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Introduced by M. of A. BRODSKY -- read once and referred to the Committee on Tourism, Arts and Sports Development -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the general business law, in relation to auction requirements

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 Section 1. Legislative intent. The legislature declares that the
2 following provisions of law are in addition to other provisions of law
3 and regulations applicable to auctions.
4 S 2. The general business law is amended by adding a new section 29 to
5 read as follows:
6 S 29. REQUIREMENTS FOR AUCTIONS. 1. THE AUCTIONEER WILL BE HELD
7 RESPONSIBLE FOR THE TRUTH OF ANY STATEMENT CONTAINED IN ANY CATALOGUE,
8 ADVERTISEMENT, ANNOUNCEMENT, PRESS RELEASE OR OTHER PUBLIC STATEMENT
9 MADE BY THE AUCTIONEER RELATING TO ANY AUCTION.
10 2. A. NO PERSONAL PROPERTY MAY BE AUCTIONED EXCEPT PURSUANT TO A WRIT-
11 TEN CONTRACT BETWEEN THE CONSIGNOR OR HIS OR HER AGENT OR AUTHORIZED
12 REPRESENTATIVE AND THE AUCTIONEER, UNLESS AUCTIONED PURSUANT TO AN ORDER
13 OF A COURT OF COMPETENT JURISDICTION.
14 B. EVERY CONTRACT REQUIRED PURSUANT TO PARAGRAPH A OF THIS SUBDIVISION
15 MUST CONTAIN THE FOLLOWING PROVISIONS:

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 (I) ALL FEES, COMMISSIONS AND CHARGES TO BE PAID BY THE CONSIGNOR TO
2 THE AUCTIONEER OR HIS OR HER AGENTS, PRINCIPALS, EMPLOYEES, EMPLOYERS OR
3 ASSIGNS SHALL:

4 (1) TO THE EXTENT PRACTICABLE, BE ITEMIZED AND SPECIFIED AS TO AMOUNT
5 (WHICH MAY BE STATED AS A PERCENTAGE OF THE RESERVE PRICE OR ANY FINAL
6 BID), AND

7 (2) IF SUCH ITEMIZATION AND SPECIFICATION AS TO AMOUNT IS NOT PRACTI-
8 CABLE, BE DESCRIBED WITH SUFFICIENT PARTICULARITY TO INFORM THE CONSIG-
9 NOR OF THE NATURE OF THE SERVICES FOR WHICH SUCH FEES, COMMISSIONS AND
10 CHARGES WILL BE IMPOSED.

11 (II) THAT AS OF THE DATE OF THE AUCTION THE CONSIGNOR WARRANTS THAT HE
12 OR SHE HAS COMPLETE AND LAWFUL RIGHT, TITLE AND INTEREST IN THE PROPERTY
13 AUCTIONED, AND THAT THE CONSIGNOR SHALL INDEMNIFY THE AUCTIONEER, HIS OR
14 HER AGENTS, PRINCIPALS, EMPLOYEES, EMPLOYERS OR ASSIGNS IN THE EVENT OF
15 ANY DEFECT IN TITLE, AND THAT AN INTENDED BENEFICIARY OF THIS WARRANTY
16 IS THE ULTIMATE PURCHASER AT AUCTION.

17 C. WHERE ARTICLES ARE REFERRED TO BY CATALOGUE OR ADVERTISEMENT AS
18 HAVING BEEN OBTAINED FROM ANY SPECIFIC PERSON, PLACE OR SOURCE, SUCH
19 ARTICLES MUST BE SEPARATELY ENUMERATED AND IDENTIFIED.

