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To: Ms. Sandy Edmonds
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From: Farra Mughal
Louisiana Department of Justice
Occupational Licensing Review Program

Date: December 22, 2025

Subject: Louisiana Auctioneers Licensing Board
Proposed Amendments to LAC 46:III- Chapters 11, 12, 15, and 29

I. SUMMARY

The Louisiana Auctioneers Licensing Board (the “**Board**”) proposes amending LAC 46:III.1103, (B)(14), 1113, 1115, 1118, 1119, 1120, 1201, 1503, and 2901 (the “**Proposed Amendments**”) to (i) eliminate the licensing requirement that applicants provide a tax identification number, (ii) remove the annual certification of a licensed auctioneering school fee and the replacement fees for licenses and identification cards, (iii) permit the issuances of licenses to applicants who meet the requirements of the Welcome Home Act, (iv) remove outdated language addressing apprentice auctioneers who began their training before the enactment of §1118, (v) eliminate the requirement that a licensed auctioneer serving as the supervisor for an apprentice auctioneer must retain possession of the apprentice auctioneer’s license, (vi) require auction houses, excluding those who conduct wholesale motor vehicle auctions in compliance with LSA-R.S. 32:794, to designate a legal representative, (vii) require that applicant auction houses, including those owned by nonresidents auctioneers, deliver and deposit with the Board either the sum of twenty-five thousand dollars in cash or surety bond at the time of the application, (viii) require that the Board issue a warning letter before levying a fine against a licensee for an advertising violation, and (ix) remove the requirement that the Board provide letters of good standing upon request.

The Board published a Notice of Intent to promulgate the Proposed Amendments on August 20, 2025.¹ The Notice invited the public to submit written comments on the Proposed Amendments until 5:00 p.m. on September 22, 2025 and received no comments.²

Pursuant to La. R.S. 49:260, the Board submitted the Proposed Amendments to the Louisiana Department of Justice’s Occupational Licensing Review Program (**OLRP**) on October 17, 2025.

¹ Louisiana Register, Vol. 51, No. 8, at pgs. 1230-1235

² Id. at 1235

The OLRP invited public comments on the Proposed Amendments October 18, 2025 through October 31, 2025 and received no comments.

The OLRP has the statutory authority to review the substance of each proposed occupational regulation submitted to ensure compliance with clearly articulated state policy and adherence to applicable state law.³ Licensing and permitting requirements create barriers to market entry for individuals desiring to engage in a profession or occupation. The Proposed Amendments to §§1113, 1115, 1119, and 1201 are therefore properly considered occupational regulations with reasonably foreseeable anti-competitive effects.⁴ As set forth below, the OLRP has determined the Board's Proposed Amendments to §§1113, 1115, 1119, and 1201 are within the Board's statutory authority and adhere to clearly articulated state policy. Therefore, the OLRP approves these Proposed Amendments as drafted in accordance with The Louisiana Administrative Procedure Act ("APA").

However, as set forth below, the Proposed Amendments to §§1103(B)(14), 1118, 1120, 1503, and 2901 are not occupational regulations with reasonably foreseeable anticompetitive effects. An Occupational Regulation is a "rule defined in the Administrative Procedure Act that has reasonably foreseeable anti-competitive effects. Any license, permit, or regulation established by a ... board not composed of a controlling number of active market participants is excluded."⁵ The Louisiana APA defines a rule as an agency (Board) requirement for conduct or action prescribing the procedure or practice requirements of the agency (Board).⁶ Anti-Competitive behavior is an act, or series of acts, that have the effect of harming the market or the process of competition among businesses, or a tendency to reduce or eliminate competition, with no legitimate business purpose.⁷

Therefore, the Board may proceed with promulgating these amendments without further input from the OLRP in accordance with the Louisiana APA.

