

MINUTES OF THE STATE AUCTIONEERS COMMISSION
OHIO DEPARTMENT OF AGRICULTURE Seminar Room B
8995 E. MAIN STREET, REYNOLDSBURG, OH 43068
April 26, 2013

PRESENT:

Commissioner David Schnaidt
Commissioner Steve Remias
Commissioner Doug Walton
Commissioner Gary Cain

Michael Rodgers, Chief, Legal Counsel
Jim Patterson, Assistant Attorney General
Donna Brinker Potter, Auctioneer Program Manager

Members of the Public:

Kathy Baber, Executive Director OAA
Harry Grafton

Peter Gehres, OAA Treasurer

Meeting called to order @ 9:10am by Commissioner David Schnaidt with all members of the commission present except Commissioner Jim Milleson. Chairman Schnaidt asked the commission to review the minutes from the last meeting. Commissioner Walton moved to approve the minutes as submitted. Commissioner Cain seconded. No discussion noted. Motion carried by an affirmative vote of all members present.

The first item on the agenda is the verbal score sheet for scoring the auctioneer license examinees. Chairman Schnaidt indicated that he had asked to have the verbal score sheet added to the agenda to go over for the new commission member and he felt that it was a good discussion so that everyone is on the same page. He felt it was important to have consensus on how they look at the candidates. He stated that 2-3 years ago the commission developed new parameters for scoring rather than pass or fail. He stated that they want to get the candidate settled in and they ask for information regarding their apprenticeship, length of time and for information on the school and for feedback on their auction experience. He said that they also look at the length of the apprenticeship, number of auctions and the types of auctions. Chairman Schnaidt indicated that it is nice to get an idea of what to do and to see what they apprentices have been doing. He indicated that professional demeanor is how they hold themselves, professional appearance, and command for 30 points. He indicated that body language is 10 points. Chairman Schnaidt stated that they are not looking for opening remarks for terms and conditions but the item should be described. He stated that there are people with different comfort levels and what concerns him the most is someone who stumbles over bid increments and sells for the price that they are asking for or that they get jumbled. Chairman Schnaidt said that he feels this is a big problem if they can't get it together and he has indicated that in the past, they have brought people up a second time. Commissioner Remias stated that he felt that closing the item is critical. He indicated that it is important to know what they are selling. He cited when they say sold \$35.00 no, \$25.00 and they seem unclear. Chairman Schnaidt said the bottom line is that they have to get their cadence right and they are protecting the public to make sure that the person is ready. Commissioner Cain said that when the license is issued they can sell anything from a box lot to \$100,000 and up sale. The license is not issued with stipulations on how much they can sell. Chairman Schnaidt indicated that they finish the testing with closing thoughts from the commission. He stated that he feels it is important to pass on their experience to them.

The next item on the agenda is the auction school via the internet report. Chairman Schnaidt reported that the subcommittee they formed at the last meeting met the prior week. He stated that they had several schools in attendance. He stated that he appreciated the information and feedback that they brought forth. Chairman Schnaidt said in general, they felt that there is not a big need for this. He said the larger schools were not in support in general. It was the consensus that there was still an import component in having the ability to get up in front of the group and to interact with the classmates. Chairman Schnaidt said for most people with scheduling issues, there are places to go to get the education Warren County where they can go at night or who offer alternative class times. Chairman Schnaidt said that it is something that is being looked

at. He indicated that Nashville Auction School has spent a lot of time and money with developing the online offerings. They indicated that it is difficult making classroom interaction equate to an online situation. He felt that the subcommittee felt that it was not a pressing issue but an item to keep in their sights. Donna Potter stated that Jim Milleson recommended adding sixteen hours to the existing curriculum that could be obtained via the internet classroom.