20 D. IF AN AUCTIONEER OR AUCTION HOUSE HAS ANY INTEREST, DIRECT OR INDI-
21 RECT, IN AN ARTICLE, INCLUDING A GUARANTEED MINIMUM, OTHER THAN THE
22 SELLING COMMISSION, THE FACT SUCH INTEREST EXISTS MUST BE DISCLOSED IN
23 CONNECTION WITH ANY DESCRIPTION OF THE ARTICLE OR ARTICLES IN THE CATA-
24 LOGUE OR ANY OTHER PRINTED MATERIAL PUBLISHED OR DISTRIBUTED IN RELATION
25 TO THE SALE. SUCH NOTICE MAY BE DENOTED BY A PROMINENT SYMBOL OR LETTER
26 WHICH WILL REFER THE READER TO AN EXPLANATION OF THE NATURE OF THE
27 INTEREST THE SYMBOL OR LETTER DENOTES. IN ADDITION, PRIOR TO THE
28 COMMENCEMENT OF THE AUCTION, THE AUCTIONEER SHALL ORALLY ANNOUNCE THAT
29 THOSE LOTS IN WHICH THE AUCTIONEER HAS AN INTEREST COVERED BY THIS
30 SUBDIVISION HAVE BEEN DESIGNATED IN THE AUCTION CATALOGUE AND THE SYMBOL
31 USED TO DENOTE SUCH INTEREST.

32 E. WHERE A CONSIGNOR IS TO RECEIVE A REBATE COMMISSION IN WHOLE OR IN
33 PART, OR WHERE HE OR SHE WILL BE PERMITTED TO BID UPON AND TO BUY BACK
34 HIS OR HER OWN ARTICLE AT THE SALE, DISCLOSURE OF SUCH A CONDITION MUST
35 BE MADE IN CONNECTION WITH ANY DESCRIPTION OF THE ITEM OR ITEMS SO
36 AFFECTED IN THE CATALOGUE OR ANY OTHER PRINTED MATERIAL PUBLISHED OR
37 DISTRIBUTED IN RELATION TO THE SALE. THE EXISTENCE OF SUCH A CONDITION
38 MAY BE DENOTED BY A SYMBOL OR LETTER WHICH WILL REFER THE READER TO AN
39 EXPLANATION OF THE NATURE OF THE INTEREST THE SYMBOL OR LETTER DENOTES.

40 F. (I) IF THE CONSIGNOR HAS FIXED A PRICE BELOW WHICH AN ARTICLE WILL
41 NOT BE SOLD, THE "RESERVE PRICE", THE FACT THAT THE LOT IS BEING SOLD
42 SUBJECT TO RESERVE MUST BE DISCLOSED IN CONNECTION WITH THE DESCRIPTION
43 OF ANY LOT SO AFFECTED IN THE CATALOGUE OR ANY OTHER PRINTED MATERIAL
44 PUBLISHED OR DISTRIBUTED IN RELATION TO THE SALE. THE EXISTENCE OF A
45 RESERVE PRICE MAY BE DENOTED BY A SYMBOL OR LETTER WHICH WILL REFER THE
46 READER TO AN EXPLANATION OF RESERVE PRICE. FOR THE PURPOSE OF THIS PARA-
47 GRAPH AND PARAGRAPHS D AND E OF THIS SUBDIVISION, ADVERTISEMENTS IN
48 NEWSPAPERS OR OTHER PERIODICALS SHALL NOT CONSTITUTE PRINTED MATERIAL.
49 WHERE NO PRINTED MATERIAL IS PROVIDED IN CONNECTION WITH THE AUCTION AN
50 AUCTIONEER SHALL HAVE AVAILABLE DURING ANY ADVERTISED INSPECTION PERIOD
51 INFORMATION AS TO WHETHER A PARTICULAR LOT IS TO BE SOLD SUBJECT TO
52 RESERVE AND SHALL ANNOUNCE BEFORE HE OR SHE COMMENCES THE AUCTION THAT
53 SUCH INFORMATION IS AVAILABLE UPON REQUEST.

54 (II) WHEN A LOT IS NOT SUBJECT TO A RESERVE PRICE, THE AUCTIONEER
55 SHALL NOT INDICATE IN ANY MANNER THAT THE LOT IS SUBJECT TO A RESERVE
56 PRICE.