II. ANALYSIS

The Louisiana Legislature finds the licensure of qualified auctioneers and auction houses to be in the best interest of the citizens of this state,⁸ and created the Louisiana Auctioneers Licensing Board⁹ to establish requirements that shall contribute to the safety, health, and property of the people of Louisiana in the transfer of property by auction.¹⁰ The Board is authorized to make reasonable rules and regulations relating to the form and manner of filing applications for licenses; the issuance, denial, suspension, and revocation of licenses; and the conduct of hearings consistent with the provisions of the Administrative Procedure Act, LSA-R.S. 49:950 *et seq.*¹¹

³ LSA-R.S. 49:260 (D)(2)

⁴ LSA-R.S. 49:260 G(4)

⁵ LSA-R.S. 49:260 (G)(4)

⁶ LSA-R.S. 49:951 (8)

⁷ Black's Law Dictionary, 12th Edition p. 116

⁸ LSA-R.S. 37:3101 (A)

⁹ LSA-R.S. 37:3111 (A)

¹⁰ LSA-R.S. 37:3101 (B)

¹¹ LSA-R.S. 37:3106 (A)

A. Proposed Amendment LAC 46:III.1103(B)(14)-Licensing Procedure

The Board proposes amending §1103(B)(14) to eliminate the licensing requirement that applicants provide a tax identification number.

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.¹² The Board is also authorized to issue, suspend, modify, or revoke licenses to do business in the state.¹³ Accordingly, the Board has the statutory authority to establish licensing requirements for auctioneers and auction houses seeking to do business in Louisiana.

While licensing requirements can function as barriers to market entry, the Proposed Amendment is likely to reduce these barriers by removing the requirement for an applicant to provide a tax identification number.

Additionally, the Proposed Amendment also does not have any reasonably foreseeable anti-competitive effects that would create a market barrier to entry or restriction for auctioneers or auction houses, thereby not constituting an occupational regulation.

Notably, the Board did not include the Proposed Amendment in their August 22, 2025 Notice of Intent. La. R.S. 49:961(A)(1) requires an agency to give notice of its intention to adopt, amend, or repeal any rule. The notice shall be published at least once in the Louisiana Register and shall be submitted with a full text of the proposed rule to the Louisiana Register at least one hundred days prior to the date the agency will take action on the rule.¹⁴

As the Proposed Amendment does not constitute an occupational regulation, the Board may proceed with promulgation without further input from the OLRP, provided it completes all procedural requirements for amending its rules under the Louisiana APA.

B. Proposed Amendment LAC 46:III.1113-Fees

The Board proposes amending §1113 to remove (i) the annual certification of a licensed auctioneering school fee, (ii) the replacement of a lost, destroyed, or mutilated license fee, and (iii) the replacement of a lost, destroyed, or mutilated identification card fee.

La. R.S. 37:3116 provides that the Board may assess a fee for the certification of a licensed auctioneering school, for the issuance of a replacement for a lost, destroyed, or mutilated license, and for the issuance of a replacement for a lost, destroyed, or mutilated identification card. The Board is further authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.¹⁵ Because La. R.S. 37:3116 employs the term “may,” the Board is vested with discretionary authority to implement the fee schedule as outlined in the statute. Accordingly, while the Board is statutorily authorized to assess such fees, it is not mandated to do so and may elect, in its discretion, not to impose them. Thus, the Board has the statutory authority

¹² LSA-R.S. 37:3112 (A)(3)

¹³ LSA-R.S. 37:3112 (A)(4)

¹⁴ LSA-R.S. 49:961 (A)(3)

¹⁵ LSA-R.S. 37:3112 (A)(3)

to not impose the annual certification of a licensed auctioneering school fee and the replacement fees for licenses and identification cards.

While licensing fees can act as barriers to market entry, the Proposed Amendment is likely to reduce these barriers by eliminating fees for auctioneers or auction houses. This change will allow these individuals and businesses to continue operating without interruption and to provide services safely, thereby adhering to state policy.

Because the Proposed Amendment is within the Board's statutory authority and adheres to clearly articulated state policy, the Board may proceed with promulgation as drafted in accordance with the Louisiana APA.

C. Proposed Amendment LAC 46:III.1115-Reciprocity and Licensure

The Board proposes amending §1115 to permit the issuances of licenses to applicants who meet the requirements of the Welcome Home Act (the “*Act*”) and who take the Louisiana licensing examination. The Proposed Amendment also provides that applicants who obtain licensure solely under the Act will not be eligible for reciprocal licensing in other states.

