

Continuing Education

The 1999 Session of the North Carolina General Assembly made significant changes to the North Carolina Auctioneer Law. The most controversial and misunderstood of these changes are the new continuing education requirements.

Chapter 85B-4(e1) of the General Statutes states:

The Commission may require licensees to complete annually not more than six hours of Commission-approved continuing education courses prior to license renewal. The Commission may impose different continuing education requirements, including no such requirements, upon the classes of licensees under this Chapter. The Commission may waive any or all continuing education requirements in cases of hardship, disability, or illness, or under other circumstances as the Commission deems appropriate.

Section 4B .0800 of the Auctioneer Licensing Board's Rules specifically dictates the whos, whats, whens, wheres and hows of continuing education.

The main purpose for continuing education is to add new information to the existing base of knowledge that each licensed auctioneer has achieved within the profession. As is the case within the past year and will be the case in future years, the Auctioneers Law and Rules continue to change. Many other aspects of the auctioneer profession changes literally on a daily basis. One of the fastest changing areas is the Internet. Not only can you now sell items on computers, but your advertising capability has increased exponentially.

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By learning about new tools and techniques of the trade an auctioneer can not only benefit the



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2000 Board Meeting Dates

The Board has set the following dates and locations for its regularly scheduled meetings for the first half of the year 2000:

<u>Date</u>	<u>Location</u>
February 16	Raleigh Office
March 15	Raleigh Office
April 12	Raleigh Office
May 17	Raleigh Office
June 16	Blowing Rock at AANC

All Board meetings normally begin at 9:00 a.m. and are open for the most part to all licensees and the public. Certain matters, such as discussions on potential disciplinary cases to determine probable cause as well as final sanctions, if appropriate, are discussed in closed sessions. We encourage all interested persons to attend one or more of these meetings.

Although not required, you may wish to notify the staff if you plan to attend a meeting. This will assist in our planning to accommodate visitors.

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customers but himself. A perfect example of the need to learn more about the profession was the cautionary memo that was placed in each of the latest (green covered) Auctioneers Law and Rules books that were sent to each licensee. This office received calls from auctioneers concerned that they were calling bids for unlicensed firms. Obviously, those auctioneers were not aware of the fact that companies that perform auctioneering duties need firm licenses.

Before the latest Auctioneers Law and Rules books were distributed, several auctioneers had called the Licensing Board's office for information about the continuing education program. Many people wanted to know when the continuing education requirement would start. The Board will establish at its April 2000 meeting the minimum classroom hours that will be needed to fulfill the requirement for the 2001/2002 renewal. Once the Board decides on the minimum number of hours at the April meeting, licensees will be notified of the minimum requirement. Because this is the first year of this program, the Board has agreed that any continuing education hours attained now can be carried over, even though the accrual period will be May 15th, 2000 to May 15th, 2001. Those credit hours will be used for the 2001/2002 renewal year.

For the following renewal year, 2002/2003, the accrual period will be May 15th, 2001 to May 15th, 2002.

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All licensed auctioneers, apprentice auctioneers, and designated persons in auction firms will be required to complete the minimum number of



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continuing education hours required by the Board to qualify for renewal each year. The licensee must complete the continuing education requirements for each renewal period that their license was lapsed or suspended before they are eligible to qualify for renewal.

The required documentation must be received at the North Carolina Auctioneer Licensing Board office by May 15, otherwise the licensee will automatically be assessed a \$50.00 late fee. The renewal will not be processed until compliance is achieved and all of the required fees are received.

Other than making sure that their credit hours are received by the North Carolina Auctioneer Licensing Board's office, auctioneers who have been participating in continuing education classes previously, auctioneers who have real estate broker licenses, and auctioneers who have a reciprocal license with a state who already requires continuing education will not be effected by the new requirements.

One of the largest misconceptions about the continuing education program is that licensees will be required to take a test to receive the credit hours. This is incorrect. In addition to meeting the attendance requirement, students must only direct their active attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction, which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class.

All that is asked of the licensee is to attend the approved classes and listen to the information that is presented by the instructor with the hope that the licensee will absorb information to use in their auction profession.

