

By: Chisum

H.B. No. 365

A BILL TO BE ENTITLED

AN ACT

relating to the exemption from regulation of certain charitable,  
religious, or civic organizations engaged in auction activities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1802.002, Occupations Code, is amended  
to read as follows:

Sec. 1802.002. APPLICABILITY. This chapter does not apply  
to:

(1) a sale conducted by order of a United States court  
under Title 11, United States Code;

(2) a sale conducted by an employee of the United  
States, this state, or a political subdivision of this state in the  
course and scope of employment;

(3) a sale conducted by a charitable, religious, or  
civic [or nonprofit] organization, including an organization  
having a tax exempt status under Section 501(c), Internal Revenue  
Code of 1986, or organized as a nonprofit entity, if the person  
conducting the auction [auctioneer] receives no compensation;

(4) a sale conducted by an individual of the  
individual's property if the individual is not engaged in the  
business of selling property as an auctioneer on a recurring basis;

(5) a foreclosure sale of real property personally  
conducted by a trustee under a deed of trust;

(6) a foreclosure sale of personal property personally

1 conducted by:

2 (A) a person who holds a security interest in the  
3 property, including a mortgage; or

4 (B) an employee or agent of a person described by  
5 Paragraph (A) acting in the course and scope of employment, if:

6 (i) the employee or agent is not otherwise  
7 engaged in the auction business; and

8 (ii) all property for sale in the auction is  
9 subject to a security agreement;

10 (7) a sale conducted by sealed bid;

11 (8) an auction conducted only for student training  
12 purposes as part of a course of study approved by the executive  
13 director for auctioneers;

14 (9) an auction conducted by a posted stockyard or  
15 market agency as defined by the federal Packers and Stockyards Act  
16 (7 U.S.C. Section 181 et seq.), as amended;

17 (10) an auction of livestock conducted by a nonprofit  
18 livestock trade association chartered in this state, if the auction  
19 involves only the sale of livestock owned by members of the trade  
20 association; or

21 (11) an auction conducted by a charitable or nonprofit  
22 organization chartered in this state, if the auction:

23 (A) is part of a fair that is organized under  
24 state, county, or municipal authority; and

25 (B) involves only the sale of property owned by  
26 the organization's members.

27 SECTION 2. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2007.