

Regulatory Analysis Form

(Completed by Promulgating Agency)

INDEPENDENT REGULATORY
REVIEW COMMISSION

(All Comments submitted on this regulation will appear on IRRC's website)

(1) Agency
Department of State, Bureau of Professional and
Occupational Affairs, State Board of Auctioneer Examiners

(2) Agency Number: 16A
Identification Number: 16A-649

IRRC Number: 2982

(3) PA Code Cite: 49 Pa. Code § 1.42

(4) Short Title: Schedule of Fees

(5) Agency Contacts (List Telephone Number and Email Address):

Primary Contact: Cynthia K. Montgomery, Regulatory Counsel, Department of State, P.O. Box 2649, Harrisburg, PA 1105-2649 (phone 717-783-7200) (fax 787-0251) cymontgome@pa.gov.

Secondary Contact: Juan Ruiz, Counsel, State Board of Auctioneer Examiners, P.O. Box 2649, Harrisburg, PA 17105-2649 (phone 717-783-7200) (fax 787-0251) jruiz@pa.gov.

(6) Type of Rulemaking (check applicable box):

PROPOSED REGULATION

Final Regulation

Final Omitted Regulation

Emergency Certification Regulation;

Certification by the Governor

Certification by the Attorney General

(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)

The proposal would amend § 1.41 (relating to schedule of fees) to increase biennial renewal fees for all licenses and registrations issued by the Board, as set forth in Annex A, in order to produce adequate revenue to meet projected expenditures, as required by section 6(a) of the act (63 P.S. § 734.6(a)). Specifically, the biennial renewal fees for trading assistants and apprentice auctioneers will increase from \$100 to \$130; and the biennial renewal fees for auctioneers, auction houses and auction companies will increase from \$200 to \$260.

(8) State the statutory authority for the regulation. Include specific statutory citation.

Section 6(a) of the Auctioneer Licensing and Trading Assistant Registration Act (act) (63 P.S. § 734.6(a)) requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenue raised by fees, fines and civil penalties are not sufficient to meet expenditures over a 2-year period.

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(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.

Except as set forth in paragraph (8), the regulation is not mandated by any federal or state law or court order or federal regulation.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

Under section 6(a) of the act, the Board is required by law to support its operations from the revenue it generates from fees, fines and civil penalties. In addition, the act provides that the Board shall increase fees if the revenue raised by fees, fines and civil penalties is not sufficient to meet expenditures over a 2-year period. The Board raises the majority of its revenue through biennial renewal fees. A small percentage of its revenue comes from application fees and civil penalties.

The Board has not raised its biennial renewal fees since 1998, when the biennial renewal fee for apprentice auctioneers increased from \$30 to \$100 and the biennial renewal fees for auctioneers, auction companies and auction houses increased from \$50 to \$200. (See, 28 Pa.B. 5869.) At the time, the Board anticipated that these fees would sustain the Board for at least 10 years. At the March 12, 2012, Board meeting, representatives from the Department of State's Bureau of Finance and Operations (BFO) presented a summary of the Board's revenue and expenses for fiscal years 2009-2010 and 2010-2011, and projected revenue and expenses through 2014-2015. As anticipated, the biennial renewal fees were adequate for about 10 years. However, the actual expenditures for FY 2009-2010 and FY 2010-2011 outpaced revenues during the same period by approximately \$128,400. At the current fee levels, BFO projects revenue of approximately \$475,000 in a given 2-year period, while budgeted expenditures for the next 2 years are projected at \$532,500. BFO projects that, without an increase to the biennial renewal fees, the Board will incur a deficit of approximately \$118,700 in fiscal year 2011-2012, and a deficit of approximately \$176,200 by fiscal year 2013-2014, necessitating a fee increase in 2015 to recoup existing deficits and to ward off further deficits. Therefore, the Board determined that it was necessary to raise fees to meet or exceed projected expenditures, in compliance with section 4(b) of the act. As a result, the Board voted at its July 9, 2012, meeting to increase biennial renewal fees by 30 % to meet projected expenditures, as set forth in Annex A. The proposed new biennial renewal fees will enable the Board to recoup the projected deficits and meet its estimated expenditures for a number of years to come.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no federal standards applicable to the subject matter of the regulation.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

About half of the states regulate auctioneers to varying degrees. Some only require them to register as a business for tax purposes; others require auctioneers to be licensed. Of those states that require licensing, biennial renewal fees for auctioneers range from a low of \$70 to a high of \$450. For auction companies/firms, the biennial renewal fees range from a low of \$125 to a high of \$600. Most states limit apprentice licenses to one year, however those that do renew them generally renew annually at a fee of \$75 – \$150. Only one other state has a credential similar to the trading assistant registration and that is Illinois, which has an “internet auction listing service” which has a biennial renewal fee of \$450.

