

HAWKERS / PEDDLERS / TRANSIENT MERCHANTS

APPLICATION PACKET

This packet contains information regarding City Licensing and Surety Bond requirements, as well as application forms for a Permit License and Additional Agents.

The application fee is a flat \$25-non-refundable fee paid at the time of application, no matter how many people will be working on behalf of the organization. An application form **must be completed** by anyone that will be working on behalf of the organization.

The application fee may be paid by cash, check made payable to the City of Salisbury, or by credit card.

Completed application(s) should be submitted to the Office of the City Clerk, City of Salisbury, 125 N. Division St., Room 305, Salisbury, MD, 21801.

Prior to the issuance of the City's Permit License, **applicants must contact the Wicomico County Clerk of the Circuit Court's Office at 410-543-6551** to determine if a license is also required by that office.

A Surety Bond in the amount of \$1,000 must be posted and a copy of the bond submitted to the Office of the City Clerk, City of Salisbury, 125 N. Division St., Room 305, Salisbury, MD, 21801, prior to the issuance of the Permit License.

It takes approximately two weeks for background checks to be completed by the City Police Department. Applicants/agents that are **out-of-state residents are requested to provide "a certified background report from the State in which they reside" when their completed application is submitted.**

It is important that **all requested information** be provided so that the background check process is not delayed. Any categories that are "not applicable," **mark "N/A."** Incomplete application submissions could result in denial of the Permit License and/or denial of one or more Additional Agents.

Please direct questions to the Office of the City Clerk at 410-548-3140.

Title 5

BUSINESS LICENSES AND REGULATIONS

Chapters:

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Chapter 5.04

COMMERCIAL DISTRICT MANAGEMENT AUTHORITY

Sections:

5.04.010 Boundary.

5.04.020 Definitions.

5.04.030 Business association rules and procedures.

5.04.040 Downtown business district license.

5.04.050 Fund.

(Prior code § 79-19)

5.28.200 Applicability of conditions to prior licensees.

The conditions set forth in Section 5.28.190(A) through (C) shall not be applicable to any person holding a license to practice fortune-telling, palm reading and spiritualism issued by the city of Salisbury, Maryland, upon enactment of this chapter and so long thereafter as such person shall renew his license each year prior to any expiration date thereof.

(Prior code § 79-20)

5.28.210 Violations--Penalties.

On and after the date of the final passage of this chapter, it is unlawful for any person or persons to practice fortune-telling, palm reading and spiritualism, when not practiced by recognized religious bodies or ordained ministers, inside the corporate limits of the city of Salisbury, Maryland. Any person or persons violating any provision or provisions of this chapter shall be deemed guilty of a misdemeanor and, upon conviction thereof before any court of Wicomico County, Maryland, shall be subject to a fine of not less than one thousand five hundred dollars (\$1,500.00) nor more than two thousand five hundred dollars (\$2,500.00) for each such offense.

(Prior code § 79-21)

Chapter 5.32

HAWKERS, PEDDLERS AND TRANSIENT MERCHANTS

Sections:

5.32.010 Definitions.

5.32.020 Enforcement.

5.32.030 License required.

5.32.040 Exemptions from licensing requirements.

5.32.050 License application.

5.32.060 Surety bond required.

5.32.070 License fee.

5.32.080 Investigation--Issuance of license--Determination of threat to health, safety and welfare.

5.32.090 Duration, exhibition and surrender of license.

5.32.100 Renewal of license.

5.32.110 Denial, revocation or suspension of license--Notice.

5.32.120 Hours of operation.

5.32.130 Prohibited areas.

5.32.140 Violations--Penalties.

5.32.150 Appeals.

5.32.160 Other governmental requirements.

5.32.170 Severability.

5.32.010 Definitions.

For the purposes of this chapter, unless the context requires otherwise, the following words and phrases have the meanings given by this section:

"Clerk" means the city clerk of Salisbury, or his or her designee.

"Hawker" or "peddler" means any person, whether or not a city resident, who engages in the activities, respectively, of hawking or peddling.

"Hawking" or "peddling" means the act of offering for sale and simultaneous delivery goods, wares or merchandise, including, but not limited to, magazines, books, periodicals, foodstuffs and personal property of every nature, from house to house or from place to place or on the public streets or in any other public or private place; including offering any of the abovementioned items for sale and simultaneous delivery from any type of wagon, vehicle, boat or other movable structure.

"Person" means any person, firm, partnership, association, corporation, company or organization of any kind.

