



**TENNESSEE AUCTIONEER COMMISSION
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243
615-741-1831**

**Commission Meeting Minutes for August 19, 2024
Room 1B, David Crockett Room
Davy Crockett Tower**

The Tennessee Auctioneer Commission met on August 19, 2024, in the first-floor conference room 1B of the Davy Crockett Tower in Nashville, Tennessee. The following business was transacted:

COMMISSION MEMBERS PRESENT: Ed Knight, Dwayne Rogers and Jay White.

COMMISSION MEMBERS ABSENT: Larry Simms, Jeff Morris.

STAFF MEMBERS PRESENT: Jon Lillard, Anna Matlock, Kim Cooper, and Robert Hunter.

ROLL CALL

Director Lillard called the meeting to order at 9:00 a.m. Director Lillard took roll and established that a quorum was present. Mr. Lillard explained that a member of the public may provide comments as they relate to the agenda. This opportunity is added at the end under new business.

NOTICE OF MEETING

Director Lillard read the notice of the meeting into the record as follows: "Notice of the August 19, 2024, meeting of the Auctioneer Commission including date, time and location has been noticed on the website since August 25, 2023, additionally, the agenda has been posted on the website since August 7, 2024".

AGENDA

Mr. White made a motion to adopt the agenda as written. This was seconded by Mr. Knight. The motion passed unanimously.

MAY MINUTES

Mr. White made a motion to adopt the minutes from the March meeting as written. This was seconded by Mr. Knight. The motion passed unanimously.

EDUCATION REVIEW

Director Lillard presented one, six hour continued education classroom course offered by Nashville Auction School. The 6-hour course is titled The Auctioneers Winning Business Playbook. The instructor is Daniel Pruitt.

Mr. Knight made a motion for the Commission to accept the courses as presented. This was seconded by Mr. White. The motion passed unanimously.

DIRECTOR'S REPORT

Reinstatement Request

Mr. David Pruitt requested the commission waive the late fees associated with his reinstatement application. Mr. Pruitt submitted an explanation of his unique situation that caused him to have his license principal auctioneers license expire. He is aware of the license fee and exams he'll need to pass the added penalties present a hardship and keep him from re-entering the industry.

Mr. White made a motion to accept the request and waive the penalties. This was seconded by Mr. Knight. The motion passed unanimously.

Budget Report

Director Lillard presented the financial information through June 2024. The Auctioneer Commission has a year-to-date deficit of \$3,868 making the reserve balance \$515,640. The current Educational Fund balance is \$176,346.

LEGAL REPORT (*Presented by Kim Cooper*)

1. 2024021991

Opened: 5/20/2024

Type of License: Principal Auctioneer

First Licensed: 3/9/1994

Expires: 2/28/2025

History: None

The Complainant alleged that the Respondent was conducting auctions with an unlicensed auctioneer and defrauding their customers by illegally running up bids. Complainant attached a picture from social media advertising an upcoming auction hosted by Respondent that did not include the name or license number of the auctioneer calling the auction in violation of Tenn. Comp. R. & Regs. 0160-01-.05(1).

Respondent stated that they only use licensed auctioneers to conduct auctions and that running bids up is not permitted. There is insufficient evidence that Respondent is conducting or permitting unlicensed activity or running up bids, however the advertisement was not in compliance with the advertising rule.

Recommendation: Two Hundred Fifty Dollar (\$250.00) civil penalty.

Commission Decision: The Commission voted to accept counsel's recommendation.

2. **2024026511**
 Opened: 6/24/2024
 Type of License: Principal Auctioneer
 First Licensed: 2/27/2007
 Expires: 2/26/2021 (Expired)
 History: None

This was an anonymous complaint alleging that Respondent is conducting auctions without an active license. No additional information was provided, and the Respondent did not respond to the complaint.

Recommendation: Dismiss

Commission Decision: The Commission voted to accept counsel's recommendation.