1 G. IN THE EVENT AN AUCTIONEER EXTENDS A LOAN TO A PURCHASER, THE
2 AUCTIONEER SHALL DISCLOSE IN A GENERAL ANNOUNCEMENT AT THE COMMENCEMENT
3 OF THE AUCTION THAT BIDDERS MAY BE PARTICIPATING IN THE SALE WHO HAVE
4 BEEN OFFERED A LOAN BY THE AUCTIONEER. IN ADDITION, THIS DISCLOSURE MUST
5 ALSO BE MADE ON SIGNS PROMINENTLY DISPLAYED IN THE AUCTION ROOM AND AT
6 THE ENTRANCE THERETO. SUCH SIGNS SHALL INCLUDE THE FOLLOWING DISCLOSURE,
7 OR CONVEY SUBSTANTIALLY THE SAME MESSAGE:

8 "BIDDERS MAY BE PARTICIPATING IN THE SALE WHO HAVE BEEN OFFERED A LOAN
9 BY THE AUCTIONEER."

10 H. THE AUCTIONEER SHALL:

11 (I) PROVIDE INFORMATION AS TO THE NUMBER OF JEWELS, APPROXIMATE NUMBER
12 OF CARATS, NUMBER OF POINTS (DIAMOND), PRINCIPAL METAL CONTENT, AND
13 MANUFACTURER'S NAME, IF KNOWN, FOR ALL ARTICLES OF JEWELRY, INCLUDING
14 WATCHES. THE INFORMATION REQUIRED BY THIS PARAGRAPH SHALL BE PROVIDED
15 EITHER IN THE CATALOGUE DESCRIPTIONS OF SUCH ITEMS OR BY ATTACHING TO
16 EACH SUCH ITEM A TAG OR MARKING CONTAINING THE INFORMATION.

17 (II) ISSUE OR CAUSE TO BE ISSUED TO EACH PURCHASER AN INVOICE WHICH
18 SHALL CONTAIN ALL THE FOLLOWING INFORMATION:

19 (1) THE AUCTIONEER'S NAME, BUSINESS ADDRESS AND LICENSE NUMBER;
20 (2) THE NAME AND ADDRESS OF THE AUCTIONEER'S EMPLOYER OR PRINCIPAL;
21 (3) THE DATE OF SALE;
22 (4) THE LOT NUMBER, DESCRIPTION, QUANTITY AND SELLING PRICE OF EACH
23 LOT;

24 (5) THE TOTAL AMOUNT OF PURCHASE WITH A SEPARATE STATEMENT OF SALES
25 TAX;

26 (6) ALL DEPOSITS MADE AGAINST THE PURCHASE PRICE.

27 (III) ADVERTISE EACH AUCTION SALE AT LEAST ONCE IN THE SEVEN DAY PERI-
28 OD IMMEDIATELY PRECEDING THE AUCTION.

29 (IV) NOTIFY THE PERSON WHOSE PROPERTY IS BEING AUCTIONED (AND ANY
30 OTHER PERSON ENTITLED TO BE NOTIFIED ACCORDING TO LAW) AS TO THE DATE,
31 PLACE AND TIME OF SALE.

32 (V) PERMIT (PRIOR TO THE START OF THE AUCTION) PROSPECTIVE PURCHASERS
33 TO INSPECT EACH AND EVERY ARTICLE TO BE OFFERED FOR SALE.

34 (VI) FURNISH TO ANY BUYER, CONSIGNOR OR OWNER OF AN ARTICLE, UPON
35 REQUEST, INFORMATION AS TO THE WHEREABOUTS OF THAT ARTICLE THAT COMES
36 INTO HIS OR HER POSSESSION OR THAT IS SOLD OR OFFERED FOR SALE BY HIM OR
37 HER.

38 (VII) SEND CHECKS FOR THE NET AMOUNT RECEIVED ON ALL SALES TO PERSONS
39 ENTITLED TO THE PROCEEDS THEREOF WITHIN FOURTEEN DAYS OF DATE OF SALE
40 (EXCEPT AS OTHERWISE AGREED IN WRITING OR OTHERWISE PROVIDED BY LAW)
41 TOGETHER WITH A COMPLETE DETAILED STATEMENT INCLUDING LOT NUMBER, QUAN-
42 TITY, DESCRIPTION AND SELLING PRICE OF EACH LOT; TOTAL AMOUNT RECEIVED
43 ON SALE; AND DISBURSEMENTS LISTING COMMISSION, COST OF ADVERTISEMENT,
44 LABOR, CHARGES AND ALLOWANCES, AND SUNDRY EXPENSES.

