



State of Louisiana
LOUISIANA MOTOR VEHICLE COMMISSION

Bobby Jindal
Governor

Lessie A. House
Executive Director

August 11, 2008

BULLETIN #B-2008-08

TO: Motor Vehicle Sales Finance Licensees

RE: Return Of Lien Documents Upon Payment In Full Of The Balance Due

Act 236 of the 2008 Regular Legislative Session enacted LSA-R.S. 6:969.20 D to read:

D. (1) If the lender or holder of the retail installment contract receives from the consumer or the consumer's designee payment in full in any amount in accordance with the outstanding balance information, then the lender or holder of the retail installment contract shall accept the amount as payment in full, release the lender's or the retail installment contract holder's lien against the motor vehicle, and return the title or a lien satisfaction certification no later than the fourteenth day after the date upon which payment in full is received at the location designated by the lender or holder of the retail installment loan for such payments. If the lender or holder of the retail installment loan fails to return the title to the consumer or the consumer's designee within the specified time period, then the lender or holder of the retail installment contract shall provide sufficient funds to the consumer or the consumer's designee in order to obtain a duplicate title no later than fourteen days after payment in full is received at the location designated by the lender or holder of the retail installment contract for such payments.

(2) For the purposes of this Subsection, a payment in cash or certified funds shall be deemed to be received on the date that the lender or holder of the retail installment contract receives payment. All other forms of payment shall be deemed to be received on the date that the lender or the holder of the retail installment loan receives notice that the financial institution upon which payment is drawn has honored the payment.

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Under this statute, upon receiving payment in full of a retail installment contract you must release your lien against the motor vehicle, and within fourteen days of payment you must:

1. Return the title or a lien satisfaction certification; or
2. Provide sufficient funds to the consumer or his designee to obtain a duplicate title.

This statute becomes effective August 15, 2008. Please consult your attorney and be governed accordingly.