

1 AN ACT relating to home solicitation sales.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 367.410 is amended to read as follows:

4 As used in KRS 367.410 to 367.450, unless the context otherwise requires:

5 **(1) "Department" means the Department of Insurance; and**

6 **(2)** "Home solicitation sale" means a sale of goods or services, including consumer  
7 loans, in which the seller or a person acting for him engages in a personal  
8 solicitation of the sale at a residence of the buyer and the buyer's agreement or offer  
9 to purchase is there given to the seller or a person acting for him. It does not include  
10 a sale made pursuant to prior negotiations between the parties, by telephone  
11 initiated by the buyer or at a business establishment at a fixed location where goods  
12 or services, including loans, are offered or exhibited for sale.

13 ➔Section 2. KRS 367.450 is amended to read as follows:

14 (1) Except as provided by the provisions on retention of goods by the buyer in KRS  
15 367.440(3), within a reasonable time after a home solicitation sale has been  
16 canceled or an offer to purchase revoked, the buyer upon demand must tender to the  
17 seller any goods delivered by the seller pursuant to the sale but he ***or she*** is not  
18 obligated to tender at any place other than his ***or her*** residence. If the seller fails to  
19 demand possession of goods within a reasonable time after cancellation or  
20 revocation, the goods become the property of the buyer without obligation to pay  
21 for them. For the purpose of this section, 40 days is presumed to be a reasonable  
22 time.

23 (2) The buyer has a duty to take reasonable care of the goods in his ***or her*** possession  
24 before cancellation or revocation and for a reasonable time thereafter, during which  
25 time the goods are otherwise at the seller's risk.

26 (3) If the seller has performed any services pursuant to a home solicitation sale prior to  
27 its cancellation, the seller is entitled to no compensation.

- 1 (4) KRS 367.410 to 367.450 shall not apply to:
- 2 (a) Sales under \$25.00;~~[-or]~~
- 3 (b) Any type of insurance or service contract sale; or
- 4 (c) Sales of goods or services related to insurance or service contracts;
- 5 as long as the seller is licensed or regulated by the department or is an affiliate of
- 6 the seller.