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Proposed Regulation Agency Background Document

Agency name	Auctioneers Board
Virginia Administrative Code (VAC) Chapter citation(s)	18 VAC25-21
VAC Chapter title(s)	Regulations of the Virginia Auctioneers Board
Action title	General Regulatory Reduction Initiative
Date this document prepared	July 24, 2024 (revised September 11, 2024)

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19, the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

The Auctioneers Board (“the Board”) proposes to amend the Regulations of the Virginia Auctioneers Board to (i) update and clarify provisions of the regulation, to include ensuring that the regulation reflects current agency procedures and practices; (ii) ensure the regulation compliments current Virginia law, and is clearly written and understandable; (iii) remove requirements in the regulation that are not necessary to protect the public welfare; and (iv) reduce regulatory burdens, while still protecting the public health, safety, and welfare.

The action proposes significant changes to (i) entry requirements for licensure for individuals and firms (ii) sections pertaining to standards of practice; (iii) sections pertaining to standards of conduct; and (iv) requirements for approval of auction courses.

Acronyms and Definitions

Define all acronyms used in this form, and any technical terms that are not also defined in the “Definitions” section of the regulation.

“APA” means the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia.)

“CE” means continuing education.

“DPOR” means Department of Professional and Occupational Regulation.

“SCC” means State Corporation Commission.

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, petition for rulemaking, periodic review, or board decision). For purposes of executive branch review, “mandate” has the same meaning as defined in the ORM procedures, “a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part.”

This regulatory change is not the result of a mandate.

The initial impetus for this action is Executive Directive Number One (2022), which directs Executive Branch entities under the authority of the Governor “...to initiate regulatory processes to reduce by at least 25 percent the number of regulations not mandated by federal or state statute, in consultation with the Office of the Attorney General, and in a manner consistent with the laws of the Commonwealth.”

During review of the regulation, the Board identified certain requirements as overly burdensome to regulants and unnecessary for the protection of the health, safety, and welfare of the public. The Board has recognized these requirements and seeks to make amendments while retaining requirements that ensure minimum competency and continue to provide protection to consumers and the public.

Legal Basis

Identify (1) the promulgating agency, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia and Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating agency to regulate this specific subject or program, as well as a reference to the agency’s overall regulatory authority.

The promulgating agency is the Auctioneers Board. Chapter 6 of Title 54.1 of the Code of Virginia enumerates the legal authority for the Board to administer licensure of auctioneers and auction firms.

Section 54.1-602 of the Code of Virginia states, in part:

B. The Board shall have the following authority and responsibilities:

1. Establish regulations to obtain and retain licensure of auctioneers.

2. Make all case decisions regarding eligibility for initial licensure and renewal thereof.
3. To fine, suspend, deny renewal or revoke for cause, as defined in regulation, any license.
4. To examine auctioneers for licensure.

In addition, § 54.1-201 of the Code of Virginia provides, in part:

A. The powers and duties of regulatory boards shall be as follows:

1. To establish the qualifications of applicants for certification or licensure by any such board, provided that all qualifications shall be necessary to ensure either competence or integrity to engage in such profession or occupation.
5. To promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) necessary to assure continued competency, to prevent deceptive or misleading practices by practitioners and to effectively administer the regulatory system administered by the regulatory board. The regulations shall not be in conflict with the purposes and intent of this chapter or of Chapters 1 (§ 54.1-100 et seq.) and 3 (§ 54.1-300 et seq.) of this title.

Purpose

Explain the need for the regulatory change, including a description of: (1) the rationale or justification, (2) the specific reasons the regulatory change is essential to protect the health, safety or welfare of citizens, and (3) the goals of the regulatory change and the problems it is intended to solve.

The General Assembly has charged the Board with the responsibility for regulating individuals and firms that conduct or offer to conduct an auction by requiring that such individuals and firms obtain a license to sell at auction.

The offering and conducting of auctions by those who lack sufficient expertise, competence, integrity, and financial responsibility poses a risk to the public health, safety, and welfare. Risks include (i) financial harm to consumers as the result of an auction that is not properly conducted; and (ii) harm to consumers as a result of those who lack the character and integrity of to perform the duties of an auctioneer.

The goals of this regulatory action are:

1. Updating and clarifying the provisions of the regulation. This includes ensuring the regulation reflects current agency procedures and practices;
2. Ensuring the regulation complements current Virginia law, and is clearly written and understandable;
3. Remove requirements in the regulation that are not necessary to protect the public welfare; and
4. Reduction of regulatory burdens, while still protecting the public health, safety, and welfare.

Substance

Briefly identify and explain the new substantive provisions, the substantive changes to existing sections, or both. A more detailed discussion is provided in the "Detail of Changes" section below.

1. Section -20 is revised to remove regulatory provisions that that an applicant must complete a course of study at a Board-approved auctioneering school and pass a license examination. These requirements are established in § 54.1-603 of the Code of Virginia.
2. Entry requirements in section -20 pertaining to prior criminal history are significantly revised. Revisions include providing that an applicant disclose (i) non-marijuana misdemeanors involving moral turpitude, sexual offenses, drug distribution, or physical injury within three (3) years of the date of application; and (ii) all felony convictions within 10 years of the date of application. This change reduces the “look back” period for prior criminal convictions that may be potentially disqualifying to an applicant.
3. Entry requirements in section -20 pertaining to prior disciplinary history are significantly revised. The revised provisions require that an applicant be not found by any regulatory board or agency to have violated any applicable law or regulation. The revised provisions allow for the Board to consider prior regulatory discipline other than discipline related to the practice of auctioneering.
4. Section -40 is revised to (i) remove a provision that nonresident applicants file the irrevocable consent that service of process upon the DPOR Director is valid and binding as the service of process upon the applicant, which is provided for in § 54.1-603 of the Code of Virginia; and (ii) streamline provisions regarding qualifications for licensure by reciprocity.
5. Application procedures in section -50 are revised to reflect current agency practice. The provisions in the section regarding prior criminal history and prior disciplinary action are revised to be consistent with proposed changes to section -20.
6. Section -60, which provides for the content for the license examination, will be repealed. This change is intended to reflect current agency practice, as the Board refers the auctioneer examination to a company that supplies the examination and does not determine the requirements of the examination.
7. Section -80 is revised to remove unnecessary provisions regarding mailing of a renewal notice.
8. Section -90 is revised to remove unnecessary provisions regarding the expiration of licenses.
9. Section -100, which provides for advertising standards, is repealed. The requirements in this section are either already provided for in § 54.1-607 of the Code of Virginia, or are not necessary to protect the public health, safety, and welfare.
10. Section -110 is revised to require that an auction contract include (i) the email address and website of the auctioneer entering into the contract; and (ii) the email address of the property owner.
11. Section -110 is revised to clarify the current standard regarding contract provisions for accounting of items sold.
12. Section -110 is revised to remove an unnecessary requirement that a contract include a statement that an owner has read and accepted to the terms of the contract.
13. Section -130, which establishes requirements for display of license, is repealed as these requirements are not necessary to protect the health, safety, and welfare of the public.
14. Section -140 is revised to replace the term “clerk sheets” with “itemized accounting of all items auctioned” when detailing documents that must be provided to an owner upon completion of the licensee’s services.
15. Section -140 is revised to incorporate recordkeeping requirements currently located in section -160. These requirements are revised, including to reduce the record retention period from four (4) years to three (3) years.
16. Section -150 is revised to (i) lessen the restrictiveness of the timeframe for placing proceeds of a personal property auction in escrow; (ii) remove the provision that contingency accounts established to guarantee checks accepted on the owner’s behalf will not be considered commingling of funds; (iii) remove the provision that there must be periodic withdrawals from an escrow account containing funds that ultimately belong to a licensee; and (iv) remove requirements for written disclosures in a contract when funds are placed in an interest-bearing account.
17. Section 160, which provides for recordkeeping requirements, is repealed. The requirements in this section are relocated to section -140 and revised.
18. Section -180 is revised to remove the prohibited act for not demonstrating reasonable care, judgment, or application of the licensee’s knowledge and ability in the performance of auctioneering duties.

