



Request for City Council Committee Action from the Department of Regulatory Services

Date: June 18, 2012

To: Council Member Elizabeth Glidden, Chair
Regulatory, Energy and Environment Committee

Subject: Peddlers, Solicitors, and Transient Merchants

Recommendation: That the Regulatory, Energy and Environment Committee recommend adopting Chapter 332 Solicitors, Peddlers and Transient Merchants; repealing Chapters 323 Peddlers, 333 Solicitors and 343 Transient Merchants of the Minneapolis Code of Ordinances; and amending the License Fee Schedule.

Previous Directives: None

Department Information

Prepared by: Rich Tuffs, Lead License Inspector, 673-3911

Approved by:

Gregory K. Stubbs, AICP, Director of Regulatory Services

Noah Schuchman, Interim Director of Licensing & Environmental Services

Grant Wilson, Manager of Business Licenses

Presenters in Committee: Rich Tuffs

Financial Impact

- Other financial impact. The loss of revenue from solicitor license fees equals an estimated \$40,000 annually.

Community Impact

- Neighborhood Notification: Public Hearing Notices were posted on the Business Licenses' website and sent to all neighborhood organizations, business associations, and larger company license holders.
- City Goals: Jobs and Economic Vitality: Businesses — big and small — start here, stay here, thrive here

Supporting Information

Peddlers, solicitors, and transient merchants, very simply defined as traveling vendors, have been regulated in the City of Minneapolis since 1960. Local ordinances attempt to provide consumer protection but the city's authority is limited by both the U.S. Constitution and state statutes. A recent trend challenging license restrictions has prompted many cities to review their requirements. The goal is to create reasonable stipulations which do not conflict with rights to freedom of speech, religion, or interstate commerce.

The types of vendors under discussion include canvassers, peddlers, solicitors and transient merchants. The following defines and summarizes the effective changes if the ordinances are amended.

Canvassers: Individuals who travel from place to place and advocate in a non-profit capacity for religious, social or political causes. Activities may include fundraising, promoting religious beliefs or political causes, or securing donations or signatures. The current ordinance uses the term Charitable Solicitor.

Peddlers: Individuals who travel from place to place and sell and deliver merchandise at point of sale.

Solicitors: Individuals who travel from place to place and obtain orders for goods or services to be delivered at a later date.

Transient Merchants: Individuals who temporarily set up business for not more than 14 consecutive days at one location and sell and deliver merchandise at point of sale.

Each of these four categories currently requires a license/permit from the City of Minneapolis. The proposed amendment will continue to require a license for peddlers and transient merchants. A criminal background verification will remain part of the application process. Transient merchants will no longer require a bond. Out-of-state transient merchants must secure a Hennepin County license as required by state statute.

Cities cannot require solicitors and canvassers to obtain a license/permit or pay a registration fee. Solicitors' operations are protected by the interstate commerce clause and city ordinances are prohibited from interfering with businesses that take orders for goods from customers in one state which are delivered from another state. The same standard applies to canvassers' constitutional protection of freedom of speech. The proposed amendment eliminates licenses and fees for solicitors and canvassers. Solicitors will be required to register with the City of Minneapolis and obtain an identification badge. Canvassers will not be required to register or obtain an identification badge.

Staff requests license fees to be adjusted as follows:

License Type	2012 Fee
Peddler, Foot	\$186
Peddler, Junk	\$87
Solicitor, Charitable	\$65
Solicitor, Company	\$186
Solicitor, Individual	\$186
Transient Merchant	\$256
Transient Merchant, Each Additional Location	\$98

