



**CHARTER TOWNSHIP OF INDEPENDENCE  
CLERK'S OFFICE**

6483 Waldon Center Dr. • Clarkston, Michigan 48346  
Phone 248-625-5114  
Web Page: [www.indtwp.com](http://www.indtwp.com)

**CHAPTER 38 - SECONDHAND GOODS - APPLICATION  
ARTICLE IV PRECIOUS METAL AND GEM DEALER  
CERTIFICATE OF REGISTRATION (1-YEAR)**

**CLERK'S USE ONLY**

Date Received: \_\_\_\_\_ Non-Refundable \$50.00 Application Fee Paid: \_\_\_\_\_

Date Sent to Departments: \_\_\_\_\_

OCS D:  APPROVED  DENIED / REASON: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Building / Zoning:  APPROVED  DENIED / REASON: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

- ATTACH** a copy of all applicants Driver's Licenses.
- ATTACH** a copy of the state issued license when licensing is required by the State of Michigan.
- CONTACT INFORMATION:**

NAME: \_\_\_\_\_ ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_ PHONE: \_\_\_\_\_

**4. LOCATION OF BUSINESS:**

NAME OF BUSINESS: \_\_\_\_\_ ADDRESS: \_\_\_\_\_

PARCEL ID NUMBER: \_\_\_\_\_ DATE OF EXPIRATION OF LEASEHOLD INTEREST, IF ANY: \_\_\_\_\_

ZONING DESIGNATION OF THIS PROPERTY: \_\_\_\_\_

SQUARE FOOTAGE OF PROPERTY: \_\_\_\_\_ SQUARE FOOTAGE OF BUILDINGS ON THE PROPERTY, IF ANY: \_\_\_\_\_

**5. DAYS OF THE WEEK AND HOURS OF OPERATION:**

DATES: \_\_\_\_\_ DAYS OF THE WEEK: \_\_\_\_\_

HOURS OF OPERATION: \_\_\_\_\_ NUMBER OF CONSECUTIVE DAYS: \_\_\_\_\_

**6. PROPERTY OWNER INFORMATION IF DIFFERENT THAN BUSINESS OWNER:  
(ATTACH ADDITIONAL SHEET IF NEEDED)**

NAME OF PROEPRTY OWNER: \_\_\_\_\_ PHONE NUMBER: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_  
EMAIL ADDRESS: \_\_\_\_\_

**7. APPLICANT INFORMATION, COMPLETE FOR ALL OWNERS, PARTNERS, STOCKHOLDERS, MANAGERS  
(ATTACH ADDITIONAL SHEET IF NEEDED)**

NAME: \_\_\_\_\_ TYPE OF INTEREST (OWNER, MANAGER, ETC.): \_\_\_\_\_ PHONE #: \_\_\_\_\_

OTHER NAMES OR ALIASES USED IF ANY: \_\_\_\_\_ DRIVER'S LICENSE NO.: \_\_\_\_\_ DATE OF BIRTH: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE \_\_\_\_\_ ZIP: \_\_\_\_\_

LIST ALL FELONY AND MISDEMEANOR CONVICTIONS \_\_\_\_\_ ARRESTING AGENCY: \_\_\_\_\_ DATE: \_\_\_\_\_

LIST ALL FELONY AND MISDEMEANOR CONVICTIONS: \_\_\_\_\_ ARRESTING AGENCY: \_\_\_\_\_ DATE: \_\_\_\_\_

NAME: \_\_\_\_\_ TYPE OF INTEREST (OWNER, MANAGER, ETC.): \_\_\_\_\_ PHONE #: \_\_\_\_\_

OTHER NAMES OR ALIASES USED IF ANY: \_\_\_\_\_ DRIVER'S LICENSE NO.: \_\_\_\_\_ DATE OF BIRTH: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE \_\_\_\_\_ ZIP: \_\_\_\_\_

