

**MEMORANDUM**

TO: David E. Miran, Jr., Ohio Department of Agriculture

FROM: Sydney King, Regulatory Policy Advocate

DATE: April 2, 2015

RE: **CSI Review – Auctioneer License Requirements (OAC 901:8-2-01, 901:8-2-02, 901:8-2-04, 901:8-2-05, 901:8-2-06, 901:8-2-07, 901:8-2-08, 901:8-2-09 and 901:8-2-10)**

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (R.C.) § 107.54, CSI has reviewed the abovementioned administrative rule and associated Business Impact Analysis (BIA). This memo represents CSI's comments to the Agency as provided for in R.C. § 107.54.

Analysis

The Ohio Department of Agriculture (“ODA”) submitted a rule package containing nine amended rules being reviewed in accordance with the statutory five-year review requirement. The rule package was filed with the CSI Office on January 20, 2015, and the comment period for the rules closed on February 10, 2015.

The rule package provides the licensing procedures for auctioneers, apprentice auctioneers, and auction firms. In addition to the licensing procedures, the rules also regulate contract and record requirements for auctioneers, penalties for violating regulations, and the procedure for making claims against the auctioneer fund. Individuals can file complaints against the Ohio Auction Recovery Fund if a licensee violates statutory and regulatory requirements.

The BIA states the rule package was reviewed by the Ohio Auctioneer Commission which includes members of the impacted industry. The CSI Office followed up inquiring if the Commission was the regulating industry or acts as an advisory group to ODA. According to ODA, the Commission is limited to its statutory authority which includes regulating the standards

for courses of study in auctioneering and administering the oral licensing examination, but also acts an advisory group to ODA. ODA is the licensing authority for auctioneers. ODA stated the rule package was also reviewed by the Ohio Auctioneers Association.

The BIA identifies “all licensed auctioneers, auction firms, and apprentice auctioneers” as the impacted business community. The adverse impacts are the costs associated with compliance. Costs include submission of an application, travelling to a testing location, reporting of information, and licensing and examination fees. Because auctioneers enter into contractual agreements with customers and take possession of valuables, ODA states the rules are necessary to protect consumers.

After reviewing the proposed rules and the BIA, the CSI Office has determined that the purpose of the rule package justifies the adverse impacts to business.

Recommendation

For the reasons explained above, this office does not have any recommendations regarding this rule package.

Conclusion

Based on the above comments, the CSI Office concludes that the Department should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Mark Hamlin, Lt. Governor’s Office