Approved	January	31, 1992
	<i>V</i>	Date

MINUTES	OF THE	HOUSE	COMMITTEE ON	AGRICULTURE	

The meeting was called to order by ______Representative Lee Hamm Chairperson

9:09 a.m./xxx on Tuesday, January 21

 $\frac{1992}{}$ in room $\frac{423-S}{}$ of the Capitol.

All members were present except: Representative Minor

Representative Rock, excused Representative Wempe, excused

Representative Heinemann

Committee staff present:

Representative Jennison

Raney Gilliland, Legislative Research Jill Wolters, Revisor of Statutes Office Pat Brunton, Committee Secretary

Conferees appearing before the committee: Alan F. Alderson, Attorney, Western Retail Implement and Hardware Association Pam Wells, Kansas Cooperative Council, Topeka

Chairman Hamm introduced Representative Doug Lawrence, Burlington, and welcomed him to the House Agriculture Committee.

Alan F. Alderson, Attorney, representing Western Retail Implement and Hardware Association, appeared before the committee requesting an amendment to the Outdoor Power Equipment Act that would include lawnmowers and golf course equipment. (Attachment 1).

Representative Rezac made a motion to introduce this legislation. Representative Wisdom seconded the motion. Motion carried.

Pam Wells, Kansas Cooperative Council, appeared before the committee requesting the portion of SB 73 - Kansas Cooperative Marketing Act that was stricken before the bill was adopted be reintroduced, with the exception that there will no longer be permission granted for non members of the cooperative to serve on the board of directors. (Attachment 2).

motion was made by Representative Neufeld to introduce legislation. Representative Reinhardt seconded the motion. Motion carried.

Representative Rezac introduced а bill that would license auctioneers. (Attachment 3).

introduce such legisla-e motion. Motion carried. Representative Rezac moved to introduce Representative Crumbaker seconded the motion. legislation.

Chairman Hamm requested legislation on a milk marketing bill that would establish a stabilization fund to pay milk producers when milk prices fall. Representative Hamm indicated that the purpose of the bill was to avoid the valleys of milk prices.

legislation. Neufeld moved to introduce this Representative Representative Wisdom seconded the motion. Motion carried.

The meeting adjourned at 9:20 a.m. The next meeting of the House Agriculture Committee will be held on Tuesday, January 28, 1992, The next meeting of the House at 9:00 a.m. in room 423-S, State Capitol.

COMMITTEE: HOUSE AGRICULTURE

DATE: January 21, 1992

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
ALAN ALBERSON	TOPELEA	UESTEAN PETALL
Milton Inderson	· Mankallan	Quitiqueis
Loren J. Thiles	Horton	Quetimen
Punto 11 Cole	Smolan	assofts
WD "Dub" Barnes	Herington	auctioneer
Boh Wilson	Monhalton	Quetioneer
Lem allan	Joses	Pero M. Good Coa
Mmy Dick	Laurence	Rep. Welland
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Mike Beam	Topeha	Ks. horth ann
Jon Junuell	Topely	Ko Brain & Deed bon
Sargue Oalses	Jipeka	Ko. auctionsers
Sim Marka	hangene s	Est. P. A. Miller
Kanneth M. Wilke	Topola	KSBA.
NOE Kichabaugh	ToreKo	Ks Livestock Assoc,
Sam Wells	Topeka.	KS Co-op Council
Alphon	Holton	CKFO
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BY COMMITTEE ON AGRICULTURE

AN ACT concerning certain contracts to maintain stocks of outdoor power equipment; defining certain terms; amending Section 2 of Chapter 67 of the 1991 Kansas Session Laws, and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. Section 2 of Chapter 67 of the 1991 Kansas Session Laws is hereby amended to read as follows:

As used in this act:

- (a) "Outdoor power equipment" means and includes machinery, equipment, attachments or repair parts therefor, used for industrial, construction, maintenance [er], lawn, garden, golf course, landscaping or grounds maintenance purposes.
- (b) "Retailer" means any person, partnership, firm, corporation, association, or other form of business enterprise engaged in the business of:
- (1) Selling or leasing outdoor power equipment to the ultimate consumer thereof; and
 - (2) repairing or servicing outdoor power equipment.
- (c) "Contract" means either a written or parol agreement or arrangement for a definite or indefinite period between a retailer and a supplier which provides for the rights and obligations of the parties with respect to the purchase or sale of outdoor power equipment, and which agreement, regardless of the retailer's territorial scope, contemplates the establishment or maintenance by the retailer of a location within the state of Kansas at which outdoor power equipment and services for the same are displayed, and offered or demonstrated for sale.

