

BILL ANALYSIS

Senate Research Center

H.B. 365
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Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law requires auctions for charitable purposes to be conducted by an auctioneer who receives no compensation. Since auctioneers are licensed, this limits the pool of available people who are able to donate their time for such purposes. Additionally, the term "charitable or nonprofit organization" used in current law is in need of clarification.

H.B. 365 allows a person to conduct an auction for charitable, religious, or civic organizations without having to be an auctioneer. This bill also clarifies the types of organizations that are exempt from regulation.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1802.002, Occupations Code, as follows:

Sec. 1802.002. **APPLICABILITY.** Provides that this chapter (Auctioneers) does not apply to a sale conducted by a charitable, religious, or civic, rather than a charitable or nonprofit, organization, including an organization having a tax exempt status under Section 501(c) (Exemption From Tax on Corporations, Certain Trusts, etc.), Internal Revenue Code of 1986, or organized as a nonprofit entity, if the person organizing, arranging, or conducting the auction, rather than the auctioneer, receives no compensation.

SECTION 2. Effective date: upon passage or September 1, 2007.