Based on this information, the Board believes the proposed biennial renewal fees will not put Pennsylvania at a competitive disadvantage.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. (“Small business” is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

Because an increase in the biennial renewal fee is mandated by section 6 (a) of the act, pre-draft input was not solicited. However, the proposal was discussed at public meetings of the Board on May 14, 2012 and July 9, 2012, which are routinely attended by representatives of the Pennsylvania Auctioneers Association and other organizations that have an interest in the regulatory agenda of the Board. In addition, the Board invites the professional organizations that represent the regulated community to submit comments following publication of the notice of proposed rulemaking.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

The proposed amendments will increase the biennial renewal fees for all classes of licensees/registrants of the Board. There are currently approximately 284 apprentice auctioneers, 139 auction houses, 2,087 auctioneers, 193 auction companies and 52 trading assistants that will be required to pay 30% more to renew their licenses/registrations when they expire in 2015, and thereafter.

According to the Small Business Administration (SBA), there are approximately 982,692 businesses in Pennsylvania; of which 978,831 are small businesses; and 3,861 are large businesses. Of the 978,831 small businesses, 236,775 are small employers (those with fewer than 500 employees) and the remaining 772,056 are non-employers. Thus, the vast majority of businesses in Pennsylvania are considered small businesses. Small businesses are defined in Section 3 of the Regulatory Review³ Act, (71 P.S. § 745.3) which provides that a small business is defined by the SBA's Small Business Size Regulations under 13 CFR Ch. 1 Part 121. These size standards have been established for types of businesses under the North American Industry Classification System (NAICS). In applying the NAICS standards to the types of auctioneer licensees, a small business in Subsector 453 (Miscellaneous Store Retailers) includes auction houses and auction companies in the category of "All Other Miscellaneous Store Retailers" (NAICS Code #453998), and is one that has average annual receipts of \$7.0 million or less. Likewise, auctioneers are included in NAICS Sector 56 (administrative and support, waste management and remediation services) under Subsector 561 (administrative and support services) in the category "All Other Support Services" (NAICS Code # 561990), which also has a small business threshold of \$7.0 million or less in average annual receipts. Therefore, for purposes of determining the economic impact on small businesses, the Board believes that a large number of its licensees either are or work for small businesses as that term is defined by the SBA and Pennsylvania's Regulatory Review Act.

The Board has concluded that virtually all auction houses and auction companies in Pennsylvania are small businesses; and likewise all auctioneers, trading assistants and apprentice auctioneers either are themselves small businesses, or are employed by small businesses. However, whether these businesses will be adversely affected by the increase in the biennial renewal fee depends on whether the employer elects to pay the biennial renewal fees on behalf of its licensed employees. Some companies may do so, others may not. A company could avoid the adverse effect by simply requiring its employees to pay their own licensure fees.

(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

There are currently approximately 284 apprentice auctioneers, 139 auction houses, 2,087 auctioneers, 193 auction companies and 52 trading assistants that will be required to comply with the regulation.

(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

Under section 6(a) of the act, the Board is required by law to support its operations from the revenue it generates from fees, fines and civil penalties. In addition, the act provides that the Board shall increase fees if the revenue raised by fees, fines and civil penalties is not sufficient to meet expenditures over a 2-year period. The Board raises the majority of its revenue through biennial renewal fees. A small percentage of its revenue comes from application fees and civil penalties.

