

## MINUTES

South Carolina Auctioneer's Commission

Board Meeting

10:00 A.M., February 24, 2003

Synergy Business Park

110 Centerview Drive, Kingstree Building, Room 108

Columbia, South Carolina

Rebecca Frierson, Chairman, of Newberry, called the regular meeting of the S.C. Auctioneer's Commission to order at 10:00 a.m. Other Commission members attending the meeting included: Archie Moody, Vice Chairman, of Darlington; Harriett McCoy, of Hopkins; Fred Mullis, of Lancaster and Jeffrey Shaw, of West Columbia.

Staff members participating during the meeting included: Lenora Addison-Miles, Interim Administrator; Sharon Dantzler, Deputy General Counsel, LLR-Office of General Counsel; Sandra Dickert, Administrative Assistant; Larry Hall, Investigator; and Linda Holman, Administrative Assistant.

Members of the public attending the meeting included: William Burdette, John Kimball, Larry Meares, Sonny Ninan, James Robinson, and Danny Williams.

Ms. Frierson announced that public notice of this meeting was properly posted at the S. C. Auctioneer Commission office, Synergy Business Park, Kingstree Building, Room 108 and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act. She also noted that a quorum was present.

### Pledge of Allegiance

All present recited the Pledge of Allegiance.

Approval of the November 18, 2002 Meeting Minutes and the January 27, 2003 Work Session Meeting Minutes

### MOTION

Mr. Mullis moved the Commission approve the minutes of the November 18, 2002 Commission meeting and the January 27, 2003 work session meeting. Mr. Shaw seconded the motion, which carried unanimously.

### Chairman's Remarks - Rebecca Frierson

Ms. Frierson stated she has the distinct honor of being the first female chairman of the Commission. She further stated it is a privilege to be voted to this position by her peers. She went on to say that during her tenure she pledged to honor and uphold the laws, to bring as much honor as she could to the Commission, to serve judiciously, and to remain open to comments, suggestions and offer guidance for auctioneers to the public, and would not step outside of the bounds of the Auction law, and she desired to prove a fit, productive and resourceful chairman. She encouraged communication between all bodies

involved in the auction business and vowed to unceasingly defeat any improper action that compromises the integrity of the Commission.

#### Interim Administrator's Remarks - Lenora Addison-Miles

Ms. Addison-Miles presented the members with a brief bio of Adrienne Youmans, the agency director. She noted that the Senate has confirmed Ms. Youmans as the LLR director.

Ms. Addison-Miles stated that since the last meeting staff has issued 22 licenses. She presented a list of the licensees to the Commission members. (This list is herewith attached and becomes a permanent part of this record.) She noted that three of the licenses were firms and two were apprentice auctioneers. She further stated that during the December 10, 2002 examination there were 13 auctioneers, two firms, and two apprentices taking the exam, for a total of 17 candidates. She noted that five candidates did not pass the exam. She indicated that the next exam is March 6, 2003.

Ms. Addison-Miles stated that as a result of the work session meeting she has an average score on the examination. She further stated that for the September 2002 exam there were 23 candidates and the average score was 77. She went on to say for the December 2002 exam there were 17 candidates and the average score was 79.

Ms. Addison-Miles stated there are currently no open complaints, two cases are being forwarded to the Office of General Counsel, staff has issued one Cease and Desist Order on January 13, 2003 for unlicensed practice and she will present two consent orders to the members during executive session for their review and consideration.

Ms. Addison-Miles presented the members with a copy of the budget through December 31, 2002. (This budget is herewith attached and becomes a permanent part of this record.) She further stated that as of the end of December 2002 the recovery fund balance was \$121,574.58.

#### Advisory Opinions, If Needed, Office of General Counsel

There were no advisory opinions given during the February 24, 2003 meeting.

#### Legislative Update, If Needed, Legislative Liaison Office

There was no legislative update given during the February 24, 2003 meeting.

#### Unfinished Business

There was no unfinished business discussed during the February 24, 2003 meeting.

#### New Business

##### Review/Approval of Applications

##### 1. Applications by Reciprocity

##### a. Preston Ray Foster

Ms. Addison-Miles stated Mr. Foster contacted staff prior to the meeting and indicated he had been involved in a traffic accident in Charlotte and would not be attending the

meeting today.

Mr. Foster has applied for licensure via reciprocity with North Carolina. His credit report revealed an unpaid collection account totaling \$1,274.00. There are also several items on his criminal history report.

MOTION

Mr. Moody made a motion, seconded by Mr. Shaw and unanimously carried, to discuss this matter in executive session.

b. James Robert Robinson

Mr. Robinson is applying for licensure via reciprocity with Tennessee. He has declared bankruptcy on April 4, 1997, and was released on November 15, 2001. He would be conducting livestock auctions in Saluda.

