



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

**Commission Meeting Minutes for March 25, 2024  
11<sup>th</sup> Floor, David Crockett Room  
Davy Crockett Tower**

The Tennessee Auctioneer Commission met on March 25, 2024, in the David Crockett room on the 11<sup>th</sup> Floor of the Davy Crockett Tower in Nashville, Tennessee. The following business was transacted:

**COMMISSION MEMBERS PRESENT:** Ed Knight, Jeff Morris, Larry Sims, and Kimball Sterling.

**COMMISSION MEMBERS ABSENT:** Dwayne Rogers

**STAFF MEMBERS PRESENT:** Roxana Gumucio, Anna Matlock, Kim Cooper, and Robert Hunter.

**ROLL CALL**

Director Gumucio called the meeting to order at 9:00 a.m. Director Gumucio took roll and established that a quorum was present. She 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 Gumucio read the notice of the meeting into the record as follows: "Notice of the February 26, 2024, meeting of the Auctioneer Commission including date, time and location has been noticed on the website since August 25, 2023, additionally, the updated meeting date for March 25, 2024, has been posted on the website since February 27, 2024".

**AGENDA**

Mr. Sterling made a motion to adopt the agenda as written. This was seconded by Mr. Sims the motion passed unanimously.

**NOVEMBER MINUTES**

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

## **ELECTION OF OFFICERS**

Director Gumucio informed the Commission that they would need to elect a Chairman and Vice Chair as part of the new year. Mr. Kimball Sterling motioned to elect Jeff Morris as the Chairman and Ed Knight as the new Vice Chair. Ed Knight seconded the motion to accept Jeff Morris as Chair. Jeff Morris seconded the motion to accepted Knight as Vice Chair. The motions passed unanimously.

## **ROBERT'S RULES OF ORDER**

Mr. Morris motioned to agree and adhere to Robert's Rules of Order to conduct meetings. This was seconded by Mr. Sterling. The motion passed unanimously.

## **EDUCATION REVIEW**

Director Gumucio presented one, three hour continued education classroom course offered by Nashville Auction School. The 3-hour course is titled Mastering Auction Negotiations & Effective Tactics for Success. The instructor is Jason Deel.

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

## **DIRECTOR'S REPORT**

### ***Budget Report***

Director Gumucio presented the financial information through January 2024. The Auctioneer Commission has a year-to-date deficit of 7,756 making the reserve balance \$511,752. The current Educational Fund balance is \$199,238.

## **LEGAL REPORT (*Presented by Kim Cooper*)**

- 2023049091**  
**Opened: 10/30/2023**  
**Type of License: Principal Auctioneer**  
**First Licensed: 2/14/1980**  
**Expires: 2/10/2025**  
**History: None**

Complainant participated in an on-line auction and placed a bid for a heavy equipment trailer. Complainant alleges that each time they attempted to place a "max bid" on the trailer they would receive a message that they were outbid. Complainant attempted to determine who was betting against them and was unsuccessful but alleges that an employee of the auction was able to see what their max bid limit was and continued to match that bid in an attempt to drive up the price of the trailer. Complainant stated they eventually received a message after the auction closed that they were the highest bidder even though they stopped bidding during the auction after yet again being told they had been outbid. Complainant alleges fraud and bid manipulation. Respondent stated that the seller had multiple items in the auction, and that a reserve was

placed into the system by staff. Complainant was shown as out-bid since the reserve was not met. Seller then decided that they would sell for the amount that Complainant bid, so the reserve was removed, no additional bids were placed, and Complainant was awarded as the winner. Respondent contacted the website that hosted the auction and asked if there was a record of the progression of bids, bidder name, amounts and total number of times bid. The host company explained that they do not record the progression of bids. Respondent provided a copy of the seller check-in sheet documenting the initial reserve; the terms of the auction; and a copy of the history of bids on the trailer. Based on the information provided, there is insufficient proof of fraud or unprofessional conduct by Respondent.

**Recommendation:     Litigation Monitoring**

**Commission Decision:** Mr. Sterling motioned to accept , which was seconded by Mr. Morris. The motion passed unanimously.

**2.       2023046021**

**Opened: 11/14/2023**

**Type of License: Principal Auctioneer**

**First Licensed: 2/27/2007**

**Expires: 2/26/2021 (Expired)**

**History: None**

Complainant is a Tennessee resident. Respondent is an expired principal auctioneer. Complainant alleges Respondent still conducts auctions “every week.” A review of the AuctionZip.com website found two (2) listings for upcoming auctions in two consecutive weeks. Respondent is named as the Auctioneer in the advertisements.

Respondent did not submit a response. Respondent’s principal auctioneer license expired on February 26, 2021. Counsel recommends Respondent be assessed a Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. § 62-19-102(a)(1) which states it is unlawful for a person to act as, advertise as, or represent to be an auctioneer without holding a valid license issued by the commission.

**Recommendation:       Five Hundred Dollar (\$500.00) civil penalty for violation of Tenn. Code Ann. § 62-19-102(a)(1).**

**Commission Decision:** Mr. Morris motioned to accept , which was seconded by Mr. Sterling. The motion passed unanimously.

**3.       2023058391**

**Opened: 1/2/2024**

**Unlicensed**

**History: None**

Anonymous complainant alleged that an employee of the unlicensed Respondent is auctioning vehicles “every couple of days” in the parking lot of the Respondent’s office location. Complainant provided a screenshot of a post on Facebook marketplace advertising a motorcycle and soliciting “formal bids” at Respondent’s place of work.

Respondent replied by confirming that they are a branch of a financial corporation, and are auctioning repossessed collateral, specifically vehicles, upon default of the borrower of a loan issued by Respondent. Pursuant to Tenn. Code Ann. § 62-19-103(2), Respondent is a secured party selling collateral after default and is not required to have a license.

**Recommendation: Dismiss.**

**Commission Decision:** Mr., Knight motioned to accept , which was seconded by Mr. Sterling. The motion passed unanimously.

Legal Counsel for the commission, Anna Matlock, went over legislative bills filed during this session that impact the profession. SB2013 clarifies the terms used for automobile auctions. It was signed by Governor Lee March 15<sup>th</sup>. SB2001 authorizes an automobile auction in conjunction with a motor vehicle festival for charitable event in October 2024. The bill is waiting on the Governor's signature.

Ms. Matlock presented the redline rules for the updates related to the passage of the new law.

Mr. Sterling motioned to accept the redline rules, which was seconded by Mr. Knight. The motion passed unanimously.

#### **NEW BUSINESS**

Director Gumucio presented the information for the Summer National Auction Association conference to be held in Pennsylvania. The members discussed the conference.

Mr. Sterling motioned to approve Mr. Morris and Mr. Knight traveling to the conference and their expenses covered by the commission, which was seconded by Mr. Sims . The motion passed unanimously.

Director Gumucio 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.

Mr. Kimball Sterling announced his resignation from the Commission.

#### **ADJOURNMENT**

There being no new business, Mr. Knight made a motion to adjourn the meeting. This was seconded by Mr. Sterling. The motion passed unanimously. The meeting adjourned at 9:35 am.