45 (VIII) WHEN AN AUCTIONEER HAS A NUMBER OF THE SAME KIND OF ARTICLES TO
46 BE SOLD AND INTENDS TO DISPOSE OF EACH OF THEM AT THE AMOUNT AT WHICH
47 THE FIRST IS SOLD, HE OR SHE SHALL MAKE AN ANNOUNCEMENT TO THAT EFFECT
48 PRIOR TO OPENING THE SALE OF THE FIRST ARTICLE.

49 I. IF AN AUCTIONEER MAKES LOANS OR ADVANCES MONEY TO CONSIGNORS OR
50 PROSPECTIVE PURCHASERS, THIS FACT MUST BE CONSPICUOUSLY DISCLOSED IN THE
51 AUCTIONEER'S CATALOGUE OR PRINTED MATERIAL. IF THE AUCTIONEER DOES NOT
52 PROVIDE ANY SUCH PRINTED MATERIAL, HE OR SHE SHALL MAKE THE DISCLOSURE,
53 EITHER BY CONSPICUOUSLY POSTING A SIGN, OR IN ANOTHER SIMILARLY CONSPIC-
54 UOUS MANNER, AT THE TIME OF ANY ADVERTISED INSPECTION PERIODS PRIOR TO
55 THE AUCTIONS. FOR THE PURPOSE OF THIS PARAGRAPH ADVERTISEMENTS IN NEWS-
56 PAPERS OR OTHER PERIODICALS SHALL NOT CONSTITUTE PRINTED MATERIAL.

1 J. EXCEPT TO IMPLEMENT A RESERVE PRICE, AND SUBJECT TO THE REQUIRE-
2 MENTS OF PARAGRAPH B OF SUBDIVISION THREE OF THIS SECTION, NO AUCTIONEER,
3 HIS OR HER CONSIGNOR, EMPLOYEE, EMPLOYER, ASSIGNEE OR AGENT FOR
4 ANY OF THEM MAY BID FOR HIS OR HER OWN ACCOUNT AT ANY AUCTION IF ANY OF
5 THEM SHALL HAVE ACCESS TO INFORMATION NOT OTHERWISE AVAILABLE TO THE
6 PUBLIC REGARDING RESERVES, VALUE OR OTHER MATERIAL FACTS RELATING TO THE
7 ARTICLES WHICH ARE THE SUBJECT OF THE AUCTION, UNLESS THEIR STATUS AS A
8 PERSON WITH INSIDE INFORMATION AND INTENDED PARTICIPATION IS DISCLOSED
9 IN THE AUCTIONEER'S CATALOGUE AND ANY PRINTED MATERIAL AND ON SIGNS
10 POSTED AT THE AUCTION.

11 K. WHEREVER AN ESTIMATE OR ESTIMATED VALUE OF AN ITEM OR LOT IS
12 PUBLISHED IN A CATALOGUE OR ANY OTHER PRINTED MATERIAL PUBLISHED OR
13 DISTRIBUTED IN RELATION TO AN AUCTION SALE, A GENERAL DESCRIPTION OF THE
14 ESTIMATE AND ITS MEANING AND FUNCTION MUST BE INCLUDED IN SUCH PRINTED
15 MATERIAL. FOR THE PURPOSE OF THIS PARAGRAPH, ADVERTISEMENTS IN NEWSPAPERS
16 OR OTHER PERIODICALS SHALL NOT CONSTITUTE PRINTED MATERIAL. WHERE
17 NO PRINTED MATERIAL IS PROVIDED, AND AN ESTIMATE OR ESTIMATED VALUE IS
18 ANNOUNCED OR DISSEMINATED IN ANY MANNER, A GENERAL DESCRIPTION OF THE
19 ESTIMATE AND ITS MEANING AND FUNCTION MUST BE AVAILABLE FOR DISTRIBUTION
20 AND ITS AVAILABILITY MUST BE ANNOUNCED AT THE COMMENCEMENT OF THE
21 AUCTION.

