

MINUTES

South Carolina Auctioneer's Commission

Board Meeting

10:00 A.M., November 15, 2004

Synergy Business Park

110 Centerview Drive, Kingstree Building, Room 108

Columbia, South Carolina

Ms. Frierson, Chairman, of Newberry, called the meeting to order at 10:09 a.m. Other members present included: Archie Moody, Vice Chairman, of Darlington; James Blocker, of Walterboro; and Fred Mullis, of Lancaster.

Staff members participating in the meeting included: Sharon Dantzler, Deputy General Counsel, LLR-Office of General Counsel; Sandra Dickert, Administrative Assistant; Joe Harmon, LLR-Office of Investigations and Enforcement; Raymond Lee, Staff Inspector; and Lenora Miles, Administrator.

Members of the public attending the meeting included: Ivan Broadwell, Terry Howe, Rodney Lee, Larry Meares, and Dean Strickland, Jr.

Meeting Called to Order

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.

Pledge of Allegiance

All present recited the Pledge of Allegiance.

Approval of the May 24, 2004 Meeting Minutes and the August 16, 2004 Meeting Minutes

May 24, 2004 Meeting Minutes

MOTION

Mr. Moody moved the Commission accept the May 24, 2004 meeting minutes. Mr. Mullis seconded, carried

August 16, 2004 Meeting Minutes

Ms. Frierson noted two additions to the August 16, 2004 meeting minutes. She indicated Mr. Dean Strickland and Mr. Rodney Lee were present for the August 16, 2004 meeting.

MOTION

Mr. Mullis moved the Commission approve the minutes with the noted corrections. The motion was seconded by Mr. Moody and unanimously carried.

Chairman's Remarks - Rebecca Frierson

Ms. Frierson read Harriett McCoy's resignation letter from the Commission.

"Dear Governor Sanford:

I currently serve as the Consumer member of the South Carolina Auctioneers' Commission. My appointment term officially ended August 2003. After extensive deliberation, I am hereby resigning my position as a member of the Auctioneers' Commission effective immediately.

I deeply appreciate having been given the opportunity to serve in this capacity, but can no longer do so in good conscious. For you reference, prior to restructuring of State Government, I served as Executive Director of the Commission and as president of the National Auctioneers' License Law Officials Association. I am not a licensed auctioneer, nor have I ever been one. I do currently hold a real estate sales license falling under the jurisdiction of LLR's Real Estate Commission. While I strongly advocate the continued regulation of the auctioneering profession in South Carolina, I do not feel the current cabinet structure is operating in a manner conducive to the best interest of the public welfare or the licensees themselves.

Since my initial appointment, I have observed questionable tactics involving investigations of consumer complaints by investigators assigned to the Commission. I have also had concerns regarding the appearance of preferential treatment of select licensees and on auction school. In an effort to seek more accountability concerning the status of complaints, investigations, and funding for needed continuing education courses for licensees, the Commission members requested status reports at quarterly meetings so we could make informed decisions regarding matters before the Commission. For the most part, our requests were ignored, except by Program Coordinator Lenora Addison-Miles. She has done what she could to perform her job duties.

Receiving no real satisfaction over an extended period of time, we also requested an investigation be conducted by an objective party as to overall travel expenditures being funded, a leased vehicle (used also for other agencies), investigation procedures and the approval of such matters.

An investigation was conducted under the LLR umbrella, but no findings have been provided to the Commission members. I find this particularly disconcerting when Commission members have been continuously told (since my appointment) little or not funds were available for matters directly relevant to regulation of the auctioneering profession. However, in the past, the Commission was completely self-sustaining regarding budgetary issues with any remaining funds reverting to the State General Fund.

I recognize and applaud the need that budgetary expenditures be closely scrutinized. But, when reviewing all my experiences with any form of State Government, I can't remember any aspect of it operating more on a "Need To Know Basis". Certainly, this does not make any government more accountable and greatly handicaps appointed officials attempting to act in the best interest of the State. I believe forthright communication is the key to any successful endeavor. Without it, we are simply wasting our time.

Though these practices may be acceptable within LLR and represent "business as usual", I find them highly questionable at best. I feel my resignation is warranted because I do not want my continued service as a Commission member to be misconstrued as my endorsement of these practices.

As Governor, I have complete faith you will address these issues in a manner best serving the auctioneering profession and the public interest of South Carolina. Thank you for your attention in this matter."

MOTION

Mr. Blocker made a motion, seconded by Mr. Moody and unanimously carried, that the Commission thank Ms. McCoy for her time to the Commission.