LIST ALL FELONY AND MISDEMEANOR CONVICTIONS \_\_\_\_\_ ARRESTING AGENCY: \_\_\_\_\_ DATE: \_\_\_\_\_

LIST ALL FELONY AND MISDEMEANOR CONVICTIONS: \_\_\_\_\_ ARRESTING AGENCY: \_\_\_\_\_ DATE: \_\_\_\_\_

NAME: \_\_\_\_\_ TYPE OF INTEREST (OWNER, MANAGER, ETC.): \_\_\_\_\_ PHONE #: \_\_\_\_\_

OTHER NAMES OR ALIASES USED IF ANY: \_\_\_\_\_ DRIVER'S LICENSE NO.: \_\_\_\_\_ DATE OF BIRTH: \_\_\_\_\_

ADDRESS: \_\_\_\_\_ CITY: \_\_\_\_\_ STATE \_\_\_\_\_ ZIP: \_\_\_\_\_

LIST ALL FELONY AND MISDEMEANOR CONVICTIONS \_\_\_\_\_ ARRESTING AGENCY: \_\_\_\_\_ DATE: \_\_\_\_\_

LIST ALL FELONY AND MISDEMEANOR CONVICTIONS: \_\_\_\_\_ ARRESTING AGENCY: \_\_\_\_\_ DATE: \_\_\_\_\_

8. It is understood and agreed by the undersigned that no Certificate of Registration shall be issued until the Building Official or Building Inspector has furnished their reports to the Independence Township Police Agency, as required by Chapter 38, Article IV, of the Independence Township Code of Ordinances (Township Code). The undersigned applicant(s) hereby grant(s) to any member of the Oakland County Sheriff's Department in the State of Michigan the right to inspect their books, records and manner of operation of the above business for which a license is being requested in order to confirm that the business is being operated in accordance with the terms and conditions of the Township Code, Chapter 38 - Secondhand Goods - Article IV Precious Metal and Gem Dealer and all applicable statutes.

*I, the undersigned applicant, hereby swear that all of the statements, answers and information I have provided in or as part of this application are true, accurate and complete to the best of my knowledge. I further understand and acknowledge that any falsehoods or misrepresentations contained in such statements, answers or information can, among other things, be the cause of a denial of the requested Certificate of Registration and cause for the revocation of any license issued to the applicant under Chapter 38 - Secondhand Goods of the Independence Township Code of Ordinances.*

\_\_\_\_\_ (SIGNATURE) \_\_\_\_\_ (PRINT NAME & TITLE) \_\_\_\_\_ (DATE)

Acknowledged before me on: \_\_\_\_\_, 2016

By: \_\_\_\_\_

Notary Public, \_\_\_\_\_ County, Michigan  
Acting in \_\_\_\_\_ County

My Commission Expires: \_\_\_\_\_

SEAL

**STATE OF MICHIGAN  
COUNTY OF OAKLAND  
CHARTER TOWNSHIP OF INDEPENDENCE**

**ORDINANCE #2016-002**

**PREAMBLE**

The Charter Township of Independence has determined it is appropriate and necessary for the health, safety and welfare of the citizens of the Township to amend Chapter 38 – Secondhand Goods of the Code of Ordinances, Charter Township of Independence, Oakland County, Michigan, by adding Article IV entitled Precious Metal and Gem Dealer Ordinance, and to provide penalties for violation thereof. Therefore,

**THE CHARTER TOWNSHIP OF INDEPENDENCE ORDAINS FOR INCORPORATION INTO THE TOWNSHIP CODE:**

**Section 1. SHORT TITLE.** This Ordinance shall be known as and may be cited as the “Precious Metal and Gem Dealer” Ordinance.

**Section 2. PURPOSE.** The purpose of this Ordinance is to protect the public health, safety and welfare and to advance legitimate rational regulation of businesses. In an effort to promote and protect public health and welfare, reduce and/or eliminate the acceptance and resale of stolen or unauthorized property and reduce crime, the Township enacts this Ordinance to license and regulate precious metal and gem dealers within its borders.

**Section 3. AMENDMENT TO CHAPTER 38.** Chapter 38 of the Code of Ordinances, Charter Township of Independence, (Secondhand Goods) is amended by adding a new Article IV, which shall read as follows:

**ARTICLE IV PRECIOUS METAL AND GEM DEALERS**

**Division 1. Generally**

**Section 38-77 State Law Adopted.**

The Township hereby adopts by reference, Act No. 95 of the Public Acts of 1981, as amended, being Sections 445.481 through 445.492 of the Michigan Compiled Laws.

**Section 38-78 Definitions.**

Definitions utilized under this Ordinance shall be the same definitions as provided in the Precious Metal and Gem Dealer Act MCL 445.482 as amended.