22 L. IN ANY ADVERTISEMENT INDICATING AN AUCTION SALE DUE TO A BUSINESS'
23 LOSS OF LEASE OR LIQUIDATION, THE AUCTIONEER MUST INCLUDE THE NAME OF
24 THE CONSIGNOR OR BUSINESS AUTHORIZING THE AUCTION. IN ANY SALE ADVERTISED
25 AS PURSUANT TO A SECURITY AGREEMENT, THE NAME OF THE DEBTOR SHALL
26 BE INDICATED CONSPICUOUSLY.

27 3. A. IF THE RESERVE PRICE IS NOT BID, THE AUCTIONEER MAY WITHDRAW A
28 LOT FROM SALE. AT THE TIME OF SUCH WITHDRAWAL, AND BEFORE BIDDING ON
29 ANOTHER LOT BEGINS, THE AUCTIONEER SHALL ANNOUNCE THAT THE WITHDRAWN LOT
30 HAS BEEN "PASSED", "WITHDRAWN", "RETURNED TO OWNER" OR "BOUGHT-IN".

31 B. BEFORE BIDDING ON ANY LOT HAS REACHED ITS RESERVE PRICE NO AUCTIONEER
32 MAY MAKE OR PLACE CONSECUTIVE OR SUCCESSIVE BIDS, OR PLACE BIDS IN
33 RESPONSE TO BIDS FROM OTHERS, ON BEHALF OF THE CONSIGNOR, UNLESS THE
34 FACT THAT THE AUCTIONEER WILL OR MAY BID IN SUCH A MANNER IS CLEARLY AND
35 CONSPICUOUSLY DISCLOSED IN ANY CATALOGUE AND ANY OTHER PRINTED MATERIAL
36 PUBLISHED OR DISTRIBUTED IN CONNECTION WITH THE SALE. FOR THE PURPOSES
37 OF THIS PARAGRAPH ADVERTISEMENTS IN NEWSPAPERS OR OTHER PERIODICALS
38 SHALL NOT CONSTITUTE PRINTED MATERIAL. THIS DISCLOSURE MUST ALSO BE MADE
39 ON SIGNS PROMINENTLY DISPLAYED IN THE AUCTION ROOM AND AT THE ENTRANCE
40 THERETO, AND MUST BE ANNOUNCED BY THE AUCTIONEER IMMEDIATELY PRIOR TO
41 THE COMMENCEMENT OF ANY AUCTION.

42 THE SIGN REQUIRED BY THIS PARAGRAPH MUST BE AT LEAST TWELVE INCHES BY
43 EIGHTEEN INCHES IN DIMENSION WITH LETTERS AT LEAST ONE INCH HIGH, AND
44 MUST READ AS FOLLOWS, OR CONVEY A SUBSTANTIALLY SIMILAR DISCLOSURE:

45 THE AUCTIONEER MAY OPEN BIDDING ON ANY LOT BY PLACING A BID ON BEHALF
46 OF THE SELLER. THE AUCTIONEER MAY FURTHER BID ON BEHALF OF THE SELLER,
47 UP TO THE AMOUNT OF THE RESERVE, BY PLACING SUCCESSIVE OR CONSECUTIVE
48 BIDS FOR A LOT, OR BY PLACING BIDS IN RESPONSE TO OTHER BIDDERS.

49 C. AFTER BIDDING HAS REACHED THE RESERVE PRICE OF A LOT:

50 (I) THE AUCTIONEER MAY NOT BID ON BEHALF OF THE CONSIGNOR OR THE
51 AUCTION HOUSE; AND

52 (II) THE AUCTIONEER MAY ONLY ACCEPT BIDS FROM PERSONS OTHER THAN THE
53 CONSIGNOR OR THE AUCTION HOUSE EXCEPT ABSENTEE TELEPHONE, ORDER OR OTHER
54 AGENT'S BIDS;

55 (III) THIS PARAGRAPH SHALL NOT APPLY TO AUCTION SALES CONDUCTED PURSU-
56 ANT TO AN ORDER OF A COURT OF COMPETENT JURISDICTION, INCLUDING AN ORDER

1 OF A BANKRUPTCY JUDGE OR TRUSTEE, OR A SALE OF SECURED PROPERTY PURSUANT
2 TO THE UNIFORM COMMERCIAL CODE, OR THE SALE OF PROPERTY WHICH IS SUBJECT
3 TO A LIEN OR ASSIGNMENT PURSUANT TO THE LAWS OF THE STATE OF NEW YORK.

