

# House Bill 1191

**Presented by:** Randy Christmann, Commissioner  
Public Service Commission

**Before:** House Industry Business and Labor Committee  
Honorable Scott Louser, Chair

**Date:** January 17, 2023

## **TESTIMONY**

Mr. Chair and members of the committee, I'm Randy Christmann, chair of the Public Service Commission (Commission), here to testify in favor of HB 1191.

The jurisdictions vested in the Commission by this body all generally relate to economic and commercial regulation, environmental preservation, and the safety of the public. The programs housed within the Commission generally all have a common nexus and work in relation to each other. The benefit of this is that synergies can be pulled from the multidisciplinary staff maintained by the agency. However, there is one Commission program that is outside the agency's core competencies and administration.

The Commission currently acts as a professional licensing board for the state's auctioneers and auction clerks. This includes issuing licenses, bonding, setting standards for contracts and the handling of funds, and processing complaints against licensed auctioneers and auction clerks. Although we receive very few complaints and the overwhelming majority of our auctioneers and auction clerks serve the public well and have been great to work with, occasionally issues do arise or industry norms change. Due to the organization of the agency, the

same staff that works with inspecting and enforcing the safety of natural gas pipelines also are the ones licensing and monitoring auctioneers.

Like most professions, the business and practices of auctions have advanced quickly with technology. After the use of Ebay and others became prominent, the Commission proposed and the Legislature passed SB 2086 in 2011 which exempted internet auctions from Commission jurisdiction. Today many auctioneers, including many of our licensees, hold auctions that are online only. Those are generally not jurisdictional to us, even when they are held by our licensees. However, at times there are minute differences based on unique practices that determine whether a sale meets the definition of an auction or whether an auction is "internet only." We believe this causes a great deal of confusion among people seeking an auction service to sell their property as well as people who make purchases at the auctions.

This is an example of why we believe licensing and regulation of auctioneers and auction clerks may be better addressed by a professional board invested in the nuances of the business. Such a Board would also be well prepared to adopt Administrative Rules, educate licensees, and assure appropriate bonding levels.

There are 24 states, including North Dakota, that license auctioneers at the state level. Of the 24 states, 15 of the states have, in some form, an auction board. States that do not have a professional board to license auctioneers, like Minnesota and Montana, generally allow local governments to regulate and license auctions

and auctioneers. Others, like South Dakota, have no licensing requirement. As you can see, North Dakota is an outlier.

Due to these circumstances, the commission believes that it is an appropriate time to discuss whether the legislature would like the commission to continue with the program, or whether a different arrangement would be better suited to license and regulate auctioneers and auction clerks.

This concludes my testimony. Thank you for your time and I am available for questions.