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### **Sec. 8-311. - Defined.**

As used in this division, the term "**pawnbroker**" means any person, corporation, or member or members of a copartnership or firm who loans money on deposit or pledge of personal property, or other valuable thing, 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 same back again at a stipulated price.

*(Code 1979, § 5.32.010)*

*State law reference— Similar provisions, MCL 446.203.*

### **Sec. 8-312. - License required.**

A person shall not carry on the business of **pawnbroker** in the city without having first obtained from the mayor a license subject to the provisions of this division, authorizing that person to carry on that business.

(Code 1979, § 5.32.020)

*State law reference— Similar provisions, MCL 446.201.*

**Sec. 8-313. - Licenses; issuance; contents; term; transferability; fee; bond; limitations.**

(a)

The mayor may grant under his or her hand, and the official seal of his or her office, to any suitable person a license authorizing that person to conduct the business of a **pawnbroker** subject to the provisions of this division.

(b)

The license shall designate the particular place in the city where that person shall conduct the business. A person receiving a license shall not conduct the business in any other place than the place designated in the license.

(c)

The term of license is one year from date of issuance, unless revoked for cause. The license is not transferable.

(d)

Before issuance of the license, the applicant shall pay to the treasurer an annual license fee in the amount determined under subsection (e) of this section and give a bond to the city in its corporate name, in the penal sum of \$3,000.00, with at least two sureties, conditioned for the faithful performance of the duties and obligations pertaining to the conduct of the business and for the payment of all costs and damages incurred by any violation of this division. The city shall approve the bond.

(e)

The city may fix the amount to be paid as the annual license fee at any amount not less than \$50.00 or more than \$500.00.

(Code 1979, §§ 5.32.030, 5.32.040)

*State law reference— Similar provisions, MCL 446.202.*

**Sec. 8-314. - Action upon bond.**

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

*State law reference— Similar provisions, MCL 446.204.*

**Sec. 8-315. - Record of property received.**

(a)

A **pawnbroker** shall keep a record in English, at the time the **pawnbroker** receives any article of personal property or other valuable thing by way of pawn, that includes a description of the article, a sequential transaction number, any amount of money loaned on the article, the name, residence, general description, and driver license number, official state personal identification card number, or government identification number of the person from whom the article was received, and the day and hour when the article was received. The record, the place where the business is carried on, and all articles of property in that place of business are subject to examination at any time by the city attorney, the police department, the county prosecuting attorney of the county in which the governmental unit is situated, or the department of state police.

(b)

Upon the receipt of any article of personal property or other valuable thing by way of pawn, the **pawnbroker** shall make a permanent record of the transaction on a form provided by the **pawnbroker** that substantially complies with the form described in subsection (d) of this section. Each record of transaction shall be completed in duplicate by the **pawnbroker**, legibly in the English language, and shall contain all applicable information required to complete the record of transaction form under subsection (d) of this section. This subsection does not prohibit the use and transmission of the information required in the record of the transaction by means of computer or other electronic media as permitted by the police department within the city.

(c)

The **pawnbroker** shall retain a record of each transaction and, within 48 hours after the property is received, shall send one copy of the record of transaction to the police department.

(d)

The record of transaction form shall be 8½ inches by 11 inches in size and shall be as follows:

RECORD OF TRANSACTION FRONT			
Article	Serial No.		
_____			
Model No. or Case No.	Lens No. or Move. No.		
_____			
Trade Name	Color	Size	No. Jewels
_____			
Material	Stone Set Design		

_____			
Description	No.	Kind of Stone	Size
_____			
_____			
Inscription or Initials			
_____			
Purchase Price	Amt. Loaned		
_____			
Dealer			
_____			
City	Date	Ticket No.	
_____			
Lady's [ ] Gent's [ ] Wrist [ ] Pocket [ ] Lapel [ ]			

<b>BACK</b>			
Operator's License # or Other I.D. #			
Customer's Name (PRINT)			
Street No. or RFD			
City and State			
Employed By:		Rolled print of right thumb (If impossible then some other fingerprint. Designate which.)	
		[ ] Male	[ ] Female
Age	Height		
Weight		Race	W [ ] B [ ] O [ ]
Time Received:	AM	PM	
Mail reports within 48 hours to local officers			
Signature of person taking print			
_____			

(Code 1979, § 5.32.050)

*State law reference— Similar provisions, MCL 446.205.*

### **Sec. 8-316. - Fingerprints of sellers.**

At the same time any **pawnbroker** 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, waste paper, 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 be not possible, of 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, to the chief of police, together with a statement of the nature of the property received. The second copy shall be forwarded within 48 hours, together with a statement of the nature of the property received, to the commissioner of the state police in East Lansing, Michigan.

