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IN THE SENATE

BY SENATOR SMITH

SENATE BILL NO. 213

IN THE LEGISLATURE OF THE STATE OF ALASKA

SECOND LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to licensing certain
salesmen."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

Section 1. PURPOSE. The purpose of this Act is to protect
the people of Alaska from persons who wrongfully contract to sell
goods or wrongfully solicit orders for the sale of goods, and who
do not live in the communities in which they sell goods or solicit
orders for goods, and so are not readily amenable to civil
process.

Sec. 2. LICENSE REQUIRED. Every person who contracts or
solicits orders for the sale of goods and who does not maintain
a regular place of business in the locality where he negotiates
contracts or solicits orders must have a license to negotiate
contracts or solicit orders, issued by the Department of Commerce.

Sec. 3. LICENSE REQUIREMENTS AND ISSUANCE. (a) Every
person who applies for a license must complete an application
form, on which he states his name, gives a description of him-
self, and lists his permanent mailing address and the names and
mailing addresses of the persons or firms whose goods he intends
to handle.

(b) On receipt of an application, the department shall in-
vestigate (1) the applicant's business reputation at his perma-
nent mailing address, (2) the business reputation and economic
stability of the persons or firms whose goods the applicant

1 intends to handle, (3) whether or not the applicant is author-
2 ized by those persons or firms to do business with them; and
3 (4) any information relevant to the applicant's previous sales
4 activity in Alaska.

5 (c) If, after the investigation

6 (1) the department determines that the applicant is a
7 reputable salesman, it shall issue him a class A license,

8 (2) the department is unable, because of insufficient
9 information, to determine the applicant's reputation, it shall
10 issue him a class B license,

11 (3) the department determines that the applicant is
12 not a reputable salesman, it may not issue him a license.

13 (d) A license is valid until the first day of July follow-
14 ing its issuance. Licenses must be annually renewed.

15 Sec. 4. CHANGE IN INFORMATION. A license is revoked when
16 information required to be in the license application by Sec. 3
17 (a) of this Act changes. A person whose license is revoked under
18 this section shall inform the department of the change. The
19 department shall treat notice of change in information as an
20 application for a new license.

21 Sec. 5. LICENSE. The department shall note on each license
22 the information required to be in the license application by
23 Sec. 3(a) of this Act. The department shall note in a prominent
24 place on each class B license that the licensee is neither
25 approved nor disapproved by the state.

26 Sec. 6. LIMITATION ON POWER TO SELL. A licensee, when
27 he is contracting or soliciting orders for the sale of goods in
28 a locality where he does not maintain a regular place of busi-
29 ness, may contract or solicit orders for the sale of the goods of
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1 persons or firms listed on his license only.

2 Sec. 7. SERVICE OF PROCESS. Every person who is required
3 to obtain a license under this Act, by contracting or soliciting
4 orders for the sale of goods in a locality where he does not
5 maintain a regular place of business, appoints the secretary of
6 state his agent for service of process in all civil action arising
7 from that activity. When process is served on the secretary
8 of state under this section, the secretary of state shall immediately
9 notify the defendant named in the process of the service,
10 by mailing a copy of the process to the address the defendant gave
11 when he applied for a license, if the defendant applied.

12 Sec. 8. REGULATIONS: REGISTRATION PROCEDURE. The department
13 shall promulgate regulations to implement the purpose of
14 this Act and shall promulgate procedural regulations designed
15 to expeditiously license, without fee, every person who is
16 qualified to be licensed.

17 Sec. 9. REVOCATION OF LICENSE. The department shall revoke
18 a license when it has information that would have required it not
19 to issue the license initially.

20 Sec. 10. HEARINGS. A person has a right to a hearing, to
21 be conducted under the provisions of the Administrative Procedure
22 Act:

23 (1) when, under Sec. 3(c)(2) of this Act, he has been
24 issued a class B license, to determine whether or not he should
25 have been issued a class A license;

26 (2) when, under Sec. 3(c)(3) of this Act, he has been
27 refused a license, to determine whether or not he should be
28 issued a class A or a class B license; and

29 (3) under Sec. 9 of this Act before his license may

1. be revoked, to determine whether or not it should be revoked.
2. Sec. 11. PENALTY. A person who wilfully violates Sec. 2
3. or Sec. 6 of this Act is guilty of a misdemeanor and upon con-
4. viction is punishable by a fine of not more than \$500 or by
5. imprisonment for not longer than 180 days, or by both.
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