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ATTACHMENT 1

- (d) "Net cost" means the amount of money actually paid by a retailer to the supplier.
- (e) "Current net price" means the price listed in a supplier's price list or catalogue in effect on the date of termination of a contract, less any applicable trade and cash discounts.
- (f) "Supplier" means any person, partnership, corporation, association, or any and all other forms of business enterprise engaged in the business of manufacturing, assembly or wholesale distribution of outdoor power equipment. The term "supplier" and the provisions of this act shall be interpreted liberally, with regard to the equities of the retailer, and in a manner not limited to traditional doctrines of corporate successor liability, and the obligations of a supplier hereunder shall consequently apply to any actual successor in interest to a supplier, including but not limited to, a purchaser of substantial assets or substantial stock, any receiver, trustee or assignee, or any surviving corporation resulting from a merger, liquidation or reorganization of the original or any intermediate successor supplier.
- Sec. 2. Section 2 of Chapter 67 of the 1991 Kansas Session Laws is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

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Most of us know agriculture is changing, and if we're doing business as we did 20 or 25 years ago, we're probably getting further behind.

If producers and cooperatives are going to survive in the years to come, we must adjust to a changing economy, as well as a changing world.

Cooperatives have been one of the best off-farm tools the American producer has had for nearly a century. Cooperatives have enabled the individual producer to control his/her own destiny and have enabled the family farm to survive.

Through changing times, farming methods have improved and so must your cooperative. The cooperative of the future must diversify and become flexible.

In Kansas, cooperatives are governed by the Kansas Cooperative Marketing Act, which was enacted in 1921, with only modest changes made since that time, the last being in the 1940s.

To help position cooperatives and their member owners for the '90s and beyond, the Kansas Cooperative Council is supporting several changes to the Kansas Cooperative Marketing Act. Some of the proposed changes and their objectives are:

1. Changes in Section 17-1603 would reduce the number of persons necessary to form a cooperative, from ten (10) to five (5).

Objective - If individuals or corporations would like to form a cooperative it would be easier if it only took 5 incorporators.

2. In Section 17-1604, the changes would allow a cooperative to engage in any legitimate activity as long as a majority of its business is done with or for its members.

Objective - Competition is fierce and margins are low. If a cooperative is going to be competitive, its business opportunities should not be unreasonably restricted. This will be more important as cooperatives increasingly take an active role in rural development.

3. Section 17-1608 changes the language so that a determination on the vote to amend the articles of incorporation is based on the number of voting members or voting stockholders attending and voting at a meeting.

Objective - Often 50 percent of the members don't show for a meeting and many leave before the voting occurs. It will still take a 2/3 vote to amend the cooperative charter, but the 2/3 would be based on the number of people that are interested enough to attend and vote.

4. Section 17-1609(j) would allow an increase in the rate of dividends permitted on common or preferred stock from 8 percent to an amount not to exceed rates established by Kansas statutes. (In August 1990 it was 15%).

Objective - Eight percent was high when the Act was first passed in 1921. A higher rate would allow cooperative stock to be more attractive. Cooperatives could still restrict dividends to 8% or not permit dividends at all —it's still the cooperative's choice.

5. Section 17-1611 would specifically allow the election of some directors who are not members of the cooperative, as long as eighty percent of the directors were members.

Objective - Since many cooperatives have become so large and have so much diversification, it may be helpful to have someone on the board that could bring in some outside experience, talent or knowledge. Cooperatives would not have to elect a non-member; it would still be the members' choice.

6. In several sections — including 1609, 1613 and 1642 — there are changes in the Act to leave the redemption of stock solely to the discretion of the board of directors.

Objective - In two specific law cases (Atchison County Co-op v Turnbull and Claassen Executrix v Farmers Grain Cooperative) the courts have stated that redemption of stock is solely at the discretion of the board of directors. The reason being, if a member could redeem stock on

demand, even if the cooperative was financially incapable, then other members could lose the cooperative.

7. Section 1612 would allow the cooperative board to elect a chairman and vice chairman instead of a president and vice president. They then could hire a president to run the cooperative.

Objective - This is consistent with other corporation boards. Most CEOs are called "president." The Farm Credit Banks already call their managers "president."

8. Section 1613 permits voting based upon patronage, but no member shall have more than a percent (5%) of the total vote.

