



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRBa0347/1  
GMM:wlj:rs

**SENATE AMENDMENT 2,  
TO 2007 SENATE BILL 80**

April 24, 2007 – Offered by Senator GROTHMAN.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 3: after “crews” insert “and independent direct sellers”.

3 **2.** Page 7, line 9: after that line insert:

4 **SECTION 3g.** 93.135 (1) (rg) of the statutes is created to read:

5 93.135 (1) (rg) A registration issued under s. 100.55 (2) (d).

6 **SECTION 3m.** 100.55 of the statutes is created to read:

7 **100.55 Regulation of independent direct sellers. (1) DEFINITIONS.** In this  
8 section:

9 (a) “Independent direct seller” means an individual engaged in independent  
10 direct seller activities who is a permanent resident of this state, who sells goods or  
11 services that are distributed by a business entity that maintains a permanent fixed  
12 retail location, or who meets any 4 of the following conditions:

1           1. The individual is a direct seller, as defined in 26 USC 3508 (b) (2), and is in  
2 good standing with all applicable federal, state, and local tax collecting agencies.

3           2. The individual controls or is otherwise personally responsible for the  
4 safekeeping of any moneys received from the individual’s customers for any goods or  
5 services sold to those customers.

6           3. The individual has title to the goods sold and delivered to the individual’s  
7 customers.

8           4. The individual establishes proof of financial responsibility as provided under  
9 sub. (2) (c).

10          5. The individual sells only goods or services that are provided by business  
11 entities that are subject to the jurisdiction of the courts of this state.

12          (b) “Independent direct seller activities” means the sale by an independent  
13 direct seller of goods or services to consumers from house to house, on any street, or  
14 in any other place that is open to the public.

15          (c) “Registration” means a registration issued under this section authorizing  
16 an individual to work as an independent direct seller.

17          **(2) REGISTRATION REQUIRED.** (a) No individual may work as an independent  
18 direct seller unless the individual first registers with the department as provided  
19 under par. (b), establishes proof of financial responsibility if required under par. (c),  
20 and receives, and acknowledges receipt of, a copy of the laws and rules of this state  
21 relating to consumer protection and public safety that are applicable to independent  
22 direct seller activities, as specified in par. (d).

23          (b) An individual who intends to engage in independent direct seller activities  
24 shall register with the department by doing all of the following:

1           1. Providing on a form prescribed by the department the individual's name,  
2           social security number, permanent home address, telephone number, and, if  
3           intending to reside in a temporary residence while engaged in independent direct  
4           seller activities, the temporary residence address.

5           2. Establishing to the satisfaction of the department that the individual meets  
6           the definition of an independent direct seller.

7           3. Paying a registration fee determined by the department based on the  
8           reasonable cost of registering the individual under this subsection.

9           (c) An individual who is required to establish proof of financial responsibility  
10          in order to meet the definition of an independent direct seller shall prove the  
11          individual's ability to pay any damages, liabilities, penalties, costs, and other  
12          expenses arising out of the individual's independent direct seller activities by  
13          maintaining for the period of the individual's registration under par. (d) a bond,  
14          certificate of deposit, escrow account, or irrevocable letter of credit in an amount  
15          approved by the department, but not more than \$10,000, and in a form approved by  
16          the department. The bond, certificate of deposit, escrow account, or irrevocable letter  
17          of credit shall be established in favor of or be made payable to the department, for  
18          the benefit of the state and any customer of the individual who may incur damages  
19          arising out of the individual's independent direct seller activities. The individual  
20          shall file with the department any agreement, instrument, or other document  
21          necessary to enforce the bond, certificate of deposit, escrow account, or irrevocable  
22          letter of credit against the individual.

23          (d) Except as provided in s. 93.135 (3), if the department is satisfied that an  
24          individual who has completed a registration form under par. (b) 1. and paid the  
25          registration fee under par. (b) 3. meets the definition of an independent direct seller

1 as required under par. (b) 2., the department shall register the individual as an  
2 independent direct seller and provide the individual with a copy of the laws and rules  
3 of this state relating to consumer protection and public safety that are applicable to  
4 independent direct seller activities, as determined by the department. On receipt of  
5 the copy of those laws and rules, the individual shall sign a statement acknowledging  
6 receipt of that copy and file with the department a copy of that signed statement. A  
7 registration issued under this paragraph is valid for 4 months, unless sooner  
8 suspended, restricted, or revoked.

9 (3) NONPREEMPTION. An individual who is registered under sub. (2) (d) is  
10 authorized to engage in independent direct seller activities in any municipality in  
11 this state, but is not exempt from compliance with any municipal ordinance that  
12 requires an individual to obtain a license, permit, or registration before the  
13 individual may sell goods or services to consumers from house to house, on any street,  
14 or in any other place that is open to the public or that prohibits the sale of goods or  
15 services to consumers from house to house, on any street, or in any other place that  
16 is open to the public.”.

17 **3.** Page 9, line 7: after “convention” insert “, 2 or more individuals who are  
18 traveling together for the purpose of engaging in independent direct seller activities,  
19 as defined in s. 100.55 (1) (b),”.

20 **4.** Page 9, line 9: after “the sale” insert “by a traveling sales crew worker”.

21 **5.** Page 27, line 15: delete “The treatment of”.

22 (END)