**Section 38-79 Records of Transactions. Compliance with MCL 445.484 as Amended.**

1. The dealer shall maintain a permanent record of each transaction, on record of transaction forms provided for in Act 95 of 1981. Such record shall be legibly written or otherwise printed in ink in the English language. Each record of transaction form shall be filled out in quadruplicate by the dealer or agent or employee of the dealer. One copy of the form shall go to the Independence Township Police Agency pursuant to State Law; one copy shall go to the customer; and one copy shall be retained by the dealer pursuant to State Law. At the time a dealer receives or purchases a precious item, the dealer or the agent or employee of the dealer shall insure that the following information is recorded accurately on a record of transaction form:
  - a. The dealer certificate of registration number.
  - b. A general description of the precious item or precious items received or purchased, including the type of metal or precious gem. In the case of watches, the description shall contain the name of the maker and the number of both the works and the case. In the case of jewelry, all letters and marks inscribed on the jewelry shall be included in the description.
  - c. The date of transaction.
  - d. The name of the person conducting the transaction.
  - e. The name, date of birth, driver's license number or State of Michigan personal identification card number, and street and house number of the customer, together with a legible imprint of the right thumb of the customer, or if that is not possible, of the left thumb or a finger of the customer. However, the thumbprint or fingerprint shall only be required on the record of transaction form retained by the dealer. The thumbprint or fingerprint shall be made available to the police agency during the course of a police investigation involving a precious item or items described on the record of transaction. After a period of one (1) year from the date of the record of transaction, if a police investigation concerning a precious item or items described on the record of transaction has not occurred, the dealer and any police agency or sheriff's department holding a copy of the record of transaction shall destroy, and not keep a permanent record of, the record of transaction. A dealer who goes out of business or changes his or her business address to another local jurisdiction either within or out of this state shall transmit the records of all transactions made by the dealer within one (1) year before his or her closing or moving, to the Independence Township Policy Agency.
  - f. The price to be paid by the dealer for the precious items or precious item(s).
  - g. The form of payment to the customer; check, money order, bank draft, or cash. If the payment is by check, money order, or bank draft, the dealer shall indicate the number of the check, money order or bank draft.
  - h. The customer's signature.
2. The record of each transaction shall be numbered consecutively, commencing with the number 1 and the calendar year (example, 01-2016).

3. Within forty-eight (48) hours after receiving or purchasing a precious item, the dealer shall send a copy of the record of transaction form to the Independence Township Police Agency and, if the record of transaction form indicates that the customer resides outside the jurisdiction of the Township, the dealer shall send a copy of the record of transaction form to the police agency of the city, village, or township in which the customer resides as set forth on the record of transaction, or, if that city, village, or township does not have a police agency, to the sheriff's department of the county in which the customer resides as set forth on the record of transaction.
  - a. Every licensee, owner and employee, shall keep a record of all persons and/or entities with whom business has transacted and all property coming into their possession. Reports must be electronically transmitted to the Independence Township Police Agency or his or her designee. Within forty-eight (48) hours of receipt of purchase, or otherwise of a precious item, a report must be transmitted by means of electronic transmission through a modem, or similar device in a format that the data is capable of direct electronic entry into the Independence Township's Police Agency computerized system, as approved by the Independence Township Police Agency, or his or her designee for identifying property coming into the possession of a licensor. A transaction report by electronic transmission under this sub-section shall not be reported on paper forms, unless the Independence Township Police Agency so requires.
4. The record of transaction forms of a dealer and each precious item received shall be open to inspection by the county prosecuting attorney, the Independence Township Police Agency, the police agency or sheriff's department of the governmental unit in which the customer resides, and the Michigan State Police, at all times during the ordinary business hours of the dealer. As a condition of doing business, a dealer is considered to have given consent to the inspection prescribed by this sub-section. The record of transaction forms of a dealer shall not be open to inspection by the general public.
5. The items shall be photographed and any serial number or other markings provided, as well as any other information as required pursuant to the electronic transaction reporting processes utilized by the Township. Additionally, the driver license, state identification, passport, or other photographic identification of a customer shall be photographed.
6. Except as otherwise provided in this section, each record of a transaction shall be retained by the dealer for not less than one (1) year after the transaction to which the record pertains.
7. The form of the record of transaction shall have an 8-½ by 11 inch size and shall be as follows:

**RECORD OF TRANSACTION**

Dealer Certificate # \_\_\_\_\_ Transaction # \_\_\_\_\_  
(PRINTED ON FORM) (PRINTED ON FORM)

**1. Description of Property:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**2.** \_\_\_\_\_, 20\_\_\_\_ **3.** \_\_\_\_\_  
(DATE) (NAME OF DEALER/EMPLOYEE)

**4.** \_\_\_\_\_, 19\_\_\_\_  
(NAME OF CUSTOMER) (DATE OF BIRTH)

\_\_\_\_\_  
(DRIVER'S LICENSE NO. / MICHIGAN PERSONAL ID NO.) (STREET ADDRESS)

\_\_\_\_\_  
(CITY & STATE) (ZIP)

**5.** \$ \_\_\_\_\_  
(PRICE PAID) (COUNTY OF RESIDENCE)

**6.** \_\_\_\_\_  
(CHECK NO., BANK DRAFT NO., MONEY ORDER NO., OR CASH)

\_\_\_\_\_  
(NAME OF POLICE AGENCY OF CITY, VILLAGE, OR TOWNSHIP IN WHICH CUSTOMER RESIDES)

**THUMBPRINT**

\_\_\_\_\_  
(SIGNATURE OF CUSTOMER)

**8.** As used in this section, the term "customer" means the person from whom the dealer or the agent or employee of the dealer receives or purchases a precious item. State law references similar provisions MCL 445.484

**Section 38-80 Precious Item Retention; Alteration or Defacing Unlawful.**

A precious item received by a dealer shall be retained by the dealer for nine (9) calendar days after it was received, without any form of alteration other than that required for an accurate appraisal of its face value.

