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COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

**F I N A L M I N U T E S**

MEETING OF:

**STATE BOARD OF AUCTIONEER EXAMINERS**

TIME: 9:01 a.m.

BOARD ROOM B

One Penn Center

2601 North Third Street

Harrisburg, Pennsylvania 17110

Monday, September 9, 2019

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State Board of Auctioneer Examiners  
September 9, 2019

BOARD MEMBERS:

- Nevin B. Rentzel, Chairman, Professional Member
- Sherman E. Hostetter Jr., Professional Member
- Katelin Lambert, Deputy Commissioner, Bureau of Professional and Occupational Affairs
- Gerald A. Rader, Professional Member
- Daniel A. Trace, Secretary, Professional Member
- Heather M. Troutman, Consumer Protection Agent

BUREAU PERSONNEL:

- Kenneth J. Suter, Esquire, Board Counsel
- J. Karl Geschwindt, Esquire, Board Prosecution Liaison
- Terrie Kocher, Board Administrator
- Marc Farrell, Deputy Policy Director, Department of State
- Jo Reichard, Law Clerk, Bureau of Professional and Occupational Affairs
- Kimberly Adams, Chief of Fiscal Management, Bureau of Finance and Operations

ALSO PRESENT:

- George A. Michak, Esquire, Pennsylvania Auctioneers Association
- Brandon Kyler Shotts, Shotts Auction Service

1 \*\*\*

2 State Board of Auctioneer Examiners

3 September 9, 2019

4 \*\*\*

5 The regularly scheduled meeting of the State  
6 Board of Auctioneer Examiners was held on Monday,  
7 September 9, 2019. Nevin B. Rentzel, Chairman,  
8 Professional Member, called the meeting to order at  
9 9:01 a.m.

10 \*\*\*

11 Moment of Silence

12 [Chairman Rentzel asked for a moment of silence.]

13 \*\*\*

14 Introduction of Audience

15 [Chairman Rentzel requested the introduction of  
16 audience members in attendance.]

17 \*\*\*

18 Appointment - Bureau of Finance and Operations Fee

19 Increase Presentation

20 [Kenneth J. Suter, Esquire, Board Counsel, provided a  
21 prelude of Ms. Adam's presentation. Mr. Suter  
22 explained that the Independent Regulatory Review  
23 Commission (IRRC) will only approve graduated fee  
24 increases with biennial renewal cycles.

25 Mr. Hostetter questioned the reason for the

1 change to incremental increases. Kimberly Adams,  
2 Chief of Fiscal Management, Bureau of Finance and  
3 Operations, Bureau of Finance and Operations,  
4 explained that IRRC felt too much could happen in 10  
5 years and wanted the debt paid back as soon as  
6 possible. She stated IRRC would allow six years of  
7 three biennial periods and wanted the bottom line  
8 balance to be equal to one to two years of expenses  
9 after that period.

10 Ms. Adams noted, at the end of the six-year  
11 period, higher balances can be decreased with a one-  
12 time waiver without going through IRRC.

13 Ms. Adams addressed FY 2018-2019 and FY 2019-2020  
14 revenues and expenditures. She stated the licensee  
15 count was lower than it was for FY 2017-2018, noting  
16 it to be 2,324.

17 Ms. Adams commented that the FY 2017-2018 and  
18 FY 2018-2019 deficit had increased. She mentioned  
19 that licenses and applications were a big part of  
20 revenue and expenses increase when the licensee count  
21 drops.

22 Mr. Suter questioned whether the auctioneer  
23 profession was growing across the country. Mr.  
24 Hostetter explained that individual memberships for  
25 licensees is dropping, which he felt was due to the

1 age of baby boomers and technology, but companies are  
2 growing.

3 Ms. Adams reviewed revenues and expenses from  
4 FY 2011-2012 to FY 2018-2019. She noted expenses  
5 recently increased but decreased overall. She  
6 addressed revenue and noted a recent increase. She  
7 noted that revenue fluctuates due to renewals and was  
8 up from FY 2016-2017. She stated penalties,  
9 citations, investigations, and miscellaneous charges  
10 were not as easy to track.

