

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1654*

Short Title: Charlotte Closing-Out Sale Licenses. (Local)

Sponsors: Representatives Alexander; McMahan, Easterling, and Cunningham.

Referred to: Local Government I.

June 13, 2002

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT THE CITY OF CHARLOTTE TO DESIGNATE SOMEONE
3 OTHER THAN THE CITY CLERK TO ISSUE CLOSING-OUT SALE
4 LICENSES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 66-77 reads as rewritten:

7 "**§ 66-77. License required; contents of applications; inventory required; fees;**
8 **bond; extension of licenses; records; false statements.**

9 (a) No person shall advertise or offer for sale a stock of goods, wares or
10 merchandise under the description of closing-out sale, or a sale of goods, wares or
11 merchandise damaged by fire, smoke, water or otherwise, or a distress sale unless he
12 shall have obtained a license to conduct such sale from the clerk of the city or town in
13 which he proposes to conduct such a sale (or from another officer designated by the
14 City Council) or from the officer designated by the Board of County Commissioners if
15 the sale is conducted in an unincorporated area. The applicant for such a license shall
16 make to such clerk or officer an application therefor, in writing and under oath at least
17 seven days prior to the opening date of sale, showing all the facts relating to the reasons
18 and character of such sale, including the opening and terminating dates of the proposed
19 sale, the opening and terminating dates of any previous distress sale or closing-out sale
20 held by the applicant within that county during the preceding 12 months, a complete
21 inventory of the goods, wares or merchandise actually on hand in the place whereat
22 such sale is to be conducted, and all details necessary to locate exactly and identify fully
23 the goods, wares or merchandise to be sold. Provided, the seller in a distress sale need
24 not file an inventory.

25 (b) If such clerk or other officer shall be satisfied from said application that the
26 proposed sale is of the character which the applicant desires to advertise and conduct,
27 the clerk or other officer shall issue a license, upon the payment of a fee of fifty dollars
28 (\$50.00) therefor, together with a bond, payable to the city or town or county in the
29 penal sum of five hundred dollars (\$500.00), conditioned upon compliance with this

1 Article, to the applicant authorizing him to advertise and conduct a sale of the particular
2 kind mentioned in the application. The license fee provided for herein shall be good for
3 a period of 30 days from its date, and if the applicant shall not complete said sale within
4 said 30-day period then the applicant shall make application to such clerk or other
5 officer for a license for a new permit, which shall be good for an additional period of 30
6 days, and shall pay therefor the sum of fifty dollars (\$50.00), and a second extension
7 period of 30 days may be similarly applied for and granted by the clerk or other officer
8 upon payment of an additional fee of fifty dollars (\$50.00) and upon the clerk or other
9 officer being satisfied that the applicant is holding a bona fide sale of the kind
10 contemplated by this Article and is acting in a bona fide manner; provided, however,
11 that the clerk or other officer may not grant an extension period as provided in this
12 subsection if (i) the applicant conducted a distress sale immediately preceding the
13 current sale for which the extension is applied for and (ii) the period of the extension
14 applied for, when added to the period of the preceding sale and the period of the current
15 sale, will exceed 120 days. No additional bond shall be required in the event of one or
16 more extensions as herein provided for. Any merchant who shall have been conducting
17 a business in the same location where the sale is to be held for a period of not less than
18 one year, prior to the date of holding such sale, or any merchant who shall have been
19 conducting a business in one location for such period but who shall, by reason of the
20 building being untenable or by reason of the fact that said merchant shall have no
21 existing lease or ownership of the building and shall be forced to hold such sale at
22 another location, shall be exempted from the payment of the fees and the filing of the
23 bond herein provided for.

24 (c) Every city or town or county to whom application is made shall endorse upon
25 such application the date of its filing, and shall preserve the same as a record of his
26 office, and shall make an abstract of the facts set forth in such application, and shall
27 indicate whether the license was granted or refused.

28 (d) Any person making a false statement in the application provided for in this
29 section shall, upon conviction, be deemed guilty of perjury."

30 **SECTION 2.** This act applies to the City of Charlotte only.

31 **SECTION 3.** This act is effective when it becomes law.