The Act was enacted to ease the process for skilled professionals relocating to Louisiana by requiring boards to issue a license or certification to an applicant if the person has held a similar license in another state for at least one year, provided that the other state required the applicant to pass an examination, or to meet education, training, or experience standards. The Act also states that an occupational license or certificate issued under the Act is only valid in this state and does not make the person eligible to work in another state under an interstate compact or reciprocity agreement unless otherwise provided by law. As such, the Proposed Amendment aligns with the requirements of the Act.

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.¹⁶ The Board is further authorized to issue, suspend, modify, or revoke licenses to do business in the state.¹⁷ Accordingly, the Board possesses the statutory authority to permit the licensure of applicants that are licensed in other states who meet the requirements of the Act.

While licensing and permitting requirements may function as barriers to market entry by reducing the pool of eligible licensees, the Proposed Amendment is likely to expand the pool of eligible licensees by reducing unnecessary barriers to market entry for auctioneers and auction houses already licensed in other states. As such, the Proposed Amendment is likely to increase the pool of licensed auctioneers and auction houses in the state and have a pro-competitive impact.

Additionally, streamlining the licensing process increases the likelihood that those engaged in the transfer of property by auction within the state adhere to statutory and regulatory standards, thereby reducing the risk of fraud, deceptive practices, and unlawful transactions. Thus, the Proposed

¹⁶ LSA-R.S. 37:3112 (A)(3)

¹⁷ LSA-R.S. 37:3112 (A)(4)

Amendment adheres to the clearly articulated state policy of safely transferring property by auction.

The OLRP finds that the Proposed Amendment to §1115 is within the Board's statutory authority and adheres to the clearly articulated state policy. Therefore, the Board may promulgate this rule in accordance with the Louisiana APA.

D. Proposed Amendment LAC 46:III.1118-Qualifications for Supervising Auctioneers for Apprentice

The Board proposes amending §1118 to remove the following language from the rule, "any auctioneer who presently has an apprentice training under him may complete the year. This regulation will affect only those who begin an apprenticeship training after the approval of these regulations."

Because §1118 was promulgated in December 2014, the requirement addressing how an auctioneer may continue supervising an apprentice who began their training before the enactment of rule is no longer necessary.

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.¹⁸ As such, the Board is statutory authorized to eliminate rules that are outdated or unnecessary.

The Proposed Amendment merely updates and clarifies §1118 by removing language that no longer serves any practical purpose and does not have any foreseeable anti-competitive effects, thus is not an occupational regulation.

Therefore, the Board may proceed with promulgation without further input from the OLRP in accordance with the Louisiana APA.

E. Proposed Amendment LAC 46:III.1119-Apprentice Auctioneer Licensing

The Board proposes amending §1119 to remove several supervisory and administrative requirements applicable to apprentice auctioneers. Specifically the proposed amendment eliminates (i) the requirement that a supervised licensed auctioneer retain physical possession of an apprentice auctioneer's license; (ii) the prohibition against an apprentice auctioneer possessing, displaying, or carrying their own license under any circumstances; (iii) the requirement that the supervising auctioneer mail the apprentice auctioneer's license to the Board upon termination of the apprentice's employment; and (iv) the \$25 fee associated with the issuance of a new license. As a result of the elimination of these sections, the Board further proposes the reorganization of entire rule.

¹⁸ LSA-R.S. 37:3112 (A)(3)

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.¹⁹ The Board is further authorized to issue, suspend, modify, or revoke licenses to do business in the state.²⁰

As discussed above, because La. R.S. 37:3116 employs the term “may,” the Board is vested with discretionary authority to implement the fee schedule as outlined in the statute. Accordingly, although the Board is statutorily authorized to assess such fees, it is not mandated to do so and may elect, in its discretion, not to impose them.