- 19. Section -190 is revised to incorporate the requirements currently in sections (i) -200 (Requirements for course approval); (ii) -210 (Amendments and changes); and (iii) -220 (Periodic requalification for continued course approval). Sections -200, -210, and -220 are repealed.
- 20. The qualifications for school instructors in section -190 are revised to reduce the stringency of the current requirements in the regulation. As revised, a school must provide the names of Virginia licensed auctioneer instructors and confirmation in the various aspects of a minimum of 50 auctions.

Issues

Identify the issues associated with the regulatory change, including: 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions; 2) the primary advantages and disadvantages to the agency or the Commonwealth; and 3) other pertinent matters of interest to the regulated community, government officials, and the public. If there are no disadvantages to the public or the Commonwealth, include a specific statement to that effect.

The primary advantages to the public and the regulated community are that the amendments to the regulation will:

- 1. Provide needed updating and clarification;
- 2. Reduce regulatory burdens, while still protecting the public health, safety, and welfare; and
- 3. Remove requirements in the regulation that are not necessary to protect the public welfare.

There are no identifiable disadvantages to the public. It is not anticipated that the regulatory change will create any substantial disadvantages to the regulated community.

There are no identifiable disadvantages to the Commonwealth.

Requirements More Restrictive than Federal

Identify and describe any requirement of the regulatory change which is more restrictive than applicable federal requirements. Include a specific citation for each applicable federal requirement, and a rationale for the need for the more restrictive requirements. If there are no applicable federal requirements, or no requirements that exceed applicable federal requirements, include a specific statement to that effect.

There are no applicable federal requirements.

Agencies, Localities, and Other Entities Particularly Affected

Consistent with § 2.2-4007.04 of the Code of Virginia, identify any other state agencies, localities, or other entities particularly affected by the regulatory change. Other entities could include local partners such as tribal governments, school boards, community services boards, and similar regional organizations. "Particularly affected" are those that are likely to bear any identified disproportionate material impact which would not be experienced by other agencies, localities, or entities. "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulation or regulatory change are most likely to occur. If no agency, locality, or entity is particularly affected, include a specific statement to that effect.

Other State Agencies Particularly Affected

No other state agencies are particularly affected by this regulatory change.

Localities Particularly Affected

No localities are particularly affected by this regulatory change.

Other Entities Particularly Affected

No other entities are particularly affected by this regulatory change.

Economic Impact

Consistent with § 2.2-4007.04 of the Code of Virginia, identify all specific economic impacts (costs and/or benefits) anticipated to result from the regulatory change. When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is the proposed change versus the status quo.

The Board is amending the governing of the auctioneers to conduct a general review of regulations and suggested changes that include removing language already in statute, updating old language, and removing unneeded language. The benefits of the review include the reduction of regulations that are not necessary to protect the public health, safety, and welfare, or are not necessary to effectively administer the licensure program. There is no direct economic or fiscal impact to other state agencies.

All costs incurred in support of board activities and regulatory operations are paid by the Department of Professional and Occupational Regulation (DPOR) and funded through fees paid by applicants and regulants. All boards within DPOR must operate within the Code provisions of the Callahan Act (54.1-113), and the general provisions of 54.1-201. Each regulatory program's revenues must be adequate to support both its direct costs and a proportional share of agency operating costs. DPOR allocates costs to its regulatory programs based on consistent, equitable, and cost-effective methodologies. The Board has no other source of income.

Impact on State Agencies

<p><i>For your agency:</i> projected costs, savings, fees, or revenues resulting from the regulatory change, including: a) fund source / fund detail; b) delineation of one-time versus on-going expenditures; and c) whether any costs or revenue loss can be absorbed within existing resources.</p>	<p>There are no savings and no changes to costs, fees, or revenues of DPOR resulting from this regulatory change.</p>
<p><i>For other state agencies:</i> projected costs, savings, fees, or revenues resulting from the regulatory change, including a delineation of one-time versus on-going expenditures.</p>	<p>There are no savings and no changes to costs, fees, or revenues of other state agencies resulting from this regulatory change.</p>
<p><i>For all agencies:</i> Benefits the regulatory change is designed to produce.</p>	<p>Reductions of regulations that are not necessary to protect the public health, safety, and welfare; or are not necessary to effectively administer the licensure program.</p>

Impact on Localities

If this analysis has been reported on the ORM Economic Impact form, indicate the tables (1a or 2) on which it was reported. Information provided on that form need not be repeated here.

Projected costs, savings, fees, or revenues resulting from the regulatory change.	There are no anticipated costs to localities because of the regulatory changes. There are no additional requirements. Language was just updated or removed if already in statute.
Benefits the regulatory change is designed to produce.	None.

Impact on Other Entities

If this analysis has been reported on the ORM Economic Impact form, indicate the tables (1a, 3, or 4) on which it was reported. Information provided on that form need not be repeated here.

Description of the individuals, businesses, or other entities likely to be affected by the regulatory change. If no other entities will be affected, include a specific statement to that effect.	None.
Agency's best estimate of the number of such entities that will be affected. Include an estimate of the number of small businesses affected. Small business means a business entity, including its affiliates, that: a) is independently owned and operated, and; b) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.	As of July 1, 2023, there are 984 Auctioneers and 230 Auctioneer Firms. Most of these firms would qualify as a small business.
All projected costs for affected individuals, businesses, or other entities resulting from the regulatory change. Be specific and include all costs including, but not limited to: a) projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses; b) specify any costs related to the development of real estate for commercial or residential purposes that are a consequence of the regulatory change; c) fees; d) purchases of equipment or services; and e) time required to comply with the requirements.	There are no anticipated costs to affected individuals, businesses, or other entities because of the regulatory changes. There are no additional requirements. The language was just updated or removed if already in statute.
Benefits the regulatory change is designed to produce.	Reduction of regulations that are not necessary to protect the public, health, safety, and welfare, or are not necessary to effectively administer the licensure program.

Alternatives to Regulation

Describe any viable alternatives to the regulatory change that were considered, and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the regulatory change. Also, include discussion of less intrusive or less costly alternatives for small businesses, as defined in § 2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulatory change.