4 D. IN NO EVENT SHALL THE RESERVE PRICE FOR ANY LOT EXCEED THE MINIMUM
5 ESTIMATED VALUE OF THE LOT AS PUBLISHED IN ANY CATALOGUE OR OTHER PRINT-
6 ED MATERIAL DISTRIBUTED BY THE AUCTIONEER.

7 4. A. AN AUCTIONEER MAY NOT DISCLAIM WARRANTY OF TITLE OF ANY ITEM
8 SOLD AT AUCTION. THE AUCTIONEER SHALL REIMBURSE ANY PURCHASER IN AN
9 AMOUNT EQUAL TO THE SUCCESSFUL BID AT AUCTION PLUS ANY BUYER'S COMMIS-
10 SION PAID IN THE EVENT IT IS DETERMINED THAT THE PURCHASER HAS NOT
11 ACQUIRED TRANSFERABLE TITLE TO THE ITEM.

12 B. AT THE AUCTION SALE PREMISES ONLY EXTERIOR SIGNS MAY BE DISPLAYED
13 ADVERTISING THE AUCTION SALE BUT THE SAME SHALL NOT BE EXCESSIVE IN
14 SIZE.

15 C. AN AUCTIONEER MAY NOT:

16 (I) OFFER MORE THAN ONE ARTICLE FOR SALE AT ANY ONE TIME UNLESS THE
17 COMBINING OF ARTICLES OR LOTS IS SO INDICATED PRIOR TO THE INITIAL BID.

18 (II) REPRESENT AN ARTICLE TO BE GUARANTEED BY THE MANUFACTURER OR THE
19 OWNER UNLESS A MANUFACTURER'S OR OWNER'S GUARANTEE ACCOMPANIES THE ARTI-
20 CLE.

21 (III) OFFER AN ARTICLE CONTAINED IN A CARTON, PACKAGE OR OTHER
22 CONTAINER COMMONLY KNOWN AS A BLIND ARTICLE UNLESS PRIOR TO THE OFFER IT
23 IS ANNOUNCED THAT THE HIGHEST BIDDER MAY REJECT THE ARTICLE IF NOT
24 SATISFACTORY TO HIM OR HER. THIS PROVISION DOES NOT REFER TO AN AUCTION
25 OF ARTICLES IN BULK WHERE A SAMPLE IS DISPLAYED AND BALANCE OF ARTICLES
26 ARE REPRESENTED TO CONFORM TO THE SAMPLE.

27 (IV) ACCEPT AS PAYMENT OR EXCHANGE ANY ARTICLE PREVIOUSLY KNOCKED DOWN
28 OR SOLD TO A SUCCESSFUL BIDDER. THE ARTICLE KNOCKED DOWN OR SOLD MUST BE
29 DELIVERED TO THE BIDDER OR, IF THE AUCTIONEER IS WILLING AND AT THE
30 BIDDER'S ELECTION, THE PURCHASE PRICE REFUNDED IN FULL. NO OTHER ARTICLE
31 MAY BE OFFERED TO SAID BIDDER AS A SUBSTITUTE OR REPLACEMENT. SUCH
32 REFUND SHALL TAKE PLACE WITHIN A REASONABLE TIME OR MAY BE APPLIED AS
33 PART PAYMENT OR PAYMENT FOR ANY OTHER ARTICLE PURCHASED AT AUCTION BY
34 THE SAME BIDDER.