In the case of courses that would be provided over the Internet, obviously there would have to be a test to prove that the licensee participated in the course.

Another misconception is that the North Carolina Auctioneer Licensing Board is requiring this program to make money or to "tax" the licensees. This is untrue. The North Carolina Auctioneer Licensing Board along with the assistance of the Auctioneers Association of North Carolina will offer continuing education classes at no cost. Every attempt will be made to offer these no cost courses throughout the state to keep licensees' travel costs to a minimum. Of course, approved for-profit sponsors will also offer continuing education courses at a cost to licensees.

The continuing education requirements appear to be a hardship in the short run, but in the long run they will benefit both the public that the licensees serve and specifically the licensed auctioneers, apprentice auctioneers and auction firms. The North Carolina Auctioneer Licensing Board staff will make every attempt to make this transition as smooth as possible. If you have any questions or suggestions, feel free to contact this office.



Licensing Board Activity Report

This activity report covers the period from August 1999 through January 2000. The Board met six times; conducted two auctioneer licensing examination sessions and gave six auction firm exams; issued fifty-five auctioneer licenses, six apprentice auctioneer licenses and eighteen auction firm licenses; denied licensing to one auctioneer applicant; conducted one Administrative Hearing before the State Office of Administrative Hearings; and, attended the AANC convention in High Point and the AANC convention in Charlotte.

Disciplinary Actions

During this reporting period, the Board issued one warning letter and four letters of caution and suspended the licenses of two auctioneers and one auction firm. A summary of the disciplinary actions is as follows:

1) James T. Sigmon, NCAL #6012 (Stanley) - Mr. Sigmon's license was suspended indefinitely for failing to notify the Board of two felony warrants, for falsely answering statements on renewal applications, for providing a check for renewal on a closed account and for failing to provide documents or information required by the Board. Following an investigation into this matter, the Board found probable cause to suspend or revoke Mr. Sigmon's auctioneer license and referred the matter to the Office of Administrative Hearings as prescribed by Chapter 150B. Mr. Sigmon failed to respond as required and the Board suspended Mr. Sigmon's license indefinitely as allowed by law.

2) Kendall Auto Auction, Inc. NCAL #5899 (Goldsboro) - Kendall Auto Auction, Inc.'s firm license was suspended indefinitely for failing to notify the Board of a civil judgement against the firm and for falsely answering statements on renewal applications. Following an investigation into this matter, the Board found probable cause to suspend or revoke Kendall Auto Auction, Inc.'s auction firm license and referred the matter to the Office of Administrative Hearings as prescribed by Chapter 150B. Kendall Auto Auction, Inc. failed to respond as required and the Board suspended Kendall Auto Auction, Inc.'s license indefinitely as allowed by law.

3) Alon Varsha, NCAL #5889 (Van Nuys, CA) - Alon Varsha's license was suspended indefinitely

for falsely answering statements on an initial application, for falsely answering statements on renewal applications and for failing to provide documents or information required by the Board. Following an investigation into this matter, the Board found probable cause to suspend or revoke Alon Varsha's auctioneer license and referred the matter to the Office of Administrative Hearings as prescribed by Chapter 150B. Alon Varsha failed to respond as required and the Board suspended Alon Varsha's license indefinitely as allowed by law.

4) Cautionary Letters - During this reporting period, four letters of caution were issued for the following reasons:

- One letter for reopening bidding on an item after the bid was awarded;
- One letter for not providing a response to the complainant for two and one half years;
- One letter for an apprentice auctioneer calling a bid at an unlicensed firm sale;
- One letter for engaging in unprofessional conduct.

5) Warning Letters - During this reporting period, one warning letter was issued for failing to provide the Board information on address changes.

Public Hearing!

At the June 2000, Auctioneers Association of North Carolina Convention in Blowing Rock, North Carolina, a public hearing on the permanent rule changes will be held. The hearing will take place on Saturday, June 17, 2000. The time will be announced at a future date.

Plan to attend. This is your opportunity to give your input on this important matter.