"Temporary business" means any commercial activity that is not intended to be permanent or ongoing for a minimum of one year.

"Transient merchant" means any person who, whether or not a resident of the city, engages in a temporary business of selling or offering for sale goods, wares or merchandise, or who displays samples, models, goods, wares or merchandise for the purpose of taking orders for future delivery, within the city from any hotel or motel room, inn, rooming or boarding house, club, storehouse, house or other building, either residential or commercial in nature, that is not owned or leased for a period to exceed ninety (90) days, by the person who engages in such activities.

(Ord. 1583 (part), 1994)

5.32.020 Enforcement.

The provisions of this chapter shall be enforced by the clerk, or his or her designee, and the city police department.

(Ord. 1583 (part), 1994)

5.32.030 License required.

All hawkers, peddlers and transient merchants are required to obtain a license under this chapter prior to engaging in business as a hawker, peddler or transient merchant, unless specifically exempted by the provisions of this chapter. One license will be required in the case of a corporation, firm, partnership or association, which shall hold the person who procures the license responsible for all of the corporation's, firm's, partnership's or association's agents engaging in activities as a hawker, peddler or transient merchant in the city.

(Ord. 1583 (part), 1994)

5.32.040 Exemptions from licensing requirements.

Any person engaged in the following is exempt from the licensing requirements upon compliance with all other provisions of this chapter and submission of applicable identification and documentation to support the claim to exemption:

- A. Selling or offering for sale fruits and farm products grown by himself or herself, with or without the help of others;

- B. Engaging in the delivery of goods, wares or merchandise, including, but not limited to, bread and bakery products, meat and meat products or milk and milk products, in the regular course of business to the premises of any person who had previously ordered the same or was entitled to receive the same by reason of a prior agreement;
- C. Calling on any residence or business for the purpose of hawking or peddling at the request or invitation of the owner or occupant thereof;
- D. Selling or offering for sale any goods, wares or merchandise on behalf of any school, political or civic organization, benevolent society, service club or any not-for-profit organization which has been determined to be exempt from federal income taxation under the Internal Revenue Code of the United States of America;
- E. Selling or offering for sale personal property or any other commodities at wholesale to dealers in such articles;
- F. Conducting a bona fide auction sale pursuant to law or a sale required by statute or by order of any court;
- G. Conducting a yard, garage or attic sale at a person's residence, not more than four days within a twelve (12) month period; and
- H. Selling or offering for sale any goods, wares or merchandise from any booth in a bona fide fair, exposition, antique, collectible or trade show.

(Ord. 1583 (part), 1994)

5.32.050 License application.

Any person wishing to be a hawker, peddler or transient merchant shall file an application for a license with the clerk, giving the following information:

- A. The name, local and permanent address, telephone number, age, weight, height, color of hair and eyes and any other distinguishing physical characteristics of the person making the application;
- B. The name, local and permanent address, telephone number, age, weight, height, color of hair and eyes and any other distinguishing physical characteristics of the person to be licensed;
- C. The name and address of the person to receive notification provided for in this chapter;
- D. If the person making the application is not going to be managing or supervising the person to be licensed, the names, addresses and telephone numbers of all individuals who will be conducting, managing, supervising or administering the business on behalf of the person;
- E. A brief description of the nature of the person's business and goods or services to be sold or offered for sale;

- F. The name and address of the person's employer, if any, including the name and address of the company and the person's immediate supervisor;
- G. A description of the vehicle, if any, that is to be used in connection with licensed activities, including the state license tag and number and the vehicle identification number;
- H. A statement as to whether the person making the application or any person conducting, managing, supervising or administering the business on behalf of the person has ever been convicted of a felony or misdemeanor and, if so, the nature of the offense, when and where convicted and the penalty or punishment assessed therefor;
- I. The place where the goods to be sold or orders to be taken for the sale thereof are manufactured or produced and the proposed method of delivery;
- J. The names of at least two reliable references unrelated to the person making the application who will certify as to the person's good character and reputation.

(Ord. 1583 (part), 1994)

5.32.060 Surety bond required.

Every hawker, peddler or transient merchant shall file with the clerk a surety bond, running to the city, in the amount of one thousand dollars (\$1,000.00), with surety qualified to do business in Maryland and acceptable to and approved by the city and with conditions that the hawker, peddler or transient merchant comply fully with all of the provisions of the laws and ordinances of the city and such statutes of the state regulating and concerning the business of hawkers, peddlers and transient merchants. Such bond shall continue in effect for one year after the license expiration date.