MOTION

Mr. Shaw moved the Commission discuss this matter in executive session. Mr. Mullis seconded the motion. Mr. Moody objected to the motion. The motion died.

MOTION

Mr. Moody moved the Commission issue Mr. Robinson a license. The motion was seconded by Mr. Mullis and unanimously carried.

2. Applications by Examinations

a. William Wendell Burdette

Mr. Burdette has passed the exam, however, his credit report reveals approximately \$3,869.00 of unpaid collection accounts. His SLED report reveals a fraudulent check from September 2000. Mr. Burdette stated he filed bankruptcy, however, it was never followed through. He indicated he has resolved most of the items and that his estranged wife had written the fraudulent check.

MOTION

Mr. Moody moved the Commission discuss this matter in executive session. Ms. McCoy seconded the motion, which carried unanimously.

b. Daniel Carl Williams

Mr. Williams passed the exam in December 2002; however, his credit report reveals approximately \$3,562.00 in unpaid collection accounts and a lien in the amount of \$1,290. His SLED report includes an arrest charge in 1998 for a fraudulent check.

Mr. Williams stated he was a carpet installer for Heilig-Meyers Furniture when the company declared bankruptcy. He was in the process of paying on unpaid accounts when he was laid off from his most recent job on January 15, 2003. He indicated the fraudulent check was for repairs to a company truck that was paid; however, he was arrested for the check. He presented a receipt to show the check had been paid and was released. He noted he does not have the documentation to show proof that the check had been paid.

He went on to say he would be working at his sister's auction house.

#### MOTION

Mr. Moody made a motion, seconded by Ms. McCoy and unanimously carried, to discuss this matter in executive session.

#### Applications for Examination

##### a. Sonny M. Ninan

Mr. Ninan's credit report revealed a charged off account with a balance of \$7,843.00 and another charged off account regarding a Capitol One credit card. Mr. Ninan stated the Capital One credit card has been paid. He presented a letter regarding the \$7,843.00 Asset account.

#### MOTION

Mr. Moody moved the Commission discuss this matter in executive session. Mr. Shaw seconded the motion, which carried unanimously.

##### b. John Michael Kimball

Mr. Kimball's credit report reveals a charged off account totaling \$19,000.00. He submitted documentation regarding a settlement agreement on this account. Mr. Kimble stated this account was a doublewide manufactured home he had purchased while he was in the military. He further stated that when he retired from the military he was unemployed. He went on to say he attempted to sell the home without success. He indicated he moved to West Virginia where he was also unemployed and it became necessary to voluntarily surrender the house. He said when he returned to South Carolina he was approved to purchase a home with the condition he make a settlement on the manufactured home.

#### MOTION

Mr. Mullis made a motion, seconded by Mr. Moody and unanimously carried, that the Commission discuss this matter in executive session.

#### Continuing Education Provider Requests

##### George Ford

Ms. Addison-Miles presented a continuing education provider request from Mr. George Ford. Mr. Ford teaches EBAY (Computer-Internet Auctions) at Greenville Technical College and Spartanburg Technical College. He would like to provide this continuing education class to auctioneers. (His request, resume and the course outline are herewith attached and becomes a permanent part of this record.)

#### MOTION

Mr. Mullis moved to discuss this matter in executive session. The motion was seconded by Mr. Shaw and unanimously carried.

#### New South Educational Services

Ms. Miles presented to the members a request from New South Educational Services to become a continuing education provider.

## MOTION

Mr. Moody moved to discuss in executive session. Mr. Mullis seconded the motion, which carried unanimously.

## Southeastern School of Auctioneering

Ms. Addison-Miles presented the Commission with a continuing education seminar request from Mr. Larry Meares of the Southeastern School of Auctioneering. This continuing education seminar was received on February 18, 2003 and staff was unable to gain approval from the Commission prior to the seminar being held. The seminar was held in Georgetown on Thursday, February 20, 2003. The subjects in this seminar included Auction Law, Absolute vs. Reserve Auctions, and Roundtable discussions on the Auctioneering Profession.

## MOTION

Mr. Mullis moved the Commission approve this seminar as it stands. The motion was seconded by Mr. Shaw and unanimously carried.

## SCAA Newsletter (Larry Meares and Dennis Ashley)

Mr. Meares stated the association publishes a quarterly newsletter and would like to discuss the possibility of a joint effort between the Commission and the association in producing a newsletter. He asked the Commission to consider sharing the expense of the newsletter. He further stated the association is asking for \$800 an issue, which would total \$3,200.00. The association would pay \$400.00 per issue.

The Commission discussed with Mr. Meares the Commission's amount of space for articles that would be allowed in each newsletter. The Commission also discussed the possibility of listing the auctioneers in the newsletter instead of producing a roster each year.

## MOTION

Ms. McCoy made a motion, seconded by Mr. Moody and unanimously carried, the Commission discuss this matter in executive session.

