

Senate Bill 2338

Presented by: Randy Christmann, Commissioner
Public Service Commission

Before: Senate Industry, Business & Labor Committee
The Honorable Jerry Klein, Chair

Date: Feb. 1, 2021

TESTIMONY

Mr. Chair and committee members, I am Commissioner Randy Christmann with the Public Service Commission (Commission). I am here to testify in support of SB 2338, which updates language in century code related to the regulation of auctioneers and auction clerks and provides the authority for the Commission to require criminal background checks for initial license applicants.

The Commission is tasked with licensing and regulating auctioneers and auction clerks. The first proposed amendments in subsection 1 of section 51-05.1-01.1 updates language regarding how application forms are submitted to the Commission and changes the due date for license renewals without a late fee from January 31st to December 31st. After December 31st, a late fee would be imposed. Furthermore, the initial license or renewal fee for an auctioneer or auction clerk license is increased from \$35 to \$50 and the late fee from \$25 to \$50. The license fee has not been increased since 1987 and the late fee has not been increased since it was enacted in 2001.

Additionally, language is removed from subsection 1 of section 51-05.1-01.1 requiring an applicant to submit their application at least ten days prior to the

first auction sale the applicant is to conduct or clerk. Over the last four years, the Commission has moved to an electronic license processing and issuing system. These changes, coupled with the number of days a criminal background check takes to complete, have made the ten-day requirement unnecessary.

The major amendment included in SB 2338 gives the Commission the authority to request both a statewide and nationwide criminal background check for initial license applicants. An applicant would pay the costs associated with performing the background check and it would not be deducted from the license fee. The Commission strongly supports this amendment as it gives us the ability to look more thoroughly at new applicants to ensure they meet the licensing standards as required in subsection 1 of section 51-05.1-02, which only allows licenses to be issued to persons who bear a good reputation for honesty, truthfulness, and fair dealing. Auctioneers and auction clerks are trusted by clients to run an auction that will get them the best results, and buyers are trusting a fair and honest process. Having the ability to conduct background checks on new applicants for licenses will ensure we can continue to maintain core values such as honesty and integrity within the licensees we regulate.

Finally, subsection 2 of section 12-60-24 (this is section 1 of the bill) is amended to authorize the Bureau of Criminal Investigation to conduct statewide and nationwide background checks and to provide those results to the Commission. Background checks cannot be performed without this authorization.

Mr. Chair, this concludes my testimony. Thank you for the opportunity to present this information. I will be happy to answer any questions.