

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

AUCTION ADVISORY BOARD

Meeting Date: May 4, 2007
 Meeting Convened: 11:08 a.m.
 Meeting Adjourned: 12:35 p.m.
 Meeting Location: IDFPR Springfield Office
 500 East Monroe Street
 Conference Room, Ninth Floor

Board Members Present: Ray Doerr, Auction Member
 Rick Levin, Auction Member
 Alva McDowell, Auction Member
 Judie McConville, Real Estate Member

Board Member Absent: Terry Dunning, Auction Member

Guest Present: Eric Madiar

Division Staff Present: Ron Hardgrove, Chairperson, Real Estate Coordinator
 Young Brockhouse, Division of Professional Regulation, Licensing and
 Education Manager
 Mary Anne Benden, Director of Enforcement, Real Estate Attorney (via
 conference call)
 Susan Sigourney, Auction Board Liaison, Administrative Assistant

TOPIC	DISCUSSION	ACTION
Approval of Minutes	<p>The Board discussed the new format of the minutes which are now consistent with the other professions' Boards within the Division of Professional Regulation.</p> <p>The Board reviewed the minutes from the February 27, 2007 meeting.</p> <p>The following revision was requested: On page 3, the discussion should read: "Mr. Brockhouse told the Board after these proposed Fads FAQs are finalized us we would like to post them on our agency website."</p>	<p>A motion was made by McDowell/seconded by Levin to approve the Auction Advisory Board minutes from the February 27, 2007 meeting with the correction noted. The motion passed.</p>
Report - Chairperson	<p>Ron Hardgrove discussed the status of the Chicago office relocation and staffing:</p> <ul style="list-style-type: none"> • The Chicago office staff will be moving to the Thompson Center within the next few days. • One new investigator has been hired in 	

	<p>the Chicago office.</p> <ul style="list-style-type: none"> • The investigators are shared by all of the Real Estate professions; however, at this time, the investigators are dedicated to a mortgage fraud task force. • A position has been posted for an application processor in Real Estate. 	
Auction License Report	<p>Mr. Brockhouse informed the Board there were 1,359 Illinois licensed auctioneers as of the end of April, 2007. This figure includes auctioneers, associate auctioneers, auction firms, auction continuing education (CE) Schools, CE courses, and Internet Auction Listing Services. In April, there were nine new licensees. The examination pass rate for March 2007 was 72.7%.</p> <p>Mr. Brockhouse discussed the salesperson renewal.</p>	
Report from Prosecutions	<p>Mary Anne Benden explained the Prosecution Report as of April 30, 2007:</p> <ul style="list-style-type: none"> • 47 Total Cases, • 33 In Prosecution and Review, • 14 Investigations <p>Ms. Benden informed the Board that two Cease and Desist letters were issued last month. These two people that were engaged in unlicensed practice of auction have since obtained their auction licenses.</p> <p>She said there have been and will be work flow interruptions because of the following:</p> <ul style="list-style-type: none"> • Mike Garvin has been working on the mortgage fraud task force; therefore, no complaints have filed in the last 40 days. • The law students will be gone at the end of the month. • The Chicago staff will be moving to the Thompson Center. <p>She also said there was a case on which the Board deliberated a while ago that was forwarded to and accepted by the Attorney General's office. The hope is that the Attorney General's office will be prosecuting a repeat offender of unlicensed practice of auction.</p>	

<p>Old Business</p> <p>Auction License Act – Proposed Amendments</p> <p>Frequently Asked Questions</p> <p>Defining a quorum for the Auction Advisory Board</p>	<p>The Board discussed the proposed amendments to Auction License Act. Note: on June 6, 2007, the proposed amendments passed both houses. Next, the proposed amendments may be signed by the Governor.</p> <p>The Board had reviewed the Auction Frequently Asked Questions and they agreed that this document should be posted on the agency’s website.</p> <p>The Board discussed the definition of a quorum for the Auction Advisory Board. Ron Hardgrove informed the Board that a quorum for this board is four. We need four members physically present at the meeting to legally conduct business. One of these four present can be Ron or the acting Chairperson. Other Board members can be present via phone; as long as there are four members physically present.</p>	<p>Susan Sigourney will post the Auction Frequently Asked Questions on the agency’s website.</p>
<p>Motion to go into Closed Session</p>		<p>Motion was made by McConville/seconded by Doerr to go into Closed Session at 11:45 a.m. The motion passed.</p>
<p>Deliberations</p>	<p>E2005-23 AU Cecil W. Steffen Jr. E2007-4 AU William Speechley E2007-5 AU Bonnie Speechley</p> <p>Continuing Education Course submitted by the Illinois Auction Institute: <u>Selling Real Estate at Absolute Auction</u> 3 hours, elective</p>	
<p>Motion to go into Open Session</p>		<p>Motion was made by McConville/seconded by McDowell to go into Open Session at 12:17 p.m. The motion passed.</p>

<p>Recommendations</p>	<p>E2005-23 AU Cecil W. Steffen Jr.</p> <p>E2007-4 AU William Speechley E2007-5 AU Bonnie Speechley</p> <p>There was no motion made regarding the Continuing Education Course submitted by the Illinois Auction Institute, <u>Selling Real Estate at Absolute Auction</u> because the Board suggested this course be revised and re-submitted by the Illinois Auction Institute. The Board discussed the course and agreed this is a good topic; however, the course content is in need of revisions.</p>	<p>A motion was made by McConville/seconded by Doerr to revoke the license of Cecil W. Steffen Jr. The motion passed.</p> <p>A motion was made by Levin/seconded by McConville to assess William Speechley a \$10,000 civil penalty for unlicensed practice of auction and assess Bonnie Speechley a \$10,000 civil penalty for unlicensed practice of auction. The motion passed.</p> <p>Susan Sigourney will contact Maxine O'Brien, School Administrator for the Illinois Auction Institute, and suggest that the CE course content be revised and re-submitted.</p>
<p>New Business</p>	<p>The Board discussed the next Auction Advisory Board meeting scheduled for June 26, 2007. On that date, Mary Anne Benden will be on vacation, Rick Levin will be out of town, and Terry Dunning is not available. The Meeting will take place in Springfield instead of the Chicago office as originally scheduled.</p> <p>There was discussion regarding whether or not an auctioneer was able to restore his or her auction license if the license had been expired in excess of two years.</p> <p>Note: On May 17, we received clarification from Mark Thompson, DPR General Counsel. Pursuant to Section 1440.150 (b) of the Administrative Rule, an auctioneer is able to restore a license if it has expired more than two years. The requirements for restoration are:</p> <ul style="list-style-type: none"> • Submit an application (this is a new application to be used as an application for restoration.) • Pay all lapsed fees • Take and pass the required examination 	<p>We will resolve the question of whether an auctioneer may restore an auction license if it has expired in excess of two years.</p>

	<ul style="list-style-type: none"> • Submit a properly completed 45-Day Permit Sponsor Card • Provide proof of successful completion of 12 hours of continuing education 	
Adjournment		There being no further business to discuss, a motion was made by McConville/ seconded by Doerr to adjourn at 12:35 p.m.