

Section 530 – Licensing and Regulation of Auctions and Registration of
Auctioneers in the City of Foley

Section 530:00. Intent and Definitions. This ordinance regulates two related areas: 1) Requirement of a license for commercial auction houses and, 2) Requires registration for all auctioneers who reside and or function in Foley at an auction house or other establishment or site. It is the intention of this Ordinance that no person or business shall sell or offer for sale at public auction or venue any property, article or thing within the corporate limits of this municipality, without first obtaining an auction license under and pursuant to the provisions of this code. It is the express purpose of this Ordinance to exempt from municipal licensing requirements auctions conducted by auctioneers when conducted on the premises of a private party or for religious, charitable, political or educational organizations, for auctioning of merchandise owned by that private party for at least six (6) months, or consigned to the religious, charitable, political or educational organizations for fundraising purposes. It is further provided that sales made by the virtue of legal process, or otherwise exempt by Minnesota Statute, shall be exempt from the provisions of this section.

A commercial auction is hereby defined as one where the auction is held at a commercial auction house or other commercial establishment or site. Said site may include a parcel of property on which is sold merchandise transported in for sale with sale from a semi-trailer truck or tent or other such appurtenance. This shall be distinguished from a private party sale, of merchandise owned by private individuals for six (6) months or longer. The reason for the distinction between types of auctions in this Ordinance is that commercial auction houses have been demonstrated to be of such a nature that stolen goods may be disposed of in the course of the business operation. For this reason, this ordinance provides for inspection of the goods, wares, merchandise on the premises by the Police Department.

Section 530:05. Application for Auction License. Every application for an auction license shall be made to the City Clerk on a form provided by him. It shall be accompanied by the required surety bond, evidence of liability insurance, and payment of the prescribed fee. If, after investigation by Foley Police Department, such period of investigation not to exceed thirty (30) days, and the City Clerk is satisfied all requirements of this Ordinance have been met, the Clerk shall present the application to the Foley City Council for action.

Section 530:10. All auctioneers who reside or conduct an action in the City of Foley shall register with the City on forms provided by the City Clerk. Auctioneers shall provide evidence that they are in compliance with M.S. Chapter 330.

Section 530:15. Bond. A surety bond shall be executed and filed with the Foley City Clerk before the auction license is issued. The bond shall be in at least the amount of \$1,000.00 conditioned that the licensee shall comply with the applicable ordinances and laws pertaining to auctions as they are permitted in the State of Minnesota and City of Foley, and that the licensee shall indemnify the City and save it harmless from all loss or damage by reason of accident or negligence of the licensee. The bond so supplied may be the same as that provided to the county under M.S. Chapter 330.

Section 530:20. Insurance. The applicant/licensee is required to have in full force and effect, a policy of liability insurance. The liability insurance policy shall provide that it is noncancellable without twenty (20) days notice to the City of Foley, and the coverage shall be for at least the term of the license. Each license under this Ordinance shall terminate upon termination of the required insurance coverage, or earlier as provided by this ordinance. Unless otherwise provided, a required liability insurance policy shall provide for protection in at least the sum of \$300,000.00 for injury and for property damage.

Section 530:25. Fees. The auction licensee fee shall be in the sum determined by the City Council and paid at the time the application for the license or its renewal is submitted. The fee shall not be refundable in whole or in part, unless, the City Council denies the license application.

There will be no fee charged for the auctioneer registration.

Section 530:30. Duration of License. The annual auctioneer license shall be valid for one calendar year or the part of the year for which it is issued. The annual license shall expire on December 31st. No license issued under this Ordinance may be transferred to any other person. The auction license relates to a specific premises and said license shall not be changed to another location without the approval of the Foley City Council or its designated authority.

Section 530:40. Inspection. The City of Foley reserves the right under this Ordinance to inspect and examine the premises so designated as the business address of the licensee herein. The Foley Police Department is the designated authority of the City of Foley and may, at any reasonable time, enter any business address of the licensee for inspection purposes in order to enforce compliance with this ordinance.

Section 530:50. Duties of Licensee. Every licensee herein shall have an obligation to abide by the provisions of this ordinance. Each licensee shall permit at reasonable time, inspection of his business by an authorized police officer of the City of Foley. Each licensee shall comply with all laws, ordinances, and regulations applicable to auctions and specifically with Minnesota Statute Chapter 330. The license issued by the City of Foley shall be displayed in a conspicuous place on the premises of the auction business. The licensee shall not lend or give to any other place his license.

Section 530:60. Suspension/Revocation. The Foley City Council may suspend or revoke any license for violation of any provision of law, ordinance, or regulation applicable to this license activity.

Section 530:70. Penalty. Any violation of a provision of this Ordinance shall be a misdemeanor.

Section 530 was added to the 1974 Code of Ordinances by Ordinance Number 190, passed and adopted September 28, 1983. Published and effective October 4, 1983.