Therefore, the Board has the statutory authority to require that a supervising auctioneer notify the Board upon the termination of the apprentice auctioneer’s employment, no longer require the supervising auctioneer to hold an apprentice auctioneer’s license, and eliminate the \$25 charge for a new license.

While licensing requirements and associated fees can function as barriers to market entry, the Proposed Amendment is likely to reduce these barriers by eliminating unnecessary requirements for apprentice auctioneers to work under the supervision of a licensed auctioneer.

Requiring apprentice auctioneers to work under the supervision of licensed auctioneers promotes compliance with statutory and regulatory requirements and ensures adequate oversight of auction activities. Such supervision protects the public by reducing the risk of fraud, improper practices, and unlawful tractions, thereby adhering to the clearly articulated state policy of safely transferring property by auction.

The OLRP finds that the Proposed Amendment to §1119 is within the Board’s statutory authority and adheres to the clearly articulated state policy. Therefore, the Board may promulgate this rule in accordance with the Louisiana APA.

F. Proposed Amendment LAC 46:III.1120-Auction Business Licensing

The Board proposes amending §1120(B) to require auction houses, excluding those who conduct wholesale motor vehicle auctions in compliance with LSA-R.S. 32:794, designate a legal representative. The Proposed Amendment also establishes a list of individuals eligible to serve as a legal representative. As a result of the proposed addition of §1120(B) and other organizational edits to the rule, the Board proposes making sweeping organizational changes and redesignations throughout §1120.

Act 786 of the 2024 Regular Session of the Louisiana Legislature establishes that auction houses, excluding those who conduct wholesale motor vehicle auctions in compliance with LSA-R.S. 32:794, designate a legal representative and provides a list of individuals who may act as legal representative. The requirements of the Proposed Amendment align with Act 786.

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.²¹ The Board is further authorized to issue, suspend, modify, or revoke

¹⁹ LSA-R.S. 37:3112 (A)(3)

²⁰ LSA-R.S. 37:3112 (A)(4)

²¹ LSA-R.S. 37:3112 (A)(3)

licenses to do business in the state.²² Accordingly, the Board has the statutory authority to require that auction houses designate a legal representative, establish a list of who may be eligible to serve as representative, and make organizational edits to the rule.

While licensing requirements can function as barriers to market entry by either expanding or limiting the pool of eligible applicants, the Proposed Amendment is not likely to have an effect on an applicant's ability to obtain licensure, but merely requires that auction houses designate a legal representative.

Thus, because this Proposed Amendment does not have any reasonably foreseeable anti-competitive effects that would create a market barrier to entry or restriction for auction houses, it is not an occupational regulation.

As the Proposed Amendment does not constitute an occupational regulation, the Board may proceed with promulgation without further input from the OLRP in accordance with the Louisiana APA.

G. Proposed Amendment LAC 46:III.1201-Bonds

The Board proposes amending §1201 to require that applicant auction houses, including those owned by nonresidents auctioneers, deliver and deposit with the Board either the sum or twenty-five thousand dollars in cash or surety bond at the time of the application. Additionally, the Proposed Amendment requires that the bond be in a form approved by the Board.

The current version of §1201 states that the Board requires auction houses, including those owned by nonresidents auctioneers, to deliver and deposit with the Board at the application either the sum or ten thousand dollars in cash or surety bond in the amount of ten thousand dollars.

Act 786 of the 2024 Regular Session of the Louisiana Legislature increased the cash or surety bond requirement for auction houses to twenty-five thousand dollars. The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.²³ The Board is further authorized to require auction houses, including those owned by nonresidents auctioneers, to deliver and deposit with the Board at the time of the application the sum of twenty-five thousand dollars in cash or surety bond.²⁴ As such, the Board has the statutory authority to increase the sum or a surety bond amount to twenty-five thousand dollars.

Bond amounts can function as barriers to market entry and reduce competition by imposing up-front financial obligations and compliance burdens that new or smaller auction houses may struggle to meet, thus the Proposed Amendment to §1201 is properly considered an occupational regulation with reasonably foreseeable anti-competitive effects.