Licenses issued under this regulation are issued to both individuals and business entities. Many licensed business entities are likely to be business entities that meet the definition of "small business" as defined in § 2.2-4007.1 of the Code of Virginia. In addition, many individual licensees are likely to be owners or employees of business entities that fall within the meaning of "small business."

No less intrusive or less costly alternatives to achieve the purpose of the regulatory change were identified.

If this analysis has been reported on the ORM Economic Impact form, indicate the tables on which it was reported. Information provided on that form need not be repeated here.

Regulatory Flexibility Analysis

Consistent with § 2.2-4007.1 B of the Code of Virginia, describe the agency's analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum: 1) establishing less stringent compliance or reporting requirements; 2) establishing less stringent schedules or deadlines for compliance or reporting requirements; 3) consolidation or simplification of compliance or reporting requirements; 4) establishing performance standards for small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the regulatory change.

Licenses issued under this regulation are issued to both individuals and business entities. Many licensed business entities are likely to be business entities that meet the definition of "small business" as defined in § 2.2-4007.1 of the Code of Virginia. In addition, many individual licensees are likely to be owners or employees of business entities that fall within the meaning of "small business."

As mandated by the General Assembly, the Board protects the public health, safety, and welfare, in part, by establishing through regulation the minimum qualifications for entry into the profession and minimum standards to assure continued competency.

These proposed amendments do not pose an unreasonable administrative or financial burden. The enabling statutes establishing the licensing programs covered by this regulation provide no exemption for small businesses; therefore, there are no such exemptions contained in the proposed change.

If this analysis has been reported on the ORM Economic Impact form, indicate the tables on which it was reported. Information provided on that form need not be repeated here.

Periodic Review and Small Business Impact Review Report of Findings

If you are using this form to report the result of a periodic review/small business impact review that is being conducted as part of this regulatory action, and was announced during the NOIRA stage, indicate whether the regulatory change meets the criteria set out in EO 19 and the ORM procedures, e.g., is necessary for the protection of public health, safety, and welfare; minimizes the economic impact on small businesses consistent with the stated objectives of applicable law; and is clearly written and easily understandable. In addition, as required by § 2.2-4007.1 E and F of the Code of Virginia, discuss the agency's consideration of: (1) the continued need for the regulation; (2) the nature of complaints or comments received concerning the regulation; (3) the complexity of the regulation; (4) the extent to which the regulation overlaps, duplicates, or conflicts with federal or state law or regulation; and (5) the length of time since the regulation has been evaluated or the degree to which technology, economic

conditions, or other factors have changed in the area affected by the regulation. Also, discuss why the agency’s decision, consistent with applicable law, will minimize the economic impact of regulations on small businesses.

This action is not being used to conduct a periodic review or small business impact review.

Public Comment

Summarize all comments received during the public comment period following the publication of the previous stage, and provide the agency’s response. Include all comments submitted: including those received on Town Hall, in a public hearing, or submitted directly to the agency. If no comment was received, enter a specific statement to that effect.

Committer	Comment	Agency response
Mark Mast	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
Jim Weigl Blue Box Auction Gallery	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
Mark W. Craig Mark W. Craig Auctions	<ol style="list-style-type: none"> 1. The commenter opposed repealing the language that already exists in 18VAC25-21-40, -100, -230, -250. 2. The commenter held his comment on the rewording and clarification of language in 18VAC25-21-20, -50, -110, -140, -150, -190 until proposed language is available. 3. The commenter questioned the repeal of 18VAC25-21-60. 4. The commenter held his comment on 18VAC25-21-80, -90 until proposed language is available. 5. The commenter opposed the repeal of 18VAC25-21-130, -180, -240, -270, -280. 6. The commenter held his comment on 18VAC25-21-160 until proposed language is available. 	<p>The Board will take this information into consideration at the proposed stage.</p> <p>Section -40 is proposed to be revised to repeal some provisions but is not repealed entirely.</p> <p>Section -60 is proposed to be repealed.</p> <p>Section -100 is proposed to be repealed as it duplicates statutory requirements.</p> <p>Section -130 is proposed to be repealed.</p> <p>Section -180 is proposed to be revised to remove a prohibited act.</p> <p>Sections -230, -240, -250, -270, or -280 are not proposed to be repealed.</p>

		Additional information on proposed changes is included with the filing of the proposed regulation.
Wendy Grimm	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
Joshua Puffenbarger	The commenter opposed the deregulation of auctioneers. The commenter cited public protection benefits to licensure and the potential for auctioneers to be subject to other regulations, such as real estate licensure, in order to conduct business.	The Board's action does not propose deregulation of auctioneers. Deregulation of auctioneers may only occur through legislation adopted by the General Assembly and approved by the Governor.
Linford Berry	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
William Austin Double A Auction and Realty	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
Jarrod Hines CAI, CES, Owner / President Farmer Auctions; Director, Virginia Auctioneers Association; Director, West Virginia Auctioneers Association, Licensed Realtor	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
C. Shields Jones, Jr.	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the

	Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.
Rita S. Smith, Auctioneer	The commenter opposed Senate Bill 1480 which was an agency bill introduced during the 2023 General Assembly Session that proposed to deregulate certain professions and occupations, which included auctioneers.	This legislative proposal to deregulate certain professions including auctioneers was not approved by the General Assembly in the 2023 session. Legislative items are not in the purview of the Board, and comments regarding legislation should be directed to your state senator or delegate.

Public Participation

Indicate how the public should contact the agency to submit comments on this regulation, and whether a public hearing will be held, by completing the text below.

The Auctioneers Board is providing an opportunity for comments on this regulatory proposal, including but not limited to (i) the costs and benefits of the regulatory proposal, (ii) any alternative approaches, (iii) the potential impacts of the regulation, and (iv) the agency's regulatory flexibility analysis stated in that section of this background document.

Anyone wishing to submit written comments for the public comment file may do so through the Public Comment Forums feature of the Virginia Regulatory Town Hall web site at: <https://townhall.virginia.gov>.

Comments may also be submitted by mail, email or fax to:

Kathleen R. Nosbisch
 Executive Director
 9960 Mayland Drive, Suite 400
 Richmond, VA 23233
 Auctioneers@dpor.virginia.gov
 (866) 465-6206 (fax)

In order to be considered, comments must be received by 11:59 pm on the last day of the public comment period.

A public hearing will not be held following the publication of this stage of this regulatory action.

Detail of Changes

List all regulatory changes and the consequences of the changes. Explain the new requirements and what they mean rather than merely quoting the text of the regulation. For example, describe the intent of the language and the expected impact. Describe the difference between existing requirement(s) and/or agency practice(s) and what is being proposed in this regulatory change. Use all tables that apply, but delete inapplicable tables.

If an existing VAC Chapter(s) is being amended or repealed, use Table 1 to describe the changes between the existing VAC Chapter(s) and the proposed regulation. If the existing VAC Chapter(s) or

sections are being repealed and replaced, ensure Table 1 clearly shows both the current number and the new number for each repealed section and the replacement section.