3. **2024027731**
 Opened: 6/24/2024
 Unlicensed
 History: None

Complainant alleged that the unlicensed Respondent is conducting auctions every Saturday and streaming the auctions live on social media. Counsel viewed Respondent's Facebook page and Respondent does publicly advertise and conduct auctions and takes bids primarily through comments on the livestream. Respondent most recently conducted auctions on July 20, 2024, and July 25, 2024.

Respondent did not reply to the complaint. Due to the primarily on-line portion of the activity, Counsel recommends litigation monitoring.

Recommendation: Litigation Monitoring

Commission Decision: The Commission voted to accept counsel's recommendation.

4. **2024033021**
 Opened: 7/1/2024
 Type of License: Principal Auctioneer
 First Licensed: 11/17/1993
 Expires: 8/31/2025
 History: None

Complainant alleged that the Respondent was allowing a bidder in an online absolute auction without reserve to bid in violation of Tenn. Comp. R. & Regs. 0160-01-.19(1). The bid history was provided and one of the bidders did raise their own bid several times after bidding by others slowed for a few days, then ceased bidding when the bids hit a specific amount.

Because this an online auction, Counsel recommends litigation monitoring.

Recommendation: Litigation Monitoring.

Commission Decision: The Commission voted to accept counsel's recommendation.

5. **2024035311**
 Opened: 7/15/2024
 Type of License: Principal Auctioneer
 First Licensed: 2/14/2002
 Expires: 2/28/2026
 History: 2010 Letter of Warning

Complainant wanted to sell their family home and signed a contract with the Respondent to conduct an auction in cooperation with their real estate agent. Complainant alleged that Respondent agreed to aggressively market the home but that the only advertising for the auction that they saw was minimal and done by their own agent. The day of the auction Complainant alleges that there were only two interested buyers, and that the Respondent had their own employees bidding on the property as well as calling potential investors during the auction. Complainant ended the auction without selling the property, alleged that the Respondent then offered to buy the home themselves at a very low price, and in the days following the auction billed them for work that was not done. Complainant believes Respondent wanted to property for themselves and was actively working against Complainant's interests.

Respondent provided a copy of the auction contract and invoices for work done that was within the agreed upon amount for advertising costs along with copies of the flyers that were distributed; an email from the real estate agent agreeing to the costs/invoices for the advertisements; copies of the signs placed along the roads; and the online advertising done along with the activity monitors for those advertisements. Respondent stated that they have had to get legal representation to pursue payment from the Complainant. Based upon the information provided there is insufficient proof of a violation of the Commission's Rules or the applicable statutes.

Recommendation: Dismiss.

Commission Decision: The Commission voted to accept counsel's recommendation.

Mr. Rogers motioned to accept the legal report, which was seconded by Mr. White. The motion passed unanimously.

Attorney Anna Matlock presented draft rules. Members agreed to the rules as presented. Mr. Knight motioned to accept the rules as present, which was seconded by Mr. White. The motion passed unanimously.

NEW BUSINESS

Director Lillard presented a request from the Tennessee Auctioneers Association (TAA) for sponsorship per Tenn. Code Ann. § 62-19-116 of the 2024 Annual Conference for a total of \$8,500. The Annual Conference will be held at The Inn at Opryland, a Gaylord Hotel in Nashville on November 3 – 4, 2024. They submitted a continuing education request for approval for six (6) hours titled TAA 2024 Winter CE with the request.

Mr. White made a motion for the Commission to accept the proposal and sponsor the professional conference for the amount requested and approve the continuing education for the six (6) hours. This was seconded by Mr. Knight. The motion passed unanimously.

Director Lillard asked if anyone in the public, participating in person or remotely using Teams, had comments as they relate to the agenda. There were no comments provided.

ADJOURNMENT

There being no new business, Mr. White made a motion to adjourn the meeting. This was seconded by Mr. Rogers. The motion passed unanimously. The meeting adjourned at 9:36 am.