State law references similar provisions MCL 445.485.

### **Section 38-81 Precious Items Which are Prohibited and Unlawful.**

A dealer or an agent or employee of a dealer shall not:

- a. Knowingly receive or purchase a precious item from any person who is less than eighteen (18) years of age or any person known by the dealer or agent or employee of the dealer to have been convicted of theft or receipt of stolen property within the preceding five (5) years, whether the person is acting in his or her own behalf or as the agent of another.
- b. Knowingly receive or purchase a precious item from a person unless that person presents a valid driver's license or a valid state of Michigan personal identification card.

State law references similar provisions MCL 445.486

### **Section 38-82 Compliance with State Laws.**

Every licensee and employee must comply with the terms of State laws, including but not limited to the State act regulating pawnbrokers, where applicable MCL 446.201 through 446.219 and any amendments thereto. Full compliance with the precious metal and gem dealer act as forth in MCL 445.481 through 445.492 and any amendments thereto is required. Compliance with the sale of secondhand watches act, MCL 445.551 through 445.555 and any amendments thereto is required.

### **Section 38-83 Compliance with Zoning Ordinances.**

Every licensee and employee shall comply with all requirements for business location at which work, pursuant to any license issued under this Article, occurs as provided in any applicable zoning ordinances of the Township.

### **Section 38-84 Violations; Penalty.**

Any violation of any provision of this Article shall be a misdemeanor punishable by imprisonment of not more than ninety (90) days and/or a fine of Five Hundred (\$500.00) Dollars, or both, in addition to any other penalty provided for a violation of a misdemeanor as set forth in Sec. 1-9 of this Code of Ordinances.

Nothing in this Ordinance shall be construed to limit the remedies available to the Township in the event of a violation of this Ordinance.

## **Division 2. Registration**

### **Section 38-85 Certificate of Registration.**

1. No person shall carry on the business of a Precious Metal or Gem Dealer in the Township without first having a "Certificate of Registration" issued from the Independence Township Police Agency authorizing such person or entity to carry on such business subject to the provisions of this Article.



2. The section does not require an internet drop-off store complying with subsection (3), or a person engaged in the sale, purchase, consignment, or trade of precious items for himself or herself, to obtain a registration under this Article.
3. An internet drop-off store in compliance with the following conditions exempt from registration as a dealer under this Article.
  - a. Has a fixed place of business within this state except that he or she exclusively transacts all purchases or sales by means of the internet and the purchases and sales are not physically transacted on the premises of that fixed place of business.
  - b. Has the personal property or other valuable thing available on a website for viewing by photograph, if available, by the general public at no charge, which website shall be searchable by zip code or state, or both. The website viewing shall include, as applicable, serial number, make, model, and other unique identifying marks, numbers, names, or letters appearing on the personal property or other valuable thing.
  - c. Maintains record of the sale, purchase, consignment, or trade of the personal property or other valuable thing for at least two (2) years, which records shall contain a description, including a photograph, if available, and, if applicable, serial number, make, model, and other unique identifying marks, numbers, names, or letters appearing on the personal property or other valuable thing.
  - d. Provide the local police agency with any name under which it conducts business on the website and access to the business premises at any time during normal business hours for purposes of inspection.
  - e. Within twenty-four (24) hours after a request from a local police agency, provide an electronic copy of the seller's or consignor's name, address, telephone number, driver license number and issuing state, the buyer's name and address if applicable, and a description of the personal property or other valuable thing as described in subdivision (c). The provision of information shall be in a format acceptable to the local police agency but shall at least be in a legible format and in the English language.
  - f. Provide that payment for the personal property or other valuable thing is executed by means of check or other electronic payment system, so long as the payment is not made in cash. No payment shall be provided to the seller until the item is sold.
  - g. Immediately remove the personal property or other valuable thing from the website if the local police agency determines that the personal property or other valuable thing is stolen.

**Section 38-86 Application; Prerequisites.**

A dealer shall apply to the Independence Township Clerk for a Certificate of Registration and pay a non-refundable fee not to exceed \$50.00 to cover the cost of processing the application for the issuance of a certificate of registration. The Township Clerk shall forward the completed application to the Building Department and Independence Township Police Agency for review.

### **Section 38-87 Review by Building Department.**

The Building Official or a Township building inspector shall, within fifteen (15) days of the submittal of an application, review the premises in order to determine whether the precious metal and gem dealer activities are compliant with the zoning and regulatory ordinances. Such determination shall be issued to the Independence Township Police Agency.