Table 1: Changes to Existing VAC Chapter(s)

Current chapter-section number	New chapter-section number, if applicable	Current requirements in VAC	Change, intent, rationale, and likely impact of new requirements
N/A	N/A	The title of the regulation is "Regulations of the Virginia Auctioneers Board."	<p>The title of the regulation is revised to reflect "Regulations of the Auctioneers Board."</p> <p>The change revised the title of the regulation to reflect the correct name of the Board as established in the Code of Virginia.</p>
21-10	N/A	Provides for definitions that are necessary to make the regulation clear and understandable.	A minor stylistic change is made.
21-20	N/A	<p>This section establishes the entry requirements for auctioneers.</p> <p>All persons or firms that conduct auctions or offer their services to sell at auction are required to file a licensure application and pay a fee to the Board.</p> <p>Applicants for individual licensure must:</p> <ul style="list-style-type: none"> • Be at least 18 years of age; • Successfully complete a course of study at a school of auctioneering approved by the Board; • Pass a license examination administered by the Board or its designee; • Not been previously found by any regulatory board or agency to have violated any applicable laws or regulations in the course of performing auctioneer duties; and 	<p>The section catchline is revised to reflect "Licensure by examination."</p> <p>The section is revised to remove provisions that an applicant must complete a course of study at a Board-approved auctioneering school and pass a license examination. These requirements are established in § 54.1-603 of the Code of Virginia. The section is revised to replace these provisions with a reference to the applicable code section.</p> <p>The provisions regarding prior disciplinary action and criminal convictions are significantly revised.</p> <p>The revised provisions require an applicant to disclose the following criminal history:</p> <ul style="list-style-type: none"> • Non-marijuana misdemeanors involving moral turpitude, sexual offenses, drug distribution, or physical injury within three (3) years of the date of application; and • All felony convictions within 10 years of the date of application. <p>Any plea of <i>nolo contendere</i> is considered a conviction. The record of conviction received from a court will be</p>

		<ul style="list-style-type: none"> • Not have been convicted or found guilty of a non-marijuana misdemeanor involving moral turpitude or any felony. <p>The section further provides that any plea of <i>nolo contendere</i> is considered a conviction. A certified copy of a final order, decree, or case decision by a court or regulatory agency with the lawful authority to issue such order is admissible as <i>prima facie</i> evidence of such conviction or discipline.</p> <p>Applicants that do not meet entry requirements may be approved for licensure following consideration by the Board in accordance with § 54.1-204 of the Code of Virginia.</p>	<p>accepted as <i>prima facie</i> evidence of a conviction or finding of guilt. The Board, in its discretion, may deny licensure to any applicant in accordance with § 54.1-204 of the Code of Virginia.</p> <p>The revised criminal history provisions would potentially allow more individuals with a prior criminal history to qualify for licensure without requiring the Board to review and approve the application.</p> <p>The revised disciplinary action provisions require that an applicant be not found by any regulatory board or agency to have violated any applicable law or regulation. A certified copy of a final order, decree, or case decision by a court, regulatory board, or agency with the lawful authority to issue such order will be admissible as <i>prima facie</i> evidence of such conviction or discipline.</p> <p>The revised provisions allow for the Board to consider prior regulatory discipline other than discipline related to the practice of auctioneering.</p> <p>A minor stylistic change is to replace “shall” with “must” is made.</p>
21-30	N/A	<p>This section provides for the bonding requirement for applicants.</p> <p>Applicants must submit evidence that a surety bond has been obtained. The bond must meet the following requirements:</p> <ul style="list-style-type: none"> • Be executed by a surety company authorized to do business in Virginia; • A minimum amount of \$10,000; • Commence no later than the effective date of the license and expire no sooner than the expiration date of the license. <p>Proof of current bond must be submitted in order to obtain or renew a license.</p>	<p>Minor stylistic changes to replace “shall” with “must” are made.</p>

<p>21-40</p>	<p>N/A</p>	<p>This section provides for licensure by reciprocity.</p> <p>The section provides that the Board may issue a license to any individual applicant holding a license in any state, territory, or possession of the United States with whom the Board has established an act of reciprocity provided the requirements and standards under which the license was issued are substantially equivalent to those established by the Board.</p> <p>An applicant for licensure by reciprocity must be currently licensed in the state in which reciprocity is established with Virginia.</p> <p>The Board may deny an application if the licensed auctioneer has been:</p> <ul style="list-style-type: none"> • Found guilty by any regulatory board or agency to have violated any applicable laws or regulations in the course of performing auctioneering duties; or • Found guilty by a court of any non-marijuana misdemeanor, other criminal offense, or material misrepresentation in the course of performing auctioneer duties. <p>The section further provides that a certified copy of a final order, decree, or case decision by a court or regulatory agency with the lawful authority to issue such order is admissible as prima facie evidence of such conviction or discipline.</p> <p>The section also provides that nonresident applicants</p>	<p>The section is revised to clarify that the Board may issue a license by reciprocity to individuals provided that the requirements and standards under which the original license was issued are equivalent established in section -20 (entry standards for individuals).</p> <p>The section is revised to remove the provisions regarding the grounds for denial of a reciprocity application. These provisions are replaced by the reference to section -20.</p> <p>The section is revised to remove the provision that nonresident applicants file the irrevocable consent that service of process upon the DPOR Director is valid and binding as the service of process upon the applicant. This requirement is provided for in § 54.1-603 of the Code of Virginia.</p>
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		<p>must file with the Board an irrevocable consent that service of process upon the DPOR Director is valid and binding as the service of process upon the applicant.</p>	
<p>21-50</p>	<p>N/A</p>	<p>This section provides for application procedures and specific requirements for firms.</p> <p>The section provides that applicants for licensure submit a fully-executed application with the appropriate fee.</p> <p>Applicants will be notified if their application is incomplete.</p> <p>Applications for licensure by examination must comply with the requirements of the Board’s designee regarding the deadline for submission of the application to the Board’s designee.</p> <p>Applications will be reviewed by Board staff or a designee to determine eligibility for examination and licensure within 30 days of receipt by DPOR. However, failure to review an application within 30 days of receipt does not imply or result in automatic approval of the application. No applicant will be approved for licensure unless all entry requirements are met.</p> <p>A corporation, limited liability company, or other entity must include copies of (i) the certificate of incorporation or certificate of organization issued by the SCC; (ii) articles; and (iii) bylaws.</p> <p>Foreign business entities must include copies of the certificate of authority to conduct business issued by</p>	<p>The section is revised to replace the requirement that an applicant submit a fully executed application with a requirement that an applicant submit a completed application. This change is intended to reflect current agency practice and make the application procedures consistent with those in other DPOR regulations.</p> <p>The section is revised to remove the provision that applicants for licensure by examination comply with the requirements of the Board’s designee regarding the deadline for submission of the application to the Board’s designee.</p> <p>The section is revised to remove the provisions regarding the timeframe for review of an application by Board staff.</p> <p>The section is revised to remove the provision that an applicant will not be approved for licensure unless all entry requirements are met.</p> <p>The provisions regarding prior disciplinary action and criminal convictions are significantly revised.</p> <p>The revised provisions require an applicant to disclose the following criminal history:</p> <ul style="list-style-type: none"> • Non-marijuana misdemeanors involving moral turpitude, sexual offenses, drug distribution, or physical injury within three (3) years of the date of application; and • All felony convictions within 10 years of the date of application. <p>Any plea of <i>nolo contendere</i> is considered a conviction. The record of conviction received from a court will be accepted as <i>prima facie</i> evidence of a conviction or finding of guilt. The Board, in its discretion, may deny licensure to</p>

