



Ohio Revised Code

Section 4707.074 Auction firm license required for person providing auction services.

Effective: June 30, 2007

Legislation: House Bill 67 - 127th General Assembly

(A) A person who is not otherwise licensed under this chapter and who only provides auction services or holds the person's self out as providing auction services shall do so only with a valid auction firm license issued under this section. This section does not apply to either of the following:

(1) A person licensed as a motor vehicle auction owner under Chapter 4517. of the Revised Code who exclusively sells motor vehicles to a person licensed under Chapter 4517. of the Revised Code and who uses an auctioneer who is licensed under this chapter to conduct the auction;

(2) A person licensed as a livestock dealer under Chapter 943. of the Revised Code who exclusively sells livestock and uses an auctioneer who is licensed under this chapter to conduct the auction.

(B) The department of agriculture may grant an auction firm license to an auction firm that is determined to be qualified by the department. Every applicant for an auction firm license shall furnish to the department, on forms provided by the department, satisfactory proof that the applicant:

(1) Is in good standing with the secretary of state if the applicant is a corporation;

(2) Is of trustworthy character;

(3) Is registered with the secretary of state or a local authority, as applicable, to do business in this state;

(4) Has complied with any other requirement that the director establishes in rules adopted under section 4707.19 of the Revised Code;

(5) Has a general knowledge of the requirements of the Revised Code and the general principles regarding auctions, auctioneering, and auction management;



(6) Has provided proof of financial responsibility in the amount of fifty thousand dollars in the form of a surety bond, an irrevocable letter of credit, or cashbond;

(7) Employs a firm manager as required under division (D) of this section.

(C) An application submitted under this section for an auction firm license shall list the names of all of the owners, directors, partners, or members of the applicant, as applicable.

(D) An auction firm shall designate a firm manager. The firm manager shall have sufficient authority in the operation of the auction firm to ensure compliance with this chapter and rules adopted under it. If the firm manager does not have a current license issued under section 4707.07 of the Revised Code, the firm manager shall pass the written examination held under section 4707.08 of the Revised Code before the department may issue a license under this section to the auction firm.

(E)(1) An auction firm license issued under this section immediately shall terminate if any of the following occurs:

(a) The auction firm incorporates.

(b) The auction firm ceases to operate as a corporation.

(c) The auction firm changes ownership.

(d) If the auction firm is a partnership, the firm changes the number of partners in the partnership or changes the partners comprising the partnership.

(e) The auction firm changes the firm manager.

(f) The auction firm changes the name under which the firm conducts business.

(g) The auction firm changes its permanent business location.



If a license terminates under this division, the licensee immediately shall cease auction services, notify the department of the termination, and return the terminated license to the department.

(2) Not later than ten days prior to the date on which an auction firm license will terminate pursuant to division (E)(1)(a), (b), (c), or (d) of this section, the auction firm may submit an application for a new auction firm license in accordance with division (B) of this section. If the auction firm submits the application, returns the terminated license, and pays a fee in the amount of one hundred dollars, the department may issue a new license under this section.

(3) If a license terminates pursuant to division (E)(1)(e), (f), or (g) of this section and the formerly licensed auction firm notifies the department, returns the terminated license, and pays a fee in the amount of ten dollars, the department shall issue a new license under this division.

(F) For purposes of the financial responsibility that is required under division (B) of this section, if a person provides a surety bond, the bond shall be executed by a surety company that is authorized to do business in this state. The bond shall be made payable to the department and shall include a condition that requires the applicant to comply with this chapter and rules adopted under it, including a requirement that the person refrain from conduct described in section 4707.15 of the Revised Code. A bond shall be on a form that is approved by the director. A person who is issued a license under this section shall maintain the financial responsibility that is required under division (B) of this section for as long as the person is licensed.

(G) An auction firm licensed under this section shall not conduct the bid calling for the sale of real or personal property at auction.