



Alabama State Board of Auctioneers

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MINUTES Board Meeting April 21, 2015

The Alabama State Board of Auctioneers met on Tuesday, April 21, 2015 at the Board offices in Montgomery. Those in attendance were Mr. Ken Garner (Chair), Mr. Bryant Wood (Vice Chair), Mr. Bryan Knox (member), Mr. Erskine Valrie (member), Ms. Christie Ray (member), Mr. Pete Horton (member) and Mr. Keith Baldwin (member). Board member not in attendance was Mr. Michael Langford. The Board, consisting of a quorum, continued with a voting meeting. Also present were Mr. Keith Warren (Executive Director), Ms. Dana Billingsley (Board Counsel), Ms. Hope Paulene (Administrative Assistant), and Ms. Renee' Reames (Executive Secretary to Mr. Warren).

The meeting was called to order at 9:07 a.m.

The regularly scheduled meeting was advertised on the Board's web site, www.auctioneer.alabama.gov, and the Secretary of State's website, www.sos.state.al.us, in accordance with the Alabama Open Meetings Act. Mr. Garner welcomed members present at the meeting. The Pledge of Allegiance was recited by attendees and a word of prayer was given at the opening of the meeting. Mr. Warren gave the opening statement concerning Roberts Rules of Order and the Alabama Open Meetings Act.

The copy of the January 20, 2015 Board meeting minutes was submitted to the Board prior to the meeting for their review. Mr. Wood made a motion to dispense with the reading of the minutes and to accept the January meeting minutes as presented. The motion was seconded by Mr. Valrie and unanimously approved by the Board.

Mr. Warren presented the Executive Director's Report to include financial activities and fund balance as of March 31, 2015 (report is available for viewing in the Board's official Book of Minutes). Also included in his report were the total number of licensees and number of complaints received and closed.

Ms. Paulene reported on the examination results and new licensees (report is available for viewing in the Board's official Book of Minutes). The Board discussed the general need for training on establishing a business as it relates to auction companies.

Ms. Billingsley presented the Legal Counsel Report and presented three Recommended Orders from the Administrative Law Judge based on the Administrative Hearings held in January. The Board discussed

the Recommended Order concerning Mr. Matthew Powell and discussed requiring continuing education on topics related to the Findings. Mr. Wood made a motion to accept the ALJ's Recommended Order with respect to each of its Findings concerning Matthew Powell, except that the Board assess a fine of \$250 per violation, for a total of \$500. The motion was seconded by Mr. Knox and unanimously approved by the Board.

Ms. Billingsley presented the ALJ's Recommended Order concerning Mr. Michael Robuck. She reported that Mr. Robuck failed to appear at the Administrative Hearing. Mr. Wood made a motion to accept the ALJ's Recommended Order with respect to each of its Findings concerning Michael Robuck and assess a fine totaling \$4000 for the 8 violations. The motion was seconded by Mr. Horton and unanimously approved by the Board.

Ms. Billingsley presented the ALJ's Recommended Order concerning Mr. Brian Svencer. She reported that Mr. Svencer was not a licensee and failed to appear at the Hearing. Mr. Wood made a motion to accept the ALJ's Recommended Order with respect to each of its Findings concerning Brian Svencer and assess a fine totaling \$4500 for the 9 violations. The motion was seconded by Mr. Valrie and unanimously approved by the Board.

Ms. Billingsley also presented nine Consent Orders for the Board's consideration. In the complaint case of Natural Bridge Auction, she recommended Mr. Wayne Kelly, a licensed auctioneer, be assessed a \$750 fine, Ms. Judy Sartin, owner of an unlicensed company, be assessed a \$500 fine, Mr. Jimmy Echols, an apprentice licensee, be assessed a \$500 fine, Mr. Phillip Wingo, a licensee and sponsor, be assessed a \$1000 fine, and Mr. Anthony Wingo, a licensed auctioneer, be assessed a \$3000 fine. Mr. Wood made a motion to accept the recommendations as presented in the Consent Orders. The motion was seconded by Mr. Horton and unanimously approved by the Board.

Ms. Billingsley also presented the Consent Orders associated with the complaint case of K-Line Auction and Estate Sales LLC. She recommended that Mr. Kenneth Lacy, a licensed apprentice and owner of an unlicensed company, be assessed a \$1250 fine and Mr. David Scott Williams, a licensed auctioneer and sponsor, be assessed a \$750 fine. Mr. Baldwin made a motion to accept the recommendations as presented in the Consent Orders. The motion was seconded by Mr. Valrie and unanimously approved by the Board.

The Board discussed limiting the number of apprentices for a sponsor and structure the supervision and education of apprentices. Other considerations discussed were enhancing the Rule language and creating an acknowledgement statement for the sponsor to sign, along with a sponsorship checklist.

Mr. Garner called a recess of the Board's business meeting at 9:50 a.m. for a break.