		<p>the SCC in lieu of a certificate of incorporation or organization.</p> <p>A firm applicant must:</p> <ul style="list-style-type: none"> • Not been previously found by any regulatory board or agency to have violated any applicable laws or regulations in the course of performing auctioneer duties; and • Not have been convicted or found guilty of a non-marijuana misdemeanor involving moral turpitude or any felony. <p>The section further provides that any plea of <i>nolo contendere</i> is considered a conviction. A certified copy of a final order, decree, or case decision by a court or regulatory agency with the lawful authority to issue such order is admissible as <i>prima facie</i> evidence of such conviction or discipline.</p> <p>Firms that do not meet entry requirements may be approved for licensure following consideration by the Board in accordance with § 54.1-204 of the Code of Virginia.</p>	<p>any applicant in accordance with § 54.1-204 of the Code of Virginia.</p> <p>The revised criminal history provisions would potentially allow more individuals with a prior criminal history to qualify for licensure without requiring the Board to review and approve the application.</p> <p>The revised disciplinary action provisions require that an applicant be not found by any regulatory board or agency to have violated any applicable law or regulation.</p> <p>The revised provisions allow for the Board to consider prior regulatory discipline other than discipline related to the practice of auctioneering.</p> <p>Minor stylistic changes, including to replace “shall” with “must” or “will” where appropriate are made.</p>
21-60	N/A	<p>This section provides for the content for the license examination.</p> <p>The section requires that the examination test an applicant’s knowledge of the following:</p> <ul style="list-style-type: none"> • Fundamentals of auctioneering; • Elementary principles of real estate; • Preparation of contracts; • Advertising; 	<p>This section will be repealed.</p> <p>The Board currently refers the auctioneer examination to a company that supplies the examination. The Board does not determine the requirements of the examination. The change will update the regulation to reflect current agency practice.</p>

		<ul style="list-style-type: none"> • Final settlement statements; • Arithmetic and percentages; • Ethics; and • Laws and regulations related to auctioneering. 	
21-70	N/A	<p>This section provides for licensing fees.</p> <p>The establishes the schedule of fees for initial licensure, renewal of licenses, late renewal of licenses, and reinstatement of licenses.</p> <p>The section also provides that fees are non-refundable and will not be prorated.</p> <p>The section further provides that the fee for examination is subject to charges contracting by an outside vendor. These contracts are competitively negotiated and bargained for in accordance with the Virginia Public Procurement Act. The Board may adjust fees charged to candidates in accordance with the contract.</p>	A minor stylistic change to replace “shall” with “will” is made.
21-80	N/A	<p>This section provides for the expiration of licenses and renewal procedures.</p> <p>The section provides that licenses are issued for a two-year period.</p> <p>The Board will mail a renewal notice to the licensee at the licensee’s last known mailing address. The notice outlines the amount due and the procedure for renewal.</p> <p>Failure of a licensee to receive a renewal notice does not relieve the licensee of the obligation to renew.</p>	<p>The section is revised to remove the provisions regarding mailing of the renewal notice. These provisions are not necessary.</p> <p>Minor stylistic changes to replace “shall” with “will” are made.</p>

		<p>A licensee is required to renew the license by submitting to the Board:</p> <ul style="list-style-type: none"> • The proper fee made payable to the Treasurer of Virginia; and • Verification of current surety bond coverage as required by section -30 of the regulation. <p>By renewing a license, the licensee certifies the licensee is in continued compliance with:</p> <ul style="list-style-type: none"> • The Standards of Practice in Part IV of the regulation; • The Standards of Conduct in Part V of the regulation; and • The Continuing Education Requirements in Part VII of the regulation. 	
21-90	N/A	<p>This section provides for late renewal and reinstate of licenses.</p> <p>A licensee that fails to renew a license within 30 days after the license expires must pay a late renewal fee.</p> <p>The date that the complete renewal application, including all fees and documentation, is received by the Board or its agent will determine whether a license will be renewed without penalty or will be subject to reinstatement requirements.</p> <p>A licensee that fails to renew a license within six (6) calendar months after the expiration date after the expiration date of the license must apply for reinstatement of the license.</p>	<p>The section is revised to remove the provisions that specify licenses expire 24 months from the last day of the month in which the license was issued, and that expiration date will be included on the license. These provisions are unnecessary.</p> <p>Minor stylistic changes, including to replace “shall” with “must” or “will” where appropriate are made.</p>

		<p>An applicant for reinstatement must submit a reinstatement application and fee. An applicant whose license has been expired for more than six months, but less than two years must have the application evaluated by the Board to determine if the applicant meets renewal requirements. Individuals who are licensed must provide evidence of having completed CE.</p> <p>If a license has been expired for two or more years, the applicant must submit a new application and meet current entry requirements in effect at the time the application is received by the Board. The applicant is required to submit the examination fee and sit for and pass the license examination or meet the requirements for licensure by reciprocity in section -40.</p> <p>Any auctioneering activity conducted between the time the previous license expired and the effective date of the new license will be considered unlicensed activity.</p> <p>The section provides that the Board is not divested of its authority to discipline a licensee for a violation of the law or regulation during the period of time for which the licensee was licensed.</p> <p>The section further provides that licenses issued under the regulation expire 24 months from the last day of the month in which the license was issued. The expiration date of the license will be included on the license.</p>	
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<p>21-100</p>	<p>N/A</p>	<p>This section provides for advertising standards.</p> <p>The section requires that all advertising be truthful; and that advertising contain no false, misleading, or deceptive statements with respect to:</p> <ul style="list-style-type: none"> • The types or conditions of merchandise offered at auction; • Why merchandise is being sold; • Who has ownership of the merchandise; • Where the merchandise was obtained; or • The terms and conditions of the auction and sale. <p>The section also provides that all advertisements relating to an auction must clearly display:</p> <ul style="list-style-type: none"> • The name of the auctioneer or auction firm; and • The Virginia license number of the auctioneer or auction firm. 	<p>This section will be repealed.</p> <p>The standards regarding the truthfulness of advertising in subsection A of the section are currently provided for in § 54.1-607 of the Code of Virginia.</p> <p>The requirements for display of name and license number in subsection B of the section are unnecessary to protect the health, safety, and welfare of the public.</p>
<p>21-110</p>	<p>N/A</p>	<p>This section provides for standards for auction contracts.</p> <p>The section requires that when a licensee agrees to conduct an auction, the licensee draw a contract setting forth the particulars of the terms and conditions under which the licensee received the real or personal property for auction and the particulars for the disbursement of proceeds.</p> <p>A contract for auction must include the following:</p> <ul style="list-style-type: none"> • A detailed list of the real or personal property 	<p>The requirement in subdivision A 7 regarding statement on the accounting of items sold is revised to provide that the contract include a statement indicating the auctioneer will maintain an itemized accounting of all items sold on a daily basis to be made available upon request to the owner. This change is made to clarify the current standard.</p> <p>The requirement in subdivision A 8 that the contract include a statement above the owner's signature line acknowledging agreement to the terms of the contract is removed. This requirement is unnecessary to protect the health, safety, and welfare of the public.</p> <p>Minor stylistic changes, including to replace "shall" with "must" are made.</p>

