NEWS RELEASE Nov. 10, 2021 For Immediate Release, Contact: Randy Christmann, (701) 328-4096 Julie Fedorchak, (701) 391-1140 Brian Kroshus, (701) 471-7965

PSC Educating North Dakotans About Regulations for Different Types of Auctions

BISMARCK, ND – The North Dakota Public Service Commission (PSC) wants all North Dakotans buying through auctions to understand the different types of auctions, the protection offered to the buyer or seller, and what regulatory authority the PSC has for each.

For public auctions, the auctioneer and auction clerk must be licensed by the PSC, but the law specifically exempts auctions which occur exclusively via the internet, also known as internet auctions, from the Commission's jurisdiction. Increased access to technology, and restrictions due to COVID-19, has caused many auctioneers to change how they conduct business. It is not uncommon for auctions to include an option for bidding online, and in some cases, the auction is entirely held online. It's important for shoppers to understand that if the auction is being held exclusively online, meaning no in person bidding is being offered, then that auction is not under the PSC's jurisdiction.

"It is vital that both buyers and sellers understand that state law does not grant the PSC jurisdiction over an online-only auction, even if the sale is conducted by one of our licensed auctioneers," said Commissioner Randy Christmann, who holds the auctioneer portfolio.

An auctioneer licensed by the PSC is required to have a surety bond filed with the Commission, but if they are conducting an internet auction, the bond would offer no protection to the buyer or seller. If the auction is offering both online and in person bids, or is entirely in person bidding, then that would be a regulated auction and the bond protection would apply. A list of licensed auctioneers is available on the PSC's website as a resource for the public.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.