11 Mr. Hostetter questioned whether the Pennsylvania  
12 Licensing System (PALS) was responsible for the big  
13 jump in administrative costs. Ms. Adams explained  
14 that the rollout of PALS in addition to the salary  
15 increases for administrative staff of the Boards was  
16 part of the reason, but there would be a decline in  
17 the costs once PALS was fully rolled out.

18 Ms. Adams noted the projected bottom line for FY  
19 2019-2020 due to expenditures exceeding the revenues.  
20 She noted the current licensees and rates biennially,  
21 and that revenues and expenditures reflected a  
22 negative balance that continues to grow through the  
23 years, hence the need the step fee increases.

24 Ms. Adams provided a proposed fee increase  
25 package for FY 2020-2021, FY 2021-2022, FY 2022-2023,

1 FY 2023-2024, FY 2024-2025, and FY 2025-2026. She  
2 mentioned the previous presentation reflecting a  
3 negative balance to FY 2029-2030. She stated IRRC  
4 requires three biennial renewal periods to bring the  
5 figures back into the black and having the bottom  
6 balance equal the expenses. She mentioned that the  
7 apprentice and trading assistant licenses would go up  
8 another \$105 and auctioneer and licensed auctioneer  
9 companies would go up \$210.

10 Chairman Rentzel commented that the Board would  
11 still be in the red by nearly a half million dollars  
12 during the first renewal period. He discussed waiting  
13 until the renewal period in 2022 in order to pay that  
14 debt. He questioned whether there was enough time for  
15 this to come into effect for the next pay increase  
16 period. Mr. Suter noted that to be the goal and would  
17 push to get this through. Ms. Adams mentioned that  
18 applications would also be increasing on a step rate.

19 Mr. Suter addressed the cost of processing  
20 applications, noting a recent effort with the Boards  
21 to determine the actual cost of the fee packages,  
22 which Ms. Adams addressed with the renewal cycle  
23 increases based upon salary increases.

24 Ms. Adams noted that the very first renewal  
25 period will bring the fees to the current cost to

1 process the application.

2 Chairman Rentzel noted the Board to be down  
3 roughly 300 licensees from the previous renewal.

4 Mr. Suter emphasized the importance of the Board  
5 to determine the fees in terms of the regulation and  
6 suggested reviewing the numbers with Ms. Adams.

7 Chairman Rentzel questioned whether an increase  
8 could be resubmitted if the projections fall short.  
9 Mr. Suter explained that IRRC does not want to see any  
10 proposals for six years, and if the proposal falls  
11 short down the road, it could be another two years  
12 until the matter could be addressed.

13 Ms. Adams noted that the proposal was spread out  
14 over 10 years, and the bottom line was still negative  
15 at the end of FY 2019-2020 and would still reflect a  
16 negative balance around FY 2028-2029. She stated IRRC  
17 wants to see a bottom line that is in the black at the  
18 end of the three biennial periods and would not waiver  
19 on that.

20 Mr. Hostetter suggested \$400 for the first  
21 renewal and then \$500 at the second renewal period.

22 Ms. Adams provided information on surrounding  
23 states for auctioneers, noting that Pennsylvania was  
24 in the middle of the pack for overall applications and  
25 renewals. She proposed fees for auctioneers and

1 licensed auction companies at \$260 going to \$525,  
2 trading assistants going from \$100 to \$180 to \$230 to  
3 \$280, and apprentices going from \$130 to \$180 to \$230  
4 to \$280. The Board discussed the proposed fees.

5 Chairman Rentzel noted application fees going  
6 from \$30 to \$145 and then \$175.

7 Ms. Adams commented that the new proposed fees  
8 would put the balance in the black.]

9

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10 [The Board recessed from 10:03 a.m. until 10:11 a.m.]

11

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12 [A formal hearing was held from 10:11 a.m. until  
13 10:23 a.m. in the matter of the Application for an  
14 Apprentice Auctioneer License for Brian Keith Shotts,  
15 Case No. 19-64-004999.]

16

\*\*\*

17 [A formal hearing was held from 10:28 a.m. until  
18 11:01 a.m. in the matter of the Application for  
19 Licensure as an Auctioneer by Reciprocity of Ronald  
20 Jake McClain, Case No. 19-64-009684.]

