

Senate Bill 2338

Presented by: Randy Christmann, Commissioner
Public Service Commission

Before: House Industry, Business & Labor Committee
The Honorable Mike Lefor, Chair

Date: March 16, 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.

I will address the changes in Section 1 of the bill last. The proposed changes in Section 2 of the bill (subsection 1 of section 51-05.1-01.1) update language regarding how application forms are submitted 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 lines 16-19 of the bill 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.

Section 3 of 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 in addition to 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 among licensees.

Finally, Section 1 of the bill (subsection 2 of section 12-60-24) 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 by the BCI 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.