

## Title 7 ► Chapter 4

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### Direct Sellers

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#### **Sec. 7-4-1 Registration Required.**

It shall be unlawful for any direct seller to engage in direct sales within the City of Washburn without being registered for that purpose as provided herein.

#### **Sec. 7-4-2 Definitions.**

In this Chapter:

- (a) **Direct Seller ("transient merchant")** means any individual who, for him/herself, or for a partnership, association or corporation, sells goods, or takes sales orders for the later delivery of goods, at any location other than the permanent business place or residence of said individual, partnership, association or corporation, and shall include, but not be limited to, peddlers, solicitors and transient merchants. The sale of goods includes donations required by the direct seller for the retention of goods by a donor or prospective customer.
- (b) **Permanent Merchant** means a direct seller who, for at least one (1) year prior to the consideration of the application of this Chapter to said merchant:
  - (1) Has continuously operated an established place of business in this City; or
  - (2) Has continuously resided in this City and now does business from his/her residence.
- (c) **Goods** shall include personal property of any kind and shall include goods provided incidental to services offered or sold.

- (d) **Charitable Organization** shall include any benevolent, religious, philanthropic, patriotic or eleemosynary person, partnership, association or corporation, or one purporting to be such.
- (e) **Clerk-Treasurer** shall mean the City of Washburn Clerk-Treasurer.
- (f) **Person** shall mean all humans of any age or sex, partnerships, corporations, associations, groups, organizations and any other description of a collection of human beings working in concert or for the same purpose or objective.
- (g) **Applicant** shall mean each individual applying for registration and licensing as a direct seller or solicitor.
- (h) **Registrant** shall mean each individual registered by the Clerk-Treasurer and to whom a license has been issued.

### **Sec. 7-4-3 Exemptions.**

- (a) The following shall be exempt from all provisions of this Chapter:
  - (1) Any person delivering newspapers, fuel, dairy products or bakery goods to regular customers on established routes.
  - (2) Any person selling goods at wholesale to dealers in such goods.
  - (3) Any person selling agricultural products.
  - (4) Any permanent merchant or employee thereof who takes orders away from the established place of business for goods regularly offered for sale by such merchant within this county and who delivers such goods in their regular course of business.
  - (5) Any person who has an established place of business where the goods being sold are offered for sale on a regular basis, and in which the buyer has initiated contact with, and specifically requested a home visit by, said person.
  - (6) Any person who has had, or one who represents a company which has had, a prior business transaction, such as a prior sale or credit arrangement, with the prospective customer.
  - (7) Any person selling or offering for sale a service unconnected with the sale or offering for sale of goods.
  - (8) Any person holding a sale required by statute or by order of any court and any person conducting a bona fide auction sale pursuant to law.
  - (9) Any employee, officer or agent of a charitable organization who engages in direct sales for or on behalf of said organization, provided that there is submitted to the City Clerk-Treasurer proof that such charitable organization is registered under Sec. 440.41, Wis. Stats., or which is exempt from that statute's registration requirements, shall be required to register under this Chapter.
  - (10) Any person who claims to be a permanent merchant, but against whom complaint has been made to the City Clerk-Treasurer that such person is a transient merchant, provided that there is submitted to the City Clerk-Treasurer proof that such person has

leased for at least one (1) year, or purchased, the premises from which he/she is conducting business, or proof that such person has conducted such business in this City for at least one (1) year prior to the date complaint was made.

- (11) a. Charitable organizations shall be exempt from the requirements set forth in Section 7-4-4(a) and (c) if the organization has provided the individual representing it with credentials stating the name of the organization, the name of the representative and the purpose of the solicitation and provided, further, that said individuals provide the Clerk-Treasurer with the following information:
1. The individual's name and permanent address.
  2. The name and address of the organization represented.
  3. The name and address of the officers or directors of the organization.
  4. The nature of the sales or solicitations.
  5. Proposed dates and time of sales or solicitations.
- b. After approval by the Chief of Police, a license operative for the dates provided to the Clerk-Treasurer shall be issued without charge upon compliance with the foregoing.
- (12) Any religious organizations for which there is provided proof of tax-exempt status pursuant to Sec. 501(c)(3) of the United States Internal Revenue Code shall be exempt from the requirements set forth in Section 7-4-4(a) and (c). The provisions of Subsection (a)(11) above shall be applicable to such organizations.
- (13) Any veteran who holds a special state license pursuant to Sec. 440.151, Wis. Stats., shall be exempt from the provisions of Section 7-4-4(a) and (c) provided that such veteran provides the Clerk-Treasurer with the following information:
- a. The veteran's name and permanent address.
  - b. The nature of the sales or solicitations.
  - c. Proposed dates and times of sales or solicitations.
  - d. Copy of state license.

