



CITY OF KENTWOOD  
SECOND HAND DEALER  
BUSINESS LICENSE APPLICATION

Business Name \_\_\_\_\_

Kentwood Address \_\_\_\_\_

Billing Address \_\_\_\_\_

Phone \_\_\_\_\_ email \_\_\_\_\_

Website \_\_\_\_\_

Owner \_\_\_\_\_

Owner Type (circle): Individual Partnership LLC Corporation Other \_\_\_\_\_

Owner Address \_\_\_\_\_

Owner Phone \_\_\_\_\_ email \_\_\_\_\_

Second Hand Business Type (circle one or more):

Misc. Goods / Precious Metals-Gems / Scrap Metal / Recycling Kiosk / Pawn Shop

Days/Hours of Operation \_\_\_\_\_

Other business on premises? Describe \_\_\_\_\_

Number of Employees (list all employees on reverse) \_\_\_\_\_

Alarm/Security Company \_\_\_\_\_ Phone \_\_\_\_\_

I hereby affirm that I have truthfully completed this application to the best of my knowledge; that I have read Article 8, Chapter 26 of the Code of Ordinances and all applicable City of Kentwood Licensing ordinances; and that I agree to comply with all Federal, State and local laws, ordinances, rules and regulations.

Applicant's Printed Name

Applicant's Title

Applicant's Signature

Date

License application fee: \$300 / New; \$200 / Renewal payable to City of Kentwood

Approvals: License # \_\_\_\_\_ Fee Pmt \_\_\_\_\_

Fire Dept. \_\_\_\_\_ Inspections \_\_\_\_\_

Planning \_\_\_\_\_ Clerk \_\_\_\_\_

Police Dept. \_\_\_\_\_ Pers. Prop. No. \_\_\_\_\_

Kentwood City Clerk  
4900 Breton Ave SE

616.698.9160  
PO Box 8848

eclerk@kentwood.us  
Kentwood, MI 49518



## ARTICLE 8. - SECONDHAND DEALERS

**State Law reference—** Licensing of secondhand and junk dealers, MCL 445.401 et seq.

Sec. 26-601. - Secondhand dealer defined; automated recycling kiosk defined; application of article.

(a) As used in this article, "secondhand dealer" means any person, including any corporation or other entity, whose business is that of dealing in, buying, selling, storing or exchanging secondhand goods, articles or merchandise of any kind, including lead pipe, tools, lighting fixtures, plumbing fixtures, radios, watches, jewelry, precious stones, scrap metals, musical instruments, electrical motors, electrical appliances, firearms, automotive parts and accessories, bicycles, clothing, wearing apparel, micrometers, clothing or any article of personal property or other valuable thing. This definition does not include:

- (1) Householders selling articles owned and possessed by themselves or executors or administrators of any such householders;
- (2) New articles, wares or merchandise from manufacturers, wholesale distributors or jobbers for retail sale to customers;
- (3) Used car dealers;
- (4) Secondhand or used tires when such tires are removed from the vehicle to which such tires are attached in the presence of the person receiving them;
- (5) Nonprofit organizations reselling donated goods.

Without limiting the foregoing, secondhand dealer also includes a person that is engaged in the business of receiving tangible personal property for recycling by means of an automated recycling kiosk.

(b) As used in this article, "automated recycling kiosk" means an interactive device that meets all of the following:

- (1) Is installed in a secure retail space.
- (2) Has the following technological functions:
  - a. Verification of a seller's identity by remote examination of a government-issued identification card by a live representative during all hours of operation.
  - b. Secure storage of items accepted by the kiosk for recycling.
  - c. Capture and storage of images of the seller and the article purchased during the transaction.
  - d. Electronic reporting of all transactions to law enforcement.

(c) This article does not apply to persons whose principal business is that of dealing in new goods, articles and merchandise and who do not buy secondhand goods, articles and merchandise outright, but occasionally accept in trade or repossess household appliances, watches, jewelry, precious stones and musical instruments.