Interim Administrator's Remarks - Lenora Addison-Miles

Ms. Miles stated there are 1,074 auctioneers currently licensed and 164 auction firms currently licensed.

Ms. Miles stated there were 20 exam candidates during the September 10, 2004 exam, of which 16 passed with an average score of 80. She further stated two candidates scored 96 and the low score was 60. She went on to say the next exam is scheduled for December 3, 2004.

Advisory Opinions, If Needed, Office of General Counsel Legislative Update, If Needed, Legislative Liaison Office

There were no advisory opinions or legislative update given during the November 15, 2004 meeting.

Unfinished Business

There was no unfinished business to be brought before the Board during the November 15, 2004 meeting.

New Business

Approval of Auction Firm Applicant

a. Cindy Causey, East Columbia Auction

Ms. Miles stated Ms. Causey's auction firm application had been presented during the August 16, 2004 meeting during which time it was noted she has approximately \$3,000 in unpaid collections. Ms. Causey was not present for that meeting. The Commission voted unanimously to deny Ms. Causey's application until such time that the Commission has received further information regarding her credit. She went on to say Ms. Causey has not provided any further information. She also said that she spoke with Ms. Causey on November 1, 2004 at which time she indicated she would be at this meeting. (A copy of Ms. Causey's application is herewith attached and becomes a permanent part of this record retained at the Commission's office.)

Ms. Causey was not present for this meeting.

This matter was continued until Ms. Causey appears before the Commission.

Proposed Auction School & CE Provider Criteria, Ivan Broadwell and Rodney Lee
Mr. Broadwell presented the Commission with a committee report regarding criteria for accrediting schools, education providers or independent instructors.

Ms. Frierson asked that a work session meeting be scheduled for 10:00 a.m., January 10, 2005.

- CE Course Approval Requests - Ivan Broadwell
- a. SC Auctioneers Commission - LLR Complaint Procedures
 - b. SC Auction Law Review and Update
 - c. On-Site Estate Auctions
 - d. Operating an Auction Facility
 - e. Antiques at Auction
 - f. Book at Auction

On October 14, 2004 the Commission received a letter from Mr. Ivan Broadwell seeking the Commission's approval on the above listed courses. Mr. Broadwell will be conducting the classes for providers of continuing education seminars including auction schools, state associations and government agencies, as well as to auctioneer licensees through his own continuing education seminars. His seminars will be given in six-hour segments which will include two hours of electives from the subjects listed and two hours of auction law. The actual dates and locations for these seminars will be determined and reported to the Commission as they are selected. (Mr. Broadwell's letter and the course descriptions are herewith attached and become a permanent part of this record retained at the Commission's office.)

MOTION

Mr. Mullis moved to approve the courses as described. The motion was seconded by Mr. Blocker and unanimously carried.

CE Course Approval Request - "An Overview of the Uniform Commercial Code" - William Barry Kelley

On October 25, 2004 the Commission received a letter from William Barry Kelley asking for the Commission's approval of a four-hour continuing education course entitled "An Overview of The Uniform Commercial Code". The course would be taught by Mr. Kelley, who is a licensed auction instructor. (Mr. Kelley's letter and the course description are herewith attached and become a permanent part of this record retained at the Commission's office.)

MOTION

Mr. Blocker made a motion, seconded by Mr. Moody and unanimously carried, to approve this course.

CE Course Approval - Raymond Lee

Mr. Raymond Lee presented the members with a request to offer four-hour continuing education classes for auctioneers via live teleconferencing to service four locations throughout the state at the same time. Mr. Lee indicated Ms. Patsy Towery, Director of the Midlands Technical College Center for Special Programs and Community Education, could not be present for the meeting. He went on to say the proposed plan is to service Greenville Technical College, Trident Technical College in Charleston, Florence-Darlington Technical College and Midlands Technical College. The classes would be given by video conferencing from Midlands Technical College during 2005 to campuses announced at later dates. He said he would conduct a live lecture in a classroom in Columbia and would be able to interact with the students in the other locations. He would need to assign a proctor for the other locations to assist in signing the students in. He would like to be able to rotate the teleconference broadcast from other campuses. He stated they would like to have guest speakers, such as a representative from the Department of Transportation, the IRS, etc. The class would cost \$35 to \$45. He said the certificate would be mailed to each individual. (Mr. Lee's request is herewith attached and becomes a permanent part of this record retained at the Commission's office.)

