



OFFICE OF THE MAYOR  
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**FOR IMMEDIATE RELEASE**

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**CITY COUNCIL REVAMPS BUSINESS LICENSING BY PASSING MAYOR EMANUEL'S  
REFORM ORDINANCE**

*Reforms will reduce Chicago license types from 117 to 49 to spur small business growth and job creation.*

CHICAGO – Today, the City Council voted to approve an ordinance that makes Chicago's business licensing system simpler, smarter, and more streamlined by reducing the number of license types by 60 percent. By cutting the number of license categories from 117 to 49 and requiring businesses to obtain less licenses to get up and running, the reform will save over 10,000 small businesses \$2 million in license fees each year that they can reinvest in their communities to create jobs.

"This reform brings Chicago's licensing system into the 21<sup>st</sup> century, cutting red tape that too often strangles job-creating small businesses with outdated requirements," said Mayor Emanuel. "These are necessary advancements that will spur growth and economic development throughout the city."

Under Chicago's current licensing system, thousands of business owners pay for licenses they either do not need or should not have to get. For example, some pet shops need as many as four licenses: one license to sell pets, another license to groom them, another to provide veterinary care or dog training, and a fourth license to sell pet supplies. Similarly, some auto repair shops obtain as many as four licenses: one to work on cars, one to store chemicals, one to hold tires, and one to sell windshield wipers.



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The ordinance will also help the city enforce in a smarter way by spending less time fining business owners for licensing code violations that pose little risk to public safety and more time cracking down on problem businesses. The ordinance increases by a factor of five fines on businesses that engage in consumer fraud, deceptive practices, and unfair competition. It doubles fines on businesses that sell tobacco to minors and doubles fines on pawnbrokers and secondhand dealers who deal in stolen goods. Overall, these increases in problem business fines, along with an increase in the fee for a tobacco retail license, ensure that this reform is revenue neutral.

“These additional tools and fines will help us focus our enforcement on problem businesses that defraud consumers, pose safety hazards to their communities, and break the law, rather than business owners who are trying to play by the rules,” said Rosemary Krimbel, Commissioner of the Department of Business Affairs and Consumer Protection (BACP).

For innovative new businesses, the ordinance will authorize the City to provide these entrepreneurs with a temporary permit that allows them to get up and running. This permit allows these business owners to explore their business idea while City Hall and the City Council work together to determine how to license or regulate the new activity.

“This first-of-its-kind tool gets government out of the way of small business innovation and gives Chicago’s entrepreneurs a chance to achieve their dreams,” said Mayor Emanuel.

The Emanuel Administration developed the proposal after receiving the input of aldermen, business associations, and over 100 small business owners from all across the city. Over the past several months, the Mayor’s Innovation Delivery Team and BACP conducted surveys and hosted small business roundtables in conjunction with local chambers of commerce and business associations in Chatham, Little Village, Albany Park, Portage Park, and West Town.

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