricing sheets and other points of sales devices will be allowed to answer consumer questions. However, recreational products cannot be delivered from the off-site exposition location.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 37:2997 (October 2011), repromulgated LR 37:3263 (November 2011), amended LR 39:

§1703. Static Offsite Displays

A. The executive director must approve all offsite displays of recreational products. A licensee's request to display recreational products at an offsite location must be received by the commission seven days prior to the commencement of the display.

B. The location of each display must be within the licensee's defined area of responsibility for the make and model to be displayed, if applicable.

C. Each offsite display will be limited to 30 days, unless the licensee submits a copy of the contract for the location of the offsite display and then the display will be limited to the length of the contract up to a six month period. There will

not be a limit on the number of offsite displays allowed per year, per licensee.

D. The number of recreational products at any offsite display will be left to the discretion of the executive director.

E. The presence of any sales personnel, business cards, brochures, pricing sheets, or any other point of sale device is strictly prohibited. The only pricing information allowed on any vehicle(s) displayed will be the Maroney label which is required by federal law or, with regard to recreational vehicles, the manufacturer's suggested retail price.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 39:

§1705. Licensee Participation in a Rally [Formerly §1515]

A. Closed Rally

1. A closed rally is conducted and limited to a single product line.

2. A closed rally shall be subject to the provisions of §1701 of this Chapter.

B. Open Rally

1. An open rally is conducted with multiple product lines invited to participate.

2. An open rally is subject to all provisions of this Chapter related to recreational product shows.

AUTHORITY NOTE: Promulgated in accordance with R.S. 32:1253(E) and R.S. 32:1256.1(F).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Motor Vehicle Commission, LR 37:2998 (October 2011), repromulgated LR 37:3263 (November 2011), amended LR 39:

Family Impact Statement

1. What effect will this Rule have on the stability of the family? The proposed Rule should have a positive effect on the stability of the family.

2. What effect will this have on the authority and rights of persons regarding the education and supervision of their children? The proposed Rule will not affect the authority and rights of persons regarding the education and supervision of their children.

3. What effect will this have on the functioning of the family? This proposed Rule will have no effect on the functioning of the family.

4. What effect will this have on family earnings and family budget? The proposed Rule will not affect the family earnings or family budget.

5. What effect will this have on the behavior and personal responsibility of children? This proposed Rule will not affect the behavior or personal responsibility of children.

6. What effect will this have on the ability of the family or local government to perform the function as contained in this proposed Rule? This proposed Rule is designed to help the family to obtain the information and help needed to own their own vehicle.

Small Business Statement

It is anticipated that the proposed Rule will not have a significant adverse impact on small businesses as defined in the Regulatory Flexibility Act. The agency, consistent with health, safety, environmental and economic factors has considered and, where possible, utilized regulatory methods

in drafting the proposed Rule to accomplish the objectives of applicable statutes while minimizing any anticipated adverse impact on small businesses.

Public Comments

Any person may submit data, views or positions in writing to the Louisiana Motor Vehicle Commission, 3519 Twelfth Street, Metairie, LA 70002 and facsimile (504) 838-5416 no later than 4:30 p.m., Wednesday, January 9, 2013.

Lessie A. House
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: Automotive Industry Recreational Products

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

The proposed rule change may result in a minimal increase in Louisiana Motor Vehicle Commission administrative costs associated with reviewing and preparing sponsored regional recreational product shows or events licenses. The proposed rule provides for the holding of regional recreational product shows or events in accordance with the provisions of R.S. 32:1256.1 and provides for license fees and applications together with priority of invitations. The proposed rule also provides for recreational product exhibitions and rallies.

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

The proposed rule change may result in an indeterminable net decrease in revenues of approximately \$2,500 to \$4,000 annually as a result of the license fees for trade shows being reduced from \$500 to \$100. Over the past three years an average of sixteen trade show permits were issued per year. The proposed rule increases the producer license fee from \$100 to \$500. Over the past three years an average of 13 producer licenses were issued suggesting the revenue loss from trade show licenses may be greater than the gains from increased producer license fees. However, the proposed rule also establishes guidelines for permitting out of state trade show participants under certain circumstances. These entities would be required to acquire a \$250 display permit. This fee would be new revenue as these entities were previously ineligible to participate. The number of out of state entities that would participate and pay the additional fee is indeterminable, but any additional revenues would offset the projected net decrease.

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

Producers of regional recreational product shows may have a minimal increase in paperwork associated with the application for licenses. To the degree that the proposed rule change encourages or prohibits additional scheduling of trade shows, licensed producers and participating vendors may realize an impact on income streams from booth sales and admission charges for attendance at the show or event.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule change is anticipated to have no effect on competition and employment.

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