

MINUTES
South Carolina Auctioneers' Commission Meeting

10:00 a.m., March 6, 2018
Synergy Business Park
110 Centerview Drive, Kingstree Building Room 108
Columbia, South Carolina

Tuesday, March 6, 2018

1. Meeting Called to Order

Victor Avendano, Chairperson, of Mount Pleasant, called the regular meeting of the South Carolina Auctioneers' Commission to order at 10:05 a.m. Other commissioners present for the meeting included: Matthew Holiday, Vice Chairperson, of Spartanburg; Joseph B. Burns, of Swansea; Michelle Pinkney, of Irmo; and Jamison Marchant of Awendaw.

Staff members participating in the meeting included: Georgia Lewis, Advice Counsel, Office of Advice Counsel; Erin Baldwin, Disciplinary Counsel, Office of Disciplinary Counsel; Amy Holleman, Administrator; Norma McAllister, Program Assistant; and Sharon Wolfe, Chief Investigator, Office of Investigation and Enforcement.

Members of the public attending the meeting: Richard Knight Galloway.

A. Public Notice

Mr. Avendano announced that public notice of this meeting was properly posted at the SC Auctioneers' Commission office, Synergy Business Park, Kingstree Building, 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.

B. Pledge of Allegiance

All in attendance recited the Pledge of Allegiance.

Mr. Burns gave the invocation.

2. Introduction of Commission Members

The Commission members introduced themselves.

3. Approval of Excused Absences

All members of the Commission were present.

4. Approval of Minutes for the October 30, 2017 meeting

Mr. Avendano called for approval of the October 30, 2017 minutes. The Commission members reviewed the minutes.

MOTION

Mr. Holiday made a motion to approve the October 30, 2017 minutes. Ms. Pinkney seconded the motion, which carried unanimously.

5. Chair's Remarks – Victor Avendano

Mr. Avendano thanked everyone for attending. Mr. Avendano called for a motion to amend the agenda moving item #10 before item #8.

Mr. Burns made a motion to amend the agenda moving item #10 before item #8. Mr. Marchant seconded the motion.

Mr. Avendano called for a motion to approve the amendment to the agenda. Mr. Holiday made a motion to approve the amended agenda. Mr. Burns seconded the motion, which carried unanimously.

Mr. Holiday informed the Commission that the President of the South Caroling Auctioneers' Association sends his regards and due to a prior engagement was unable to attend today's meeting.

6. Administrator's Remarks – Amy Holleman

Ms. Holleman informed the Commission that the cash balance as of January 2018 was \$1,036,014.98 and the Recovery Fund balance was \$117,121.71.

Ms. Holleman reminded the Commission that the Statement of Economic Interest is due to the State of South Carolina State Ethics Commission on March 30, 2018 by 12:00 noon. There are no exceptions. Fines will be assessed to individuals that do not file on time.

Ms. Holleman reported that the Continuing Education Audit was conducted with a random selection of 10% of licensees, or 84 individuals. Licensees were required to submit, on or before February 23, 2018, evidence of receiving eight hours of continuing education between July 1, 2015 and June 30, 2017. As of date five licensees failed to respond; one licensee is awaiting additional information; one licensee submitted eight hours of unapproved courses for the correct period; and one licensee was on active military duty during the audit period. The remaining selected participants passed the audit. Ms. Holleman stated that in previous years the Commission, as a penalty for non-compliance with the audit, suspended the licensee's license until compliance.

Ms. Holleman informed the Commission that Ms. Erin Baldwin is now the Interim Disciplinary Counsel.

As an update, Ms. Holleman informed the Commission that the Agency has determined that all interested third-party exam providers/vendors must submit a proposal through the bidding process.

The next scheduled exam is March 9, 2018, with 12 applicants.

7. Reports

A. Investigative Review Committee (IRC) Report

Ms. Wolfe asked the Commission to approve the February 20, 2018 IRC report to dismiss Case No. 2017-11.