Objective - Probably 95% of the cooperatives would never use this provision. But in the future, if cooperative members wanted to vote this way, they should be able to. It's still the members' choice.

9. The changes in Sections 17-1637 to 1642 establish guidelines for mergers and consolidations of cooperatives. The current Act does not specifically address these matters. The Act does state that the General Corporation Code applies, except where its provisions are in conflict with or inconsistent with the Act. Most of these changes are parallel with current corporation statutes.

Objectives - Consolidations of cooperatives har increased and this trend will probably continue. The new provision allows cooperatives to have their own language when it comes to mergers and consolidations.

The Kansas Cooperative Council will be asking the 1991 Legislature to amend the Kansas Cooperative Marketing Act. Since cooperatives are owned by producers and ranchers of Kansas, the Council is soliciting their help in the legislative process.

If you have any questions or would like to review the proposed amendments to the Act, you can contact:

The Kansas Cooperative Council 700 Kansas Avenue Suite 615 Topeka, KS 66603 (913) 233-4085





For the 90's and Beyond

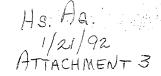
	HOUSE	BII	LI	. OI	
Ву	Committ	ee	on	Agr	iculture

AN ACT concerning auctioneers; providing for licensure and regulation.

Be it enacted by the Legislature of the State of Kansas:

Section 1. From and after July 1, 1992, no person shall act or presume to act as an auctioneer in this state unless such person has a current license in good standing issued by the board.

- Sec. 2. (a) "Auctioneer" means a person who knowingly creates or abets the inference of being available to sell, offer to sell at auction real or personal property, goods, chattel, merchandise, or commodities of any description by or at public auction or who sells property at auction.
- (b) "Auction facility" means any business establishment or other location owned, leased, or controlled by any entity other than a duly licensed auctioneer where goods are sold or are advertised to be sold, at auction on any recurring basis.
- (c) "Property" means any chattels, goods or merchandise, real or personal or commodities of any form or type which may be lawfully kept or offered for sale.
- (d) "Auction" means the public sale of property real or personal, or both, in which the sale price of the property offered is increased by bids until the highest accepted bidder becomes the purchaser.
- (e) "Absolute auction" means an auction where at the time of advertising and at the time of auction sale, ownership of the goods to be sold will pass to the highest bidder regardless of the amount of the highest and last bid.
- (f) "Association" means a voluntary association of licensed auctioneers organized to improve and promote the auction method



of sales.

- (g) "Auction manager" means any person, individual, corporation or other entity who knowingly represents, creates or abets the inference of being available to manage or operate an auction and who is responsible for collection and disbursing of auction funds.
- (h) "Board" means the auctioneers board created by section 3 and composed as provided by section 4.
- Sec. 3. (a) There is hereby created the auctioneers board and delegates to the board. The board may adopt rules and regulations reasonable and necessary for the orderly licensing and regulation of the auctioneering profession and the protection of the public.
 - (b) The board may:
- (1) Establish and collect reasonable license fees and fees for annual renewal thereof;
- (2) employ staff and support personnel for the conduct of business and to assure compliance with this statute. In accordance with appropriations, the board shall obtain office space, furniture, stationery, and other proper supplies and conveniences reasonably necessary to carry out the provisions of this act;
 - (3) conduct investigations and hold hearings;
- (4) administer written and oral examinations as a prerequisite to issuing a license; and
- (5) procure liability insurance or other insurance as provided by law.
- Sec. 4. (a) The board shall consist of five members who shall be appointed by the governor. Three members of the board shall be licensed auctioneers and two members of the board shall be nonauctioneers. The members of the board shall have been residents of this state for at least five years. The auctioneer members of the board shall have had experience as an auctioneer for at least five years immediately prior to appointment. The governor shall designate one member of the board as chairperson

and one as vice chairperson. At least three members shall be present for the board to take final action on any matter.

- (b) The governor shall appoint the members of the initial board for the following terms:
 - (1) One member for a term of one year;
 - (2) two members for terms of two years;
 - (3) two members for terms of three years.

Subsequent appointments shall be for three-year terms except for interim appointments to fill unexpired terms which shall be only for the remainder of the unexpired term.