### **Section 38-88 Police Agency Review; Issuance.**

A Dealer shall provide documentation and disclose information to the Independence Township Police Agency including, but not limited to:

- a. The name, address and thumbprint of the applicant(s).
- b. The name and address under which the applicant does business.
- c. The name, address and thumbprint of all agents or employees of the dealer. Within twenty-four (24) hours after hiring a new employee, the dealer shall forward to the local police agency the name, address and thumbprint of the new employee.

The Independence Township Police Agency shall review the application and determine whether the application complies with the provisions of this Ordinance and the "Precious Metal and Gem Dealer Act" (Act 95 of 1981); MCL 445.483 as amended. During the pendency of any application, or during the term of any license, if any information provided is for application changes, such change of information shall be furnished in writing to the Independence Township Police Agency within seventy-two (72) hours after such change.

Upon receipt of the certificate of registration fee and an application complying with the requirements of this division, and after processing the application in accordance with the requirements of this Code and Act No. 95 of the Public Acts of Michigan of 1981 (MCL 445.481 et seq., MSA 19.720(1) et seq.), as amended, the Independence Township Police Agency shall issue the dealer a certificate of registration.

### **Section 38-89 License Revocation.**

Any dealer, agent or employee of a dealer who is convicted of any misdemeanor pursuant to this act, or under section 535 of the Michigan Penal Code, 1931, Public Act 328, MCL 750.535, or of the Precious Metal and Gem Dealer Act ML 445.481, shall not be permitted to operate as a dealer within Independence Township for a period of one (1) year after conviction. A dealer, or an agent or employee of a dealer who is convicted of a felony under MCL 445.481 et seq. Precious Metal and Gem Dealer Act, or under Section 535 of the Michigan Penal Code, 1931 Public Act 328, MCL 750.535, shall not be permitted to operate as a dealer within Independence Township for a period of five (5) years after conviction.

### **Section 38-90 Display of Certificate Registration.**

Upon receipt of the Certificate of Registration from the Independence Township Police Agency, the dealer shall post it in a conspicuous place in the dealer's place of business.

### **Section 38-91 Certificate of Registration; Changes.**

Not less than ten (10) days before a dealer changes the name or address under which the dealer does business, the dealer shall notify the Independence Township Police Agency in writing of the change.

State law reference – similar provisions MCL 445.483.

**Section 38-92 Certificate of Registration; Appeal.**

Any person aggrieved by the grant or denial of a certificate under this article may appeal to the Township Board by written request made within twenty (20) days following the grant or denial. Such written request shall set forth the basis for the claim that the certificate has been wrongfully granted or denied. The request shall be submitted to the Township Supervisor for placement on the agenda of a regularly scheduled Township Board meeting, in compliance with notice requirements.

**Section 4. SEVERABILITY.** If any Section, subsection, clause, phrase or portions of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independence portion of this Ordinance and such holding shall not affect the validity of the remaining portions of this Ordinance.

**Section 5. SAVINGS.** All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this Ordinance takes effect are saved and may be consummated according to the law in force when they are commenced.

**Section 6. REPEALER.** All ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

**Section 7. NOTICE TO BE PUBLISHED.** The Township Clerk for the Charter Township of Independence shall publish this Ordinance in the manner required by MCL 42.22

**Section 8. EFFECTIVE DATE:** This Ordinance section will be in effect as an Ordinance of the Charter Township of Independence thirty (30) days following Publication as required by law.

**Section 9. ENACTMENT:**

This Ordinance is declared to have been enacted by the Board of Trustees of the Charter Township of Independence at a meeting called and held on the 7th day of June, 2016, and ordered to be given publication in the manner prescribed by law.

**AYES:** Brown, Aliaga, Lohmeier, Ritchie, Schroeder, Kittle, Pallotta  
**NAYES:** None  
**ABSTENTIONS:** None

STATE OF MICHIGAN    )  
                                  ) ss

COUNTY OF OAKLAND )

**CERTIFICATION**

I, the undersigned, the qualified and acting Clerk of the Charter Township of Independence, Oakland County, Michigan, do certify that the foregoing is a true and complete copy of the ordinance adopted by the Board of Trustees of the Charter Township of Independence at a meeting held on the 7<sup>th</sup> day of June, 2016, the original of which is on file in my office.

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Barbara A. Pallotta, CMC  
Clerk of the Charter Township of Independence

**Introduced:** May 24, 2016  
**Adopted:** June 7, 2016  
**Published (Clarkston News):** June 1, 2016; June 15, 2016  
**Effective:** July 1, 2016

**THE PRECIOUS METAL AND GEM DEALER ACT**  
**Act 95 of 1981**

AN ACT to regulate the business of buying and receiving gold, silver, platinum, gems, jewelry, and other precious items; to provide powers to certain state and local officers and agencies with respect to such regulation; to provide for the registration of precious metal and gem dealers; to provide for civil damages; and to prescribe penalties.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

*The People of the State of Michigan enact:*

**445.481 Short title.**

Sec. 1. This act shall be known and may be cited as "the precious metal and gem dealer act".