(Ord. 1583 (part), 1994)

5.32.070 License fee.

A nonrefundable fee of twenty-five dollars (\$25.00) shall be paid to the clerk when the application is filed.

(Ord. 1583 (part), 1994)

5.32.080 Investigation--Issuance of license--Determination of threat to health, safety and welfare.

A. The clerk shall contact the city police department and may contact any other agency of the city government as he or she deems necessary in connection with any investigation under this chapter.

B. Unless after investigation the clerk finds that the person making the application has not complied with this chapter, or the clerk or chief of police determine that the person being licensed as a hawker, peddler or transient merchant may be a threat to the health, safety and welfare of the citizens of the city, he or she shall issue a license upon the posting of the bond as provided in Section 5.32.060. No license shall be issued to any holder of a license previously issued under this chapter within one year of a revocation of the previous license.

C. In determining the threat to health, safety and welfare, the clerk shall consider the reputation of the person seeking the license, his or her criminal record, if any, and license history in this or other jurisdictions as reported to the clerk by the police department or any other department or agency of the city government. Emphasis in reaching a decision shall be given to any convictions for crimes of violence, sex offenses, violations of the gaming, narcotic and alcoholic beverage laws and fraud.
(Ord. 1583 (part), 1994)

5.32.090 Duration, exhibition and surrender of license.

A. In the case of hawkers and peddlers, a license issued under this chapter shall be good for one year from the date of issuance, unless earlier suspended or revoked as provided in this chapter.

B. In the case of a transient merchant, a license issued under this chapter shall be of a duration as set by the clerk after reviewing the application and intended business of the transient merchant; however, no license issued to a transient merchant shall be for a duration of more than ninety (90) days.

C. Every hawker, peddler or transient merchant shall carry his or her license at any time he or she is engaged as a hawker, peddler or transient merchant. Additionally, he or she shall show his or her license to anyone who shall demand to see the same while he or she is so engaged. If a license is issued to a firm, partnership, association, corporation, company or organization, the original license shall be carried by the owner or supervisor and a copy of the license shall be carried by each agent engaged as a hawker, peddler or transient merchant under such license.

D. Any license issued under the provisions of this chapter shall be surrendered to the clerk upon expiration, suspension or revocation.
(Ord. 1583 (part), 1994)

5.32.100 Renewal of license.

The holder of any license issued under this chapter who desires a new license to be effective on the expiration of the existing license shall, not less than thirty (30) nor more than sixty (60) days before the expiration of the existing license, file a written application for renewal with the clerk, giving the information set forth in Section 5.32.050. The fee shall be as set in Section 5.32.070. The provisions for approving or disapproving of an application as set forth in Section 5.32.080 shall apply.
(Ord. 1583 (part), 1994)

5.32.110 Denial, revocation or suspension of license--Notice.

A. The clerk may refuse to issue or renew a license or may summarily revoke and suspend any license which has been issued under this chapter if he or she finds that the person making the application withheld or falsified any information required for the license or has been convicted of any of the crimes described in Section 5.32.080 or is in any way in violation of this chapter.

B. The clerk may suspend, revoke or refuse to renew any license upon a finding that the hawker, peddler or transient merchant engaged in fraud or willful misrepresentation, violated any provision of this chapter, committed any unlawful act or refused to leave any private property immediately when requested to do

so by the owner or occupant.

C. Upon revocation or suspension, the hawker, peddler or transient merchant shall immediately return his or her license to the clerk, and, upon failing to do so, the clerk may request and direct the license be confiscated.

D. Any denial, revocation, suspension or refusal of renewal shall be accompanied by written notice to the person identified in Section 5.32.050(C) by certified mail. The notice shall contain a reason for the action taken.

(Ord. 1583 (part), 1994)

5.32.120 Hours of operation.

No hawking or peddling shall be conducted in the city except between the hours of nine a.m. and six p.m. each day, except that business may be conducted at a residence when the owner or occupant of such residence has agreed by previously arranged appointment for a time other than the prescribed hours.

(Ord. 1583 (part), 1994)

5.32.130 Prohibited areas.

No hawker or peddler (regardless of whether such hawker or peddler is exempt from the licensing requirements of this chapter) shall engage in the activities of hawking or peddling in the city park or any roads or walkways adjacent to or through the city park, or any other place as determined by the mayor and council by resolution of the council from time to time for the protection of the health, safety and welfare of the citizens of the city, except the mayor may grant exemptions for the selling or offering for sale of goods, wares or merchandise as part of a festival, firemen's muster or other bona fide activity within the city park.