The Clerk-Treasurer shall then forward the above information to the Chief of Police.

## **Sec. 7-4-4 Registration.**

- (a) **Registration Information.** Applicants for registration must complete and return to the City Clerk-Treasurer a registration form furnished by the City Clerk-Treasurer which shall require the following information:
- (1) Name, permanent address and telephone number, and temporary address, if any;
  - (2) Height, weight, color of hair and eyes, and date of birth;
  - (3) Name, address and telephone number of the person, firm, association or corporation that the direct seller represents or is employed by, or whose merchandise is being sold;

- (4) Temporary address and telephone number from which business will be conducted, if any;
  - (5) Nature of business to be conducted and a brief description of the goods offered and any services offered;
  - (6) Proposed method of delivery of goods, if applicable;
  - (7) Make, model and license number of any vehicle to be used by applicant in the conduct of his/her business;
  - (8) Last cities, villages, town, not to exceed three (3), where applicant conducted similar business just prior to making this registration.
  - (9) Place where applicant can be contacted for at least seven (7) days after leaving this City;
  - (10) Statement as to whether applicant has been convicted of any crime or ordinance violation related to applicant's transient merchant business within the last five (5) years, the nature of the offence and the place of conviction.
- (b) **Documentation.** Applicants shall present to the City Clerk-Treasurer for examination:
- (1) A driver's license or some other proof of identity as may be reasonably required;
  - (2) A state certificate of examination and approval from the sealer of weights and measures where applicant's business requires use of weighing and measuring devices approved by state authorities;
  - (3) A state health officer's certificate where applicant's business involves the handling of food or clothing and is required to be certified under state law; such certificate to state that applicant is apparently free from any contagious or infectious disease, dated not more than ninety (90) days prior to the date the application for license is made.
- (c) **Fee.**
- (1) No application shall be processed until the application fee has been paid to the Clerk-Treasurer to cover the cost of processing said application. Said fee shall be as prescribed in Section 1-3-1.
  - (2) The applicant shall sign a statement appointing the City Clerk-Treasurer his/her agent to accept service of process in any civil action brought against the applicant arising out of any sale or service performed by the applicant in connection with the direct sales activities of the applicant, in the event the applicant cannot, after reasonable effort, be served personally.
  - (3) Applicants exempt from the requirements of this Chapter hereof shall deposit with the Clerk-Treasurer the sum of Twenty-five Dollars (\$25.00). Said sum shall be refunded to such applicants upon their taking delivery of the license or licenses issued pursuant to Section 7-4-7 hereof. In the event such an applicant fails and neglects to take delivery of said license or licenses before initiating their solicitation, such deposit shall be forfeited to the City.
- (d) **Permits for Particular Events.**
- (1) A separate application must be filed for a permit to be valid during any of the following events:

- a. Book Across the Bay.
  - b. Brownstone Days/Homecoming.
  - c. Merry Ol' Christmas.
  - d. Bayfield Apple Fest.
  - e. Ashland Bay Days.
  - f. Any other event designated by the Washburn Common Council.
- (2) Each of the above events, and any other event that may in the future be designated under Subsection (d)(1) above, if found by the City of Washburn Common Council to be an important civic event which promotes the general welfare, peace, good order, and prosperity of the City of Washburn and its inhabitants.
  - (3) The City Clerk-Treasurer shall issue no permit for use during any of the above-listed events which may tend to detract from the success of the event. In determining whether a permit may tend to detract from the success of an event, the Clerk-Treasurer shall consider the nature of the goods or services to be sold and the location of the sales.
  - (4) The fee schedule for permits issued under this Subsection are as prescribed in Section 1-3-1.

### **Sec. 7-4-5 Investigation.**

- (a) Upon receipt of each application, the City Clerk-Treasurer may refer it immediately to the Chief of Police who may make and complete an investigation of the statements made in such registration.
- (b) The City Clerk-Treasurer shall refuse to register the applicant if it is determined, pursuant to the investigation above, that: the application contains any material omission or materially inaccurate statement; complaints of a material nature have been received against the applicant by authorities in the last cities, villages and towns, not exceeding three (3), in which the applicant conducted similar business; the applicant was convicted of a crime, statutory violation or ordinance violation within the last five (5) years, the nature of which is directly related to the applicant's fitness to engage in direct selling; or the applicant failed to comply with any applicable provision of Section 7-4-4(b) above.

### **Sec. 7-4-6 Appeal.**

Any person denied registration may appeal the denial through the appeal procedure provided by ordinance or resolution of the Common Council or, if none has been adopted, under the provisions of Secs. 68.07 through 68.16, Wis. Stats.

