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the manner subsequently prescribed.

### STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2014**

# AN ACT

#### RELATING TO BUSINESSES AND PROFESSIONS -- ITINERANT VENDORS

Introduced By: Representatives Tomasso, Phillips, and Serpa

Date Introduced: May 29, 2014

Referred To: House Small Business

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 5-15 of the General Laws entitled "Itinerant Vendors" is hereby 2 repealed in its entirety. CHAPTER 5-15 3 4 **Itinerant Vendors** 5-15-1. Persons subject to chapter. -- For the purposes of this chapter, "itinerant 5 vendors", is construed to mean and include all persons, both principals and agents, who engage in 6 7 a temporary or transient business in this state, either in one locality or in traveling from place to place selling goods, wares, and merchandise, and who, for the purposes of carrying on that 8 business, hire, lease, or occupy any building or structure for the exhibition and sale of goods, 9 10 wares, and merchandise. 5-15-1.1. Conducting of business. -- Every itinerant vendor licensed under the 11 12 provisions of this chapter shall conduct that business from the confines of a building or a portion 13 of a building specifically hired, leased, and occupied for the purpose of selling the goods, wares, 14 and merchandise covered by the license. 15 5-15-2. Duty to take out license. -- It is the duty of every itinerant vendor, whether 16 principal or agent, before commencing business, to take out a state license and local licenses in

5-15-3. Deposit with treasurer -- Issuance of license -- Acts permitted. -- (a) Every

itinerant vendor desiring to do business in this state shall deposit with the general treasurer:

(1) The sum of one thousand dollars (\$1,000) as a special deposit, and, after that deposit
upon application in proper form, which includes proof that the itinerant vendor has been issued a
permit to make sales at retail by the division of taxation, and the payment of a further sum of five
hundred dollars (\$500) as a state license fee, the general treasurer shall issue to him or her ar
itinerant vendor's license, authorizing him or her to do business in this state, in conformity with
the provisions of this chapter, for the term of three (3) months from the date of the issuance; or
(2) The sum of one thousand dollars (\$1,000) as a special deposit, and, after that deposit
upon application in proper form, which includes proof that the itinerant vendor has been issued a
permit to make sales at retail by the division of taxation, and the payment of a further sum of fifty
dollars (\$50.00) per day for each day the itinerant vendor proposes to do business in this state as a
state license fee, the general treasurer shall issue to him or her an itinerant vendor's license
authorizing him or her to do business in the state, in conformity with the provisions of this
chapter, for the number of days from the date of issuance for which the state license fee has been
<del>paid.</del>
(b) Every license shall contain a copy of the application upon which it is granted. That
license is not transferable and does not give authority to more than one person to sell goods as ar
itinerant vendor either by agent or clerk, or in any other way than in his or her own proper person
Any licensee may have the assistance of one or more persons in conducting his or her business
who have authority to aid their principal but not to act for or without him or her.
5-15-4. Contents of application Records of licenses All applications for licenses
shall be sworn to, shall disclose the names and residences of the owners or parties in whose
interest the business is conducted, and shall be kept on file by the general treasurer; and a record
shall be kept by him or her of all licenses issued upon those applications. All files and records
both of the general treasurer and of the town or city clerks, shall be in convenient form and open
for public inspection.
5-15-5. Local licenses Recording and endorsement of state license (a) At leas
fourteen (14) days prior to selling under a state license, every itinerant vendor shall exhibit the
state license to the clerk of each town or city where the itinerant vendor proposes to make sales
and upon: (1) payment to the clerk of each town or city having a population of less than fifteen
thousand (15,000), of a further local license fee of one hundred dollars (\$100) and to the clerk of
any city or town having more than fifteen thousand (15,000) inhabitants, a further license fee o
three hundred fifty dollars (\$350); (2) the proof of payment of all other license fees, if any, that
are legally chargeable upon local cale; and (3) making an application, in writing, and under oath

showing all the facts as to the sale which the itinerant vendor proposes to conduct and the place

