

**MINUTES OF THE STATE AUCTIONEERS COMMISSION**  
**OHIO DEPARTMENT OF AGRICULTURE Seminar Room B**  
**8995 E. MAIN STREET, REYNOLDSBURG, OH 43068**  
**August 21, 2015**

**PRESENT:**

Chairman Doug Walton  
Commissioner Sherri Orr  
Commissioner Bart Sheridan  
Commissioner Gary Cain

Jim Patterson, Assistant Attorney General  
Julie Phillips, Assistant Chief Legal Counsel  
Donna Brinker Potter, Auctioneer Program Manager

**ABSENT:**

Commissioner Richard Kruse

**Members of the Public:**

Kathy Baber, OAA  
Michael Brandly, Auctioneer, The Ohio Auction School  
Brad Bergefurd, OSU

Chairman Walton called the meeting to order at 9:30 a.m. He requested the Commissioners review the minutes for the April 10, 2015 meeting and the July 7, 2015 Special Meeting. Commissioner Sheridan moved to approve the minutes as submitted. Commissioner Cain seconded. No further discussion. Motion carried by an affirmative vote of all members present.

Chairman Walton noted a change in the agenda. Julie Phillips from ODA Legal asked to move to the top of the agenda due to having to leave the meeting. Ms. Phillips advised the Commission that the department would be seeking an Informal Attorney General's Opinion regarding ODA and the OAC relationship, authorities, and duties. The Opinion should be ready in about a month. The Department will share the Opinion with the Commission at that time.

Mike Brandly's study on the feasibility of continuing education in Ohio was the next item on the agenda. Mr. Brandly presented a power point program outlining the findings of the study. The study recommended that continuing education should be adopted in Ohio and that it should consist of 6 hours of CE for each licensee. Discussion raised questions as to whether the Commission, Department or OAA would be the appropriate vehicle for any statutory changes.

The next item on the agenda is the Administrative Rules for becoming an approved bid calling contest. Donna Potter asked the commission if they wished to adopt administrative rules spelling out the process in which an organization would apply to be an approved school or if they wished to merely create a policy and a form for the organizations to follow. Commissioner Sheridan asked Ms. Potter to draft a form for the commission to review at the next meeting.

The next item on the agenda was the enforcement update. Donna Potter stated that the renewal season was at its close; that there are 151 licensees that can still renew prior to August 31 with the late fee. After Sept. 1, they would need to reapply as if initial licensure. She indicated that the number of licenses is down from previous years. The current license count is as follows: 242 Auctioneer: Corporations; 93 Auction Firms; 3 Special Auctioneers; 2,578 Auctioneers; and 154 Apprentice Auctioneers with a total of 3,070 licensees. She indicated that the fiscal year closed on June 30, 2015 and as of 7/31/2015 the fund balances are as follows: Auction Education Fund: \$260,620.42; Operating Fund: \$344,046.06 with the transfer of the overage not having been completed; and the Recovery Fund: \$1,235,202.52. She indicated that for the fiscal year there were a total of 56 investigations with 28 letters of instruction; 3 settlement agreements; 8 no violations; 2 criminal prosecutions; 2 suspensions; 5 revocations or refusal to renew; and 5 cases still pending administrative action. She indicated that the bulk of the violations were: 1. Timely remittance of funds/commingling. 2. Contracts missing language

or no contract at all. 3. Failure to perform auction in accordance with the contractual terms; 4. Aiding unlicensed activities; and 5. Paying license fees out of the client trust account.

Ms. Potter indicated that the Easton matter was before the County Prosecutor. She indicated that there had been additional charges and new victims that came forward. There was a search warrant that was executed and the recovery fund claim hearings have been put on hold until the new evidence could be reviewed. Ms. Potter indicated that the department sought criminal charges against a former licensee for operating without an auctioneer license. She stated that the department had photographic and video evidence of the violation. The person pled guilty and was sentenced to a fine with no jail time. Ms. Potter indicated that there may be administrative action against the licensees who aided the unlicensed activity. Ms. Potter stated that new laws and rules booklets would be ordered for licensees pending outcome of the omnibus bill. She also indicated that the program had begun to accept credit card payments. The cost of accepting the credit cards would be absorbed the program via its operating budget. There would be no fees passed onto the licensee for using a credit card. The final item for Ms. Potter, the auction school renewal notices had been sent and should be ready for the next meeting to conduct the triennial review. Jim Patterson indicated that he had just one item to include. He stated that there were two ways to make a recovery fund claim with the first via the administrative route and the second via the court system. If a person elects to go through the courts, the department is required to be notified so that it may defend the fund. The department received a notice of judgement where the process in the statute had not been followed. Mr. Patterson indicated that the department may have to intervene in the court to overturn the judgement.

Chairman Walton asked for any old business. Seeing and hearing none, he asked for new business to be brought before the commission. Seeing and hearing none, he asked for a motion to adjourn. Commissioner Cain moved to adjourn the meeting and Commissioner Orr seconded. No further discussion noted. Motion carried by an affirmative vote of all members present. Meeting adjourned at 10:53am.

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Approved Chairman