21

\*\*\*

22 [Nevin B. Rentzel, Chairman, Professional Member,  
23 noted items 5, 6, 7, 8, and 9 for discussion during  
24 Executive Session.]

25

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1 Report of Board Counsel

2 [Kenneth J. Suter, Esquire, Board Counsel, addressed  
3 House Bill 1172, which is now Act 41, passed and  
4 signed into law by Governor Wolf. Mr. Suter stated  
5 the act provides for licensure by endorsement in  
6 Pennsylvania if individuals hold a current license,  
7 certificate, or registration in another state,  
8 territory, or country. He also stated the licensing  
9 state's regulations and act have to be substantially  
10 equivalent to Pennsylvania, which would be decided by  
11 the Board. He noted that the Board already had a  
12 standing committee for applications and explained the  
13 application process.

14 Mr. Suter emphasized the importance of  
15 considering the state's act and regulations today in  
16 comparison to Pennsylvania today. He referred to  
17 Section 6.1(a)(1) regarding licensure by endorsement.

18 Mr. Suter also stressed the importance of  
19 developing criteria that demonstrates competency in  
20 the profession. He explained that the Board must  
21 adopt at least one of the two criteria. He referred  
22 to Section 6.1(a)(2), including the completion of  
23 continuing education or practical experience in the  
24 profession or occupation for at least two of the five  
25 years preceding the date of the application. He

1 suggested utilizing two of the last five years because  
2 the applicant actually practiced.

3 Mr. Suter addressed Section 6.1(a)(3) regarding  
4 grounds for not granting, suspending, or revoking a  
5 license.

6 Mr. Suter referred to the act in two parts,  
7 licensure by endorsement and provisional endorsement  
8 license. He noted Act 41 to be effective September 1,  
9 2019, and the Board will need to process applications  
10 that meet the criteria.

11 Mr. Suter explained provisional endorsement,  
12 where the Board can issue a license if an applicant is  
13 missing some criteria and extend them six months to  
14 complete the deficient requirement. Mr. Suter did not  
15 anticipate the Board receiving many applications  
16 through this because it would be easier to obtain a  
17 license through reciprocity than through endorsement.

18 Mr. Suter re-emphasized the need to draft a  
19 regulation and choose either the continuing education  
20 or practice of two of the last five years. He  
21 provided information regarding competency, where the  
22 applicant has conducted auctioneering for at least two  
23 of the five years immediately preceding the date of  
24 application and passed an examination comparable to  
25 the Pennsylvania examination.

1           Mr. Suter noted the mandate from the Governor's  
2 office to implement this now even though the  
3 regulation will not be completed for two years down  
4 the road. He noted Act 41 to be a favorite piece of  
5 legislation in the Governor's office in terms of  
6 breaking down barriers to licensure.]

7

\*\*\*

8 MR. TRACE:

9                           I make a motion that we keep our same  
10                           committee for the Act 41 endorsement  
11                           process.

12 MR. SUTER:

13                           That is Sherman and Gerry, correct?

14 MR. TRACE:

15                           Yes, correct.

16 CHAIRMAN RENTZEL:

17                           Do I hear a second?

18 MS. TROUTMAN:

19                           I'll second.

20 CHAIRMAN RENTZEL:

21                           Call for question. All those in favor,  
22                           give their consent by saying aye.

23                           Opposed?

24 [The motion carried unanimously.]

25

\*\*\*

1 MR. SUTER:

2 For competency, I am proposing that the  
3 individual demonstrate that they have  
4 practiced at least two of the five years  
5 immediately preceding the date of  
6 application and pass an examination  
7 comparable to the Pennsylvania  
8 examination.

9 MR. TRACE:

10 I also make that motion.

11 MR. HOSTETTER:

12 Second.

13 CHAIRMAN RENTZEL:

14 Motion has been made and seconded. Any  
15 discussion? All those in favor, give  
16 their consent by saying aye. Opposed?

17 [The motion carried unanimously.]

