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Senate Bill 1413 (Substitute S-1 as reported by the Committee of the Whole)  
Sponsor: Senator Jason E. Allen  
Committee: Commerce and Tourism

## **CONTENT**

The bill would amend Article 29 (Auctioneers) of the Occupational Code to do all of the following:

- Require an auctioneer to give a client a full accounting at the end of a transaction.
- Specify that money given to an auctioneer for presale auction services would not have to be placed in trust.
- Require an auctioneer's written records to include presale auction services.
- Require a registered auctioneer to give a copy of a contract to his or her client.
- Require the Department of Energy, Labor, and Economic Growth (DELEG) to register a person as an auctioneer if he or she submitted a completed application and an affidavit attesting to having had at least three years of experience before the effective date of Article 29.
- Delete reference to an "accredited" auction school in one of the criteria for registration as an auctioneer.

Article 29 specifies that money paid by any person to a registrant (a registered auctioneer) in connection with an auction is considered to be held in trust. Under the bill, money given to an auctioneer for presale auction services would not have to be placed in the trust account.

Article 29 requires a registrant to maintain certain written records. Under the bill, the written records would include presale auction services and documents relating to presale auction services.

Article 29 requires DELEG to issue a registration to an individual who meets certain requirements. Notwithstanding these requirements, DELEG must register as an auctioneer an individual who applies within two years of the effective date of Article 29 (October 1, 2007) and submits an affidavit attesting to at least three years' experience in the conduct of auctions, if the individual has conducted at least 12 auctions. The bill would delete the requirement that the individual apply within two years after the effective date.

MCL 339.2909-339.2913

Legislative Analyst: Patrick Affholter

## **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 11-4-10

Fiscal Analyst: Elizabeth Pratt