

**ILLINOIS DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
ILLINOIS DIVISION OF PROFESSIONAL REGULATION**

AUCTION ADVISORY BOARD

Meeting Date: April 28, 2009
 Meeting Convened: 10:00 a.m.
 Meeting Adjourned: 12:00 p.m.
 Meeting Location: Illinois Department of Financial and Professional Regulation
 320 West Washington Street, 3rd Floor
 Springfield, IL 62786

Board Members Present: Terry Dunning, Chair, Auction Member
 Ray Doerr, Auction Member
 Judie McConville, Real Estate Member
 Alva McDowell, Auction Member

Board Members Absent: Rick Levin, Auction Member

Division Staff Present: Ron Hardgrove, Real Estate Coordinator
 Susan Sigourney, Auction Board Liaison, Administrative Assistant

Guests: Wayne Chapman

TOPIC	DISCUSSION	ACTION
Approval of Minutes:	The Board reviewed the minutes from the November 14, 2008 Auction Advisory Board meeting.	A motion was made by McDowell/seconded by Doerr to approve the Auction Advisory Board minutes from the November 14, 2008 meeting. The motion passed.
Administrative Report – Chairperson: Auction License Report <ul style="list-style-type: none">• Staff	Terry Dunning, Chairperson, discussed the Auction License Reports for January, February, and March 2009 which had been distributed to the Board. The March report indicated there were 1,312 active Illinois licensed auctioneers/associate auctioneers. The total number of active auction licenses at the end of March was 1,580. This figure includes auctioneers, associate auctioneers, auction firms, auction continuing education (CE) schools, CE courses, and Internet Auction Listing Services. In March, there were 11 new licensees. The Acting Secretary of the Illinois Department of Financial and Professional Regulation is Michael McRaith and Young Brockhouse has been named the Acting Chief Testing Officer for	

<ul style="list-style-type: none"> • Relocation 	<p>Licensing and Testing for the Division of Professional Regulation.</p> <p>The Real Estate Bureau has relocated from 500 East Monroe Street to 320 West Washington Street, third floor.</p>	
<p>Report from Prosecutions:</p>	<p>John Botner distributed copies of his Prosecutions Report. This Report indicates activity for November 1, 2008 – March 31, 2009:</p> <ul style="list-style-type: none"> • 57 Total Legal Cases in Auction • 467 Total Legal Cases in the Division (Auction, Real Estate, Home Inspection, Appraisal, Timeshare, Land Sales). • Case Activity – Since last Board meeting: <ul style="list-style-type: none"> Formal Complaints Filed – 1 Orders referred to Director– 2 Cases Referred to Prosecution – 21 Cases Closed – 1 Conferences – 0 Motions filed – 0 Formal Hearings -0 	
<p>Old Business:</p> <p>Administrative Rule Status</p> <p>Auction License Act House Bill 2477 and 2397 – Senate Bill 1925</p>	<p>Susan Sigourney told the Board that the amended rule should be adopted soon.</p> <p>Note: The amendments to the Administrative Rule have been adopted and these amendments went into effect on May 14, 2009. The amended rule is available now on the General Assembly’s Illinois Administrative Code database.</p> <p>The Board reviewed Senate Bill 1925. Suggested changes were made. The Board’s comments are as follows:</p> <ul style="list-style-type: none"> • Page 4, line 21 We need to remove “associate auctioneer” in the definition. • Section 10-25 Practice prior to this Act has been repealed. The Board has concerns that those licensees who were grandfathered in to auction real 	

