

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2036 – SB 2081

March 6, 2018

SUMMARY OF ORIGINAL BILL: Replaces “affiliate” for “apprentice” in Tennessee Code Annotated, Title 62, Chapter 19, regarding the regulation of the auctioneering profession. Reduces, from two years to one year, the period of time required for an individual to serve as an affiliate auctioneer prior to being authorized to apply for an auctioneer’s license. Authorizes any licensed auctioneer to sponsor an affiliate auctioneer and establishes that there is no limit to the number of affiliate auctioneers that a licensed auctioneer may sponsor.

Defines “timed listings” as offering goods for sale with a fixed ending time and date that does not extend based on bidding activity. Exempts any exchange of goods conducted through bidding on an internet-based trading platform by a publicly-traded company that primarily sells motor vehicles from all provisions of Chapter Tenn. Code Ann. Title 62, Chapter 19.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue - \$400/Tennessee Auctioneer Commission

Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two- year period. The commission experienced a surplus of \$60,841 in FY15-16, a surplus of \$74,211 in FY16-17, and a cumulative reserve balance of \$414,473 on June 30, 2017.

IMPACT TO COMMERCE OF ORIGINAL BILL:

Decrease Business Expenditures - \$400

SUMMARY OF AMENDMENT (014425): Deletes all language after the enacting clause. Creates the Tennessee Task Force on Auction Law Modernization (the Task Force) for the purpose of studying the regulation of online bidding platforms and conducting a comprehensive review of auction laws in this state, including rules of the Tennessee Auctioneer Commission. The Task Force shall be composed of 13 members, meet at least 4 times between June 1, 2018, and December 31, 2018, and members shall receive no compensation, nor reimbursement for actual travel and other expenses incurred in attending any meeting and performing any duties. For administrative purposes, attaches the Task Force to the Board of Licensing Auctioneers. Requires all appropriate agencies of state government to provide assistance to the Task Force, upon request. Requires the Task Force to make recommendations for legislation for the next legislative session and report its recommendations to the chairs of the Commerce and Labor Committee of the Senate and the Business and Utilities Committee of the

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House of Representatives on or before January 1, 2019, at which time the Task Force will terminate.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The legislation establishes that members shall not receive any compensation for serving on the Task Force, nor shall they receive reimbursement for actual travel and other expenses incurred in attending any meeting and performing any duties.
- No members of the task force are legislative members.
- This legislation will have no significant impact on state government.
- This legislation administratively attaches the Task Force to the Board of Licensing Auctioneers, which is not an existing entity. It is assumed the Task Force will be administratively attached to the Tennessee Auctioneer Commission.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Tennessee Auctioneer Commission experienced a surplus of \$60,841 in FY15-16, a surplus of \$74,211 in FY16-17, and a cumulative reserve balance of \$414,473 on June 30, 2017.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

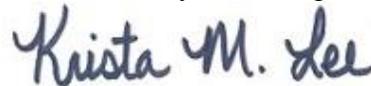
NOT SIGNIFICANT

Assumption for the bill as amended:

- Establishing the Task Force will have no significant impact on commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/jdb