18 \*\*\*

19 Miscellaneous - Auction License Law Question

20 [Sherman E. Hostetter Jr., Professional Member,  
21 addressed the differences in reciprocity laws between  
22 Ohio and Pennsylvania.

23 Mr. Hostetter referred to Section 12(a)(2)  
24 regarding reciprocity with other states, where it  
25 states the licensing laws of the applicant's current

1 licensing state extend to licensees of the  
2 Commonwealth with the same reciprocal rights and  
3 privileges in that state without the necessity of the  
4 licensees in the Commonwealth to obtain additional or  
5 further licenses or authority from any political  
6 subdivision of that state.

7 Mr. Hostetter mentioned true reciprocity,  
8 questioning why someone from another state should be  
9 able to enter Pennsylvania and perform more than  
10 someone from Pennsylvania in their state.

11 Mr. Suter explained, once an individual is  
12 licensed, that individual would be entitled to conduct  
13 whatever business that license entitles. He stated an  
14 individual able to auction real estate property  
15 without a broker, which is governed by our law, then  
16 can do it if licensed by the Board. He noted that  
17 Ohio's jurisdiction can say whatever they want.

18 Mr. Suter stated the reciprocity provision is  
19 really up for the committee and the Board to decide if  
20 it is substantially similar or not, but once that  
21 license is issued, it is issued. He also stated not  
22 being substantially similar and if all privileges are  
23 not being equated to Pennsylvania, then that would be  
24 an issue for not granting a license to a respective  
25 state.

1 George A. Michak, Esquire, Pennsylvania  
2 Auctioneers Association, stated interpretation of  
3 prior Boards was based on language that was previously  
4 in the act. He noted the nonresident license in the  
5 act prior to the 2016 amendment, where those who had a  
6 nonresident license could only do in Pennsylvania what  
7 they could do in another state. He stated there is  
8 now no distinction between whether it is a resident or  
9 nonresident license. He commented that once a person  
10 is licensed, that individual would have all of the  
11 privileges and rights as any other licensee.

12 Mr. Suter noted that the old act had provisions  
13 where a contract was entered. He noted that the Board  
14 will now consider if the practice is substantially  
15 similar and meet all of the criteria in Section 12 in  
16 order to grant reciprocity.]

17 \*\*\*

18 [The Board recessed from 11:53 a.m. until 12:03 p.m.]

19 \*\*\*

20 [Pursuant to Section 708(a)(5) of the Sunshine Act, at  
21 12:03 p.m. the Board entered into Executive Session  
22 with Kenneth J. Suter, Esquire, Board Counsel, for the  
23 purpose of conducting quasi-judicial deliberations on  
24 matters that are currently pending before the Board.  
25 The Board returned to open session at 2:02 p.m.]

1 \*\*\*

2 [Katelin Lambert, Deputy Commissioner, Bureau of  
3 Professional and Occupational Affairs, entered the  
4 meeting at 2:02.]

5 \*\*\*

6 MOTIONS

7 CHAIRMAN RENTZEL:

8 We will begin with Item No. 9, Ian J.  
9 Gilmore, Case No. 17-64-12494.

10 MR. SUTER:

11 The Board was in Executive Session. The  
12 purpose of the Executive Session is to  
13 discuss items 5, 6, 7, 8, and 9; the  
14 applications that were reviewed as well  
15 as the Gilmore case; and to discuss  
16 items 3 and 4, which were the  
17 application hearings that were held  
18 today at Case No. 19-64-004999, Brian  
19 Keith Shotts and Case No. 19-64-009684,  
20 Ronald Jake McClain.

21 As the Chairman stated, I  
22 understand as a result of the Executive  
23 Session, the Board will now entertain a  
24 motion directing Board counsel to draft  
25 an Adjudication and Final Order in the

1                    Ian J. Gilmore case that will revise the  
2                    order provision of the Adjudication and  
3                    Order and increase the civil penalty to  
4                    \$2,000 as well as making edits to the  
5                    order provision of the Adjudication and  
6                    Order. The rest will be adopted intact.

