

# RAMSEY FARRAR & BATES

## **RULE CHANGES FROM THE TENNESSEE AUCTIONEER COMMISSION**

In response to Public Chapter 471 of 2019, the Tennessee Auctioneer Commission proposed some rule changes for auctioneers. These rule changes took effect on July 12, 2020. Most rule changes pertain to nomenclature and change references from “apprentice” to “affiliate” or change the term “auctioneer” to “principal auctioneer” or “public automobile auctioneer.” Other minor changes included the deletion of rules pertaining to and references of gallery licenses or firm licenses and updating education rules to reflect the new standards set by statute.

**Below are some rule changes which are substantive in nature:**

- 1) With the deletion of firm licenses, firm license number is no longer required on advertising. However, auctioneer names and license numbers are now required based on these rules:**

### **0160-01-.05 PUBLICATION OF NAME.**

(1) All advertising of an auction sale must be made in the name and license number of the licensee who shall bear responsibility of the sale to the seller, general public and auctioneer commission.

(2) All advertising shall include the name of the principal or public automobile auctioneer, and the principal or public automobile auctioneer shall attend all auction sales.

### **0160-01-.12 AFFILIATES - SPONSORS - SUPERVISION.**

(5) Any advertisement placed by an affiliate auctioneer must clearly and conspicuously identify the affiliate auctioneer as such, contain his/ or her license number, and the name and license number of his/ or her sponsor.

- 2) The time period of eligibility for an affiliate to take an exam has shortened from 90 days prior to 25 days prior to completing an apprenticeship since the apprenticeship period was shortened from 2 years to 6 months by statute.**

### **0160-01-.06 DATES OF EXAMINATIONS.**

The Commission shall, in conjunction with the current contractor, administer the examination on the dates provided by the contractor five (5) days per week excluding holidays;. provided, however, no examination shall be administered to an applicant who is more than twenty-five (25) days short of completing the six (6) months required for an affiliate auctioneer license.

- 3) The following rules requiring a sponsoring and non sponsoring auctioneer to live in the same state as the affiliate was deleted.**

### **0160-01-.12 AFFILIATES - SPONSORS - SUPERVISION.**

~~(5) All sponsoring auctioneers shall reside in the same state as his/ her apprentice auctioneer(s). However, in appropriate cases, upon good cause being shown, the Commission may waive this rule.~~

~~(6)(c) All non-sponsoring employer auctioneers shall reside in the same state as the apprentice auctioneer(s). However, in appropriate cases, upon good cause being shown, the Commission may waive this rule; and~~

- 4) Any outstanding CE requirements must be completed prior to the late renewal of a license.**

#### **0160-01-.22 LATE RENEWAL OF LICENSE.**

- (1) A licensee applying to renew a license after the date of expiration, but less than two (2) months after the expiration date thereof, shall pay, in addition to any fees required for renewal and satisfaction of any outstanding continuing education requirements, a penalty of fifty dollars (\$50.00).
- (2) A licensee applying to renew a license more than two (2) months after the expiration date thereof, but less than six months, shall submit an application for licensure, satisfy any outstanding continuing education requirements, and pay a penalty of one hundred and fifty dollars (\$150.00).
- (3) A licensee applying to renew a license six months or more after the expiration date thereof, but less than one (1) year, shall submit an application for licensure, satisfy any outstanding continuing education requirements and pay a penalty of two hundred dollars (\$200.00).
- (4) Upon written submission of good cause shown, the Commission may by a majority vote waive any or all of the penalties and requirements in paragraphs (1)-(3) of this rule, including but not limited to additional education requirements; or in lieu thereof impose such other reasonable conditions or requirements as it deems appropriate.
- (5) A licensee delinquent in the renewal of a license for one (1) year or more shall reapply for licensure and satisfy all requirements for obtaining such license, including but not limited to reexamination and re-application.

- 5) With the deletion of the firm license, the escrow account requirement for firms was deleted. The new rule regarding escrow accounts is listed below:**

#### **0160-01-.26 ESCROW ACCOUNT REQUIREMENT.**

- (1) All principal and public automobile auctioneers shall maintain or have written authorization from a principal or public automobile auctioneer granting access to an escrow or trustee account for all funds that belong to others coming into the auctioneer's possession as a result of an auction sale.
- (2) All principal or public automobile auctioneers shall be responsible for all funds deposited into an escrow or trustee account.

- 6) Licensees are required to personally maintain proof of continuing education for at least two renewal cycles**

**0160-03-.03 BASIC REQUIREMENTS**

(2) A licensee attending a continuing education program shall provide the licensee's name and license number to the education provider in writing on the education provider's registration form for any Commission-approved continuing education program. If the licensee fails to follow the aforementioned requirement, the licensee shall not receive credit for attending the program from the Commission. Licensees shall also personally maintain proof of completion of each continuing education course for two (2) renewal cycles.