and manner of conducting the safe merading an inventory of the goods, wares, and merchandise
to be sold at the sale together with the established retail price of the goods, wares, and
merchandise, and a statement, as far as possible, of the names of the persons from whom the
goods, wares, and merchandise to be sold were obtained, the date of the delivery of the goods,
wares, and merchandise to the person applying for the license and the place from which the
goods, wares, and merchandise were last taken and all details to fully identify the goods, wares,
and merchandise so to be sold, the clerk shall record the state license in full, endorse upon its
words "Local License, Fees Paid", and affix his or her official signature, together with the date of
the endorsement. The clerk shall then issue a local license authorizing sales within the limits of
the town or city; provided, that no local license shall issue without proof that the itinerant vendor
has been issued a permit to make sales at retail by the division of taxation. Any failure to obtain a
local license and have proper endorsements made on the state license is subject to the same
penalty as though no state license had been issued.
(b) Notwithstanding the provisions of subsection (a) of this section, this chapter does not
apply to those individuals involved in retail selling or the retail sale of farm produce; provided,
that the Town of Bristol has the power to license and regulate itinerant vendors selling cut
flowers, potted plants and nursery stock including Christmas trees in the Town of Bristol.
5-15-6. False statements Failure to comply with requirements Any false
statement in an application, either original or supplementary, for a license, and any failure on the
part of any licensee to comply with all the requirements of section 5-15-12 shall subject the
itinerant vendor to the same penalty as if he or she had no license, and to the further and
additional penalty of a fine of two hundred dollars (\$200), paid to the person first filing the
complaint with the prosecuting officer.
5-15-7. Duration of state licenses All state licenses expire by limitation three (3)
months from the date of issuance, and may be, if desired, surrendered at any time prior to
expiration for cancellation.
5-15-8. Cancellation of license Return of deposit Upon the expiration and return
or surrender of each state license, the state treasurer shall cancel the license, endorse the date of
delivery and cancellation on it, and place the license on file. He or she shall then hold the special
deposit of each licensee, as provided in this chapter, for the period of sixty (60) days; and after
satisfying any and all claims made upon the deposit under section 5-15-9, shall return the deposit
or any portion of it remaining in his or her hands to the licensee depositing it.
5-15-9. Enforcement of claims against deposit Each deposit made with the general

treasurer is subject, as long as it remains in his or her hands, to attachment and execution in

1	behalf of creditors whose claims arise in connection with business done in the state, and to the
2	payment of any fines and penalties incurred by the licensee through violations of this chapter.
3	Claims under civil process shall be enforced against the general treasurer as garnishee or trustee
4	by action in the usual form. All claims upon each deposit shall be satisfied after judgment in the
5	order in which notice of the claim is received by the general treasurer, until all those claims are
6	satisfied, or the deposit exhausted; but no notice filed after the expiration of the sixty (60) days
7	limit referred to in section 5-15-8 is valid. No deposits shall be paid over by the general treasurer
8	to licensees so long as there are any outstanding claims or notices of claims against them
9	respectively, unless he or she finds that there is unreasonable delay in enforcing those claims.
10	5-15-10. Penalty for vending without license Every itinerant vendor who sells or
11	exposes for sale, at public auction or private sale, any goods, wares, and merchandise without
12	required state and local licenses, issued as provided in this chapter, is guilty of a misdemeanor
13	and shall be punished by a fine of not less than five hundred dollars (\$500) nor more than one
14	thousand dollars (\$1,000), and by imprisonment of not less than thirty (30) nor more than ninety
15	(90) days.
16	5-15-11. Advertising unlicensed sale All persons, both principals and agents, who, by
17	circular, handbill, newspaper, or in any other manner, advertise any sale referred to in section 5-
18	15-10 before proper licenses are issued to the vendor shall be guilty of a misdemeanor, and upon
19	conviction shall be fined not more than fifty dollars (\$50.00) or be imprisoned not more than
20	sixty (60) days.
21	5-15-12. Disclosures as to special sales No itinerant vendor may advertise, represent,
22	or represent any sale as an insurance, bankrupt, insolvent, assignee, trustee, estate, executor,
23	administrator, receiver, wholesale or manufacturer's or closing out sale, or as a sale of any goods
24	damaged by smoke, fire, water, or otherwise, or in any similar form, unless he or she, before so
25	doing, states under oath to the general treasurer, either in the original application for a state
26	license, or in a supplementary application subsequently filed and copied on the license, all the
27	facts relating to the reasons and character of that special sale advertised or represented, including:
28	(1) A statement of the names of the persons from whom the goods, wares, and
29	merchandise were obtained;
30	(2) The date of delivery to the person applying for the license;
31	(3) The place from which those goods, wares, and merchandise were last taken; and
32	(4) All details necessary to exactly locate and fully identify all goods, wares and
33	merchandise to be sold.
34	5-15-13. Enforcement Failure to produce license as evidence Seizure (a) It is