The Board has not raised its biennial renewal fees since 1998, when the biennial renewal fee for apprentice auctioneers increased from \$30 to \$100 and the biennial renewal fees for auctioneers, auction companies and auction houses increased from \$50 to \$200. (See, 28 Pa.B. 5869.) At the time, the Board anticipated that these fees would sustain the Board for at least 10 years. At the March 12, 2012, Board meeting, representatives from the Department of State's Bureau of Finance and Operations (BFO) presented a summary of the Board's revenue and expenses for fiscal years 2009-2010 and 2010-2011, and projected revenue and expenses through 2014-2015. As anticipated, the biennial renewal fees were adequate for about 10 years. However, the actual expenditures for FY 2009-2010 and FY 2010-2011 outpaced revenues during the same period by approximately \$ 128,400. At the current fee levels, BFO projects revenue of approximately \$ 475,000 in a given 2-year period, while budgeted expenditures for the next 2 years are projected at \$ 532,500. BFO projects that, without an increase to the biennial renewal fees, the Board will incur a deficit of approximately \$118,700 in fiscal year 2011-2012, and a deficit of approximately \$176,200 by fiscal year 2013-2014, necessitating a fee increase in 2015 to recoup existing deficits and to ward off further deficits. Therefore, the Board determined that it was necessary to raise fees to meet or exceed projected expenditures, in compliance with section 4(b) of the act. As a result, the Board voted at its July 9, 2012, meeting to increase biennial renewal fees by 30 % to meet projected expenditures, as set forth in Annex A. The proposed new biennial renewal fees will enable the Board to recoup the projected deficits and meet its estimated expenditures for a number of years to come.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

The regulatory amendment is mandated by Section 6(a) of the act (63 P.S. § 734.6(a)) and is necessary to assure the fiscal integrity of the Board so that it may continue to carry out its mission.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board estimates that the increased fees will cost the regulated community approximately \$155,220 each biennial renewal period. This amount is calculated as follows:

284 apprentice auctioneers x \$30 increase = \$8,520

52 trading assistants x \$30 increase = \$1,560

2,087 auctioneers x \$60 increase = \$125,220

139 auction houses x \$60 increase = \$8,340

193 auction companies x \$60 increase = \$11,580

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

The regulation would not result in costs or savings to local government.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

The Board will not incur an increase in administrative costs by implementing the rulemaking. Indeed, the regulatory amendment will permit the Board to recoup the costs of its operations. There are no other costs or saving to state government associated with compliance with the proposed rulemaking.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

This proposed rulemaking would not require any additional recordkeeping or other paperwork.

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community			\$155,220		\$155,220	
Local Government						
State Government						
Total Costs	N/A	N/A	\$155,220	N/A	\$155,220	N/A
REVENUE LOSSES:						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses	N/A	N/A	N/A	N/A	N/A	N/A

(23a) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3 FY 09-10 (actual)	FY -2 FY 10-11 (actual)	FY -1 FY 11-12 (projected)	Current FY FY 12-13 (budgeted)
State Board of Auctioneer Examiners	\$297,219.32	\$375,167.79	\$250,000.00	\$262,500.00

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.
 - (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.
 - (c) A statement of probable effect on impacted small businesses.
 - (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.
-
- (a) **Assuming that the majority of licensees either are “small businesses” or work for “small businesses” as that term is defined by the Regulatory Review Act and the SBA, there could be as many as approximately 2,471 small businesses subject to the regulation. However, some of the categories of licensees could be overlapping. For example, a licensed auctioneer could work for an auction house or auction company.**
 - (b) **There are no projected reporting, or recordkeeping costs required for compliance. There are no additional administrative costs required for compliance. (The administrative costs would be those associated with filling out the biennial renewal form or online renewal application and either writing a check or processing the payment of the fee. These costs would be the same regardless of the increase in the fee.) Also, these fees can be avoided by the small businesses by simply requiring employees to pay their own biennial renewal fees.**
 - (c) **As noted in the answer to question 7, the probable effect on impacted small businesses would be a \$30 increase in the biennial renewal fee for trading assistants and apprentice auctioneers, and a \$60 increase for auctioneers, auction houses and auction companies. As noted in the answer to question 19, the Board estimates that the increased fees will cost the regulated community approximately \$155,220 each biennial renewal period.**
 - (d) **The board considered several alternatives as set forth in the answer to question 26 below and decided on a one-time 30% increase at its meeting in July of 2012. At its July meeting, the Board considered a one-time increase of 25% and a graduated fee increase over two biennial periods of 15% in 2015 and 12% in 2017. The Board dismissed these two other alternatives because the one-time 30% increase meets the statutory mandate to provide for biennial expenditures and allows the Board to recoup the existing and projected deficits at a reasonable pace.**