- (c) For attendance at authorized meetings of the board, members shall be paid \$25 compensation per day and expense amounts as provided by subsection (e) of K.S.A. 75-3223 and amendments thereto.
- Sec. 5. (a) There is hereby established two classes of auctioneers' licenses: Auctioneer and auction facility/auction manager.
- (b) All applicants for a license under this act shall possess the following minimum qualifications:
 - (1) Be 18 years of age as of date of application;
 - (2) have a high school diploma or a G.E.D. certificate; and
- (3) have completed 80 classroom hours of study with a recognized institution of instruction in the auctioneering profession.
- (c) Each applicant for a license under this act shall satisfy the board that such person is worthy of public trust through background information to be provided with the application form. The board may in questionable situations require additional information and personal interview with the applicant to determine if a license should be granted.
- (d) Each applicant for a license under this act shall take and successfully complete an examination as prescribed by the board. The examination shall include questions on ethics, elementary principles of the auctioneering profession and a general knowledge of the statutes relating to the uniform

commercial code, the bulk sales law, contracts of sale, agency, leases, brokerage and the provisions of this law and rules regulations adopted pursuant to it. There shall be separate examinations for auction facility/auction manager and auctioneer applicants, each based upon relevant subject matter appropriate license classification. Examinations administered at least quarterly and at the board's discretion, special examinations may be administered in. exigent circumstances.

- (e) In order to defray the cost of administration of the examinations, applicants for the examination shall pay reasonable fees as established by the board.
- (f) There is hereby created the board of auctioneers fee fund. Except as provided for amounts to be deposited in the auctioneers recovery fund, the board of auctioneers shall remit all moneys received by or for it from fees, charges or penalties to the state treasurer at least monthly. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury. Of each such deposit 20% shall be credited to the state general fund, for the purposes stated in K.S.A. 75-3170a and amendments thereto and the balance shall be credited to the board of auctioneers fee fund. All expenditures from the board of auctioneers fee fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the board of auctioneers or by a person or persons designated by the chairperson.
- Sec. 6. Each auctioneer licensed under this act shall earn a minimum of eight continuing education hours in each annual licensing period. The board, through rules and regulations, shall establish procedures to accredit sponsors and programs and determine the number of hours of credit to be given for participation. The board may grant waivers or extensions of time to complete continuing education requirements because of hardship, disability or other good cause.

- Sec. 7. (a) There is hereby established an auctioneer recovery fund, to be administered by the state treasurer as a separate fund with money collected from fees established under this section.
- (b) In addition to the license and renewal fees required by section 3, the board shall collect from each licensee at the time of license application or license renewal a fee of \$100 for the first year of licensure and \$50 for each subsequent year as necessary to attain and maintain a balance of not less than \$100,000 in the fund. Fees paid to the board pursuant to this subsection shall be remitted to the state treasurer and shall be deposited in the state treasury by the state treasurer and credited to the auctioneer recovery fund.
 - (c) The purpose of the fund shall be as follows:
- (1) When an auctioneer has been found guilty of violating any of the provisions of this act or the rules and regulations adopted by the board and upon the entry of a final decision by the board or if appealed, a district court order, the board is authorized to pay the aggrieved party or parties an aggregate amount not to exceed \$5,000 for the first \$20,000 in the :fund, \$10,000 for the first \$40,000 in the fund, and a maximum of \$20,000 when the fund equals or exceeds \$100,000, against any one auctioneer provided that the auctioneer has refused to pay such claim within a period of 20 days of entry of the final decision by the board or by the district court if appealed.
- (2) The pooled money investment board may invest and reinvest the moneys in the fund in: (A) Direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America; (B) interest-bearing time deposits in any commercial bank located in Kansas, except that the amount so invested in any such bank or trust company shall not exceed an amount equal to the total capital and surplus of such bank or trust company and shall be secured in the manner prescribed by subsections (a) through (e) of K.S.A. 75-4218, and amendments thereto; (C) if the pooled

money investment board determines that it is impossible to deposit such moneys in such time deposits, in repurchase agreements of less than 30 days' duration with a Kansas bank or with a primary government securities dealer which reports to the market reports division of the federal reserve bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof; or (D) in shares or accounts in savings and loan associations insured by the federal savings and loan insurance corporation, or other federal agency, to the extent covered such insurance. All moneys received as interest earned by the investment of the moneys in the fund shall be credited to Sufficient liquidity shall be maintained so that there shall be money available to satisfy any and all claims which may be processed through the board.

