

THE PRECIOUS METAL AND GEM DEALER ACT (EXCERPT)
Act 95 of 1981

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