		<p>received for sale with adequate descriptions of the property so that personal property of material value can be identified.</p> <ul style="list-style-type: none">○ If a list cannot be made at the time of contract signing, and the owner of the items agrees in writing to waive this requirement in an addendum to the contract, then a list must be made a part of the contract and attached prior to auction of the property for that day.○ If the licensee enters into a contract to sell items on a consignment basis where the total value of all items to be sold at any one auction does not exceed \$500, then the requirement for a detailed list of property is not applicable. <ul style="list-style-type: none">• The name, address, telephone number, and license number of the licensee;• The name, address, and telephone number of the property owner;• The date, time, and place of the auction at which the property is scheduled to be auctioned; and the date by which the unsold property is to be returned or otherwise disposed of in accordance with the contract;• The fee or percentage of gross sales the licensee will charge the owner and what services are included in the fee, such as preparation, travel, labor, advertising, and	
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		<p>any other auction related expenses;</p> <ul style="list-style-type: none"> • The date the owner is to be paid; and who is responsible for disbursing the funds; • A statement that the clerk sheets, or other evidence to properly account for all items sold will be given or made available for inspection by the owner on a daily basis; and • A statement above the owner’s signature line that states “I have read and accepted the terms of this contract.” <p>The section also provides that a legible executed copy of the contract and any addendums be given to the owner at the time of execution.</p>	
21-120	N/A	<p>This section provides for standards for conduct at auctions.</p> <p>The section prohibits attempting to escalate bidding through false bids or through collusion with another (shills).</p> <p>The section prohibits a licensee from bidding on the owner’s behalf nor knowingly accept a bid made by the owner or on the owner’s behalf unless notice has been given that liberty for such bidding has been reserved.</p> <p>The section further prohibits a licensee from bidding on the licensee’s own behalf or knowingly accepting a bid on the licensee’s behalf unless notice has been given that such bidding will be permitted.</p>	<p>Minor stylistic changes, including to replace “shall” with “must” or “will” where appropriate are made.</p>

21-130	N/A	<p>This section establishes requirements for display of license.</p> <p>Auctioneers must carry their pocket cards on their person and produce them upon request.</p> <p>Auction firms must display their license in a conspicuous location at the firm’s address of record. An address of record cannot be a post office box.</p>	<p>This section will be repealed.</p> <p>The requirements of this section are not necessary to protect the health, safety, and welfare of the public.</p>
21-140	N/A	<p>This section requires each owner, upon completion of the licensee’s service, be given legible copies of bills of sale, clerk sheets, consignment sheets, settlement papers, balance sheets, or other evidence to properly account for all items sold at auction.</p>	<p>The section is divided into subsections.</p> <p>Subsection A provides for the items that must be given to an owner following completion of the licensee’s services. The term “clerk sheets” is replaced with “itemized accounting of all items auctioned.”</p> <p>Subsection B incorporates recordkeeping requirements currently in section -160. The recordkeeping standard is revised to provide that a licensee must keep for a period of three (3) years from the date of settlement:</p> <ul style="list-style-type: none"> • All items specified in subsection A of the section; • The contract; and • Buyer records. <p>Business records must be available for inspection by the Board or its agents upon request.</p> <p>The revised recordkeeping provisions reduce the record retention period from four (4) years to three (3) years.</p> <p>Minor stylistic changes, including to replace “shall” with “must” are made.</p>
21-150	N/A	<p>This section provides for the requirements for escrow funds.</p> <p>The section requires that proceeds of a personal property auction that are not disbursed to the owner on</p>	<p>Subsection A is revised to lessen the restrictiveness of the timeframe for placing proceeds of a personal property auction in escrow. As revised, proceeds must be deposited in escrow no later than the next banking day following either the date of auction or date of sale of the goods. This change reduces the</p>

	<p>auction day be deposited in an auction escrow account by the licensee no later than the next banking day following the date of auction or sale of goods, whichever occurs first.</p> <p>Proceeds that are paid through credit card, debit card, or other electronic fund transfer must be deposited into an auction escrow account upon receipt from the originating source.</p> <p>Funds from a real estate auction must be held in escrow until settlement in accordance with the agreement for sale.</p> <p>Licensees must use federally insured depositories in Virginia. All accounts, checks, and bank statements must be labeled “escrow” and must be designated as “escrow” accounts with the financial institution where such accounts are established.</p> <p>The auction escrow account must be used solely for the preservation and guarantee of auction proceeds until disbursed at settlement.</p> <p>Funds for any other purposes must not be commingled with the auction escrow account.</p> <p>Contingency accounts established to guarantee checks accepted on the owner’s behalf will not be considered commingling of funds. Monies due to a licensee cannot be withdrawn from the auction escrow account until final settlement is made with the owner.</p> <p>Funds to be deposited into the escrow account may include monies that ultimately</p>	<p>restrictiveness of the current requirement.</p> <p>Subsection C is revised to remove the provision that contingency accounts established to guarantee checks accepted on the owner’s behalf will not be considered commingling of funds. The Board determined this provision is not necessary to be in the regulation.</p> <p>Subsection D is revised to remove the provision that there must be periodic withdrawals from an escrow account containing funds that ultimately belong to a licensee.</p> <p>The requirements for written disclosures in a contract when funds are placed in an interest-bearing account are removed. These provisions are not necessary to protect the health, safety, and welfare of the public.</p> <p>Minor stylistic changes, including to replace “shall” with “must” or “will” where appropriate are made.</p>
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		<p>belong to the licensee for incidental expenses per the terms of the contract. These monies must be separately identified in the escrow account records and paid to the licensee by a check drawn on the escrow account when the funds become due to the licensee.</p> <p>The fact of an escrow accounting containing monies that may ultimately belong to a licensee does not constitute commingling of funds provided there are periodic withdrawals of said funds at intervals of not more than six months and that the licensee can at all times accurately identify the total funds in the account that belong to the licensee.</p> <p>The section requires that for funds placed in an interest-bearing account, written disclosure to the principals to the transaction regarding the disbursement of interest must be in the contract of sale or lease at the time the contract is written.</p> <p>The section requires that proceeds from the sale of goods other than real property be disbursed to the owner no later than 30 days after the date of auction.</p> <p>If the owner's goods are not sold in a single auction, proceeds due must be disbursed to the owner within 30 days after each auction (if an auction for goods other than real property) or in accordance with the agreement of sale of real property. Notice must be given to the owner of the tentative date of auction, or tentative date of return to the</p>	
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		<p>owner of the remaining goods.</p> <p>The section further provides that the balance in escrow accounts be sufficient at all times to account for all funds that are designated to be held by the licensee.</p> <p>A licensee is prohibited from disbursing or causing to be disbursed monies from an escrow account unless sufficient money is on deposit in the account to the credit of the individual client or property involved.</p>	
21-160	N/A	<p>This section provides for recordkeeping requirements.</p> <p>A licensee is required to maintain for four (4) years from the date of settlement written records of:</p> <ul style="list-style-type: none"> • The contract drawn with each owner; • Auction records, and • Final settlement papers. <p>Business records must be available for inspection by the Board or its designees as deemed appropriate and necessary.</p>	<p>This section will be repealed.</p> <p>Record keeping provisions will be relocated to section -140 and revised.</p>
21-170	N/A	<p>This section provides for maintenance of licenses including changes of address.</p> <p>The section provides that licenses are not transferable and must bear the same name and physical address as the business.</p> <p>Upon the dissolution or change in the form of business entity of an auction firm, the auction firm license will become void.</p>	<p>Minor stylistic changes, including to replace “shall” with “must” or “will” where appropriate are made.</p>