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

No special provisions have been developed for any affected groups or persons.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

The Bureau of Finance and Operations (BFO) presented a number of scenarios for possible fee increases. Originally, when BFO first presented the possibility of a fee increase to the Board in May, a 110% increase was suggested. However, the Board pointed out to BFO that the large increase in expenditures in 2010 and 2011 appear to be an anomaly created by an influx in a particular class of disciplinary action that is not expected to be repeated. Thus, the Board asked BFO to prepare adjusted projections and return with another option. BFO returned in July and suggested either a one-time increase of 25%; a one-time increase of 30%; or a graduated fee increase over two biennial renewal periods of 15% in 2015 and 12% in 2017. The Board considered the one-time 30% increase to be the least restrictive alternative that meets the statutory mandate to provide for biennial expenditures and allows the Board to recoup the existing and projected deficits at a reasonable pace.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
- c) The consolidation or simplification of compliance or reporting requirements for small businesses;
- d) The establishment of performing standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

a & b) All licensees renew biennially. The Board did not consider less stringent reporting requirements or deadlines for small businesses or for licensees that work for small businesses.

c) There are no compliance or reporting requirements that could be consolidated or simplified. The biennial renewal process is the same whether a particular licensee is employed by a small business or a large business.

d) The regulations do not contain design or operational standards that need to be altered for small businesses.

e) To exclude any licensees from the requirements contained in the regulation (an increased biennial renewal fee) based on the size of their employers would not be consistent with public health and welfare because it would prevent the Board from obtaining adequate revenue to meet projected expenditures and it would not be able to carry out its legislative mandate.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

No data, studies or references were used to justify the regulation.

(29) Include a schedule for review of the regulation including:

A. The date by which the agency must receive public comments: **Within 30 days of publication as proposed.**

B. The date or dates on which public meetings or hearings will be held: **No public hearings are scheduled. The Board discusses its regulatory proposals at regular public meetings usually held six times a year (January, March, May, July, September and November).**

C. The expected date of promulgation of the proposed regulation as a final-form regulation: **Fall of 2013.**

D. The expected effective date of the final-form regulation: **Upon publication as final.**

E. The date by which compliance with the final-form regulation will be required: **The increased biennial renewal fees apply to the March 1, 2015 biennial renewal.**

F. The date by which required permits, licenses or other approvals must be obtained: **N/A**

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

The Board continually reviews the efficacy of its regulations, as part of its annual review process under Executive Order 1996-1. The Board reviews its regulatory proposals at regularly scheduled public meetings usually held six times a year. The Board will meet on the following remaining date in 2012: November 15, 2012. More information can be found on the Department's website (www.dos.state.pa.us).

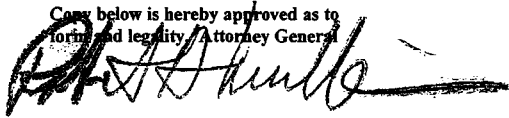
FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

2013 FEB 21 AM 10: 56

(Pursuant to Commonwealth Documents Law)

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to
form and legality. Attorney General



BY: _____
(DEPUTY ATTORNEY GENERAL)

JAN 17 2013

DATE OF APPROVAL

Copy below is hereby certified to be a true and correct
copy of a document issued, prescribed or promulgated by:

State Board of Auctioneer Examiners

(AGENCY)

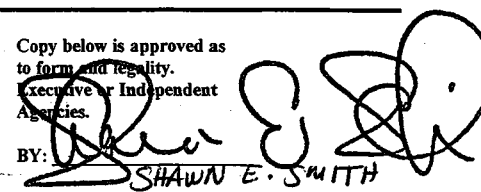
DOCUMENT/FISCAL NOTE NO. 16A-649

DATE OF ADOPTION: _____

BY: 
Sherman E. Hostetter, AU

TITLE: Chairperson
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

Copy below is approved as
to form and legality.
Executive or Independent
Agencies.