(Ord. 1583 (part), 1994)

5.32.140 Violations--Penalties.

Any person who violates any of the provisions of this chapter shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than one hundred dollars (\$100.00) or imprisoned for not more than thirty (30) days, or both.

(Ord. 1583 (part), 1994)

5.32.150 Appeals.

Any appeal of action taken under this chapter shall be to the mayor. Said appeal shall be effective only if filed in writing in the mayor's office within fifteen (15) calendar days of the action appealed from. Said appeal shall state with specificity the action appealed and relief requested. The appeal will be heard as soon as is practical and the mayor's decision shall be deemed a final administrative decision.

(Ord. 1583 (part), 1994)

5.32.160 Other governmental requirements.

This chapter does not relieve any person of the requirement to comply with any and all applicable

statutes, including, but not limited to, state licensing laws, door to door sales laws, Maryland Secondhand Precious Metal Object Dealers and Pawnbrokers Act and home improvement contractor laws. This chapter is not applicable to activities for which the state of Maryland has preempted regulation.

(Ord. 1583 (part), 1994)

5.32.170 Severability.

In the event that any portion of this chapter is held to be invalid, such invalidity shall not affect the other valid portions of this chapter.

(Ord. 1583 (part), 1994)

Chapter 5.36

JUNKYARDS AND SECONDHAND DEALERS

Sections:

5.36.010 Purchase of pipe, boilers, automobile parts and certain other metal products prohibited.

5.36.020 Purchase of secondhand goods, wares or merchandise restricted.

5.36.030 Record of purchases required--Inspection and preservation of record book.

5.36.010 Purchase of pipe, boilers, automobile parts and certain other metal products prohibited.

It is unlawful for any keeper, owner, proprietor or employee of any junk shop or junkyard within the city or for any owner, proprietor or employee of any secondhand store within the city to barter, purchase, exchange, buy or accept from any person whatsoever, except from plumbers holding licenses as such or from the owners of buildings from which the material is taken, any pipe, faucet, boilers, spigots, coils, lead, solder, copper, alloys of metals or manufactures of metals, tin plate, automobile parts or accessories or any other like material whatever.

(Prior code § 90-1)

5.36.020 Purchase of secondhand goods, wares or merchandise restricted.

It is unlawful for any keeper, owner, proprietor or employee of any junk shop or junkyard or secondhand store within the city to barter, purchase, exchange, buy, receive or accept any secondhand goods, wares or merchandise of any kind or nature whatever, other than those referred to in Section 5.36.010, without compliance in all respects with the provisions of Section 5.36.030.

(Prior code § 90-2)

5.36.030 Record of purchases required--Inspection and preservation of record book.

Every owner of a junk shop or junkyard or of a secondhand store shall provide and constantly keep a book, in which shall be fairly written down in the English language, at the time of every purchase of any material as referred to in Section 5.36.020, a description of all articles so purchased, the name and residence of the person from whom such purchase was made and the day and hour of such purchase. Such books shall at all times be open to the inspection of any and every member of the police department, of the sheriff, deputy sheriffs and constables of the county and of the state police of Maryland. Such book shall be preserved for a period of at least three years after the date of the last purchase or transaction recorded in such book.

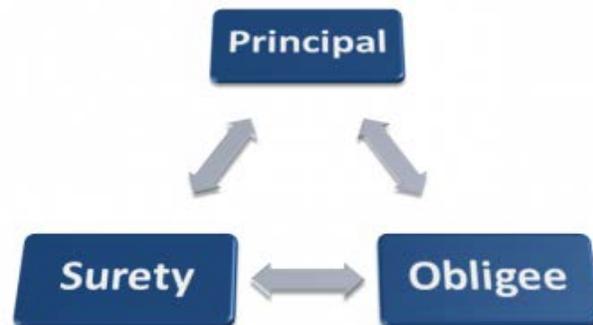
Surety Bonds

A surety bond is an agreement between three parties: *Principal*, *Surety* and *Obligee*. The surety provides a financial guarantee to the obligee that the principal (business owner) will fulfill their obligations. Therefore, a surety bond is a *risk transfer mechanism*.

A principal's "obligations" could mean complying with state laws and regulations pertaining to a specific business license, or meeting the terms of a construction contract. If the principal fails to meet their agreed upon obligations with the obligee, the surety may be required to resolve the dispute by paying a claim to the obligee. It is in this sense that a surety bond is similar to a form of credit extended to the principal by the surety.