		<p>A licensee must report all changes of address to the Board in writing within 30 days of the change. The Board will issue an amended license without fee for the unexpired portion of the license term.</p> <p>A post office box is acceptable as an address only when a physical address is also provided.</p> <p>The section requires that if a licensee holds more than one license, certificate, or registration, the licensee must inform the Board of all licenses, certificates, and registrations affected by the address change.</p>	
21-180	N/A	<p>This section provides for the Board’s authority to impose discipline and outlines prohibited acts.</p> <p>The Board has the power to fine any licensee or to suspend or revoke any license issued by the Board pursuant to the provisions of the APA.</p> <p>This section establishes specific prohibited acts which may be grounds for disciplinary action against a licensee.</p> <p>Prohibited acts include:</p> <ul style="list-style-type: none"> • Obtaining, renewing, or reinstating a license through fraud or misrepresentation; • Not demonstrating reasonable care, judgment, or application of the licensee’s knowledge and ability in the performance of auctioneering duties; and 	<p>The section is revised to remove the prohibited act for not demonstrating reasonable care, judgment, or application of the licensee’s knowledge and ability in the performance of auctioneering duties. The Board determined that this prohibited act was not necessary.</p> <p>Minor stylistic changes to replace “shall” with “will” are made.</p>

		<ul style="list-style-type: none"> • Failing to comply, or misrepresenting any information pertaining to compliance, with any CE requirements. <p>The section also establishes requirements relating to post-licensure criminal convictions. A licensee may be disciplined by the Board when the licensee has been convicted or found guilty of any felony or a non-marijuana misdemeanor involving moral turpitude.</p> <p>The section also establishes requirements relating to post-licensure regulatory discipline. A licensee may be disciplined by the Board when the licensee has been found by any regulatory board, agency, or jurisdiction where licensed to have had a license or registration suspended, revoked, or surrendered in connection with a disciplinary action or which has been the subject of discipline, or to have violated any applicable laws or regulations in the course of performing auctioneer duties.</p>	
21-185	N/A	<p>This section provides requirements for licensees to cooperate with the Board during administrative investigations.</p> <p>The section provides that a licensee must produce to the Board or its agents any plan, document, book, record or copy there in the licensee’s possession concerning a transaction covered by the Board’s regulation within 10 days of a request or demand to produce.</p> <p>The section provides that a licensee must cooperate in the investigation of a</p>	<p>Minor stylistic changes, including to replace “shall” with “must” are made.</p>

		<p>complaint filed with the Board.</p> <p>The section further provides that a licensee who has direct knowledge that individual or firm, to include the licensee, maybe violating the provisions of the regulation or Chapters 1 through 3 and Chapter 6 of Title 54.1 of the Code of Virginia, must immediately inform the Board in writing and cooperate in furnishing any further information or assistance that might be required.</p>	
21-190	N/A	<p>This section provides for application requirements for schools of auctioneering.</p> <p>Schools seeking approval of auction courses must file a request with the Board. The request must include the following information:</p> <ul style="list-style-type: none"> • Name and address of the school; • Locations where classes will be held; • Length of the course and total number of hours of instruction; • Subjects covered together with the number of instruction hours assigned; and • Names and qualifications of instructors, including area of expertise and experience. 	<p>The section is significantly revised. The revised section incorporates provisions that are currently in sections -200 (Requirements for course approval); -210 (Amendments and changes); and -220 (Periodic requalification for continued course approval).</p> <p>The section is reorganized into subsections.</p> <p>Subsection A provides for the application and course requirements.</p> <p>The current application requirement for length of the course and total number of hours of instruction is modified to provide that a course must be a minimum of 80 hours of classroom studies and active participation in the auction business.</p> <p>The current application requirement for subjects to covered in the course is modified to list the subjects that must be in the course of study. The required subject are:</p> <ul style="list-style-type: none"> • Auctioneering; • Elementary principles of real estate, including brokerage; • Contracts; • Advertising; • Sale preparation; • Bid calling; • Settlement statements; • Ethics; and

			<ul style="list-style-type: none"> • Current rules and regulations of the Board. <p>The current application requirement for names and qualifications of instructors is modified to require:</p> <ul style="list-style-type: none"> • Names of Virginia licensed auctioneers; and • Confirmation of participation in various aspects of a minimum of 50 auctions. <p>The proposed instructor qualifications reduce the stringency of the current requirements in the regulation which mandate that a school have at least five (5) instructors that have been licensed for five (5) years and who specialize in different fields of the auction business.</p> <p>Subsection B provides that any change in the information provided by the school to the Board must be reported to the Board in writing within 30 days of the change.</p> <p>Subsection C provides that course approval is subject to periodic requalification review as determined by the Board.</p> <p>Minor stylistic changes, including to replace “shall” with “must” are made.</p>
21-200	N/A	<p>This section establishes the requirements for course approval.</p> <p>A course must offer candidates a minimum of 80 hours of classroom and field instruction in the conduct of auction business.</p> <p>Instruction must include:</p> <ul style="list-style-type: none"> • Fundamentals of auctioneering; • Elementary principles of real estate; • Brokerage; • Contract drawing; • Advertising; • Sale preparation; 	<p>This section will be repealed.</p> <p>Provisions regarding course length and content, and instructor requirements will be relocated to section -190 and revised.</p>

		<ul style="list-style-type: none"> • Bid calling; • Settlement statements; • Ethics; and • Rules and regulations of the Board. <p>The section further requires that a course have at least five (5) instructors who have been licensed for at least five (5) years and who specialize in different fields of the auction business.</p>	
21-210	N/A	<p>This section provides for reporting changes in course information to the Board.</p> <p>A school must report to the Board any change in the information provided by the school to the Board.</p> <p>Changes must be reported in writing within 30 days of the change.</p>	<p>This section will be repealed.</p> <p>Provisions in this section will be relocated to section -190.</p>
21-220	N/A	<p>This section provides for the requalification of courses.</p> <p>The section provides that the Board may require schools that have previously obtained course approval provide the Board with evidence, in a form set by the Board, of continued compliance with the course approval requirements in the regulation.</p> <p>The section further provides that failure to comply with the Board’s requirements or respond to such a request may result in the Board withdrawing its approval.</p>	<p>This section will be repealed.</p> <p>Provisions in this section will be relocated to section -190.</p>
21-230	N/A	<p>This section establishes the application and criteria for approval of CE courses.</p> <p>The section requires that course providers seeking</p>	<p>Minor stylistic changes to replace “shall” with “must” or “will” where appropriate are made.</p>

