

Chapter 24 SECONDHAND GOODS

ARTICLE I. IN GENERAL

Secs. 24-1--24-30. Reserved.

ARTICLE II. PAWNBROKERS, SECONDHAND GOODS DEALERS, JUNK DEALERS

DIVISION 1. GENERALLY

Sec. 24-31. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Pawnbroker means any person who loans money on deposit or pledge of personal property, or other valuable things, other than securities or printed evidence of indebtedness, or who deals in the purchasing of personal property or other valuable thing on condition of selling the property back again at a stipulated price.

Secondhand dealer or junk dealer means any person whose principal business is that of purchasing, storing, selling, exchanging and receiving secondhand personal property of any kind or description.

(Ord. No. 182, § 2, eff. 11-8-1990)

Sec. 24-32. Recordkeeping required.

At the same time any pawnbroker, secondhand dealer or junk dealer in this township shall receive any article of personal property or other valuable thing, by way of pledge or pawn, or shall acquire or purchase any article of personal property, or other valuable thing, except new articles, wares or merchandise purchased at wholesale from manufacturers, wholesale distributors or jobbers for retail sale to customers, except also motor vehicles, old rags, wastepaper, books or magazines, he shall make a record of the transaction that includes:

- (1) A description of the article, including serial number if such number appears on the article or model number or any identifying marks;
- (2) The amount of money loaned or paid for the article;
- (3) The rate of interest to be paid if any;

- (4) The name, address and date of birth and driver's license number or state personal identification card number of the person pledging, pawning or selling the article; and
- (5) The day and hour when such property was received.

The record of property received shall be available for examination without prior notice by any member of the township board, the township attorney, and any law enforcement officer. The form of the record of transaction shall have an 8¹/₂ by 11-inch size. The record of each transaction shall be numbered consecutively, commencing with the number 1 and the calendar year.

(Ord. No. 182, § 12, eff. 11-8-1990)

Sec. 24-33. Fingerprints of seller, copies to county sheriff's department and state police.

At the same time any pawnbroker, secondhand dealer or junk dealer in this township shall receive any article of personal property or other valuable thing by way of pledge or pawn, or shall acquire or purchase any article of personal property, or other valuable thing, except new articles, wares or merchandise purchased at wholesale from manufacturers, wholesale distributors or jobbers for retail sale to customers, except motor vehicles, old rags, wastepaper, books, magazines, tapestries, antiques and household furniture, he shall take in duplicate the legible imprint of the right thumb of the person from whom such property was received, or if that is not possible, the left thumb or some other finger of such person. Such fingerprint shall be taken under such rules and regulations as prescribed by the commissioner of the state police. One copy shall be forwarded within 48 hours, together with a statement of the nature of the property received, including make, model and serial number if such appears on the article, to the township police department. The second copy shall be forwarded within 48 hours, together with a statement of the property received, to the commissioner of the state police in East Lansing.

(Ord. No. 182, § 13, eff. 11-8-1990)

Sec. 24-34. Purchaser's memorandum of pawn; contents; interest on certain loans.

A pawnbroker, secondhand dealer or junk dealer, at the time of a loan, shall deliver to the person pawning or pledging any goods, article or thing a memorandum or note signed by him containing the substance of the entry required to be made by him in the record made pursuant to section 24-32. No charge shall be made or received by any pawnbroker, secondhand dealer or junk dealer for any such entry, memorandum or note. The memorandum or note shall be consecutively numbered and upon its back shall be printed in English in bold type the following words: "If interest or charges in excess of three percent per month, plus storage charges hereinafter provided, are asked or received, this loan is void and of no effect; and the borrower cannot be made to pay back the money loaned or any interest, or any charges or any part thereof, and the pawnbroker, secondhand dealer or junk dealer loses all right to the possession of the goods, article or thing pawned, and shall surrender the same to the borrower or pawner upon due demand therefor."