Three parties involved in a surety guarantee:

1. **PRINCIPAL:** Person required to post bond.
2. **OBLIGEE:** Government entity or person requiring principal to be bonded.
3. **SURETY:** Provides financial guarantee to obligee on behalf of principal.



What does a surety bond guarantee?

For license & permit bonds, they guarantee that a principal understands and follows the regulations outlined for their specific license. This is where the term "license & bonded" comes from. Examples of a license violation could include fraud, misrepresentation, or late payment. If a covered violation causes a claim against the bond that the principal is unable to resolve, the surety will be required to pay the claim to the obligee.

What happens if a claim is paid by the surety?

As a bonded principal, you must take every action possible to avoid claims. Claim activity may happen in the process of conducting business, whether valid or invalid, but it is ultimately the responsibility of the principal to make sure the disputes are resolved prior to the surety paying out on a claim. Before becoming bonded, you will be required to sign an indemnity agreement with the surety company where you must agree to pay the surety back if they have to pay a claim due a violation by your company. The surety is only extending you credit, and therefore will expect to be reimbursed if a valid claim is paid. Having a paid surety claim may make it very difficult for you to become bonded again in the future, as it is a standard question on all bond applications, and is usually a cause for declination.

Is a surety bond insurance for my business?

A false misconception is that a surety bond is insurance for your business. This is not true. Bonds are more like insurance for the public, or your customers, that you are required to pay for. Most businesses are also required to have some sort of separate business general liability coverage that protects their business from routine perils and losses.

APPLICATION FOR HAWKERS / PEDDLERS / TRANSIENT MERCHANTS PERMIT

APPLICANT PERSONAL INFORMATION

Applicant Name _____
(First, Middle, Last)

Address _____
(Number, Street, Suite or Apt. No.) (City) (State) (Zip Code)

Telephone _____ **Date of Birth** _____ **E-mail** _____

Weight _____ **Height** _____ **Hair Color** _____ **Eye Color** _____

Distinguishing Physical Characteristics _____

Driver's License No. _____ **State** _____

Have you ever been convicted of a felony or misdemeanor? _____ **Where Convicted** _____
(Yes/No) (City, State)

Nature of offense _____

Penalty and/or Punishment _____

Personal References *List two persons who are not related to you and who will certify as to your good character and reputation.*

Name (First, Last)	Address (No, St, City, State, Zip Code)	Phone	E-mail

APPLICANT BUSINESS INFORMATION

Business Name _____
(N/A if not applicable)

Address _____
(Number, Street, Suite or Apt. No.) (City) (State) (Zip Code)

Immediate Supervisor _____
(N/A if not applicable)

Description of business, goods or merchandise to be sold or offered for sale

Description of any Vehicle to be used in connection with peddlers activities *(Use separate sheet to list additional vehicles)*

Make _____ **Model** _____ **Vehicle Identification No** _____

Tag No _____ **State** _____

Proposed method of delivery _____

Where goods to be sold are manufactured _____
Address (No, St, City, State, Zip Code)

Where goods are at time of application _____
Address (No, St, City, State, Zip Code)

HAWKERS / PEDDLERS / TRANSIENT MERCHANTS - ADDITIONAL AGENT APPLICATION

HAWKERS / PEDDLERS / TRANSIENT MERCHANT INFORMATION

Applicant Name _____
(First, Middle, Last)

Business Name _____
(N/A if not applicable)

ADDITIONAL AGENT PERSONAL INFORMATION

Name _____
(First, Middle, Last)

Address _____
(Number, Street, Suite or Apt. No.) (City) (State) (Zip Code)

Telephone _____ Date of Birth _____ E-mail _____

Weight _____ Height _____ Hair Color _____ Eye Color _____

Distinguishing Physical Characteristics _____

Driver's License No. _____ State _____

Description of any Vehicle to be used in connection with peddlers activities _____
(N/A if not applicable)

Make _____ Model _____ Vehicle Identification No _____

Tag No _____ State _____ *(Use separate sheet to list additional vehicles)*

Have you ever been convicted of a felony or misdemeanor? _____ Where Convicted _____
(Yes/No) (City, State)

Nature of offense _____

Penalty and/or Punishment _____

Personal References *List two persons who are not related to you and who will certify as to your good character and reputation.*

Name <i>(First, Last)</i>	Address <i>(No, St, City, State, Zip Code)</i>	Phone	E-mail