- Sec. 8. (a) If a licensee is adjudged guilty of violating a section of this act or the rules and regulations adopted by the board, and if the amount of the money lost by the aggrieved party or parties is in dispute or cannot be determined accurately, the amount of damages shall be determined by a district court, provided that the board has previously determined that a violation of the license laws or rules and regulations has occurred and a final order has been entered.
- (b) If such an order has been entered and the auctioneer license rights of the licensee have been finally adjudicated, then the district court shall make a finding as to the monetary damages resulting from the violation or violations.
- (c) When a final order has been entered by the district court, and upon certification to the board, the aggrieved party or parties shall be paid such amount or amounts in the aggregate not to exceed \$20,000 by the board, and the auctioneer's license held by the licensee against whom the claim was made by the aggrieved party shall be suspended until such time as the licensee has reimbursed the auctioneer recovery fund for all amounts paid to the aggrieved party due to the violation of the

licensee.

- (d) When, upon the final order of the district court, the board has paid from the auctioneer recovery fund any sum to the aggrieved party, the board shall be subrogated to all of the rights of the aggrieved party to the extent of the payment and the aggrieved party shall to the extent of the payment assign right, title, and interest in the judgment to the board.
- (e) All the claims for monetary damages or relief from the auctioneer recovery fund must be made in writing on a proof of loss form submitted to the board within six months of the act of the auctioneer giving rise to the loss. Failure to file such claims within the six-month period shall bar the claim. Additional evidence shall be submitted by the claimant if required by the board.
- (f) No claims shall be approved under this section for amounts which, in the aggregate, exceed the maximum payable on account of any one license in effect at the time of the act or acts of the licensee giving rise to the claims, except to the extent of the maximum.
- Sec. 9. All licenses granted pursuant to this act shall be for one year and shall expire on June 30. The initial issuance of a license shall be for the period from time of issue until June 30. Annual license fees shall be set from time to time by the board with a maximum annual fee of \$100. Individuals failing to renew the license within 30 days after June 30 shall be required to successfully pass the examination in order to obtain the license and to pay a license fee of \$100 and an examination fee of \$100.
- Sec. 10. Proceedings under this act shall be conducted in accordance with the Kansas administrative procedure act. Judicial review and civil enforcement of agency actions under this act shall be in accordance with the act for judicial review and civil enforcement of agency actions.
- Sec. 11. (a) From and after the effective date of this act and for a period of 12 months thereafter, any person including

nonresidents who have practiced the auctioneering profession in this state for at least one year prior to the passage of this act. may apply for an auctioneer's license without examination. The requirements for such an application are as follows:

- (1) Submit an application as outlined in section 5;
- (2) submit an affidavit that such person has been a practicing auctioneer for at least one year prior to the passage of this act, and has actually called bids in five sales in the past year;
 - (3) tender with the application the license fee of \$100;
- (4) tender an initial fee to the auctioneer recovery fund in the amount of \$100.
- (b) Upon verification of the information contained in the application and, if the individual is found to be otherwise qualified, the board shall issue the applicant a license without the examination.
- Sec. 12. (a) Any auctioneer who is licensed in a state which has a licensing law substantially the same or equivalent to this act, or which state's licensing requirements are equal to the requirements of this act, and which state's licensing law has been reviewed and approved by the board, and which state's board has entered into a reciprocal licensing agreement with the state of Kansas, may apply for and be granted a license without examination. Applicants for a license through reciprocity shall furnish the board a copy of the license from the licensing state and the same information as that required of resident applicants. In addition, nonresident applicants shall pay to the board the fee required for the auctioneer recovery fund.
- (b) An auctioneer may obtain a temporary license at the discretion of the board by application for a period not to exceed 90 days and shall agree to meet all of the provisions and pay all of the fees of this act. An auctioneer may obtain no more than one temporary license in a three-year period.
- (c) In addition, every nonresident applicant shall file an irrevocable consent that actions may be commenced against the

applicant in any court of competent jurisdiction in the state of Kansas, by the service of any summons, process or pleading authorized by the law on the secretary of the board. The consent shall stipulate and agree that the service of such process, summons or pleading with the secretary shall be taken and held in all courts to be valid and binding as if actual service had been made upon the applicant in Kansas. In case any summons, process or pleadings are served upon the secretary of the board, it shall be by duplicate copies, one of which shall be retained in the office of the board, and the other immediately forwarded by registered mail to the last known business address of the applicant against which the summons, process or pleading may be directed.