35 5. THE PROVISIONS OF THIS SECTION SHALL BE ENFORCED BY THE COUNTY
36 OFFICER CHARGED WITH ENFORCEMENT OF CONSUMER PROTECTION WITHIN SUCH
37 COUNTY, EXCEPT THAT IN THE CITY OF NEW YORK, BY THE COMMISSIONER OF
38 CONSUMER AFFAIRS OF SUCH CITY.

39 6. THE PROVISIONS OF THIS SECTION SHALL NOT BE APPLICABLE TO AUCTIONS
40 HELD AS PART OF A FUNDRAISING EVENT BY AN ENTITY CREATED FOR CHARITABLE
41 PURPOSES WITHIN THE MEANING OF PARAGRAPH FOUR OF SUBDIVISION (A) OF
42 SECTION ELEVEN HUNDRED SIXTEEN OF THE TAX LAW WHERE THE PROCEEDS OF SUCH
43 FUNDRAISING EVENT BENEFIT SUCH ORGANIZATION.

44 7. NOTWITHSTANDING THE FOREGOING, AND UNLESS OTHERWISE REQUIRED BY
45 LAW, IN ANY COUNTY WITH A POPULATION OF TWO HUNDRED THOUSAND OR LESS, NO
46 WRITTEN CONTRACT SHALL BE REQUIRED WHERE THE REASONABLY ESTIMATED VALUE
47 OF THE PROPERTY TO BE AUCTIONED IS LESS THAN ONE HUNDRED THOUSAND
48 DOLLARS.

49 8. THE PROVISIONS OF THIS SECTION SHALL NOT BE APPLICABLE TO:

50 A. MOTOR VEHICLE AUCTIONS CONDUCTED UNDER SECTION TWENTY-THREE OF THIS
51 ARTICLE AND THE VEHICLE AND TRAFFIC LAW;

52 B. AUCTIONS OF POULTRY AND LIVESTOCK;

53 C. AUCTIONS OF FARM SUPPLIES, FARM EQUIPMENT, AND FARM REAL-ESTATE; OR

54 D. AUCTION SALES CONDUCTED PURSUANT TO AN ORDER OF A COURT OF COMPE-
55 TENT JURISDICTION, INCLUDING AN ORDER OF A BANKRUPTCY JUDGE OR TRUSTEE,
56 OR A SALE OF SECURED PROPERTY PURSUANT TO THE UNIFORM COMMERCIAL CODE,

1 OR THE SALE OF PROPERTY WHICH IS SUBJECT TO A LIEN OR ASSIGNMENT PURSU-
2 ANT TO THE LAWS OF THE STATE OF NEW YORK.

3 E. THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, SUBPARAGRAPHS
4 (I) AND (II) OF PARAGRAPH F OF SUBDIVISION TWO OF THIS SECTION AND OF
5 PARAGRAPH A OF SUBDIVISION THREE OF THIS SECTION SHALL NOT APPLY TO
6 AUCTIONS OF THOROUGHBRED HORSES, PROVIDED THAT THE RESULTS OF SUCH
7 AUCTION, INCLUDING WHETHER OR NOT A RESERVE PRICE WAS MET, ARE PUBLISHED
8 WITHIN TWENTY-FOUR HOURS.

9 S 3. Subdivision 3 of section 23 of the general business law is
10 amended by adding a new paragraph f to read as follows:

11 F. IN THE EVENT AN AUCTIONEER, AUCTION OR AFFILIATE OFFERS FLOOR PLAN
12 FINANCING OR EXTENDS A LOAN TO A PURCHASER, THE AUCTIONEER SHALL
13 DISCLOSE IN A GENERAL ANNOUNCEMENT AT THE COMMENCEMENT OF THE AUCTION
14 THAT BIDDERS MAY BE PARTICIPATING IN THE SALE WHO HAVE BEEN OFFERED
15 FLOOR PLAN FINANCING OR A LOAN BY THE AUCTIONEER, AUCTION OR AFFILIATE
16 OR WORDS THAT CONVEY SUBSTANTIALLY THE SAME MESSAGE.

17 S 4. This act shall take effect on the sixtieth day after it shall
18 have become a law.