Requiring auction houses to maintain bonds serves the public interest by providing financial protection against fraud, misappropriation of client funds, or failure to comply with regulatory obligations, ensuring that consumers have a reliable means of compensation when a violation

²² LSA-R.S. 37:3112 (A)(4)

²³ LSA-R.S. 37:3112 (A)(3)

²⁴ LSA-R.S. 37:3118 (A)(1), (D)(1)(a)

occurs. Thus, the Proposed Amendment adheres to clearly articulated state policy of safely transferring property by auction.

The OLRP finds that the Proposed Amendment to §1201 is within the Board's statutory authority and adheres to clearly articulated state policy. Therefore, the Board may promulgate this rule in accordance with the Louisiana APA.

H. Proposed Amendment LAC 46:III.1503-Fines for Advertising Violations

The Board proposes amending §1503 to require that a warning letter be issued before levying a fine against a licensee for an advertising violation.

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.²⁵ The Board is further authorized to issue, suspend, modify, or revoke licenses to do business in the state.²⁶ As such, the Board possesses the statutory authority to require that a warning letter be issued before a fine is levied against a licensee.

Disciplinary actions can function as barriers to market entry by imposing legal, financial, or reputational restrictions that limit or delay a licensee's ability to practice within a regulated field. The Proposed Amendment requires that licensees receive a warning letter before the imposition of a fine and neither restricts nor limits a licensee from engaging in the transfer of property by auction within the state. Thus, the Proposed Amendment merely serves as a procedural step and does not constitute an occupational regulation with any foreseeable anti-competitive effects.

Therefore, the Board may proceed with promulgation of the Proposed Amendments to §1503 without any further input from the OLRP.

I. Proposed Amendment LAC 46:III.2901-Miscellaneous

The Board proposes amending §2901 to remove the requirement that the Board must provide letters of good standing upon request for a fee change. The Board also proposes amending the title of the rule from "Costs for Letters of Good Standing and Rosters of Licensees" to "Costs for Rosters of Licensees." This title change would more accurately reflect the requirements of the Proposed Amendment.

The Board is authorized to adopt rules and regulations governing auctioneers and auction houses in the state of Louisiana.²⁷ As such, the Board has the statutory authority to no longer require that the Board provide letters of good standing.

The Proposed Amendment does not have any reasonably foreseeable anti-competitive effects that would create a market barrier to entry or restriction for auction houses, thereby not constituting an occupational regulation.

Therefore, the Board may proceed with promulgation of the Proposed Amendments to §1503 without any further input from the OLRP.

²⁵ LSA-R.S. 37:3112 (A)(3)

²⁶ LSA-R.S. 37:3112 (A)(4)

²⁷ LSA-R.S. 37:3112 (A)(3)

III. DETERMINATION

The legislature created the Louisiana Auctioneers Licensing Board²⁸ to establish requirements that shall contribute to the safety, health, and property of the people of Louisiana in the transfer of property by auction.²⁹ The Board is authorized to make reasonable rules and regulations relating to the form and manner of filing applications for licenses; the issuance, denial, suspension, and revocation of licenses; and the conduct of hearings consistent with the provisions of the Administrative Procedure Act, LSA-R.S. 49:950 *et seq.*³⁰

The Proposed Amendments to §§1113, 1115, 1119, and 1201 are occupational regulations within the Board's statutory authority and adhere to clearly articulated state policy. Therefore, the Amendments are approved as submitted to the Attorney General and may be adopted by the Board in accordance with the Louisiana APA.

Additionally, the Attorney General has determined that the Proposed Amendments to §§1103(B)(14), 1118, 1120, 1503, and 2901 do not constitute occupational regulations with any foreseeable anti-competitive effects. Therefore, the Proposed Amendments do not require input from the OLRP pursuant to LA R.S. 49:260 and the Board may proceed with promulgation of these amendments in accordance with the Louisiana APA.

OFFICE OF THE ATTORNEY GENERAL



OCCUPATIONAL LICENSING REVIEW PROGRAM

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²⁸ LSA-R.S. 37:3111 (A)

²⁹ LSA-R.S. 37:3101 (B)

³⁰ LSA-R.S. 37:3106 (A)