(Code 2004, § 26-601; Ord. No. 5-09, § 1, 8-28-2009; Ord. No. 12-18, § 1, 11-12-2018)

Sec. 26-602. - License required.

No person shall operate as a secondhand dealer without first obtaining a license to do so from the city, as provided in this article. A secondhand dealer that uses an automated recycling kiosk to receive articles is considered to be carrying on the business of a secondhand dealer and must obtain a license under this article in the city.

(Code 2004, § 26-602; Ord. No. 5-09, § 1, 8-28-2009; Ord. No. 12-18, § 2, 11-12-2018)

Sec. 26-603. - License application, fee, term and transfer.

- (a) A person desiring to operate as a secondhand dealer shall make a truthful application to the city on forms prepared by the city. The city shall grant an annual license under this article upon: approval of the chief of police and payment of a license fee as set by resolution of the city commission.
- (b) Licensee shall designate the particular place where he shall carry on his business, and no licensee shall carry on business in any place not so designated.
- (c) Such license shall not be transferable.
- (d) Such license may be revoked for cause.
- (e) A licensee's location shall be subject to local zoning requirements.
- (f) A license shall not be issued to, and a licensee shall not employ, a person who has been convicted of a crime involving an element of theft, dishonesty, or the possession or sale of stolen property.
- (g) All licenses shall be issued for a term of one year and may be renewed annually by July 1 of each following year upon the licensee's completion of such renewal applications developed by the city and payment of a renewal fee as established by the resolution of the city from time to time and subject to the city clerk's determination that the licensee is otherwise in compliance with the terms of this article.
- (h) A licensee shall comply with all federal and state laws and regulations. and to the extent of a conflict between such laws or regulations and this article, the more restrictive provision shall control.

(Code 2004, § 26-603; Ord. No. 5-09, § 1, 8-28-2009)

Sec. 26-604. - State pawnbroker license required for certain practices.

No person shall advertise or represent themselves as a pawnbroker or accepting items at pawn unless so licensed by law.

(Code 2004, § 26-604; Ord. No. 5-09, § 1, 8-28-2009)

**State Law reference— Pawnbroker licensing, MCL 446.201 et seq.**

Sec. 26-605. - Posting name of licensee; records.

A licensee under this article shall post conspicuously in his place of business a sign having his name and occupation legibly inscribed thereon, in letters at least six inches high. A licensee shall keep a permanent record, open to inspection by a member of the police department, sheriff's department, state police or other authorized person, in which shall be written in the English language, at the time of purchase or exchange of any article, a complete and accurate description thereof. Such description shall include an electronic photograph of the article, the article's trade name and serial number, if any; the name, residence and a copy of the federal or state-issued identification/operator's license of the person from whom the article was purchased or received; and the day and hour when such purchase or exchange was made and such other matters required by law. Each entry in such record shall be numbered consecutively. A member of the police department or other authorized person is entitled to inspect the premises and records of a licensee during all normal business hours.

(Code 2004, § 26-605; Ord. No. 5-09, § 1, 8-28-2009)

Sec. 26-606. - Holding period; tagging articles.

- (a) Except as otherwise provided in subsection (b), any article purchased or exchanged under a license issued pursuant to this article shall be retained by the purchaser thereof for at least 15 days before disposing of the article, in an accessible place on the premises where such articles are purchased and received.
- (b) A secondhand dealer that operates an automated recycling kiosk may store articles acquired at the kiosk in a secure off-site location. A dealer must retain an article stored under this subsection for 30 days, and upon request return that article to a law enforcement officer of this state without cost.

- (c) A tag shall be attached to the article in some visible and convenient place, with a number written thereupon to correspond with the entry number in the record required in section 26-605, until the article is sold or otherwise disposed of. Such purchaser shall promptly prepare a legible and correct copy on forms approved by the chief of police, written in the English language, from such record, containing a description of each article purchased or received during the preceding day, the hour and day when the purchase was made and the description of the person from whom it was purchased. Such statement shall be verified by the affidavit of the licensee.

