

**Senate Bill No. 516**

(By Senators Yost, Miller, and Carmichael)

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[Introduced March 13, 2013; referred to the Committee on Labor;

and then to the Committee on the Judiciary.]

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A BILL to amend and reenact §47-11B-9 of the Code of West Virginia, 1931, as amended, relating to the bond required for closing-out sales, fire sales and defunct business sales.

*Be it enacted by the Legislature of West Virginia:*

That §47-11B-9 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 11B. CLOSING-OUT SALES, FIRE SALES AND DEFUNCT BUSINESS SALES.**

**§47-11B-9. Bond required.**

~~No~~ A license ~~shall~~ may not be issued unless the applicant files with the commissioner a bond with corporate surety payable to the State of West Virginia conditioned upon the faithful observance of all the provisions of this article, the payment to any municipality or the state of all taxes due and owing or which may

1 become due and the indemnifying of any purchaser at ~~such~~ the sale  
2 who suffers any loss by reason of misrepresentation made in  
3 connection with ~~such~~ the sale: *Provided*, That the aggregate  
4 liability of the surety for all breaches of the conditions of the  
5 bond ~~shall in no event~~ may not exceed the amount of ~~said~~ the bond.  
6 The amount of ~~said~~ the bond shall be ~~determined~~ based on the  
7 inventory required to be filed with the commissioner by section  
8 four of this article, and calculated as follows: Five percent of  
9 the first \$100,000 of the retail value of all the goods, wares and  
10 merchandise to be offered at ~~such~~ the sale, two percent of the next  
11 \$400,000 and one percent of the balance. ~~Said~~ The bond shall be  
12 approved as to form and sufficiency by the ~~prosecuting attorney or~~  
13 ~~his assistant of the county in which such sale is to be conducted~~  
14 commissioner.

NOTE: The purpose of this bill is to modify the bonding requirement for closing-out sales.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.