Mr. Avendano called for a motion to accept the IRC recommendations.

MOTION

Ms. Pinkney made a motion to accept the February 20, 2018 IRC recommendations. Mr. Burns seconded the motion which carried unanimously.

B. Office of Investigation and Enforcement (OIE) Report – January 1, 2017 – August 7, 2017

Ms. Wolfe presented the OIE report as information only: one active investigation and one closed case between January 1, 2018 and February 23, 2018.

C. Office of Disciplinary Counsel Report (ODC) Report as of August 8, 2017

Ms. Baldwin presented the ODC Report as information only: one open case, one pending action, and five closed as of February 27, 2018.

New Business

Application Hearings

8. Approval of Auctioneers' Application

The court reporter recorded this proceeding in order to produce a verbatim transcript should one be necessary.

1. Richard Knight Galloway

Mr. Richard Knight Galloway appeared on his own behalf.

Ms. Holleman informed the Commission that the application is complete and that Mr. Galloway has \$1,355.00 in collection for medical bills. Ms. Holleman reminded the Commission that the Administrator does not have the authority to approve an application with more than \$1,000.00 in collections.

Mr. Galloway stated that, due to a serious illness, he received medical treatment for five years from the same medical provider. Mr. Galloway stated that during his treatment the insurance provider changed, and he immediately informed the medical provider requesting that the provider file all claims with his new primary insurance carrier. However, in 2010, the provider billed the wrong insurance carrier. Mr. Galloway stated he has diligently sought to resolve the issue, but, as of date, the provider has not correctly filed the claim, hence the collection and dispute.

Mr. Galloway asked that the Commission consider the circumstances and approve his application.

The Commission members questioned Mr. Galloway regarding the delinquent medical bill reported in collection. After ensuring there was no further discussion on the matter, Mr. Avendano called for a motion on the disposition of the application.

MOTION

Mr. Holiday made a motion to accept the application and allow Mr. Galloway to take the exam. Ms. Pinkney seconded the motion which carried unanimously.

Old Business

9. Discussion: Continuing Education Audits

Ms. Holleman informed the Commission that 10% of randomly selected audit participants were required to submit evidence of eight hours of continuing education credits received between July 1, 2015 and June 30, 2017.

Ms. Holleman stated that according to the Commission's previous decision the credits must have been received during the time within the two-year licensure period of July 1 through June 30 of odd years. Each licensee attests on the renewal form that continuing education credits were received during the licensing period.

The Commission discussed disciplinary actions for licensees that failed the audit. Ms. Holleman informed the Commission that the letter stated that failure to comply could result in suspension or revocation of license.

Ms. Lewis explained that a licensee found in non-compliance with the required continuing education hours could receive disciplinary actions because the licensee attests on the renewal application of receiving the required hours. [Section 40-6-240 (B)]

Ms. Lewis stated presented two disciplinary options:

1. A. Suspension until compliance which the Commission Chair would sign and staff will reinstate license upon receipt of the continuing education information. This is a disciplinary action. Or

- B. A suspension in conjunction the individual appears before the Commission for an application review hearing, after the submitting the 2019 renewal.
2. The Commission submits the licensee's name as a compliant for disciplinary actions for providing false information on the renewal application. The Investigative Review Committee reviews the compliant in compliance with the perimeters set by the Commission: offer a consent agreement, with is a public reprimand; temporary suspension of license, or any disciplinary action within statute.

Mr. Avendano called for a motion regarding the disposition for the five licensees that did not respond to the continuing education audit.

MOTION

Mr. Marchant made a motion to immediately suspend the license of licensees that did not respond to the continuing audit request. Reinstatement of the license would occur after receipt of evidence that the licensee obtained the required continuing education credits. Mr. Holiday seconded the motion, which carried unanimously.