The next item on the agenda is the apprenticeship auctioneer requirements. Chairman Schnaidt stated that the issue came to light at the last meeting in comments by Michael Metersky. He felt that the bigger picture was whether or not the system is doing its job? Is it effective or is there something that they can do differently? Donna Potter passed out an email she received from a licensee who had praise for his experience. Chairman Schnaidt stated that we have a system that can work beautifully like the gentleman who sent the email. That is the spirit of what they are asking for, but the reality is that some people get that experience and some people do not. He sees where people are jumping around to different sponsors to get the twelve sales in and he questioned whether or not they are actually getting what they need for preparing for their career. Commissioner Cain felt that Michael Metersky's situation was unique because he specialized in commercial real estate which is risky to put a new person on. Chairman Schnaidt felt that they were looking at two different issues: whether or not to make it easier to get a license or to make the apprenticeship a better quality experience. Commissioner Cain said that he had seen changes in the profession in 57 years where it had gone from good ol' boy to a respected profession. He said that they wanted to keep it as a profession and they want to keep it that way. He said the he did not have an answer. Commissioner Walton asked if the department had tracked attrition. Donna Potter stated that she does not track the apprentices and why they do not renew or apply for their auctioneer licenses. She stated that the number of licensees per year remains steady. Peter Gehres said that the one thing that he tells students is that their first auction is getting a sponsor. He felt that when an apprentice used to be able to work under different auctioneers with their sponsor's permission it was easier. He said that maybe it was not the best solution but it is a solution. He stated that the OAA's goal is to get an apprentice program by creating a membership benefit. He said that they have not had an opportunity to tackle the issue but that they look to getting to it sometime this year. Chairman Schnaidt stated that another item brought up in the past, that as long as there is not a continuing education requirement, it is easy to continue to have a license. If continuing education was brought in, it would separate those who want to maintain an auctioneer license and those who decide c.e. is not worth keeping the license. Another possibility is requiring a new licensee to get additional education post licensure. He felt this way they can make sure that the licensees are getting the education that they should have received as an apprentice. He felt that by allowing individuals to work with others they could get their auctions in but it may decrease the quality of the apprenticeship. He asked if the commission felt it was an issue worth pursuing. Commissioner Cain said that there is great resistance to c.e. in the auction profession. He cited that Real Estate has pre and post licensure requirements as well as c.e. Kathy Baber stated that in Indiana when c.e. was implemented, those who opposed were part-time auctioneers. She stated that she thought the number of auctioneers might go down. Chairman Schnaidt asked if it was worth pursuing. He wondered if it was an important enough of an issue to stand behind it and try to find someone to introduce. He said that if they feel it was important the next step is not sitting and doing nothing. It would not be right. Doug Walton stated that it would be similar to post licensure education. Jim Patterson stated that it would require legislation to change the statute and the rules would be adopted later. Commissioner Cain stated that he felt the need for c.e. for an apprentice is supported and they need to have OAA support but that their plate was full at the moment. Donna Potter stated that they would need to coordinate with the administration before moving too far ahead. She felt that the commission should get a feel if the Director is supportive to see if worth pursuing. She felt it was important to touch base with the legislative arm of the administration to discuss their preferred procedure if the Director is supportive. Chairman Schnaidt asked that the Director be invited to attend the next commission meeting.

The next item on the agenda is the Enforcement Update. Donna Potter stated that the renewal season was well underway. Auctioneers with the last name beginning with A-J and X-Z are due to renew along with all apprentices and auction firms. They have until June 30th to get the renewals in to avoid the late fee. Ms. Potter passed out copies of emails she had received from Indiana and Tennessee requesting copies of the reciprocal agreements. She stated that she touched base with both states to see if they were interested in entering into more formal agreements than what is on file. The agreement from Indiana was entered into in 1963 and was very basic. She is waiting to hear back from both states if they feel a new agreement needs to be entered into. She also indicated that they had never heard back from Wisconsin regarding the reciprocal agreement that the department had sent to WI. She stated that she is not sure what is going on; she had sent emails but has had no response. The final item on the enforcement update is the controlling board approved the recovery fund payout discussed at the last meeting. Once the payment is issued, the auctioneer's license will be suspended until the fund is repaid.

Chairman Schnaidt asked for any other business before the commission. He asked the OAA if they could have an update on the titled vehicle issue. Peter Gehres stated that the language will be a part of the budget bill. He said that there are two issues first, the heavy equipment auctions and he felt that almost all parties are in agreement. The second issue is allowing auctioneers to take consignments under the auspices that the auctioneer is the agent of the seller. He stated another issue is getting the funds together for legal representation. Kathy Baber said that they had a great meeting with legislators and had a breakthrough with defining an auctioneer as an agent of the seller vs. being the seller. She stated that the Ritchie Brothers were in the meeting and were ok with the recommendation. She stated that the automobile dealers may have opposition but the need to understand that the auctioneers are not trying to be dealers. Peter Gehres stated that the auto dealers are aware of the language. He indicated that they are moving forward and hope to have resolution by July. Peter Gehres said that he wanted to thank the commission for the seminar the previous day. He stated that they had 103 registrants who attended. He stated that they offered a diversity of educational topics and it was more business oriented. He stated that the fall seminar will be more auction oriented. He stated that the Bid Calling Contest will be held on July 29th at the state fair. Chairman Schnaidt stated that they needed to move the July 26 meeting date. Peter Gehres stated that the NAA convention is in Indianapolis July 16-20th. The commission agreed to move the meeting to July 12, 2013 at 9:30.

Chairman Schnaidt asked for any other business. Kathy Baber said she wanted to thank the staff at ODA for helping with the seminar. With no further comments or discussion, Commissioner Walton moved to adjourn the meeting. Commissioner Cain seconded. No further discussion noted. Meeting adjourned at 11:06 by an affirmative vote of all members present.

Approved Chairman