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.482 Definitions.**

Sec. 2. As used in this act:

(a) "Agent or employee" means a person who, for compensation or valuable consideration, is employed either directly or indirectly by a dealer.

(b) "Dealer" means any person, corporation, partnership, or association, which, in whole or in part, engages in the ordinary course of repeated and recurrent transactions of buying or receiving precious items from the public within this state.

(c) "Gold" means elemental gold having an atomic weight of 196.967 and the chemical element symbol of Au, whether found by itself or in combination with its alloys or any other metal.

(d) "Internet drop-off store" means a person, corporation, or firm that contracts with other persons, corporations, or firms to offer its precious items for sale, purchase, consignment, or trade through means of an internet website and meets the conditions described in section 3(3).

(e) "Jewelry" means an ornamental item made of a material that includes a precious gem.

(f) "Local governmental unit" means a city, village, township, or county.

(g) "Local police agency" means the police agency of the city, village, or township, or if none, the county sheriff of the county, in which the dealer or internet drop-off store conducts business.

(h) "Platinum" means elemental platinum having an atomic weight of 195.09 and the chemical element symbol of Pt, whether found by itself or in combination with its alloys or any other metal.

(i) "Precious gem" means a diamond, alexandrite, ruby, sapphire, opal, amethyst, emerald, aquamarine, morganite, garnet, jadeite, topaz, tourmaline, turquoise, or pearl.

(j) "Precious item" means jewelry, a precious gem, or an item containing gold, silver, or platinum. Precious item does not include the following:

(i) Coins, commemorative medals, and tokens struck by, or in behalf of, a government or private mint.

(ii) Bullion bars and discs of the type traded by banks and commodity exchanges.

(iii) Items at the time they are purchased directly from a dealer registered under this act, a manufacturer, or a wholesaler who purchased them directly from a manufacturer.

(iv) Industrial machinery or equipment.

(v) An item being returned to or exchanged at the dealer where the item was purchased and that is accompanied by a valid sales receipt.

(vi) An item which is received for alteration, redesign, or repair in a manner that does not substantially change its use and returned directly to the customer.

(vii) An item which does not have a jeweler's identifying mark or a serial mark and which the dealer purchases for less than \$5.00.

(viii) Scrap metal which contains incidental traces of gold, silver, or platinum that are recoverable as a by-product.

(ix) Jewelry which a customer trades for other jewelry having a greater value, and which difference in value is paid by the customer.

(k) "Silver" means elemental silver having an atomic weight of 107.869 and the chemical element symbol of Ag, whether found by itself or in combination with its alloys or any other metal.

**History:** 1981, Act 95, Eff. Sept. 11, 1981;—Am. 1990, Act 34, Eff. May 1, 1990;—Am. 2006, Act 295, Imd. Eff. July 20, 2006.

**445.483 Dealer; certificate of registration required; internet drop-off store exempt from registration; application; fee; disclosures; dealer, agent, or employee convicted of**

**misdemeanor or felony; compliance with local ordinances; issuance and posting of certificate; notification of change in name or address.**

Sec. 3. (1) A dealer shall not conduct business in a local governmental unit in this state unless the dealer has obtained a valid certificate of registration from that local governmental unit or local police agency.

(2) This section does not require an internet drop-off store complying with subsection (3), or a person engaged in the sale, purchase, consignment, or trade of precious items for himself or herself, to obtain a registration under this act.

(3) An internet drop-off store in compliance with the following conditions is exempt from registration as a dealer under this act:

(a) Has a fixed place of business within this state except that he or she exclusively transacts all purchases or sales by means of the internet and the purchases and sales are not physically transacted on the premises of that fixed place of business.

(b) Has the personal property or other valuable thing available on a website for viewing by photograph, if available, by the general public at no charge, which website shall be searchable by zip code or state, or both. The website viewing shall include, as applicable, serial number, make, model, and other unique identifying marks, numbers, names, or letters appearing on the personal property or other valuable thing.

(c) Maintains records of the sale, purchase, consignment, or trade of the personal property or other valuable thing for at least 2 years, which records shall contain a description, including a photograph, if available, and, if applicable, serial number, make, model, and other unique identifying marks, numbers, names, or letters appearing on the personal property or other valuable thing.

(d) Provide the local police agency with any name under which it conducts business on the website and access to the business premises at any time during normal business hours for purposes of inspection.

(e) Within 24 hours after a request from a local police agency, provide an electronic copy of the seller's or consignor's name, address, telephone number, driver license number and issuing state, the buyer's name and address if applicable, and a description of the personal property or other valuable thing as described in subdivision (c). The provision of information shall be in a format acceptable to the local police agency but shall at least be in a legible format and in the English language.

