MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIRST LEGISLATURE

Legislative Document

No. 98

S. P. 48

Referred to Committee on Business Legislation. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Porteous of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SIXTY-THREE

AN ACT Revising the Law Relating to Closing-Out Sales.

Be it enacted by the People of the State of Maine, as follows:

- Sec. 1. R. S., c. 100, § 79-A, amended. Section 79-A of chapter 100 of the Revised Statutes, as enacted by section 1 of chapter 207 of the public laws of 1955, is amended to read as follows:
- 'Sec. 79-A. License required to conduct closing-out sales, and requirements for obtaining. No person or persons shall offer for sale a stock of goods, wares or merchandise under the designation of "closing-out sale," "going out of business sale," "discontinuance of business sale," "entire stock must go," "must sell to the bare walls," or other designation which states, directly or by implication, an intent by such person or persons to dispose of the entire stock of goods with a view to permanently terminating further business after such disposal is complete, unless such person or persons shall have first complied with the following requirements:
 - I. Inventory; license. That such person or persons shall, before the beginning of such disposal sale, obtain, from the municipal officers of the city or town in which such sale shall be conducted, a license to conduct such sale. To obtain such license the applicant such person or persons shall make application therefor under oath and shall pay to the said municipal officers a fee of \$25 and shall file with said municipal officers, in writing and under oath, a complete inventory of all items to be included in such sale. Such license shall be valid and effective for a period of 60 days from date of issuance, unless revoked as hereinafter provided, and the validity of such license may be extended for a period of 60 additional days if the licensee shall furnish to the said municipal officers an affidavit to the effect that all goods, wares or mer-

chandise listed in the above mentioned inventory have not been disposed of within the original 60-day period.

- II. No additional merchandise. That such person or persons shall affirm, in writing and under oath, to the said municipal officers that no merchandise shall be included in the stock offered for sale unless said merchandise shall have been in or at the place of business wherein or whereat such sale is to be conducted at the time of the opening of the sale, and that none of said merchandise was purchased prior to the time of the opening of said sale for the purpose of selling and disposing of the same at said sale, and any unusual purchases and additions to the stock of such goods, wares or merchandise made within 60 days prior to the filing of the application for said license shall be prima facie evidence that such purchases and additions were made in contemplation of such sale.
- III. License issued. Upon compliance with the requirements of this section, the municipal officers shall issue the license forthwith. The municipal officers shall preserve all applications for license and other papers filed in connection therewith as a permanent record in their office, and shall endorse thereon the dates of filing, and the granting or denial of said license, and shall make an abstract of any other proceedings taken in connection therewith.
- IV. False statements. Any person who willfully makes a false statement in the application or any other papers required to be filed under oath shall, upon conviction, be deemed guilty of perjury.
- V. Continuation of business. After the termination date of said sale and any extension thereof, granted as provided, no person or persons shall continue the business for which the license was granted under the same or a different name, at the same location or elsewhere in the same municipality, contrary to the designation of such sale.'
- Sec. 2. R. S., c. 100, § 79-B, amended. Section 79-B of chapter 100 of the Revised Statutes, as enacted by section 1 of chapter 207 of the public laws of 1955, is amended to read as follows:
- 'Sec. 79-B. Violations and penalties. Any licensee under the foregoing conditions of section 79-A, who shall in any way fail to comply with those conditions, or any person or persons who shall conduct such a disposal sale without first having obtained such license, shall be punished by a fine of not more than \$100 or by imprisonment for not more than 30 days, or by both such fine and imprisonment, and each day on which a sale is conducted in violation of any of these provisions shall constitute a separate offense. In addition to the penalties set forth, the Superior Court shall have jurisdiction, upon the complaint of any person, to enjoin any sale, or other acts, being performed in violation of section 79-A.'