

House Bill 1191

Presented by: Randy Christmann, Chair
Public Service Commission

Before: Senate Workforce Development Committee
Honorable Michael A. Wobbema, Chair

Date: March 9, 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 licensees. 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 are also the ones licensing and regulating auctioneers and auction clerks.

The auctioneering and clerking community have been very good to work with, but we believe licensing and regulation of auctioneers and auction clerks is not a good fit for the Public Service Commission. We worked with Rep. Louser on the original version of HB 1191 to propose a state Board of Auctioneering. However, it came out during the initial committee hearing that the idea of a licensing board was not favored by most auctioneers, the North Dakota Auctioneers Association, or some of the committee members. The Auctioneers Association subsequently discussed this at their annual association meeting and recommended registering with the Secretary of State instead of licensing, despite being very pleased with the service provided by the Public Service Commission. The Commission does not object to this solution.

This bill is deceptively long because the first eight pages make one small substantive change you will find on page 8. That change is the elimination of the Public Service Commission from the long list of agencies for which the Bureau of Criminal Investigation does criminal background checks. Without auction licensing, we will no longer need this designation. That leaves only the last 2.5 pages of the bill.

The engrossed HB 1191 requires auctioneers and auction clerks to be registered with the Secretary of State. It also eliminates the bonding requirement, which has proven to be a very ineffective protection mechanism. But auctioneers and clerks would continue to be governed by many of the same legal requirements they currently operate under. Violations of the statutes would continue to be class B misdemeanors as they are today, and any complainant would be able to take action against an auctioneer for financial related issues through the court system.

Less than half of states license auctioneers at the state level. The Commission agrees that it is time for North Dakota to reduce red tape by shifting to the proposed registration requirement. This concludes my testimony. Thank you for your time and I am available for questions.