## **Sec. 7-4-7 Registration and Issuance of License.**

- (a) Upon compliance with the foregoing requirements, filing of a bond and payment of the license fee as hereinafter set forth, the Clerk-Treasurer shall register the applicant as a direct seller or solicitor and issue a license to the applicant. The license shall be operative only during the days requested on the registration form.
- (b) Such license shall contain the signature of the Clerk-Treasurer, the name and address of the direct seller or solicitor, the type of goods or services being sold or the nature of the solicitation, the dates during which the license is operative and the license number of any vehicle used for sales or solicitations.
- (c) Registrants shall exhibit their license at the request of any citizen or police officer.

## **Sec. 7-4-8 Regulation of Direct Sellers.**

### **(a) Prohibited Practices.**

- (1) A direct seller shall be prohibited from: calling at any dwelling or other place between the hours of 9:00 p.m. and 9:00 a.m. except by appointment; calling at any dwelling or other place where a sign is displayed bearing the words "No Peddlers," "No Solicitors" or words of similar meaning; calling at the rear door of any dwelling place; or remaining on any premises after being asked to leave by the owner, occupant or other person having authority over such premises.
- (2) A direct seller shall not misrepresent or make false, deceptive or misleading statements concerning the quality, quantity or character of any goods offered for sale, the purpose of his/her visit, his/her identity or the identity of the organization he/she represents. A charitable organization direct seller shall specifically disclose what portion of the sale price of goods being offered will actually be used for the charitable purpose for which the organization is soliciting. Said portion shall be expressed as a percentage of the sale price of the goods.
- (3) No direct seller or solicitor shall impede the free use of sidewalks and streets by pedestrians and vehicles. Where sales or solicitations are made from vehicles, all traffic and parking regulations shall be observed. No direct seller or solicitor shall have any exclusive right to any location in the public streets, nor shall any be permitted a stationary location thereon in excess of fifteen (15) minutes, nor shall any be permitted to operate in a congested area where such operation might impede or inconvenience the public use of such streets. Any move from a stationary location shall be to a place not less than one hundred (100) feet from such location, and the seller or solicitor shall not return to within one hundred (100) feet of any previously occupied location within four (4) hours of having moved from said location. For the purpose of this Section, the judgment of a police officer, exercised in good faith, shall

be deemed conclusive as to whether the area is congested and public impeded or inconvenienced.

- (4) No direct seller shall make any loud noises or use any sound amplifying device to attract customers if the noise produced is capable of being plainly heard outside a one hundred (100) foot radius of the source.
- (5) No direct seller shall allow rubbish or litter to accumulate in or around the area in which he/she is conducting business.

(b) **Disclosure Requirements.**

- (1) After the initial greeting and before any other statement is made to a prospective customer, a direct seller shall expressly disclose his/her name, the name of the company or organization he/she is affiliated with, if any, and the identity of goods or services he/she offers to sell.
- (2) If any sale of goods is made by a direct seller or any sales order for the later delivery of goods is taken by the seller, the buyer shall have the right to cancel said transaction if it involves the extension of credit or is a cash transaction of more than Twenty-five Dollars (\$25.00), in accordance with the procedure as set forth in Sec. 423.203, Wis. Stats.; the seller shall give the buyer two (2) copies of a typed or printed notice of that fact. Such notice shall conform to the requirements of Sections 423.203(1)(a)(b) and (c), (2) and (3), Wis. Stats.
- (3) If the direct seller takes a sales order for the later delivery of goods, he/she shall, at the time the order is taken, provide the buyer with a written statement containing the terms of the agreement, the amount paid in advance, whether full, partial or no advance payment is made, the name, address and telephone number of the seller, the delivery or performance date and whether a guarantee or warranty is provided and, if so, the terms thereof.

## **Sec. 7-4-9 Records.**

The Chief of Police shall report to the City Clerk-Treasurer all convictions for violation of this Chapter and the City Clerk-Treasurer shall note any such violation on the record of the registrant convicted. The decision of the City Clerk-Treasurer regarding revocation may be appealed to the Common Council.

## **Sec. 7-4-10 Revocation of Registration.**

- (a) Registration may be revoked by the City Clerk-Treasurer after notice and hearing if the registrant made any material omission or materially inaccurate statement in the application for registration, made any fraudulent, false, deceptive or misleading statement or representation in the course of engaging in direct sales, violated any provision of this

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Chapter or was convicted of any crime or ordinance or statutory violation which is directly related to the registrant's fitness to engage in direct selling.

- (b) Written notice of the hearing shall be served personally on the registrant at least seventy-two (72) hours prior to the time set for the hearing; such notice contain the time and place of hearing and a statement of the acts upon which the hearing will be based.