Mr. Avendano called for a motion regarding the licensee that submitted the incorrect information and the licensee that is awaiting receipt of additional information from the continuing education provider.

MOTION

Mr. Holiday made a motion that the licensees must submit evidence of the eight hours of continuing education received between July 1, 2015 and June 30, 2017 or the documentation of receiving eight hours of continuing education by March 30, 2018. If not received by March 30, 2018 the licensees' license shall be suspended and the license would be reinstated upon receipt documentation of receiving the required eight hours of continuing education. Ms. Pinkney seconded the motion. Mr. Avendano and Mr. Marchant voted in the negative. Mr. Burns, Mr. Holiday, and Ms. Pinkney voted yes. The motion passed with a majority vote.

Discussion: School Audits

Ms. Holleman reminded the Commission that it recently updated the educational criteria. As a result of the change staff requested that the 13 approved auction schools submit a copy of its current curriculum. Seven schools submitted information; four schools promised to send information, and two schools did not respond.

Ms. Holleman asked for guidance regarding reciprocity informing the Commission that 12 of the 13 Auction Schools are located in a state that the Commission has approved reciprocity, and one school is located in South Carolina.

Ms. Lewis stated that the Commission determines approval for reciprocity based on the criteria that the asking state's licensing requirement is substantially equivalent to the State of South Carolina's licensing requirements. Ms. Lewis stated these are written reciprocity agreements approved by both the State of South Carolina Auctioneer's Commission and the asking state's counterpart.

The Commission discussed the matter understanding that it updated the educational criteria to focus on the evolving subjects/changes within the auctioneering industry. The Commission's goal is to ensure that regardless of the geographical location the educational contents continue to meet current industry standards. The Commission, as a by-product of the audit, sought to develop a database listing of approved continuing education instructors. Ms. Holleman reminded the Commission that many of its approved instructors are approved by the National Auctioneers Association; South Carolina Auctioneers Association; South Carolina Association of Realtors and/or National Association of Realtors instructors.

The Commission determined that it should communicate the updated criteria to auction schools located in South Carolina and decided to review Southeastern School of Auctioneering packet at the next Commission meeting.

The Commission decided to table the discussion regarding the school audits.

10. Online Auction School and Reciprocity with Louisiana

Ms. Holleman informed the Commission that a new Auction School has requested permission to open in Louisiana as an online school. Ms. Holleman stated, according to Ms. Sandy Edmonds, Executive Assistant of the Louisiana Auctioneers Licensing Board, that Louisiana Commission did not approve the school as an online school, but is allowing the school to operate as a standard brick and mortar traditional school.

11. Public Comments (no votes taken)

There were no public comments.

12. Executive Session, if needed

13. Return to Public Session

14. Election of Officers

Ms. Holleman opened the floor for nominations for the Chairperson. Mr. Marchant nominated Mr. Victor Julio Avendano. There were no other nominations for the Chairperson. The Commission voted unanimously for Mr. Avendano to serve as Chairperson.

Mr. Avendano opened the floor for nominations for the Vice Chairperson. Mr. Burns nominated Mr. Matthew J. Holiday and Mr. Avendano nominated Mr. Jamison D. Marchant. Mr. Holiday received four votes and Mr. Marchant received one vote. By majority vote, the Commission elected Mr. Matthew J. Holiday as Vice Chairperson.

15. Adjournment

Mr. Avendano called for a motion to adjourn the meeting.

MOTION

Mr. Burns made a motion to adjourn the Commission meeting. Ms. Pinkney seconded the motion, which carried unanimously.

Mr. Avendano, after ensuring there being no further business to discuss, adjourned the March 8, 2018, meeting of the South Carolina Auctioneers' Commission at 12:02 p.m.

The next scheduled Commission meeting for the South Carolina Auctioneers' Commission is May 1, 2018, at 10:00 a.m. at Synergy Business Park, 110 Centerview Drive, Kingstree Building Room 108, Columbia, South Carolina.