Mr. Blocker noted that his big concern is accountability and asked Mr. Lee how he would select a proctor. Mr. Lee replied he thought about using a licensed auctioneer in each area.

Ms. Frierson asked Mr. Lee if all nine classes would be legal update, selling vehicles at auction, auction UCC laws, and questions and answers. Mr. Lee replied all nine classes would be pretty much the same, however, he would like the flexibility of having guest speakers. He indicated he already has the qualified instructors.

Ms. Frierson asked Mr. Broadwell, under the proposal for the accreditation criteria, what the protocol would be to approve this course. She asked if the Commission should work with Ms. Towery on this matter. Mr. Broadwell replied if Mr. Lee is a freelance instructor, the Commission should work with Midlands Technical College as the educational provider. He further stated if Midlands Technical College becomes an educational provider then they would have the liberty to switch the courses around providing all course instructors are all ready pre-approved educational providers or free lance instructors.

Mr. Blocker stated Mr. Lee could appear at the Commission at later times for approval on different subject matter, classes, etc.

Ms. Frierson suggested Mr. Lee develop a roster of proctors.

MOTION

Mr. Blocker made a motion, seconded by Mr. Mullis and unanimously carried, postpone making a decision in this matter until the Commission has studied the proposal in January 2005 and Midlands Technical College has had a chance to work on their proposal.

Instructor Approval Request - Thomas R. Payne (for Southeastern School of

Auctioneering)

On August 17, 2004 the Commission received a request from Southeastern School of Auctioneering seeking the approval of Thomas R. Payne as an instructor. Mr. Meares included Mr. Payne's resume with his request. (Mr. Meares' request and Mr. Payne's resume are herewith attached and become a permanent part of this record retained at the Commission's office.)

Mr. Larry Meares stated Mr. Payne is involved in the environmental safety area and has been licensed as an auctioneer for approximately five years.

MOTION

Mr. Moody moved to accept the application. Mr. Blocker seconded the motion, which carried unanimously.

Proposed Legislation Update - Ivan Broadwell

Mr. Broadwell stated he has identified areas which should be rewritten. He indicated the committee has not met yet. Ms. Frierson stated she would assume Ms. McCoy's position on the committee. It was determined the committee would meet on January 10, 2005.

Approval of 2005 Meeting Dates

The Commission members were presented with the following proposed 2005 meeting dates:

February 28, 2005 May 16, 2005

August 22, 2005 November 7, 2005

MOTION

Mr. Mullis made a motion, seconded by Mr. Moody and unanimously carried, that the proposed meeting dates be accepted.

Discussion Items

There were no discussion items for the November 15, 2004 meeting.

Public Comments

Mr. Larry Meares, of Southeastern School of Auctioneering, stated Ms. Miles made a presentation to the students on November 9, 2004 and did a fine job. He further stated she spoke on the agency.

Ms. Frierson asked for a complete breakdown of the Commission's budget, on matters such as travel, i.e., the mileage for Ms. Miles' trip to Southeastern School of Auctioneering. She further stated that the budget presented to the members indicates that the Commission has money to present continuing education classes, to produce a newsletter, and do a number of other matters. Ms. Miles stated she has the recovery fund balance.

Mr. Broadwell stated the statute indicates the Commission may use the funds to hold continuing education classes. He also noted that the statute indicates the Commission

may use the funds, not the agency.

Executive Session

MOTION

Mr. Blocker made a motion, seconded by Mr. Moody and unanimously carried, the Commission enter executive session to discuss disciplinary matters.

Return to Open Session to Report on Executive Session

MOTION

Mr. Moody moved the Commission return to public session. Mr. Mullis seconded the motion, which carried unanimously.

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

IRC Recommendations

MOTION

Mr. Blocker moved the Commission accept the IRC recommendations. The motion was seconded by Mr. Moody and unanimously carried.

Cases for Dismissal

41-1172 41-1264 41-1265 41-1266 41-1296 41-1297

41-1298 41-1299 41-1315 41-1316 41-1353 41-1438

41-1493 41-1508 2004-02 2004-11

Case(s) for Dismissal with Letter of Caution

41-1471 41-1513 2004-01 2003-05 2004-08

Case with Cease and Desist Order

2004-06

Mr. Broadwell thanked the agency in its attempts to rectify the Commission's IRC process.

Adjournment

There being no further business to be brought before the Commission at this time, Mr. Blocker moved the meeting be adjourned. Mr. Moody seconded the motion, which carried unanimously.

The November 15, 2004 meeting of the SC Auctioneers Commission adjourned at 11:53 a.m.