2	are complied with and to prosecute for violations of those provisions. All of those officers shall
3	have power to demand the production of the proper state and local licenses from any itinerant
4	vendor advertising or actually engaged in business, and any failure to produce those licenses shall
5	be prima facie evidence against the vendor that he or she has none.
6	(b) Property held out for sale by any itinerant vendor in this state without a permit to
7	make sales at retail issued by the division of taxation is subject to seizure, without a warrant, by
8	the tax administrator, his or her agents or employees, or by any deputy sheriff, or police officer of
9	the state when directed by the tax administrator to do so. Any property seized may be offered by
10	the tax administrator for sale at public auction to the highest bidder after advertisement to
11	discharge any tax liability owed to the state; provided, that any property seized in that manner is
12	not released until the tax administrator is satisfied that all taxes owed to the state are paid and the
13	retailer is in compliance with the sales/use tax law.
14	5-15-14. Jurisdiction of prosecutions Prosecutions under this chapter may be heard
15	and determined by any court having criminal jurisdiction over other offenses punishable by law to
16	the same extent as previously provided.
17	5-15-15. Exempt sales The provisions of this chapter do not apply to sales made to:
18	(1) Dealers by commercial travelers or selling agents in the usual course of business;
19	(2) Bona fide sales of goods, wares, and merchandise by sample for future delivery;
20	(3) Hawkers on the streets;
21	(4) Peddlers from vehicles;
22	(5) Sheriffs, constables, or public officers of the state selling goods, wares, and
23	merchandise according to law;
24	(6) Bona fide assignees, for the benefit of creditors residing within this state;
25	(7) Receivers appointed in this state, selling goods, wares, and merchandise in this state;
26	(8) The owner or owners or the occupants of any land, building, or structure upon which
27	a tax is annually assessed by the city or town in which it is located, selling goods, wares, and
28	merchandise during the course of any fair, exposition or similar public event; or
29	(9) Sales made within the confines of an enclosed shopping mall.
30	5-15-16. Towns to which chapter inapplicable The provisions of this chapter do not
31	apply to the towns or cities of Narragansett, New Shoreham, South Kingstown, Westerly or
32	Newport. The town or city councils of those towns or cities shall be authorized and empowered to
33	make ordinances licensing itinerant vendors, and those town or city councils may prescribe
34	penalties for the violation of those ordinances; provided, that the ordinance does not include the

the duty of the officers in each town and city in this state to see that the provisions of this chapter

1	licensing of notels and inns as itinerant vendors; and provided, that the cities and towns
2	mentioned in this section do not issue a license to any vendor without the vendor providing proof
3	that the itinerant vendor has been issued a permit to make sales at retail by the division of
4	taxation.
5	5-15-17. Prohibited sales (a) No itinerant vendor, except an authorized
6	manufacturer's representative, shall offer for sale any of the following items:
7	(1) Food manufactured and packaged for sale for consumption by a child under the age
8	of two (2) years; or
9	(2) Drugs, medical devices, and cosmetics as defined in section 21-31-2.
.0	(b) Any person who violates the provisions of this section shall be punished by a fine of
1	up to one hundred dollars (\$100) for each item offered for sale or sold.
2	SECTION 2. This act shall take effect upon passage.
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### **EXPLANATION**

### BY THE LEGISLATIVE COUNCIL

OF

## AN ACT

### RELATING TO BUSINESSES AND PROFESSIONS -- ITINERANT VENDORS

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- 1 This act would repeal the Itinerant Vendors' chapter of the general laws.
- 2 This act would take effect upon passage.

LC005757