	<p>approval of a CE course file an application with the Board.</p> <p>Course providers must obtain approval from the Board prior to offering to provide or providing a course that is advertised or represented as being eligible to comply with the CE provisions established by the Board.</p> <p>The section provides that retroactive approval of CE courses is not permitted.</p> <p>CE courses meet the following criteria:</p> <ul style="list-style-type: none"> • Course subject must be related to the current practice of auctioneering and have defined learning objectives; • Each course attendee must be assessed at the end of the course to verify that the attendee achieved the defined learning objectives; • Course curriculum must be consistent with the defined learning objectives; • The method of instruction must be consistent with the defined learning objectives of the course; and • Course instructors must be competent in the subject being taught, either by education or experience, and in instructional techniques. <p>A course provider must certify that:</p> <ul style="list-style-type: none"> • The laws, regulations, and industry practices that will be taught or utilized in the course 	
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		<p>are up to date and that any subsequent changes of the same will be incorporated into the course curriculum as they occur; and</p> <ul style="list-style-type: none"> • The course provider will comply with the provisions of the regulation in administering and providing the approved course. <p>The section establishes the standard for awarding of CE credit.</p> <ul style="list-style-type: none"> • Fifty (50) contact minutes equals one (1) CE credit hour. <ul style="list-style-type: none"> ○ For courses in which individual segments are less than 50 minutes, the sum of the segments will be totaled for computation of CE credit hours. • No credit is awarded for partial CE credit hours or partial course completion. • Course attendees that fail to demonstrate successful completion of the defined learning objectives of the course will not be awarded credit for the course. <p>The section further provides that CE courses completed by an auctioneer pursuant to a requirement of the Certified Auctioneer’s Institute or participation in educational programs sponsored by the National Auctioneer’s Association or Virginia Auctioneer’s Association are considered approved courses pursuant to § 54.1-603.1(A) of the Code of Virginia.</p>	
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<p>21-240</p>	<p>N/A</p>	<p>This section establishes requirements for CE course providers regarding the administration of courses.</p> <p>Approved course providers must comply with the requirements of the regulation when providing approved courses. Failure of a course provider may result in the Board withdrawing approval for a course or a specific offering of a course.</p> <p>A course approval is not transferable from the course provider to whom it was originally issued.</p> <p>Approved course providers must aware a completion certificate to attendees who successfully complete the course.</p> <p>The completion certificate must include:</p> <ul style="list-style-type: none"> • Name of the course; • Number of continuing education credit hours awarded; • Date of the course; and • The sponsor identification number of the course provider issued by the Board. <p>Course providers must award CE credit hours in the amount as approved by the Board.</p> <p>Providers must verify and document attendance at the beginning and end of the course and monitor attendance during the course.</p> <p>Credit will not be awarded to attendees that arrived late, left early, missed a portion of the course, or failed to accomplish the learning</p>	<p>Minor stylistic changes, including to replace “shall” with “must” are made.</p>
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	<p>objectives of the course. Such individuals will not be awarded a completion certificate by the provider.</p> <p>A course provider at the end of each course must solicit feedback from course attendees to assess the effectiveness of:</p> <ul style="list-style-type: none"> • The course; • Course content; • Course curriculum; • Instructor; and • Method of instruction. <p>The course provider must monitor feedback received from attendees and make adjustments as warranted.</p> <p>A course provider must maintain all records related to an approved course for four (4) years from the date of the course. Records must be provided to the Board or its agents upon request.</p> <p>Records to be maintained include:</p> <ul style="list-style-type: none"> • Date, time, and location of the course; • Course materials; • Course curriculum; • Instructor and instructor qualifications; • Learning objectives; • Assessment of attendees for verification of achievement of the learning objectives; • End of course feedback from attendees; • Attendance rosters; • Records of attendees who successfully completed; and • Records of attendees who did not successfully complete the course and the 	
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		<p>reasons why such attendees did not successfully complete the course.</p>	
<p>21-250</p>	<p>N/A</p>	<p>This section provides for the CE requirements for licensees to renew or reinstate licenses.</p> <p>Licensees who are not exempt from the CE requirement must complete at least six (6) CE hours of Board-approved CE courses in order to renew or reinstate a license.</p> <p>A Virginia licensee who is also licensed in another state with which the Board shares a reciprocal agreement may use approved education in that state to meet the Virginia CE requirement provided the other state affords the same privilege to Virginia licensees.</p> <p>Each licensee applying for license renewal must certify that the licensee has met the CE requirements. Only CE courses completed during the license period immediately prior to the expiration date of the license will be acceptable in order to renew the license.</p> <p>CE credit hours used to satisfy the CE requirements to renew a license are valid for that renewal and will not be accepted for any subsequent renewal cycles or reinstatement.</p> <p>Licensees must maintain records of completing CE credit hours for two (2) years from the date of expiration of the license for which the CE credit hours are being used to renew the license. Such records must be provided to</p>	<p>Minor stylistic changes, including to replace “shall” with “must” or “will” where appropriate are made.</p>

		<p>the Board or its agents upon request.</p> <p>Each individual applying for reinstatement must provide evidence of compliance with the CE requirement as part of the reinstatement application. The completion date of CE courses submitted in support of a reinstatement application must not be more than two (2) years old as of the date a complete reinstatement application is received by the Board.</p> <p>CE credit hours used to satisfy the CE requirements to reinstate a license are valid for that reinstate and will not be accepted for any subsequent renewal cycles or reinstatement.</p> <p>CE hours earned during a licensing renewal cycle to satisfy CE requirements for the preceding renewal cycle are valid only for the preceding renewal cycle and will be accepted for any subsequent renewal cycles or reinstatement.</p> <p>Licensees who have been licensed by the Board for 25 or more years or are 70 years of age or older at the time of license expiration are exempt from the CE requirement.</p>	
21-260	N/A	<p>This section provides for exemptions from the CE requirement.</p> <p>In accordance with § 54.1-603.1(A) of the Code of Virginia, the Board must exempt any auctioneer licensed by the Board for 25 or more years, or who 70 years of age or older, from the CE requirement.</p>	<p>Minor stylistic changes, including to replace “shall” with “will” are made.</p>

		<p>In accordance with § 54.1-603.1(B) of the Code of Virginia, the Board may grant exemptions, waive, or reduce the number of CE hours required in cases of certified illness or undue hardship. Such exemptions, waivers, or reductions do not relieve the individual of otherwise meeting the requirements of the regulation, including license renewal or reinstatement requirements.</p>	
21-270	N/A	<p>This section provides for reporting changes in CE course information to the Board.</p> <p>A provider must report to the Board any change in the information provided by the provider to the Board for initial approval or requalification of approval.</p> <p>Changes must be reported in writing within 10 days of the change.</p> <p>In instances of noncompliance with the regulation, approval of the course is automatically suspended until the course provider corrects the deficiency and notifies the Board in writing that the deficiency has been corrected.</p>	<p>A minor stylistic change to replace “shall” with “must” is made.</p>