*State law reference— Similar provisions, MCL 445.472.*

### **Sec. 8-317. - Statement to police of articles received.**

A **pawnbroker** shall make daily, except Sunday, a sworn statement of his or her transactions, describing the articles received, and setting forth the name, residence, and description of the person from whom the articles were received, to the chief of police.

*State law reference— Similar provisions, MCL 446.406.*

### **Sec. 8-318. - Purchaser's memorandum of pawn.**

A **pawnbroker**, at the time of a loan, shall deliver to the person pawning or pledging any article a memorandum or note signed by him or her, containing the substance of the entry required to be made by him or her in his or her book by [section 8-317](#). A charge shall not be made or received by the **pawnbroker** for the entry, memorandum, or note. The memorandum or note shall be consecutively numbered and upon its back shall be printed in English in 12-point type the following: "If interest or charges in excess of three percent per month, plus storage charges provided in this document, are asked or received, this loan is void and of no effect; and the borrower cannot be made to pay back the money loaned, any interest on the loan, or any charges or any part of the charges, and the **pawnbroker** loses all right to the possession of the goods, article, or thing pawned, and shall surrender the item to the borrower or pawner upon due demand for the item."

*State law reference— Similar provisions, MCL 446.206.*

**Sec. 8-319. - Interest on loans; rate; storage charge; time of payment; computation; fee or excess charge prohibited.**

- (a) A licensed **pawnbroker** may charge upon any loan a rate of interest not to exceed three percent per month and is not required to accept any interest less than \$0.50 on a single loan.
- (b) A **pawnbroker** may also charge \$1.00 per month or fraction of a month for the storage of property under any single pledge or pawn.
- (c) A **pawnbroker** or the **pawnbroker's** agent or employee shall not charge or receive interest on the loan in excess of the amounts provided for in this division.
- (d) Interest on any loan is not payable in advance and shall be computed on unpaid monthly balances without compounding.
- (e) A **pawnbroker** is not entitled to any examination fee and shall not make any charge in excess of the amounts provided for in this division.

*State law reference— Similar provisions, MCL 446.209.*

**Sec. 8-320. - Title to item; sale of pawned property; time of possession.**

- (a) Title to the item pledged or pawned vests in the **pawnbroker** upon the expiration of three months or of any period beyond three months agreed upon by the parties if the borrower has not paid the debt, interest, and charges on the item pledged or pawned.
- (b) A **pawnbroker** shall not sell any pawn or pledge until the item has remained in his or her possession for at least three months.

*State law reference— Similar provisions, MCL 446.210.*

**Sec. 8-321. - Payment or tender of debt before sale; effect as to title and right to property.**

If at any time before the sale of the item pledged or pawned the borrower pays or tenders to the **pawnbroker** the debt and interest and charges on the item, that payment or tender reinvests the pawner with the title and right of possession to the property pledged.

*State law reference— Similar provisions, MCL 446.211.*

**Sec. 8-322. - Pawned property; destruction or defacing unlawful.**

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

*State law reference— Similar provisions, MCL 446.213.*

**Sec. 8-323. - Pawned property; acceptance from certain persons prohibited.**

A **pawnbroker** shall not receive for pawn any article from any person under 18 years of age or a person the **pawnbroker** suspects as having stolen the article to be pawned.

*State law reference— Similar provisions, MCL 446.214.*

**Sec. 8-324. - Revocation of license; duration.**

Upon a conviction of any person conducting business as a **pawnbroker** under this division, or on conviction of any clerk, agent, servant, or employee of the person, the mayor shall revoke the license of the person and no part of the license fee shall be returned to him or her. The city shall not issue a license as a **pawnbroker** to that person for the period of one year from the date of the revocation.

*State law reference— Similar provisions, MCL 446.219.*

**Secs. 8-325—8-350. - Reserved.**

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FOOTNOTE(S):

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<sup>(36)</sup> *State Law reference— **Pawnbroker** licensing, MCL 446.201 et seq., 445.471 et seq. [\(Back\)](#)*