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To: Ms. Amy Casey
Executive Director
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From: Farra Mughal
Louisiana Department of Justice
Occupational Licensing Review Program

Date: October 17, 2025

Subject: Louisiana Motor Vehicle Commission
Proposed Amendment to LAC 46:V. 515 and 7301(M)-Licensed by Endorsement

I. SUMMARY

The Louisiana Motor Vehicle Commission (the “**Commission**”) proposes amending LAC 46:V.515 and 7301(M) (the “**Proposed Amendments**”), relative to the issuance of “licenses by endorsement” pursuant to the Welcome Home Act. The Proposed Amendments permit (i) the Commission to issue, upon receipt of a completed license application conforming to the Welcome Home Act (the “**Act**”), a license by endorsement and (ii) the issuance of a license by endorsement under the Act to those seeking to engage in permitted financing activities under the Louisiana Motor Vehicle Sales Finance Act (LA R.S. 6:969.1-969.54.)

The Commission published a Notice of Intent to promulgate the Proposed Amendment on July 20, 2025.¹ The Notice invited public comments and testimony on the Proposed Amendments on August 10, 2025 and received no written or oral public comments.²

Licensing and permitting requirements create barriers to market entry for individuals desiring to engage in a profession or occupation. The Proposed Amendments to §§515 and 7301(M) are therefore properly considered occupational regulations with reasonably foreseeable anti-competitive effects.³

Pursuant to La. R.S. 49:260, the Commission submitted the Proposed Amendments to the Louisiana Department of Justice’s Occupational Licensing Review Program (“**OLRP**”) on September 5, 2025. The OLRP invited public comments on the Proposed Amendments September 12, 2025 through September 25, 2025 and received no comments. As set forth below, the OLRP

¹ Louisiana Register, Vol. 51, No. 7 July 20, 2025 pgs. 990-992

² Id. at 991

³ La. R.S. 49:260 G(4)

has determined the Commission's Proposed Amendments to LAC 46:V.515 and 7301(M) adhere to clearly articulated state policy and therefore approves the Amendments for adoption as drafted.

II. ANALYSIS

Act Number 350 of the 1954 Louisiana Legislature enacted Chapter 6 of Title 32 of the Louisiana Revised Statutes and created the Louisiana Motor Vehicle Commission. The Legislature finds that the distribution and sale of motor vehicles and recreational products in the state of Louisiana vitally affects the state's economy, public interest, and public welfare.⁴ To promote the public interest and welfare, and in the exercise of its police power, it is necessary to regulate and to license those persons enumerated in R.S. 32:1254 and doing business in Louisiana, in order to prevent frauds, impositions, and other abuses upon its citizens.⁵ Pursuant to La. R.S. art. 32:1253 (E) the Commission is vested with the powers and duties necessary and proper to enable it to fully and effectively carry out the provisions and objects of Chapter 6.

a. Proposed Amendment 46:V.515- License by Endorsement

The Commission proposes the enactment of §515 to permit the issuance of a license by endorsement to a natural person upon receipt of a completed license application in conformity with the Act which may state, "Licensed by Endorsement, R.S. 37:51 *et seq.*"

The Louisiana Legislature passed the Act during the 2024 Regular Session with the aim to reduce barriers to employment for skilled professionals seeking to return to Louisiana to build their careers and lives within the state. The Act establishes the requirements for when a board or commission shall issue an occupational license or certificate by "endorsement"⁶ and provides that a license issued under the Act may contain the statement: "Licensed by Endorsement, R.S. 37:51 *et seq.*"⁷

The Commission is statutorily authorized to make and enforce all reasonable rules and regulations necessary to effectively promote the public interest and welfare and, as an exercise of its police powers, to regulate and license those persons enumerated in R.S. 32:1254 doing business in Louisiana.⁸ Thus, it is within the Commission's statutory authority to establish this new class of licensure to permit those licensed in another state to be eligible for licensure by endorsement.

