

# Legal Protection For Street Merchants In Doing Business In Madiun City

## ABSTRACT

The aim of this research is to find out whether everyone, including those who do not live in Madiun City, can open a shop in a location and register a business selling food and drinks in public facilities or not and analyze the situation. Legal consequences if street vendors occupy a stall in a location that violates regional regulations in Madiun City. This research uses a type of normative legal research with a statutory approach and a conceptual approach. In analyzing the data, we use analysis and interpretation of legal construction to obtain a concise and clear picture to obtain practical answers for the problems discussed based on applicable laws and regulations. The research results show that residents who do not come from the Madiun City area cannot open a shop or apply for a business registration certificate. Any street vendor who violates regional regulations in Madiun City will be subject to administrative sanctions and have their business license revoked.

**Keywords:** Street Vendors, Violating, Regulations, Law, Business.

## INTRODUCTION

Street vendors (PKL) are an economic activity that refers to a person (vendor) who uses a stall or cart to sell goods or food in a window or sidewalk. Even though there is no specific law that regulates street vendors in Indonesia, the problem of street vendors has become a complex problem and has become a national problem because there are street vendors in every city in Indonesia. Regulations regarding street vendors are only found in regional regulations (perda), but these regulations only prohibit street vendors from trading in a certain area and do not regulate their rights. Generally, street vendors (PKL) sell various types of goods, ranging from market snacks, snacks (food), to used goods such as shoes and other items that people need. The presence of street vendors (PKL) is important because they play an important role in encouraging economic growth in the business world, especially in the lower middle class. Many people

choose to become street vendors (PKL). This is also caused by weak supervision and urban spatial planning when productive (agricultural) land is used for building construction. Therefore, some people choose to work as street vendors (PKL).

On the other hand, the presence of street vendors (PKL) is also considered to disrupt traffic because they are located on the side of the road and sidewalk. It is thought to cause traffic jams and dirt. On the other hand, many people visit street vendors (PKL) because the prices are relatively cheap. Therefore, Satpol PP needs to take follow-up action (eviction action) in dealing with street vendors who violate regulations. According to (Hatta, 2020), the presence of street vendors cannot maintain the beauty of the city, but only think about how to quickly earn income. Apart from that, this impact also causes traffic jams and waste problems because there are no rubbish dumps. Therefore, this situation damages the comfort, order and security of society.

Based on the problems that have been described, the author states the problem formulation as follows: What is the legal protection for street vendors when running a business in Madiun City? The research objective is to find out the Regional Regulation on Street Vendors in running a Business in Madiun City. The author limits the problem to the Regional Regulation on Street Vendors in running a Business in Madiun City.

## **RESEARCH METHODS**

This study regarding the legal protection of street vendors in running their business in Madiun City is based on qualitative research. According to Walidin, Saifullah & Tabrani (2015), quoted from qualitative research: "Qualitative research is a research process carried out to understand human or social phenomena by creating a comprehensive and complex picture that can be expressed and reported in words (Fadli, 2021)". Source Informed from research activities carried out in human and natural environments.

According to Yrama Widya (2023), qualitative research consists of collecting data using participant observation to discover phenomena in

participants' life experiences. The definition of qualitative according to Bidjaksana Arief Fateqah (2024) is a naturalistic study that considers social realities to be different from one another. It can be concluded that qualitative research continues this type of research because it leads to a deeper understanding of the problem is carried out through observation, interviews, and documentation.

## **RESULT AND DISCUSSION**

Street vendors are informal actors who sell goods and services in public places such as sidewalks and street markets. These activities can also cause disruption to local communities, peace and security. Madiun City Mayor (Perwali) Regulation Number 19 of 2019 concerning Guidelines for Implementing Madiun City Regional Regulation Number 14 of 2012 concerning the Arrangement and Empowerment of Street Vendors as Amended by Madiun City Regional Regulation Number 29 of 2018 concerning Amendments to Madiun City Regional Regulation Number 14 2012 Concerning the Arrangement and Empowerment of Street Vendors. From the data, the number of street vendors in Madiun City is estimated to reach more than 1,513 in 2024, and the Madiun Metropolitan City Government and Satpol PP are trying to overcome the problem of street vendors.

People who open a stall to occupy a location and apply for a street vendor business in Madiun City. The connection between individuals in one region and the people of one region and other regions greatly influences the development of that region. The government's participation in the development, maintenance and supervision of roads is very necessary to create effective roads for the community. Sidewalks are one of the important facilities for pedestrians. Article 34 paragraph 3 of Government Regulation No. 34 of 2006 concerning Roads reads "The useful space for roads as intended in paragraph (1) is only intended for medians, road pavements, dividing lanes, road shoulders, roadside channels, sidewalks, slopes, safety thresholds, embankments and excavations, culverts, road equipment and other complementary buildings." This article explains that

the sidewalk is part of the useful space of the road. Even though the sidewalk is not the main part of the road, the sidewalk is useful for pedestrians, so the sidewalk is pedestrian transportation for its mobility and road infrastructure that supports vehicle transportation.