BY: _____
SHAWN E. SMITH

DEC 18 2012

DATE OF APPROVAL

(Executive Deputy General Counsel
Strike inapplicable title)

- Check if applicable
Copy not approved.
Objections attached.
- Check if applicable. No
Attorney General approval or
objection within 30 day after
submission.

NOTICE OF PROPOSED RULEMAKING

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF AUCTIONEER EXAMINERS

49 PA. CODE, CHAPTER 1, § 141

SCHEDULE OF FEES

The State Board of Auctioneer Examiners (Board) proposes to amend §1.41 (relating to schedule of fees) to read as set forth in Annex A.

Effective Date

The amendments will be effective upon publication of the final-form rulemaking in the Pennsylvania Bulletin. It is anticipated that the increased biennial renewal fees will be implemented with the February 28, 2015, biennial renewal.

Statutory Authority

Section 6(a) of the Auctioneer Licensing and Trading Assistant Registration Act (act) (63 P.S. § 734.6(a)) requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenue raised by fees, fines and civil penalties are not sufficient to meet expenditures over a 2-year period.

Background and Need for Amendment

Under section 6(a) of the act, the Board is required by law to support its operations from the revenue it generates from fees, fines and civil penalties. In addition, the act provides that the Board shall increase fees if the revenue raised by fees, fines and civil penalties is not sufficient to meet expenditures over a 2-year period. The Board raises the majority of its revenue through biennial renewal fees. A small percentage of its revenue comes from application fees and civil penalties.

The Board has not raised its biennial renewal fees since 1998, when the biennial renewal fee for apprentice auctioneers increased from \$30 to \$100 and the biennial renewal fees for auctioneers, auction companies and auction houses increased from \$50 to \$200. (See, 28 Pa.B. 5869.) At the time, the Board anticipated that these fees would sustain the Board for at least 10 years. At the March 12, 2012, Board meeting, representatives from the Department of State's Bureau of Finance and Operations (BFO) presented a summary of the Board's revenue and expenses for fiscal years 2009-2010 and 2010-2011, and projected revenue and expenses through 2014-2015. As anticipated, the biennial renewal fees were adequate for about 10 years. However, the actual expenditures for FY 2009-2010 and FY 2010-2011 outpaced revenues during the same period by approximately \$ 128,400. At the current fee levels, BFO projects revenue of approximately \$ 475,000 in a given 2-year period, while budgeted expenditures for the next 2 years are projected at \$ 532,500. BFO projects that, without an increase to the biennial renewal fees, the Board will incur a deficit of approximately \$118,700 in fiscal year 2011-2012, and a deficit of approximately \$176,200 by fiscal year 2013-2014, necessitating a fee increase in 2015 to recoup existing deficits and to ward off further deficits. Therefore, the Board determined that it was necessary to raise fees to meet or exceed

projected expenditures, in compliance with section 4(b) of the act. As a result, the Board voted at its July 9, 2012, meeting to increase biennial renewal fees by 30 % to meet projected expenditures, as set forth in Annex A. The proposed new biennial renewal fees will enable the Board to recoup the projected deficits and meet its estimated expenditures for a number of years to come.

Description of Proposed Amendments

The proposal would amend § 1.41 (relating to schedule of fees) to increase biennial renewal fees for all licenses and registrations issued by the Board, as set forth in Annex A, in order to produce adequate revenue to meet projected expenditures, as required by section 6(a) of the act (63 P.S. § 734.6(a)). Specifically, the biennial renewal fees for trading assistants and apprentice auctioneers will increase from \$100 to \$130; and the biennial renewal fees for auctioneers, auction houses and auction companies will increase from \$200 to \$260.

Fiscal Impact

The proposed amendments will increase the biennial renewal fees for all classes of licensees/registrants of the Board. There are currently approximately 284 apprentice auctioneers, 139 auction houses, 2,087 auctioneers, 193 auction companies and 52 trading assistants that will be required to pay 30% more to renew their licenses/registrations when they expire in 2015, and thereafter. The Board has concluded that virtually all auction houses and auction companies in Pennsylvania are small businesses; and likewise all auctioneers, trading assistants and apprentice auctioneers either are themselves small businesses, or are employed by small businesses. However, whether these businesses will be adversely affected by the increase in the biennial renewal fee depends on whether the employer elects to pay the biennial renewal fees on behalf of its licensed employees. Some companies may do so, others may not. A company could avoid the adverse effect by simply requiring its employees to pay their own licensure fees. The proposed regulation should have no other fiscal impact on the private sector, the general public or political subdivisions of the Commonwealth.