(f) Provide that payment for the personal property or other valuable thing is executed by means of check or other electronic payment system, so long as the payment is not made in cash. No payment shall be provided to the seller until the item is sold.

(g) Immediately remove the personal property or other valuable thing from the website if the local police agency determines that the personal property or other valuable thing is stolen.

(4) A dealer shall apply to the local police agency for a certificate of registration, and pay a fee not to exceed \$50.00 to cover the reasonable cost of processing and issuing the certificate of registration, by disclosing the following information:

(a) The name, address, and thumbprint of the applicant.

(b) The name and address under which the applicant does business.

(c) The name, address, and thumbprint of all agents or employees of the dealer. Within 24 hours after hiring a new employee, the dealer shall forward to the local police agency the name, address, and thumbprint of the new employee.

(5) A dealer or an agent or employee of a dealer who is convicted of a misdemeanor under this act or under section 535 of the Michigan penal code, 1931 PA 328, MCL 750.535, shall not be permitted to operate as a dealer within this state for a period of 1 year after conviction.

(6) A dealer or an agent or employee of a dealer who is convicted of a felony under this act or under section 535 of the Michigan penal code, 1931 PA 328, MCL 750.535, shall not be permitted to operate as a dealer within this state for a period of 5 years after the conviction.

(7) This act shall not be construed to excuse a dealer from complying with the local zoning ordinance or any local ordinance regulating commercial activities. However, a local government may not pass an ordinance, or enforce an existing ordinance, that provides additional standards which must be met before the issuance of a certificate of registration.

(8) Upon receipt of the application described in subsection (4), the local police agency shall issue a certificate of registration in accordance with this section.

(9) Upon receipt of the certificate of registration from the local police agency, the dealer shall post it in a conspicuous place in the dealer's place of business.

(10) Not less than 10 days before a dealer changes the name or address under which the dealer does business, the dealer shall notify the local police agency of the change.

**History:** 1981, Act 95, Eff. Sept. 11, 1981;—Am. 2006, Act 295, Imd. Eff. July 20, 2006.

**445.484 Permanent record of each transaction; forms; copies; information required; numbering; sending copy of record of transaction form to police agency or sheriff's department; inspection; confidentiality; retention period; size of form; definition.**

Sec. 4. (1) A dealer shall maintain a permanent record of each transaction, on record of transaction forms provided for in subsection (6), legibly written in ink in the English language. Each record of transaction form shall be filled out in quadruplicate by the dealer or agent or employee of the dealer. One copy of the form shall go to the appropriate police agency or sheriff's department pursuant to subsection (3); 1 copy shall go to the customer; and 1 copy shall be retained by the dealer pursuant to subsection (5). At the time a dealer receives or purchases a precious item, the dealer or the agent or employee of the dealer shall insure that the following information is recorded accurately on a record of transaction form:

(a) The dealer certificate of registration number.

(b) A general description of the precious item or precious items received or purchased, including the type of metal or precious gem. In the case of watches, the description shall contain the name of the maker and the number of both the works and the case. In the case of jewelry, all letters and marks inscribed on the jewelry shall be included in the description.

(c) The date of the transaction.

(d) The name of the person conducting the transaction.

(e) The name, date of birth, driver's license number or state of Michigan personal identification card number, and street and house number of the customer, together with a legible imprint of the right thumb of the customer, or if that is not possible, of the left thumb or a finger of the customer. However, the thumbprint or fingerprint shall only be required on the record of transaction form retained by the dealer. The thumbprint or fingerprint shall be made available to a police agency during the course of a police investigation involving a precious item or items described on the record of transaction. After a period of 1 year from the date of the record of transaction, if a police investigation concerning a precious item or items described on the record of transaction has not occurred, the dealer and any police agency or sheriff's department holding a copy of the record of transaction shall destroy, and not keep a permanent record of, the record of transaction. A dealer who goes out of business or changes his or her business address to another local jurisdiction either within or out of this state shall transmit the records of all transactions made by the dealer within 1 year before his or her closing or moving, to the local police agency.

(f) The price to be paid by the dealer for the precious item or precious items.

(g) The form of payment made to the customer; check, money order, bank draft, or cash. If the payment is by check, money order, or bank draft, the dealer shall indicate the number of the check, money order, or bank draft.

(h) The customer's signature.

(2) The record of each transaction shall be numbered consecutively, commencing with the number 1 and the calendar year.

(3) Within 48 hours after receiving or purchasing a precious item, the dealer shall send a copy of the record of transaction form to the local police agency and, if the record of transaction form indicates that the customer resides outside the jurisdiction of the local police agency, shall send a copy of the record of transaction form to the police agency of the city, village, or township in which the customer resides as set forth on the record of transaction, or, if that city, village, or township does not have a police agency, to the sheriff's department of the county in which the customer resides as set forth on the record of transaction. The record of transaction forms received by a police agency or sheriff's department shall not be open to inspection by the general public. Each police agency or sheriff's department holding record of transaction forms shall be responsible for insuring the confidentiality of the record of transaction forms and insuring that the record of transaction forms are used only for the purpose for which they were received.