While licensing and permitting requirements may function as barriers to market entry by reducing the pool of eligible licensees by imposing mandatory qualifications, fees, and procedural requirements, the Proposed Amendment is likely to reduce unnecessary barriers for those seeking a salesman or dealer license in Louisiana by adopting the streamlined requirements under the Act. As such, the Proposed Amendment is likely to increase the pool of licensed salesmen and dealers in the state and have a pro-competitive impact.

⁴ LA R.S. 32:1251

⁵ Id.

⁶ LA R.S. 37:51(A)(1)-(8)

⁷ LA R.S. 37:51(E)

⁸ LA R.S. 32:1251 and LA R.S. 32:1253(E)

Additionally, streamlining the licensing process increases the likelihood that those engaged in the distribution and sale of motor vehicles and recreational products within the state adhere to statutory and regulatory standards concerning sales practices, disclosures, titling, and vehicle conditions, thereby reducing the risk of fraud, deceptive trade practices, and unlawful transactions.

The OLRP finds that the Proposed Amendment to §515 is within the Commission's statutory authority and adheres to clearly articulated state policy. Therefore, the Commission may promulgate this rule in accordance with the Louisiana APA.

b. Proposed Amendment to LAC 46.V.7301(M)

The Commission also proposes the enactment of §7301(M) to permit the issuance of a license by endorsement in conformity with the Act to those licensees seeking to make consumer loans, originate consumer credit sales, or take assignment of and undertake direct collection of payments from or enforcing rights against consumers under a consumer loan or consumer credit sale within the state.

Under the Louisiana Motor Vehicle Sales Finance Act, LA R.S. 6:969.1 *et seq.*, any person who makes consumer loans or originates consumer credit sales must obtain a license from the Commission unless exempted under LA R.S. 6:969.36. Specifically, LA R.S. 6:969.37 establishes the requirements an applicant must meet in order for the Commission to authorize the applicant to engage in financing motor vehicles or recreational products. Thus, it is within the Commission's statutory authority to permit the licensure by endorsement for those seeking to engage in permitted financing activities under the Louisiana Motor Vehicle Sales Finance 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 increase the pool of licensed salesmen and dealers within the state by adopting the streamlined requirements under the Act, thereby having a pro-competitive impact.

Furthermore, licensing by endorsement enables the recognition of equivalent licenses or credentials issued by other states, allowing qualified individuals already licensed elsewhere to operate within the state without undergoing duplicative administrative barriers. The Proposed Amendment streamlines entry into Louisiana's motor vehicle finance market, increases the pool of qualified professionals, and potentially enhances consumer access to competitive financing options. Thus, the Proposed Amendment adheres to clearly articulated state policy by potentially helping Louisiana remain competitive with other jurisdictions, encouraging business growth while still ensuring that individuals meet the state's professional standards.

The OLRP finds that the Proposed Amendment to §7301(M) is within the Commission's statutory authority and adheres to clearly articulated state policy. Therefore, the Commission may promulgate this rule in accordance with the Louisiana APA.

III. DETERMINATION

The Commission is a state regulatory and disciplinary body created to provide regulation to those that distribute and sell motor vehicles and recreational products in the state of Louisiana.⁹ The Commission is vested with the authority to regulate and license those persons enumerated in R.S. 32:1254 and doing business in Louisiana.¹⁰ Because the Proposed Amendments to LAC 46:V.515 and LAC 46:V.7301 (M) are within the Commission's statutory authority and adhere to clearly articulated state policy, the Amendments are approved as submitted to the Attorney General and may be adopted by the Commission.

OFFICE OF THE ATTORNEY GENERAL
OCCUPATIONAL LICENSING REVIEW PROGRAM

A handwritten signature in blue ink, appearing to read 'Farra Mughal', is positioned above the typed name.

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⁹ LA R.S. 32:1251

¹⁰ LA R.S. 32:1253(E)