7 CHAIRMAN RENTZEL:

8                    Do I hear a motion?

9 MR. TRACE:

10                    So moved.

11 CHAIRMAN RENTZEL:

12                    Second?

13 MS. TROUTMAN:

14                    Second.

15 CHAIRMAN RENTZEL:

16                    Any discussion? All those in favor,  
17                    give their consent by saying aye.

18                    Opposed?

19 [The motion carried. Mr. Rader recused from  
20 deliberations and voting on the motion.]

21                    \*\*\*

22 [Katelin Lambert, Deputy Commissioner, Bureau of  
23 Professional and Occupational Affairs, exited the  
24 meeting at 2:07.]

25                    \*\*\*



1 Approval of minutes of the July 8, 2019 meeting

2 CHAIRMAN RENTZEL:

3 I failed to ask for an approval of our  
4 previous meeting's minutes.

5 Do I have a motion?

6 MR. HOSTETTER:

7 So moved.

8 MR. RADER:

9 Second.

10 CHAIRMAN RENTZEL:

11 Any discussion? All those in favor of  
12 approving our minutes from the last  
13 meeting, say aye. Opposed?

14 [The motion carried unanimously.]

15 \*\*\*

16 MR. SUTER:

17 I understand as a result of discussions  
18 in Executive Session, the Board will  
19 entertain a motion to direct Board  
20 counsel to draft an Adjudication and  
21 Order for Brian Keith Shotts, Case No.  
22 19-64-004999.

23 CHAIRMAN RENTZEL:

24 Do I have a motion?

25 MR. RADER:

1                   So moved.

2 CHAIRMAN RENTZEL:

3                   Second to the motion?

4 MR. HOSTETTER:

5                   Second.

6 CHAIRMAN RENTZEL:

7                   Any further discussion? All those in  
8 favor, consent by saying aye. Opposed?

9 [The motion carried unanimously.]

10   \*\*\*

11 MR. SUTER:

12                   The board will entertain a motion under  
13 the applications in the written agenda  
14 at items 5, 6, and 8, the Joseph  
15 Clarence Cornell, Elizabeth Noelle  
16 Tumbelekis, and James Henry Yoder files.  
17 The motion is to direct your Board  
18 administrator to issue a discrepancy  
19 letter in each one of these applications  
20 requesting additional information.

21 CHAIRMAN RENTZEL:

22                   We have a motion made?

23 MR. TRACE:

24                   So moved.

25 CHAIRMAN RENTZEL:

1                   Second?

2 MR. HOSTETTER:

3                   Second.

4 CHAIRMAN RENTZEL:

5                   Any further discussion? All those in  
6 favor, give their consent by saying aye.

7                   Opposed?

8 [The motion carried unanimously.]

9   \*\*\*

10 MR. SUTER:

11                   The next motion is Item 7 on the written  
12 agenda, the Auctioneer Reciprocity  
13 Application of Jerrold Charles Wood. I  
14 understand the Board will entertain a  
15 motion to table this application.

16 CHAIRMAN RENTZEL:

17                   Is there a motion to table this?

18 MR. TRACE:

19                   So moved.

20 CHAIRMAN RENTZEL:

21                   Second?

22 MR. RADER:

23                   Second.

24 CHAIRMAN RENTZEL:

25                   Any discussion? All those in favor, say

1 aye. Opposed?

2 [The motion carried unanimously.]

3 \*\*\*

4 MR. SUTER:

5 I understand that as a result of the  
6 presentation from the Bureau of Finance  
7 and Operations today, the Board will  
8 entertain a motion to adopt a regulatory  
9 scheme that essentially includes the  
10 proposal from BFO increasing biennial  
11 renewals to the following rates: In the  
12 2020-2021 and 2021-2022 biennial  
13 periods, the apprentice auctioneer rate  
14 would be \$200, auctioneer would be \$400,  
15 licensed auction company would be \$400,  
16 and trading assistant would be \$200.

17 In 2022-02023 and 2023-2024,  
18 apprentice auctioneer would be \$250,  
19 auctioneer would be \$475, licensed  
20 auction company would be \$475, and  
21 trading assistant would be \$250.

