

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	6 - 0 - 1
<b>Yeas:</b>	Bonamici, Galizio, Gilliam, Girod, Riley, Holvey
<b>Nays:</b>	0
<b>Exc.:</b>	Nelson
<b>Prepared By:</b>	Steve Dixon, Administrator
<b>Meeting Dates:</b>	5/25, 5/30

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**WHAT THE MEASURE DOES:** Requires giving a notice of intent to the Secretary of State when conducting a going out of business sale. Limits sale length to 90 days. Limits sales to one per year. Exempts bankruptcy sales. Requires rulemaking by the Secretary of State. Provides authority for individuals to enjoin a “sham” sale. Defines “sham” sale. Makes violations an unlawful trade practice, with Attorney General enforcement and a private right of action. Does not apply to sales conducted by a bankruptcy trustee or court-appointed receiver. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Unfair effect on competing businesses and consumers when a store is constantly holding a going out of business sale.
- False advertising.

**EFFECT OF COMMITTEE AMENDMENT:** Provides for a business that plans to conduct a going out of business sale to file a free notice of intent instead of requiring a permit which would have an associated fee. Also exempts bankruptcy trustees and court-appointed receivers from requirement to file a notice of intent.

**BACKGROUND:** Currently, Oregon does not regulate of going out of business sales. Some businesses hold perpetual going out of business sales but, in fact, are using the term solely for advertising. SB 684-A provides for regulation of going out of business sales by the Secretary of State and provides for enforcement by the Attorney General as well as a private right of action. SB 684-A also allows for a private action by an individual to enjoin a sale as a “sham sale.”