(Ord. No. 182, § 14, eff. 11-8-1990)

Sec. 24-35. Interest on loans; rate, storage charge, time of payment, computation.

A licensed pawnbroker, secondhand dealer or junk dealer may charge upon any loan a rate of interest not to exceed three percent per month, except that the dealer is not required to accept any interest less than \$0.50 on a single loan. A pawnbroker, secondhand dealer or junk dealer may also charge \$0.50 per month or fraction for the storage of property, except jewelry, after 30 days but for not more than four months, under any single pledge or pawn. No pawnbroker, secondhand dealer or junk dealer, their agents or employees, shall make a loan upon any deposit, pawn or pledge at a rate of interest and charge or receive in excess of the amounts provided for in this article. Interest on any loan shall not be payable in advance and shall be computed on unpaid monthly balances only, but without compounding. A pawnbroker, secondhand dealer or junk dealer is not entitled to any examination fee or to make any charge in excess of the amounts provided for in this article.

(Ord. No. 182, § 15, eff. 11-8-1990)

Sec. 24-36. Sale of pawned property at public auction; time, place, notice, affidavit of publication of notice.

No pawnbroker, secondhand dealer or junk dealer shall sell any pawn or pledge, until it shall have remained six months in his possession; and all such sales shall be at public auction to the highest bidder, and not otherwise. Such sale shall be held under the direction and control of the pawnbroker, secondhand dealer or junk dealer and in the dealer's regularly established place of business. Notice of such sale shall be published for at least six days previous to the sale in the *Ann Arbor News*. Such notice shall specify the time and place at which such sale is to take place and by whom it is to be conducted, and shall contain the same description of the articles or goods to be sold as was given in the memorandum or note delivered to the pawner under section 24-34 and shall give the number of such memorandum or note. An affidavit of the printer of such paper or of his foreman, or his principal clerk, annexed to a printed copy of such notice taken from the paper in which it was published and specifying the times when and papers in which it was published, shall be filed after the last day of such publication and before the day fixed for such sale with the township clerk. Such affidavit shall be kept in the office of the township clerk as a public document, and open to the inspection of any person. A fee of \$0.50 shall be paid by the party filing such affidavit to the township clerk for the filing of the affidavit.

(Ord. No. 182, § 16, eff. 11-8-1990)

Sec. 24-37. Tender of debt and costs before sale; effect on right to property.

The borrower, at any time prior to the sale, may pay or tender to the pawnbroker, secondhand dealer or junk dealer the debt and interest and charges on the debt, together with the cost of advertising the sale, if the sale has been advertised. The payment or tender shall reinvest the pawner with the title and right of possession to the property pledged.

(Ord. No. 182, § 17, eff. 11-8-1990)

Sec. 24-38. Surplus resulting from sale; disposition.

The surplus money, if any, arising from the sale, after deducting the amount of the loan, the interest and charges then due on the loan and the expense of advertising, shall be paid by the pawnbroker, secondhand dealer or junk dealer to the person who would be entitled to redeem the pledge or pawn if no sale had taken place.

(Ord. No. 182, § 18, eff. 11-8-1990)

Sec. 24-39. Pawned property; destruction or defacing unlawful.

No pawnbroker, secondhand dealer or junk dealer shall deface, scratch, obliterate, melt, separate or break into parts any article or thing received in pawn or otherwise, or in any manner do, cause or suffer to be done by others, anything that shall destroy or tend to destroy the identity of such article or render the identification of the article more difficult.

(Ord. No. 182, § 19, eff. 11-8-1990)

Sec. 24-40. Pawned property; acceptance from posted person or minor unlawful.

No pawnbroker, secondhand dealer or junk dealer shall receive any pledge, pawn, articles or thing whatever from any person after receiving from any law enforcement officer or the parent or guardian of any minor or person of unsound mind, written notice that such person is a minor, or is of unsound mind, or is a thief or receiver of stolen property. No pawnbroker, secondhand dealer or junk dealer shall receive any pawn from any person under 18 years of age nor from any person who does not present a valid driver's license or state personal identification card.