(4) The record of transaction forms of a dealer and each precious item received shall be open to an inspection by the county prosecuting attorney, the local police agency, the police agency or sheriff's department of the local governmental unit in which the customer resides, and the Michigan state police, at all times during the ordinary business hours of the dealer. As a condition of doing business, a dealer is considered to have given consent to the inspection prescribed by this subsection. The record of transaction forms of a dealer shall not be open to inspection by the general public.

(5) Except as otherwise provided in this section, each record of a transaction shall be retained by the dealer for not less than 1 year after the transaction to which the record pertains.

(6) The form of the record of transaction shall have an 8-1/2 by 11 inch size and shall be as follows:

"Record of Transaction

Dealer Certificate # \_\_\_\_\_ # \_\_\_\_\_

	(Printed on the form)	(Transaction number printed on the form)
(1)	Description of Property - _____	
_____		
_____		
(2)	_____, 19____	(3) _____
	(Date)	(Name of Dealer/Employee)
(4)	_____,	_____ 19__
	(Name of Customer)	(Date of Birth)
	_____,	_____
	(Driver's license No./ Mich. Personal ID Number)	(Street Address)
		_____
		(City & State) (Zip)
(5)	_____	_____
	(Price Paid)	(County of Residence)
(6)	_____	
	(Check no., bank draft no., money order no., or cash)	
_____		
	(Name of police agency of city, village, or township in which customer resides)	
	Thumbprint	_____ "
		(Signature of Customer)

(7) As used in this section, "customer" means the person from whom the dealer or the agent or employee of the dealer receives or purchases a precious item.

**History:** 1981, Act 95, Eff. Sept. 11, 1981;—Am. 1990, Act 34, Eff. May 1, 1990.

**445.485 Retaining precious item for 9 calendar days; alteration.**

Sec. 5. A precious item received by a dealer shall be retained by the dealer for 9 calendar days after it was received, without any form of alteration other than that required to make an accurate appraisal of its value.

**History:** 1981, Act 95, Eff. Sept. 11, 1981;—Am. 1990, Act 34, Eff. May 1, 1990.

**445.486 Prohibited conduct.**

Sec. 6. A dealer or an agent or employee of a dealer shall not:

(a) Knowingly receive or purchase a precious item from any person who is less than 18 years of age or any person known by the dealer or agent or employee of the dealer to have been convicted of theft or receipt of stolen property within the preceding 5 years, whether the person is acting in his or her own behalf or as the agent of another.

(b) Knowingly receive or purchase a precious item from a person unless that person presents a valid driver's license or a valid state of Michigan personal identification card.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.487 Failure to make entry in records as misdemeanor or felony; penalty.**

Sec. 7. (1) A dealer or an agent or employee of a dealer who knowingly fails to make an entry of any material matter in his or her records kept as required by section 4 is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year, or a fine of \$1,000.00, or both.

(2) A dealer or an agent or employee of a dealer who knowingly violates subsection (1) a subsequent time is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.488 Violation of MCL 445.483(7) or (8) or 445.484(1)(e), (3), (4), or (5) as misdemeanor or felony; penalty.**

Sec. 8. (1) A dealer who knowingly violates section 3(7), 3(8), 4(1)(e), 4(3), 4(4), or 4(5) is guilty of a misdemeanor, punishable by imprisonment for not more than 1 year, or a fine of \$1,000.00, or both.

(2) A dealer who violates section 3(7), 3(8), 4(1)(e), 4(3), 4(4), or 4(5) a subsequent time is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both.



**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.489 Conduct constituting felony; penalty.**

Sec. 9. A dealer or an agent or employee of a dealer who does any of the following is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both:

- (a) Totally fails to record a transaction on a record of transaction form as required by section 4.
- (b) Knowingly falsifies the records kept as required by section 4.
- (c) Violates section 6.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.490 Violation of MCL 445.483(1) or 445.485 as felony; penalty.**

Sec. 10. A dealer who violates section 3(1) or 5 is guilty of a felony, punishable by imprisonment for not more than 2 years, or a fine of \$5,000.00, or both.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.491 Action against dealer; grounds; damages, costs, and attorneys' fees.**

Sec. 11. A person who has a precious item stolen, embezzled, or converted from him or her may bring an action for 3 times the amount of the damages, costs of suit, and reasonable attorneys' fees against any dealer who, by himself or herself or through his or her agent or employee, received or purchased the precious item knowing it was stolen, embezzled, or converted.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.

**445.492 Effective date.**

Sec. 12. This act shall take effect 60 days after it is enacted into law.

**History:** 1981, Act 95, Eff. Sept. 11, 1981.