Paperwork Requirements

The proposed rulemaking will require the Board to alter some of its forms to reflect the new fees; however, the amendment will not create additional paperwork for the regulated community or for the private sector.

Sunset Date

The act requires the Board to monitor its revenue and costs on a fiscal year and biennial basis. Therefore, no sunset date has been assigned.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. §745.5(a)), on February 21, 2013, the Board submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the Senate Consumer Protection and Professional Licensure Committee and the House Professional Licensure Committee. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria that have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor of any comments, recommendations and objections raised.

Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding this proposed rulemaking to Board Counsel, State Board of Auctioneer Examiners, P.O. Box 2649, Harrisburg, Pennsylvania 17105-2649, within 30 days following publication of this proposed rulemaking in the Pennsylvania Bulletin. Please reference Regulation No. 16A-649 – Schedule of Fees – on all comments.

Sherman Hostetter, AU
Chairperson

ANNEX A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 1. STATE BOARD OF AUCTIONEER EXAMINERS

FEES

§ 1.41. Schedule of fees.

Applicants shall pay the following fees:

* * * * *

Biennial renewal fee for auctioneer license..... [\$200] \$260

* * * * *

Biennial renewal fee for apprentice auctioneer..... [\$100] \$130

* * * * *

Biennial renewal fee for auction house and auction company..... [\$200] \$260

Application fee for trading assistant registration..... \$100

Biennial renewal fee for trading assistant registration..... \$130

* * * * *



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF AUCTIONEER EXAMINERS
Post Office Box 2649
Harrisburg, Pennsylvania 17105-2649
(717) 783-3397

February 21, 2013

The Honorable Silvan B. Lutkewitte, III, Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Proposed Regulation
State Board of Auctioneer Examiners
16A-649: SCHEDULE OF FEES

Dear Chairman Lutkewitte:

Enclosed is a copy of a proposed rulemaking package of the State Board of Auctioneer Examiners pertaining to Schedule of Fees.

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely,

A handwritten signature in black ink, appearing to read "Sherman E. Hostetter".

Sherman E. Hostetter, AU, Chairperson
State Board of Auctioneer Examiners

SEH/CKM:rs

Enclosure

cc: Katie True, Commissioner
Bureau of Professional and Occupational Affairs
Rebecca Oyler, Director of Policy, Department of State
Steven V. Turner, Chief Counsel
Department of State
Cynthia Montgomery, Regulatory Counsel
Department of State
Juan A. Ruiz, Counsel
State Board of Auctioneer Examiners
State Board of Auctioneer Examiners

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

I.D. NUMBER: 16A-649
 SUBJECT: SCHEDULE OF FEES
 AGENCY: DEPARTMENT OF STATE
 BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
 STATE BOARD OF AUCTIONEER EXAMINERS

TYPE OF REGULATION

- X Proposed Regulation
 Final Regulation
 Final Regulation with Notice of Proposed Rulemaking Omitted
 120-day Emergency Certification of the Attorney General
 120-day Emergency Certification of the Governor
 Delivery of Tolled Regulation
 a. With Revisions b. Without Revisions

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FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
		HOUSE COMMITTEE ON PROFESSIONAL LICENSURE
<u>2/21/13</u>	<u><i>Angie Kelly</i></u>	MAJORITY CHAIR <u>Julie Harhart</u>
<u>2/21/13</u>	<u><i>Mary Walmer</i></u>	SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE
		MAJORITY CHAIR <u>Robt. M. Tomlinson</u>
<u>2/21/13</u>	<u><i>K Cooper</i></u>	INDEPENDENT REGULATORY REVIEW COMMISSION
		ATTORNEY GENERAL (for Final Omitted only)
<u>2.21.13</u>	<u><i>[Signature]</i></u>	LEGISLATIVE REFERENCE BUREAU (for Proposed only)