(Ord. No. 182, § 20, eff. 11-8-1990)

Sec. 24-41. Inapplicability of article.

Nothing in this article shall be deemed to apply to any secondhand dealer or junk dealer purchasing scrap iron or metal.

(Ord. No. 182, § 23, eff. 11-8-1990)

Sec. 24-42. Statement to commissioner of state police.

Each pawnbroker, secondhand dealer and junk dealer shall send to the commissioner of the state police and the township police department a statement in writing, containing the name or title under which such business is operated, its owners, and the street address at which such business is located.

(Ord. No. 182, § 24, eff. 11-8-1990)

Sec. 24-43. Applicability of regulations to existing businesses.

This article shall be applicable to all persons and businesses described in this article, whether the described activities were established before or after November 8, 1990, and including any person or persons whose application is presently under consideration or investigation by the township.

(Ord. No. 182, § 25, eff. 11-8-1990)

Sec. 24-44. Violation; penalty.

Any person who shall violate any of the provisions of this article, whether as owner or as clerk, agent, servant or employee, shall be guilty of a misdemeanor and upon conviction in any court of competent jurisdiction shall be punished in accordance with section 1-13.

(Ord. No. 182, § 21, eff. 11-8-1990)

Secs. 24-45--24-75. Reserved.

DIVISION 2. LICENSE

Sec. 24-76. Required.

It shall be unlawful for any person to engage in the business of a pawnbroker, secondhand dealer or junk dealer, whether as an owner, employee or otherwise, within the boundaries of the township without first obtaining a license issued in accord with the provisions of this article.

(Ord. No. 182, § 3, eff. 11-8-1990)

Sec. 24-77. Application.

An application for a license authorizing a person to carry on the business of a pawnbroker, secondhand dealer or junk dealer shall be submitted to the township clerk on forms available from the township clerk's office. The application shall be transmitted to the township board for approval. The application shall designate the particular place in the township where the applicant shall carry on the business.

(Ord. No. 182, § 4, eff. 11-8-1990)

Sec. 24-78. Application investigation fee.

- (a) Any person desiring to obtain a license to operate the business of a pawnbroker, secondhand dealer and/or junk dealer shall make application to the township clerk, who shall refer all such applications to the police department for an investigation. An application to obtain a license to operate the business of a pawnbroker, secondhand dealer and/or junk dealer shall be accompanied by an investigation fee in the amount of \$250.00, no part of which shall be refundable.
- (b) This application fee shall be payable to the township treasurer at the time the application is filed, and this fee shall be in addition to any other license, permit or fee required under this article or any other township ordinance.

(Ord. No. 182, § 5, eff. 11-8-1990)

Sec. 24-79. Application; contents.

Any applicant for licenses required in this article shall submit the following information:

- (1) The full name, including aliases used by applicant within the past ten years, and present address of the applicant or applicants.
- (2) The two previous addresses immediately prior to the present address of the applicant and dates of residence.
- (3) A description of service to be provided.
- (4) The location and mailing address of the proposed establishment.
- (5) If the applicant is a corporation, the names and residence addresses of each of the officers and directors of the corporation, and of each stockholder owning more than ten percent of the corporation.
- (6) If the applicant is a partnership, the names and residence addresses of each of the partners, including limited partners.
- (7) Written proof (birth certificate or sworn affidavits) that the applicant is at least 18 years of age.
- (8) Individual applicant's height, weight, sex, color of eyes and hair.
- (9) A complete set of the applicant's fingerprints, which shall be taken by the police department or its agent.
- (10) Business, occupation or employment of the applicant for the three years immediately preceding the date of the application.
- (11) All criminal convictions other than traffic violations and their reasons.
- (12) The signature and oath of the applicant.
- (13) Such other identification and information necessary to discover the truth of the matters required to be set forth in the application.

