2024 Regular Session

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ACT No. 786

HOUSE BILL NO. 679

BY REPRESENTATIVE RISER

2	To amend and reenact R.S. 37:3103(A)(8) and 3118(A)(1)(introductory paragraph), (B), and
3	(D)(1)(introductory paragraph) and (a), to enact R.S. 37:3113(B)(3) and (4) and
4	(D)(1)(f) and (g), and to repeal R.S. 37:3118(A)(4), relative to auctioneers; to
5	provide for definitions; to provide for qualifications of applicants; to provide for
6	bond requirements; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 37:3103(A)(8) and 3118(A)(1)(introductory paragraph), (B), and
9	(D)(1)(introductory paragraph) and (a) are hereby amended and reenacted and R.S.
10	37:3113(B)(3) and (4) and (D)(1)(f) and (g) are hereby enacted to read as follows:
11	§3103. Definitions of terms
12	A. As used in this Chapter, these terms shall have the definitions ascribed to
13	them, unless the context indicates otherwise:
14	* * *
15	(8) "Internet-based platform" means a website which is used by licensed
16	auction houses or auctioneers to conduct auctions as defined in this Chapter. a
17	company that provides a forum through the internet for a person to sell the person's
18	immovable or movable property via the submission of silent bids using a computer
19	or other electronic device.
20	* * *

AN ACT

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B. The board shall base determination of satisfactory minimum qualifications for licensure of an entity as an auction business on the following requirements:

6 * * *

- (3) The applicant for licensure, excluding those who conduct wholesale motor vehicle auctions in compliance with R.S. 32:794, shall designate a qualifying party who shall be the legal representative for the auction business relative to the provisions of this Chapter. The board may deny approval of the qualifying party for good cause, which may include the ability of the proposed principal owner or owners, principal shareholder or shareholders, or qualifying party to engage in the auction business as demonstrated by his prior auction business experience. Evidence which may be considered by the board shall be limited to any legal proceedings against the qualifying party or businesses where the qualifying party was in a position of control at the time a problem arose and the ultimate disposition of such proceedings, any financial history of bankruptcies, unpaid judgments, insolvencies, or any similar evidence. When the qualifying party terminates employment with the licensee, the board shall be notified in writing within thirty days of the disassociation, and another qualifying party shall qualify within sixty days. The qualifying party or parties are any individual licensed as an auctioneer pursuant to the requirements in this Chapter and are one or more of the following:
 - (a) An applicant sole proprietor or spouse of an applicant sole proprietor.
- (b) Any employee of an applicant who has been in full-time employment for one hundred twenty consecutive days immediately preceding the application. The employee may be allowed to be the qualifying party for the licensed company and related entities.
 - (c) Any stockholder, officer, or director of an applicant corporation.
- (d) Any partner of an applicant partnership.
 - (e) Any member or manager of an applicant limited liability company.

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1	(4) If the entity intends to conduct auctions wherein vehicles will be
2	auctioned as defined by R.S. 32:1, the entity shall hold a valid dealer license
3	pursuant to R.S. 32:1254 unless a valid dealer license is not required by the
4	regulating agency.
5	* * *
6	D.(1) An applicant for licensure of an entity as an auction business shall
7	submit the following information on an application form designated by the board:
8	* * *
9	(f) A copy of the auctioneer license of the qualifying party.
10	(g) A copy of the dealer license for those entities conducting auctions of
11	vehicles if such license is required.
12	* * *
13	§3118. Bond requirements
14	A.(1) Except as otherwise provided in Paragraph (4) of this Subsection and
15	in Subsection D of this Section, each Each applicant for licensure as a resident an
16	auctioneer, or apprentice auctioneer, or auction business shall deliver to and deposit
17	with the board at the time of application either the sum of ten thousand dollars in
18	cash or a surety bond in the amount of ten thousand dollars. Each applicant for
19	licensure as an auction business shall deliver to and deposit with the board at the
20	time of application either the sum of twenty-five thousand dollars in cash or a surety
21	bond in the amount of twenty-five thousand dollars. Such bond shall:
22	* * *
23	B. The board may promulgate rules to require a cash deposit or surety bond
24	not to exceed ten thousand dollars an amount equal to that as required by Paragraph
25	(A)(1) of this Section as a condition of reinstatement of a license revoked, canceled,
26	suspended, or otherwise restricted pursuant to R.S. 37:3121.
27	* * *
28	D.(1) An auction business which is owned by a nonresident auctioneer and
29	which receives its license through the reciprocity provision of R.S. 37:3117 shall,

1	prior to being licensed by the board, post a surety bond in an amount which shall be
2	the greater of either:
3	(a) Ten Twenty-five thousand dollars.
4	* * *
5	Section 2. R.S. 37:3118(A)(4) is hereby repealed in its entirety.
6	Section 3. This Act shall become effective on January 1, 2025.
	SPEAKER OF THE HOUSE OF REPRESENTATIVES
	PRESIDENT OF THE SENATE
	GOVERNOR OF THE STATE OF LOUISIANA

ENROLLED

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APPROVED: _____