

HOUSE BILL 2633

By Holt

AN ACT to amend Tennessee Code Annotated, Title 62,
Chapter 19, relative to gallery licenses.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 62, Chapter 19, is amended by adding the following as a new section:

(a) A person who desires to own and operate an auction house, auction barn, auction gallery, or any other type of auction operating at a fixed site for the purpose of selling consigned or purchased goods at a fixed location is required to first obtain a gallery license. If the auction house, auction barn, or auction gallery is owned and operated by a licensed auctioneer, then no further licensure is required.

(b) A gallery license holder may sign consignment agreements, issue closing statements, and collect and disperse funds. The gallery license holder shall hire a licensed auctioneer to call bids at all auctions. The gallery license holder is responsible for all auction activities that take place on the auction site and shall not conduct auctions off the designated site. A gallery license does not give the license holder the right to call bids or act as an auctioneer at any time.

(c) A person who desires to obtain a gallery license shall submit an application to the commission on a form prescribed by the commission. A person who desires to obtain a gallery license for a firm shall request issuance of the license in the name of the firm with a specific person acting as principal. The application must demonstrate satisfactory proof that the person:

(1) Is at least eighteen (18) years of age;

(2) Has successfully completed at least thirty (30) hours of classroom education approved by the commission; and

(3) Has provided other information as the commission may require to demonstrate honesty, trustworthiness, integrity, reputation, and competency.

(d) Upon approval of the application by the commission, the applicant must take and successfully pass an examination prescribed by the commission. All examination fees are set by the commission.

(e) Applicants completing the requirements of this section must be issued a license certificate and a pocket card. The license certificate must be displayed in a conspicuous place where it can be examined by the public.

(g) A new gallery license shall not be issued after July 1, 2020. A person who held a valid gallery license issued by this state prior to July 1, 2019, may continue to operate an auction house, auction barn, auction gallery, or any other type of auction operating at a fixed site for the purpose of selling consigned or purchased goods at a fixed location pursuant to the restrictions in this section.

SECTION 2. Tennessee Code Annotated, Section 62-19-101, is amended by adding the following subdivision:

() "Firm" means a person who, as part of the person's business, arranges, manages, sponsors, advertises, or carries out auctions;

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.