	<p>property under this Section will no longer be able to auction real property. They would like to see language added protecting their exempt status.</p> <ul style="list-style-type: none"> • Section 10-27, page 14, line 2 – the word ‘as’ should be changed to <u>‘be’</u>. • Section 15-10, page 23, line 4 and 5 – Instead of this sentence – ‘Any agreement shall state whether the auction is with or without reserve’ – replace with this sentence – <u>Any agreement shall state whether the auction is with reserve or absolute (without reserve).</u> • Section 15-10, page 24, line 4 – the Board would like the words <u>‘the percentage’</u> added after <i>the buyer premium</i>. • Section 15-10, page 24, line 5 – the word ‘resolves’ should be changed to <u>‘receives’</u>. • Section 15-10, page 24, line 10 – the word <u>‘easement’</u> should be added after the word <i>encumbrance</i>. • Section 15-10, page 24, after line 12 – the board would like to add <u>C) Seller shall disclose whether there is a reserve and the amount of the reserve.</u> • Section 20-15, page 28, line 23 – the word ‘reserve’ should be changed to <u>‘receive’</u>. • Section 20-15, page 28, lines 22-25 - The Board would like to delete all of (8) which pertains to referral fees. Per the Board, it is common practice in the auction industry for an auctioneer to give a referral to someone other than a licensee. If this is not possible the language should read <u>‘except that an auctioneer licensed under this Act may receive a fee from another licensed auctioneer from this State or any other State or jurisdiction for referring a client or prospect to provide auction services.</u> (The language has been changed to allow referrals between auctioneer licensees) • Section 20-40, page 34, line 24 – before the Board has been stricken. The 	
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	<p>Association questioned if <i>before the Board</i> is stricken, then, who will the hearing be before? The hearing is before the Administrative Law Judge with the board member present.</p> <ul style="list-style-type: none"> • Section 20-50, page 38, line 13 – the Board asked if the word ‘Secretary’ should be ‘Director’? • Section 20-55, page 39 and 40 – The Association inquired if there will be no opportunity for rehearing? Per Young Brockhouse, the following language needs to be added as a new Section for Motion for Rehearing: <p><u>Board; rehearing.</u> <u>At the conclusion of the hearing, a copy of the Board's report shall be served upon the applicant or licensee by the Department, either personally or as provided in this Act for the service of a notice of hearing. Within 20 days after service, the applicant or licensee may present to the Department a motion in writing for a rehearing, which shall specify the particular grounds for rehearing. The Department may respond to the motion for rehearing within 20 days after its service on the Department. If no motion for rehearing is filed, then upon the expiration of the time specified for filing such a motion, or if a motion for rehearing is denied, then upon denial, the Director may enter an order in accordance with recommendations of the Board except as provided in Section 120 of this Act. If the applicant or licensee orders from the reporting service and pays for a transcript of the record within the time for filing a motion for rehearing, the 20-day period within which a motion may be filed shall commence upon the delivery of the transcript to the applicant or licensee.</u></p> <ul style="list-style-type: none"> • Section 30-30, page 43, line 20 – the word ‘or’ should be stricken. • Note: Consignment sales fall under the definition of auction and the rule defines consignment sales as being licensed practice. 	
<p>New Business: 2009 Meeting Schedule</p>	<p>The Board discussed the proposed meeting schedule for 2009. The next meeting is scheduled for June 23, 2009 at 11:00 a.m. in the Chicago office.</p>	

	<p>The Board also commented that they believe it is important to fill the two open Auction Board positions; the auctioneer and the public member positions.</p> <p>Note: Since this meeting date, George Malsam has been appointed to fill the auctioneer board position effective May 5, 2009. His term expires on May 5, 2013</p>	
Motion to go into Closed Session		A motion was made by Dunning/seconded by McDowell to go into Closed Session at 11:55 a.m. The motion passed.
Finding of Facts	<p>Findings of Facts were signed by the board for:</p> <p>2007-90021 Dominic Antony Briscoe 2007-80035 Garford Ray Randolph E2007-20 AU Eric Bruner</p> <p>E2007-4 AU William Speechley E2007-5 AU Bonnie Speechley</p>	
Motion to go into Open Session		A motion was made by McDowell/seconded by McConville to go into Open Session at noon. The motion passed.
	<p>2007-80035 Garford Ray Randolph E2007-20 AU Eric Bruner</p> <p>E2007-4 AU William Speechley E2007-5 AU Bonnie Speechley</p>	<p>A motion was made by McDowell/ seconded by McConville to amend the February 26, 2008 Auction Board meeting minutes to correct an omission in the record, nunc pro tunc, to assess Garford Ray Randolph a fine of \$2,500 and to assess Eric Bruner a fine of \$2,500 The motion passed.</p> <p>A motion was made by McDowell/seconded by Doerr to issue a cease and desist order to William and Bonnie Speechley. The motion passed.</p>

Adjournment		There being no further business to discuss, a motion was made by McDowell/ seconded by Dunning to adjourn at 12:05 p.m.
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