(Ord. No. 182, § 6, eff. 11-8-1990)

Sec. 24-80. Permit procedures.

- (a) Any applicant for a license pursuant to this article shall present to the township clerk the application containing the required information. The application shall then be referred to the police department, who shall have 30 days from the date of receipt of the application in which to investigate the application and the background of the applicant. Based on such investigation, the police department, or its representative, shall render a recommendation as to the approval or denial of the permit to the township clerk.
- (b) In making its determination, the police department shall consider:
 - (1) *Penal history.* All applicant's convictions, the reasons for the conviction, and the criminal history of the applicant subsequent to his release if the applicant was ever incarcerated or jailed.
 - (2) *License and permit history.* The license and permit history of the applicant; whether such person in previously operating in this township or

state or in another municipality or state under a license or permit has had such license or permit revoked or suspended; the reasons for the suspension; and the license and permit history of the applicant subsequent to such action.

- (c) The township's community development department shall inspect the premises proposed to be devoted to the business of a pawnbroker, secondhand dealer and/or junk dealer and shall make, within 30 days from receipt of the application, separate recommendations to the township clerk concerning compliance with the requirements of this article and all other applicable township ordinances and regulations.
- (d) The township board, after receiving these recommendations, shall grant a license to the establishment if all requirements for the business of a pawnbroker, secondhand dealer and/or junk dealer are met.

(Ord. No. 182, § 7, eff. 11-8-1990)

Sec. 24-81. Bond.

Before any license shall be issued, the applicant shall give a bond to the township, in its corporate name, in the penal sum of \$3,000.00, with at least two sureties, to be approved by the township board, conditioned for the faithful performance of the duties and obligations pertaining to the business and for the payment of all costs and damages incurred by any violation of this article.

(Ord. No. 182, § 8, eff. 11-8-1990)

Sec. 24-82. Expiration.

The license shall be for the period of one year from date of issuance unless sooner revoked for cause. The license is nontransferable. No person shall operate upon an expired or transferred pawnbroker, secondhand dealer or junk dealer's license.

(Ord. No. 182, § 9, eff. 11-8-1990)

Sec. 24-83. Conducting business.

No person shall operate as a pawnbroker, secondhand dealer or junk dealer other than at the business address set down in the license issued by the township board.

(Ord. No. 182, § 10, eff. 11-8-1990)

Sec. 24-84. Action on pawnbroker's bond.

If any person shall be aggrieved by the conduct of any licensed pawnbroker, secondhand dealer or junk dealer, and shall recover judgment against such pawnbroker, secondhand dealer or junk dealer, such aggrieved person may, after the return unsatisfied, either in whole or in part, of any execution issued upon the judgment, maintain an action in his own name upon the bond of the pawnbroker, secondhand dealer or junk dealer in any court having jurisdiction of the amount of judgment remaining unsatisfied.

(Ord. No. 182, § 11, eff. 11-8-1990)

Sec. 24-85. Revocation and suspension.

- (a) No license shall be revoked until after a hearing before the township board to determine just cause for such revocation. The township clerk may order any permits suspended pending such hearing, and it shall be unlawful for any person to carry on the business of a pawnbroker, secondhand dealer and/or junk dealer until the suspended license has been reinstated by the township board. Notice of such hearing shall be given in writing and served at least five days prior to the date of the hearing. The notice shall state the grounds of the complaint against the holder of the license and shall state the time and place where the hearing shall be held.
- (b) The notice shall be served upon the license holder by delivering it to the person or by leaving the notice at the place of business or residence of the licensee in the custody of a person of suitable age and discretion. If the licensee cannot be found, and the service of the notice cannot be made in this manner, a copy of the notice shall be mailed, postage fully prepaid, addressed to the licensee at the place of business or residence and posted conspicuously on the premises at least five days prior to the date of the hearing.

(Ord. No. 182, § 22, eff. 11-8-1990)

Chapter 25 RESERVED