Mr. Garner reconvened the meeting at 10:00 a.m. for the Board members to participate in an Administrative Hearing concerning Mr. Randy Gosdin. Judge Jerry Wood presided over the hearing and Mr. Gosdin was not present at the hearing. Following the hearing, Judge Wood adjourned the hearing at 10:30 a.m.

Mr. Garner reconvened the business meeting of the Board at 10:46 a.m.

Ms. Billingsley presented the Consent Orders associated with the complaint case of Furniture Market Auctions, Inc. d/b/a World of Decor. She recommended that Ms. Sabrina Eouse, owner of the unlicensed company, be assessed a fine of \$7500 and Mr. Chad Evans, a licensed auctioneer, be assessed a fine of

\$1500. Mr. Wood made a motion to accept the recommendations as presented in the Consent Orders. The motion was seconded by Mr. Valrie and unanimously approved by the Board.

Ms. Billingsley reported on the recent Supreme Court decision concerning North Carolina State Board of Dental Examiners v. Federal Trade Commission, where it was determined that the Dental Board stepped out of their authority, by engaging in anti-competitive activities, in violation of the Sherman Act. She presented a new Rule, Conflict and Bias, for the Board's consideration. Ms. Ray made a motion to approve the new Rule 150-X-1-.07 Conflict and Bias. The motion was seconded by Mr. Wood and unanimously approved by the Board.

Ms. Billingsley also recommended that Rule 150-X-1-.14 Board Policies and Procedures, be amended to include a statement about Board proceedings being governed by Robert's Rules of Order. Mr. Knox made a motion to approve an amendment to Rule 150-X-1-.14 as item (b), as presented. The motion was seconded by Ms. Ray and unanimously approved by the Board.

Ms. Billingsley further recommended that the Rules concerning auction schools and continuing education be reviewed concerning auction advertisements that contain the auctioneer's name and license number. She explained that Internet advertisements could contain a link that referred to this information. Mr. Knox made a motion to remove the requirement that the license number be included in an auction advertisement. The motion was seconded by Ms. Ray. Following discussion, Mr. Horton made a substitute motion to table further discussion on this matter until the next Board meeting. Mr. Knox withdrew his motion and Ms. Ray concurred. The motion by Mr. Horton was seconded by Mr. Knox and unanimously approved by the Board.

Ms. Ray made a motion that the company license be added to the Rules concerning advertising auctions. The motion was seconded by Mr. Baldwin. Following further discussion about a grace period to allow companies to comply with changes in the advertising rule, Ms. Ray withdrew her motion and Mr. Baldwin concurred.

Mr. Garner called a recess of the Board for a lunch break at 12:30 p.m. Following a brief break, Mr. Garner reconvened the meeting at 12:42 p.m.

Mr. Warren reported on behalf of the Technology Committee about the estimated cost for the licensee database and updating the Board's website. He reported that based on his experience with other Boards considering changes, the estimated cost would be \$12,000 to \$15,000 per month. Mr. Warren recommended that the Board consider continuing with their current provider. He explained that this provider was developing a model database of another state board, along with a licensee interactive website. The Board agreed to continue to monitor progress by the current provider in developing that service.

Mr. Warren recommended that the Board consider creating a Facebook account. He explained that he was working with the Board's Legal Counsel in developing a list of *Frequently Asked Questions* for consumers and licensees and will present them to the Board.

Mr. Warren reported on behalf of the Legislative Committee that the Senate version of Alabama HB 486 was expected to be presented soon and he would keep the Board advised.

Mr. Wood presented information concerning additional CE requirements being imposed by reciprocal states. He stated that the home licensing state's requirements should be sufficient for other reciprocity

states. Mr. Warren reported that he would discuss this matter with the director of the North Carolina licensing board.

Mr. Garner recommended the creation of a Rules Committee tasked initially to review the rules concerning auction schools and continuing education. Messrs. Wood and Knox and Ms. Ray agreed to serve on the committee and a conference call would be scheduled to begin the process.

Mr. Warren reported on behalf of the Education Committee that Mr. Mike Brandly had agreed to speak at the Board-sponsored CE program scheduled September 10, 2015 in Birmingham. Mr. Brandly would be speaking on UCC and case law. Also during the CE program, an open forum would be held to allow a question and answer period. Ms. Ray made a motion to approve Mike Brandly as a presenter at a cost of \$2500. The motion was seconded by Mr. Knox and unanimously approved by the Board. Mr. Warren indicated that he work with the State Finance Department in the approval of these expenses. He indicated that the location of the CE program had been narrowed down to two locations in the Birmingham area.

Mr. Warren reported on behalf of the Examination Committee that Board members had been assigned sections of the Rules and statute to submit exam questions. He indicated that he would send out an email to Board members indicating the new deadline to submit examination questions.

Mr. Warren reported that there was no business to report from the Disciplinary Committee.

The next regularly scheduled meeting of the Board is July 21, 2015 at 9:00 a.m.

There was no further business of the Board and Mr. Garner adjourned the meeting at 1:12 p.m.

Respectfully Submitted,



Ken Garner
Chair



Keith E. Warren
Executive Director

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