

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

NEWS RELEASE

Tuesday, April 25, 2006

Commissioners Clark, Wefald, and Cramer

****For Immediate Release****

Phone 701-328-2400

**Public Service Commission Reminds Public of
Auctioneer/Auction Clerk Written Contract Requirement**

During this busy time of year, the North Dakota Public Service Commission reminds the public that they should hire only licensed auctioneers and auction clerks when selling their property at public auction. Before a license can be issued, an applicant must file a bond with the Commission which provides annual coverage of \$5,000 for an auctioneer and \$10,000 for an auction clerk.

"An auctioneer must use a written contract when selling the property of another at public auction, except at consignment sales when the value of the seller's property is less than \$500 or for livestock markets," explained Commissioner Tony Clark. "A similar contract is also required between an auction clerk and the seller. If the licensee provides the auctioneer and auction clerk services, one contract can be used for both."

"The written contract must contain the licensee's name, state license number, business address, telephone number, a general description of the property being sold, any sale restrictions, such as a minimum price for an item, and must identify whether or not the licensee is authorized to purchase items at the auction sale," said Commissioner Susan Wefald. "The contract must also include a description of the services to be provided, the fees that will be charged, and must identify which party is responsible for advertising and other sale expenses."

"The contract must identify the licensee's bond amount on file with the Commission as well as the Commission's address and phone number, said Commissioner Kevin Cramer. "Auctioneers and auction clerks are required to keep a copy of all contracts for at least two years after the sale."

Auctioneers and auction clerks who do not use written contracts are violating state law which could result in a formal complaint before the Commission. If a formal complaint is brought against an auctioneer or auction clerk, they are at risk of having their license suspended or revoked and the Commission also has the ability to assess penalties of up to \$5,000.

Commissioner Tony Clark concluded by saying, "The public is encouraged to call the Commission's Licensing Division at 701-328-4097 if they are not offered a written contract by their auctioneer or auction clerk or to verify the license status of an auctioneer or auction clerk."