(Code 2004, § 26-606; Ord. No. 5-09, § 1, 8-28-2009; Ord. No. 12-18, § 3, 11-12-2018)

Sec. 26-607. - Hours of operation; purchases from certain persons prohibited.

- (a) No person shall purchase or receive, by sale, barter or exchange or otherwise, an article under a license issued pursuant to this article from any person between the hours of 9:00 p.m. and 7:00 a.m. or as otherwise prohibited by law. Further, no person shall purchase or receive such an article from any person who is at the time intoxicated or visibly under the influence of alcohol or narcotics, from any person known by the dealer to be a thief or an associate of thieves or a prior recipient of stolen property, from any person the licensee or employee has reason to suspect of being such or from any minor under the age of 18 years without written consent of the parent or guardian of such minor.
- (b) No person shall purchase or receive, by sale, barter or exchange or otherwise, any article or item that the person knows to be stolen, reasonably should have been known to be stolen, or suspects as having been stolen except as specifically authorized by law enforcement authorities.

(Code 2004, § 26-607; Ord. No. 5-09, § 1, 8-28-2009)

Sec. 26-608. - Thumbprints and identification of customers.

- (a) Whenever a licensee or employee of licensee under this article purchases or receives any article or valuable thing as described in section 26-601, the licensee shall first take, on a form approved by the police department, in addition to the requirements of section 26-606, a legible print of the thumb of the right hand of the person from whom such article was received. If such person has no right thumb, the licensee shall take the legible print of the thumb of the left hand or a finger, which shall be so identified in writing by the licensee.
- (b) The seller must provide the secondhand dealer with personal identification at the time of the transaction, in the form of a valid operator's license or a federal or state identification card which includes a photograph that positively matches the seller. The licensee shall obtain and maintain a copy of the identification.

(Code 2004, § 26-608; Ord. No. 5-09, § 1, 8-28-2009)

Sec. 26-609. - Computerized reporting of transactions.

- (a) By 11:59 p.m. daily, at his own expense, every licensee under this article shall promptly complete and transmit, by electronic means, to the chief of police's computerized system, the data identifying all transactions in which the licensee received used goods the preceding day by pawn, trade, purchase, or consignment. A transaction reported by electronic transmission under this subsection shall not be reported on paper forms unless the chief of police so requests.
- (b) Each transaction report and record shall include the description of the article, serial number, make, model number, size, color, purchase/loan price, ticket number, dealer name and location, employee conducting transaction, place of storage/stock location, and customer information including operator's license number or other federal or state identification number, customer's name (last, first middle), customer address, customer e-mail address, customer date of birth, physical description (height, weight, hair color, race, gender, appropriate fingerprint and any other information required by the local law enforcement agency).

(Code 2004, § 26-609; Ord. No. 5-09, § 1, 8-28-2009)

Sec. 26-610. - License revocation.

If a licensee under this article or any of his agents, servants or employees is found criminally guilty of violating any of the provisions of this article and/or any applicable state law, the chief of police may request that the city clerk revoke the license of the violator and the city clerk may, after providing notice to the licensee, revoke the license. The violator, following such revocation, shall not be permitted to carry on such business in the city for a period of one year.

(Code 2004, § 26-610; Ord. No. 5-09, § 1, 8-28-2009)

Sec. 26-611. - Appeals.

Any person aggrieved by the action of the city clerk in the revocation of a license as a secondhand dealer, may appeal to the city commission or its designee by filing a written appeal with the city clerk within 14 days after notice of the action complained of has been mailed to such person's last known address. The appeal shall contain a written statement setting forth fully the grounds for the appeal. The city commission shall set a time and place for a hearing on such appeal and notice of such hearing shall be mailed by first-class mail to the appellant. The decision and order of the city commission on such appeal shall be final and conclusive.

(Code 2004, § 26-611; Ord. No. 5-09, § 1, 8-28-2009)

Secs. 26-612—26-699. - Reserved.