

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control _____ Department or Agency: Alabama State Board of Auctioneers

Rule No.: 150-X-1-.10

Rule Title: Duties of Sponsors and Apprentices

_____ New X Amend _____ Repeal _____ Adopt by Reference

Would the absence of the proposed rule significantly
Harm or endanger the public health, welfare, or safety? Yes

Is there a reasonable relationship between the state's
Police power and the protection of the public health,
Safety, or welfare? Yes

Is there another, less restrictive method of regulation
Available that could adequately protect the public? No

Does the proposed rule have the effect of directly or
Indirectly increasing the costs of any goods or services
Involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public
Than the harm that might result from the absence of
The proposed rule? No

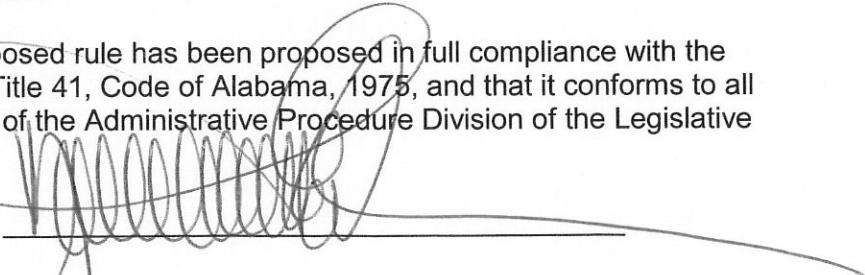
Are all facets of the rulemaking process designed solely
For the purpose of, and so they have, as their primary
Effect, the protection of the public? Yes

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be
accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-
22-23, Code of Alabama, 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the
requirements of Chapter 22, Title 41, Code of Alabama, 1975, and that it conforms to all
applicable filing requirements of the Administrative Procedure Division of the Legislative
Reference Service.

Signature of certifying officer 

Date: January 17, 2014

(DATE FILED)
(STAMP)

Alabama State Board of Auctioneers

NOTICE OF INTENDED ACTION


AGENCY NAME: Alabama State Board of Auctioneers
RULE NO. & TITLE: 150-X-1-.10 Duties of Sponsors and Apprentices
INTENDED ACTION: Amended

SUBSTANCE OF PROPOSED ACTION: The Board proposes to amend this rule to enhance the procedures to be followed in an auctioneer sponsor and apprentice auctioneer partnership. It further defines the responsibilities of both licensees to ensure proper procedures are being followed.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written comments will be received by the Board until 4:00 p.m. on Friday, March 7, 2014. Comments should be directed to Keith E. Warren, Executive Director at 2777 Zelda Road, Montgomery, AL 36106 or via electronic mail at keith@warrenandco.com or via telephone at 334-420-7235.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
Friday, March 7, 2014.

CONTACT PERSON AT AGENCY: Keith E. Warren
Executive Director
2777 Zelda Road
Montgomery, AL 36106
(334) 420-7235



Keith E. Warren, *Executive Director*
Alabama State Board of Auctioneers

Duties of Sponsors and Apprentices.

(a) In order to sponsor an apprentice auctioneer, an auctioneer must have been licensed for at least two (2) years and be in good standing with the Board. Sponsoring auctioneers have agreed to assume responsibility for the acts of their apprentices in the conduction of auction business and sales and have agreed to be present at the sale site and directly supervise any auction sale conducted by said apprentice. In the event a sponsoring auctioneer cannot attend a particular sale, he/she must make a written appointment of a qualified licensed auctioneer to act in his/her stead.

(b) Any apprentice auctioneer so sponsored shall be under the direct supervision of his/her sponsor or under the direct supervision of his/her non-sponsoring employer auctioneer, if acting pursuant to paragraph (g). All sponsoring auctioneers shall reside in the same state as his/her apprentice auctioneer(s).

(c) A sponsoring auctioneer is to be responsible and accountable for the acts of their apprentices in the conduction of auction business and sales and have agreed to be present at the sale site and directly supervise any auction sale conducted by said apprentice. In the event a sponsoring auctioneer cannot attend a particular sale, he/she must make a written appointment of a qualified licensed auctioneer to act in his/her stead on a form approved by the Board.

(d) All sponsoring auctioneers shall reside in the same state as his/her apprentice auctioneer(s).

(e) Any legal document relative to conducting, or offering to conduct, any auction shall be executed by an auctioneer, or by an apprentice auctioneer with the approval of his/her sponsor so noted on the document.

(f) Any advertisement for an auction sale must clearly and conspicuously identify the name and license number of the sponsoring auctioneer and any apprentices who will be conducting the auction business.

(g) An apprentice auctioneer may be employed by a licensed auctioneer who is not designated as the apprentice's sponsor if the following terms and conditions are met:

- (1) The apprentice auctioneer must first notify the Board of such employment on a form approved by the Board. The form shall include the written permission of the apprentice's sponsor and the agreement of the non-sponsoring employer auctioneer to assume the duties of the sponsoring auctioneer during the term of employment. The form shall contain the signatures of the apprentice auctioneer, the sponsoring auctioneer and the non-sponsoring employer auctioneer, which may be provided in counterparts, but which shall constitute a single agreement regarding the employment of the apprentice auctioneer.
- (2) The non-sponsoring employer auctioneer must be currently licensed as an auctioneer in the State of Alabama and must be in good standing with the Board.
- (3) All non-sponsoring employer auctioneers shall reside in the same state as the apprentice auctioneer(s); and
- (4) Any violation of this rule shall subject the apprentice auctioneer, the sponsoring auctioneer and/or the non-sponsoring employer auctioneer to disciplinary action by the Board.

(h) An apprentice:

- (1) may not execute a contract to conduct an auction without the approval of his/her sponsor noted on the document, but he/she may sign a contract in order to indicate he/she procured the client and the auction.
- (2) may not sign a closing statement or have an escrow or trust account in his/her name as a depository for auction proceeds, but he/she may take part in the closing and settlement proceedings of an auction. An apprentice's sponsoring auctioneer is responsible for keeping the account of and dispersing money received at an auction.
- (3) may not call bids at an auction without the presence of his/her sponsor or the sponsor's designee.

(e i) If a sponsoring auctioneer has disassociated and ended his/her sponsorship, said sponsor must notify the State Board in writing within thirty (30) days of the termination of the sponsorship. The license certificate of the terminated apprentice must be returned with the written notice of termination. (34-4-21)

Author: J. O. Blandenburg

Statutory Authority: Code of Ala. 1975, §34-4-21.

History: New Rule: Filed July 12, 1995; effective

August 16, 1995. **Amended:** Filed December 9, 1998; effective

January 13, 1999. **Amended:** Filed January 18, 2002; effective

February 22, 2002. **Amended:** Filed January 29, 2003; effective March 5, 2003. **Amended:** Filed July 24, 2007; effective August 28, 2007.

Ed. Note: Rule .11 was renumbered to .10 as per certification filed July 24, 2007; effective August 28, 2007.