Sidewalks, which are public spaces, certainly need supervision from the government so that they function according to their function. The Madiun City Transportation Service is tasked with supervising and maintaining that the sidewalks are used according to their function, while the Madiun City Civil Service Police Unit or usually abbreviated as Madiun City SATPOL PP is tasked with controlling violations that occur on the sidewalks. Meanwhile, street vendors in Madiun City must obtain permits through the Ministry of Trade, Cooperatives and Tourism and register your business with the mayor. To obtain a permit, a street vendor must also fulfill several requirements, such as not having a permanent place of business, having small capital, being registered as a street vendor with his or her own identity card.

In this case, because the company's commercial property is used for public purposes, the Mayor must determine an alternative delivery location. Based on this, all street vendors selling on the sidewalk are required to show a registration certificate to obtain approval from the Madiun Metropolitan City Government. The procedures for obtaining TDU are also regulated in Madiun City Zoning Regulation Number 14 of 2012 concerning PKL Agreements and Permits and are regulated in Article 21: (1) Every person who carries out a street vendor business is required to have a TDU; (2) PKL submits a TDU application as intended in Article 20 letter to the Mayor through the appointed Official; (3) The TDU application as intended in paragraph (2) must at least attach the following application documents:

- a. Resident identity card with an address in the Region;
- b. b. Two recent color photographs measuring 4 x 6 cm;
- c. c. Fill out the form which contains: 1) Name; 2) Address of residence, duration of residence; 3) Business field requested; 4) Place of business requested; 5) Business time; 6) Equipment used; And 7) Amount of business capital.

Principles about business actors. Business Actor is a term used in making laws which is generally better known as entrepreneur Agus Suwandono (2021). The main points of business actors are: a. The rights and obligations of business actors consisting of; b. Principles of Business Actor Responsibility.

The UUPK has determined that a business actor is every person, a business entity, whether in the form of a legal entity or a legal entity, which is established from a resident or carries out activities within a legal territory in Indonesia, either alone or jointly through carrying out business activities in various economic fields. Article 6 UUPK Rights of Business Actors, namely the right to receive payment in accordance with the agreement regarding the conditions and exchange value of goods and/or services traded. Article 7 UUPK determines the obligations of business actors, namely to have good faith in carrying out their business activities, providing correct and honest information regarding the condition of goods and providing explanations about the use of maintenance. The legal consequences of street vendors occupying locations that violate local regulations in force in Madiun City.

Consumer protection law is a field of business law study that cannot be separated from the fields of private law and public law. Private and public law also regulates and protects consumer interests, apart from those regulated in Law no. 8 of 1999 concerning Consumer Protection (UUPK) as the umbrella for consumer protection law in Indonesia. Limited employment opportunities in the formal sector encourage people to migrate to the informal sector to survive, such as working as street vendors (PKL).

Street vending is a business that requires relatively little capital and aims to produce and sell to meet the needs of certain consumer groups. Business is conducted in an informal atmosphere in locations that are considered strategic. Because there are formal activities in this area, the presence of street vendors supports these activities. Therefore, in spatial planning within the area it is necessary to provide space for formal activities and space for informal activities. There are business and trading places on the sidewalks that attract visitors and traders. Opening a shop on the roadside (sidewalk) causes a lot of inconvenience for road users and can cause violations, so it is actually prohibited to open a shop on the roadside on the sidewalk. Madiun City Development Regulations. A permit

is required to open a business. To obtain this permit, street vendors must fulfill a number of requirements. The permit referred to here is permission to use public spaces and facilities other than as a business.

As intended in Article 19 paragraph (2), it is regulated that street vendors must submit a registration application to be able to carry out their activities in places determined by the regional government through the Ministry of Public Works, Industry, Trade, Cooperatives and Tourism. The distribution of street vendors on Jalan Kutai is known to extend along, along, along, or on roads connected to the main road. From the perspective of informal traders themselves, this is very profitable because occupying densely populated areas makes it easy for them to reach consumers. Article 19 of Madiun City Regional Regulation.

## **CONCLUSION**

Based on the results of the research conducted, the author draws the conclusion that further improvements need to be made regarding activities such as operations or raids and socialization or coaching for street vendors, due to there are still some street vendors who still violate selling in inappropriate places. By frequently holding these activities, It is hoped that it can overcome problems related to street vendors and comply with the policies that have been set by the City Government, especially Madiun City. Structurally, action against street vendors is carried out by law enforcement officers, especially the Madiun City Civil Service Police Unit (Satpol PP), which is given the authority to carry out enforcement actions according to established procedures. However, the relatively small population makes law enforcement unable to functioning well, especially as many street vendors continue to enter the market without permission, causing serious problems.

The area will be more orderly. The inhibiting factor is the low power factor in the region, namely the lack of knowledge of street vendors regarding regulations issued by the government. This factor make social anxiety. The implementation of law enforcement efforts against street vendors makes it increasingly difficult for Satpol PP to punish street vendors who violate existing regulations, because

street vendors claim they do not want to be punished. The government should increase the number of police officers to maintain order, especially in the Madiun area. In this case, it was Satpol PP that attracted attention.

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