



General Assembly

Amendment

February Session, 2006

LCO No. 4833

SB0056104833SD0

Offered by:

SEN. COLAPIETRO, 31st Dist.

REP. STONE, 9th Dist.

REP. GREENE, 105th Dist.

To: Subst. Senate Bill No. 561

File No. 159

Cal. No. 154

"AN ACT PROHIBITING EXPIRATION OF CREDIT RECEIPTS."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Subsection (b) of section 42-110aa of the 2006 supplement
4 to the general statutes is repealed and the following is substituted in
5 lieu thereof (*Effective October 1, 2006*):

6 (b) Any person that utilizes an electronic system to record, monitor
7 and limit the number or total dollar value of returns made by a
8 consumer shall, prior to terminating the right of any such consumer to
9 return goods at such person's place of business pursuant to any such
10 limitation, provide written notice to such consumer that indicates such
11 termination. [Such termination notice shall not affect such consumer's
12 right to return any goods purchased by such consumer or purchased
13 for the benefit of such consumer prior to the date of such notice.] Any
14 such notice that is mailed to the last known address of such consumer

15 or to the address of such consumer that is obtained through reasonably
16 available public records shall be deemed to comply with the
17 notification requirements of this subsection.

18 Sec. 502. Section 21-35b of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective October 1, 2006*):

20 (a) No person shall advertise, offer for sale or sell a stock of goods,
21 wares or merchandise under the description of closing-out sale unless
22 he shall have obtained a license from the Commissioner of Consumer
23 Protection authorizing the conducting of such sale for each location at
24 which such sale is to be conducted.

25 (b) Each person desiring to conduct a closing-out sale shall deposit
26 with the Commissioner of Consumer Protection the sum of five
27 hundred dollars or a dollar amount equal to one per cent of the
28 wholesale cost of the inventory filed pursuant to subsection (c) of this
29 section whichever is greater; provided that no such deposit shall
30 exceed five thousand dollars. Upon application in the sum to be
31 prescribed by said commissioner and upon deposit to said
32 commissioner of a further sum of one hundred dollars as a state license
33 fee, said commissioner shall issue to the applicant a "closing-out sale
34 license", authorizing him to advertise and conduct a sale consistent
35 with that requested in the application.

36 (c) Each person applying for a "closing-out sale license" shall make
37 such application therefor in writing and under oath stating all the facts
38 relating to the reasons and character of such sale, including the
39 opening and terminating dates of the proposed sale, a complete
40 inventory of the goods, wares and merchandise actually on hand in the
41 place where such sale is to be conducted in the manner prescribed by
42 the commissioner, and all details necessary to locate exactly and
43 identify fully the goods, wares or merchandise to be sold, and shall
44 disclose the names and residences of owner or owners or partners in
45 whose interest the sale is to be conducted. No license shall be issued
46 unless the application is submitted to the commissioner at least five

47 days prior to the requested commencement date of the closing-out
48 sale. Any applicant who uses the services of a promoter as defined in
49 section 21-35a for a closing-out sale shall include a signed and dated
50 copy of the agreement between such applicant and such promoter as
51 part of the application. The commissioner may, by regulation, request
52 such other information to be submitted by the applicant as he deems
53 necessary.

54 (d) Each person holding a closing-out sale license issued under this
55 section shall file with the Commissioner of Consumer Protection a
56 monthly report, commencing one month from the opening date of the
57 sale, enumerating all goods, wares or merchandise sold, transferred or
58 otherwise disposed of by the licensee or his agents, servants or
59 employees during that month pursuant to the closing-out sale. Said
60 commissioner shall prescribe the form for such reporting.

61 (e) All documentation concerning the goods, wares and
62 merchandise to be included in such closing-out sale, including but not
63 limited to purchase orders and delivery statements, shall be made
64 available by the licensee for inspection by an authorized representative
65 of the commissioner during regular business hours.

66 (f) Each person holding a closing-out sale license shall (1) include
67 the license number and a notice that any gift card, gift certificate, as
68 defined in section 3-56a, or credit receipt issued by such person or by
69 the business for which such person has applied for such license, may
70 be redeemed prior to the termination date of such license in any
71 advertisement, together with clear and conspicuous disclosure of the
72 termination date of such closing-out sale license, and (2) post such
73 license in a conspicuous location at the point of sale.

74 (g) Each person holding a closing-out sale license shall honor a gift
75 card, gift certificate, as defined in section 3-56a, or credit receipt issued
76 by such person or by the business for which such person has applied
77 for such license.

78 (h) If a retailer transfers its assets to or merges with another person

79 or entity, such other person or entity shall honor a gift card, gift
80 certificate, as defined in section 3-56a, or credit receipt issued by such
81 retailer, provided the issuing retailer does not maintain at least one
82 retail outlet in this state.

83 (i) No person shall advertise, offer for sale or sell a gift card, gift
84 certificate, as defined in section 3-56a, or credit receipt after such
85 person has applied for a closing-out sale license pursuant to this
86 section."