## Investigative Review (IRC) Policy

Ms. Dantzler stated the Office of General Counsel has reviewed each of the Boards and Commissions to see who has an IRC policy. She further stated her office did not find such a policy for the Auctioneer's Commission, although the Commission has been using a similar policy over the past few years. She presented a model policy to the members and briefed the members on this policy. (This policy is herewith attached and becomes a permanent part of this record.)

## MOTION

Mr. Moody moved the Commission approve the Investigative Review (IRC) Policy. The motion was seconded by Mr. Mullis. A brief discussion ensued regarding the number of individuals used for the committee. Ms. Dantzler recommended the Commission confirm

the professional each year following the election of officers.

#### MOTION

Mr. Moody moved to further discuss this matter in executive session. Ms. McCoy seconded the motion, which carried unanimously.

#### Reciprocity Agreements

Ms. Addison-Miles stated staff has only two reciprocity agreements on file, Tennessee and Louisiana. She noted that the other states were contacted, however, those states also do not have copies of these agreements. She presented the members with the reciprocity agreements for Tennessee and Louisiana and with a list of other states, which South Carolina has reciprocity with.

Mr. Meares made comments regarding some of the other states not accepting reciprocity candidates from South Carolina.

#### MOTION

Ms. McCoy moved the Commission further research this matter for discussion at the next meeting. Mr. Mullis seconded the motion, which carried unanimously.

#### MOTION

Mr. Mullis moved the Commission table this matter until the next meeting. The motion was seconded by Mr. Moody and unanimously carried.

#### Discussion Items

There were no discussion items discussed during the February 24, 2003 meeting.

#### Public Comments

There were no public comments made during the February 24, 2003 meeting.

#### Executive Session

Mr. Moody made a motion the Commission take a five-minute break, followed by executive session. Mr. Shaw seconded the motion, which carried unanimously.

#### Return to Open Session to Report on Executive Session

Ms. Frierson noted that no motions were made and no votes were taken during executive session.

#### Preston Ray Foster

#### MOTION

Mr. Moody moved to hold this matter over to the next meeting. The motion was seconded by Ms. McCoy and unanimously carried.

#### William Wendell Burdette

#### MOTION

Mr. Shaw made a motion, seconded by Mr. Moody and unanimously carried; the Commission carry over Mr. Burdette's application pending receipt of the check that is in

question resulting from the fraudulent check charges.

Daniel Carl Williams

MOTION

Mr. Shaw moved the Commission grant Mr. Williams a license. The motion was seconded by Mr. Mullis and unanimously carried.

Sonny M. Ninan

MOTION

Mr. Moody moved the Commission allow Mr. Ninan to take the exam and if, successfully passed, issue a license in probationary status until June 2004. Mr. Mullis seconded the motion, which carried unanimously.

John Michael Kimball

MOTION

Mr. Shaw moved the Commission grant a license to Mr. Kimball pending successful taking of the exam. Mr. Mullis seconded the motion, which carried unanimously.

Continuing Education Seminar Requests

George Ford

MOTION

Ms. McCoy made a motion, seconded by Mr. Shaw and unanimously carried; the Commission deny George Ford and his E-Bay auctioneering course based on the fact that it lacks professional content relevant to the auctioneer profession.

New South Educational Services

MOTION

Mr. Moody moved the Commission deny this request based on inadequate content on auctioneering. The motion was seconded by Mr. Mullis and unanimously carried.

Newsletter

MOTION

Ms. McCoy made a motion, seconded by Mr. Mullis and unanimously carried, that the Commission accept the agreement before the Commission that Mr. Meares has presented for a term of one year, subject to renewal at that time; that the cost of \$800 per issue; four issues during the year; and that the Commission maintain a position of independence in the newsletter claiming the last page and the inside back page as that of the Auctioneer's Commission; that the staff will draft camera ready artwork to be presented into that publication so that it will stand on its own and with a contract drafted by the Commission's legal counsel.

Investigative Review Committee (IRC) Policy

MOTION

Mr. Shaw moved the Commission accept the draft of the Investigative Review Committee policy for the Auctioneer's Commission as amended. Mr. Moody seconded the motion, which carried unanimously.

Consent Orders

MOTION

Mr. Moody moved the Commission accept the consent order regarding Kruse International. Ms. McCoy seconded the motion, which carried unanimously.

MOTION

Mr. Shaw moved the Commission approve the consent order regarding Mr. Mullis. The motion was seconded by Ms. McCoy and carried with a majority vote. Mr. Mullis recused himself from voting in this matter.

Adjournment

There being no further business to be brought before the Commission at this time Mr. Moody made motion, seconded by Mr. Mullis and unanimously carried, to adjourn the meeting. The meeting adjourned at 1:12 p.m.