- Sec. 13. Commission of any of the following acts by a licensee shall be a violation of this act, and may subject the licensee to the disciplinary provisions contained herein:
- (a) Knowingly filing or causing to be filed a false application;
- (b) failure to enter into a written contract with a seller or consignor prior to placing or permitting advertising for an auction sale. The appearance of a licensee's name in advertising creates a rebuttable presumption that the advertising was placed with the licensee's knowledge;
- (c) failure by the licensee to give the seller or consignor a signed receipt for items received for sale at auction, either by items or by lot at the time the goods are received, unless the goods are to remain in the possession of the seller or the consignor;
- (d) failure to give the seller and the purchaser of goods sold at auction a statement indicating the item or lot description, selling price, purchaser's identity, and the net proceeds due to the seller or consignor;
- (e) unless contemporaneous payment is made to the consignor, failure to place funds received from an auction sale in an escrow or trust account, and failure to make a timely settlement on

escrowed funds absent a written agreement to the contrary, 15 business days shall be deemed timely for settlement on personal property, and 60 days on real property;

- (f) permitting an unlicensed auctioneer to call for bids in an auction sale;
 - (g) being convicted of one or more felonies;
- (h) any course of intentional or wanton conduct by a licensee which misleads or creates a false impression among the seller, buyer, bidders, and the auctioneer in the advertising, conduct or closing of an auction sale;
- (i) each and every advertisement by an auctioneer or consignment auction house shall include the number of the license issued to such auctioneer or auction company by the board;
- (j) failure to maintain a designated office or location where such auctioneer may be reached or may be served legal documents. The board shall be notified by the licensed auctioneer of any change of such designated office or location within 30 days subsequent to such change;
- (k) violations of this act or rules and regulations of the board.
- Sec. 14. (a) The auction facility/auction manager license is intended for those individuals or firms who knowingly represent themselves of being able to manage or operate an auction and who are responsible for collecting and dispersing auction funds.
- (b) In addition to the other requirements contained in this act, the holder of an auction facility/auction manager license shall comply with the following:
- (1) Employ only a licensed auctioneer to call bids. A copy of the auctioneer's license and a copy of the auction facility/auction manager license shall be maintained on the premises and available for inspection by the public;
- (2) maintain complete records of each sale held at the licensed premises, to include, but not limited to, consignment receipts, bidder registrations, final settlements with consignors, and any other documents relevant to the conduct of

the sale. These records shall be maintained for one year from the date of the sale;

- (3) maintain a file on all current and past employees of the auction facility for the previous three years. Such file shall contain the employee's name, last known address, social security number and date of birth;
- (4) assume responsibility for all checks, drafts, and other negotiable instruments tendered by buyers in payment for goods sold through the auction facility pursuant to the terms of the written contract between the parties;
- (5) deposit all proceeds from the auction sales into the licensee's escrow account, and make all disbursements from the escrow account; and
- (6) upon being charged with a violation of this act, or rules and regulations of the board, make all records pertaining to the auction facility available to a member or employee of the board for inspection upon demand.
- (c) An auction manager is exempt from licensing if by contract the licensed auctioneer accepts the responsibility for distribution of funds.
- Sec. 15. The license requirements contained in this act shall not apply to any of the following types of auction sales:
- (a) Sales of goods by an individual who personally owns the goods, and who did not acquire the goods for the purpose of resale. This exemption applies only to individuals, and not to partnerships, corporations or other entities;
- (b) sales conducted for any charitable, religious or civic organization which has tax-exempt status, and for which the auctioneer receives no compensation;
- (c) sales required by law to be held at auction, or sales ordered to be held at auction by a court of competent jurisdiction;
- (d) any livestock auction facility licensed under federal law relating to packers and stockyards act;
 - (e) any auction facility when utilized for the purposes

defined in subsection (jj) of K.S.A. 8-2402, and amendments thereto, and any auction manager licensed under the vehicle dealers and manufacturers licensing act while engaged in performing the duties such manager is authorized to perform under the vehicle dealers and manufacturers licensing act, except that a nonmanager auctioneer performing auctioneer duties shall not be exempt from licensure requirements under this subsection; and

- (f) notwithstanding the provisions of this section, no licensee under this act shall be exempted from any of the provisions of this act by reason of participation in any sale excepted under this section.
 - Sec. 16. Violation of this act is a class C misdemeanor.
- Sec. 17. No municipality, as defined in K.S.A. 10-1011, and amendments thereto, shall require a license or impose a fee for any license from an auctioneer who is required to be licensed under this act.
- Sec. 18. This act shall take effect and be in force from and after its publication in the statute book.