22 In 2024-2025 and 2025-2026, the  
23 apprentice auctioneer would be \$300,  
24 auctioneer would be \$500, licensed  
25 auction company would be \$500, and

1 trading assistant would be \$300.

2 In addition, the application fees  
3 would be as follows: Apprentice  
4 auctioneer application would be \$145 the  
5 first renewal period, \$160 in the second  
6 renewal period, and \$175 in the third  
7 renewal period.

8 The auctioneer application would be  
9 \$180 in the first renewal period, \$200  
10 in the second renewal period, and \$220  
11 in the third renewal period.

12 Course of study application would  
13 be \$180 in the first renewal period,  
14 \$200 in the second renewal period, and  
15 \$220 in the third renewal period.

16 Licensed auction company would be  
17 \$120 in the first renewal period, \$135  
18 in the second renewal period, and \$150  
19 in the third renewal period.

20 Reciprocal auctioneer application  
21 would be \$175 in the first renewal  
22 period, \$195 in the second renewal  
23 period, and \$215 in the third renewal  
24 period.

25 The special license application

1                   would be \$120 in the first renewal  
2                   period, \$135 in the second renewal  
3                   period, and \$150 in the third renewal  
4                   period.

5                   The trading assistant application  
6                   would be \$120 in the first renewal  
7                   period, \$135 in the second renewal  
8                   period, and \$150 in the third renewal  
9                   period.

10                  The trading assistant company  
11                  application would be \$120 in the first  
12                  renewal period, \$135 in the second  
13                  renewal period, and \$150 in the third  
14                  renewal period as submitted by the  
15                  Bureau of Finance and Operations (BFO).

16 CHAIRMAN RENTZEL:

17                   Do I hear a motion?

18 MR. TRACE:

19                   So moved.

20 MR. HOSTETTER:

21                   Second.

22 CHAIRMAN RENTZEL:

23                   Any discussion? All those in favor,  
24                   give their consent by saying aye.

25                   Opposed?

1 [The motion carried unanimously.]

2 \*\*\*

3 Report of Board Chairman - No Report

4 \*\*\*

5 Report of Acting Commissioner - No Report

6 \*\*\*

7 Report of Board Administrator - No Report

8 \*\*\*

9 Miscellaneous (Continued)

10 [Nevin B. Rentzel, Chairman, Professional Member,  
11 noted the next Board meeting on Monday, November 4,  
12 2019, at 9:00 a.m.]

13 \*\*\*

14 Adjournment

15 CHAIRMAN RENTZEL:

16 Do I hear a motion to adjourn?

17 MR. RADER:

18 So moved.

19 MS. TROUTMAN:

20 Second.

21 CHAIRMAN RENTZEL:

22 All those in favor, say aye. Opposed?

23 [The motion carried unanimously.]

24 \*\*\*

25 [There being no further business, the State Board of

1 Auctioneer Examiners Meeting adjourned at 2:15 p.m.]

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CERTIFICATE

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Alicia R. Gascoigne,  
Minute Clerk

Sargent's Court Reporting  
Service, Inc.



STATE BOARD OF AUCTIONEER EXAMINERS  
REFERENCE INDEX

September 9, 2019

	TIME	AGENDA
1		
2		
3		
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6		
7		
8	9:01	Official Call to Order
9		
10	9:02	Introduction of Audience Members
11		
12	9:10	Appointment - Kimberly Adams, Chief of
13		Fiscal Management, Bureau of Finance
14		and Operations Fee Increase
15		Presentation
16		
17	10:00	Report of Board Counsel
18		
19	10:03	Recess
20	10:11	Return to Open Session
21		
22	10:11	Formal Hearing - Brian Keith Shotts
23	10:23	
24		
25	10:28	Formal Hearing - Ronald Jake McClain
26	11:01	
27		
28	11:44	Miscellaneous
29		
30	11:53	Recess
31	12:03	Return to Open Session
32		
33	12:03	Executive Session
34	2:02	Return to Open Session
35		
36	2:02	Motions
37		
38	2:05	Approval of Minutes
39		
40	2:06	Motions (Continued)
41		
42	2:14	Miscellaneous (Continued)
43		
44	2:15	Adjournment
45		
46		
47		
48		
49		
50		