

Chapter 5.88

SECONDHAND DEALERS

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5.88.010 Definitions.

As used in this chapter:

“Auto parts” means any part or equipment that is used in the manufacturing of an automobile including, but not limited to, auto body parts, radio/stereo equipment, compact disc players, cellular phones, speakers, tires, rims, mags and chrome fixtures.

“Electronic device” means electronic equipment including, but not limited to, VCR’s, televisions, computers, video games, pagers, beepers, cellular phones, telephones, typewriters, fax machines and audio/stereo equipment. This shall also include, but not be limited to, the parts for building or making electronic equipment.

“Jewelry” means any ornament or decorative piece made from gold, silver, precious stones, semi-precious stones or gems or any ornament or decorative piece containing gold, silver, precious stones, semi-precious stones or gems including, but not limited to, necklaces, watches, rings, bracelets, earrings and cufflinks.

“Merchant/dealer” means any person(s), partnership or corporation who advertises, sells, offers to sell or attempts to sell used personal property including, but not limited to, used jewelry, used auto parts or used electronic devices to any other person, partnership or corporation.

“Metal” means any of a class of elementary substances or an alloy thereof including, but not limited to gold, silver, copper and aluminum.

“Minor” means any person under the age of eighteen (18).

“Regulated activity” means the sale or purchase of any used personal property including, but not limited to, used

jewelry, used auto parts, used electronic devices and used metals.

“Used item” means any used personal property including, but not limited to, jewelry, electronic devices, auto parts and metals sold from one party or parties to a second party or parties. (Prior code § 108-1)

5.88.020 License requirement—Application and application fee—Bond requirements—Expiration date.

A. License Requirement. No person or persons shall engage in the regulated activity without first having obtained a license from the chief license inspector of the city. The license shall bear a number issued by the chief license inspector and shall be clearly displayed within the licensed premises. The license shall also be available for inspection at any time by city officials.

B. Application and Application Fee. An application to engage in the regulated activity must be completed and submitted to the chief license inspector for review and approval. The application shall be submitted along with an initial license fee of two hundred fifty dollars (\$250.00). A fifty dollar (\$50.00) renewal fee must be paid per year for each premises which conducts the regulated activity.

C. Bond Requirement. Each licensee shall submit, in addition to the initial application and application fee, a bond to the chief license inspector executed by the applicant as principal, from a surety company authorized to conduct business under the laws of the state of New Jersey. The bond shall be in the penal sum of ten thousand dollars (\$10,000.00) for the purpose of securing compliance with the provisions of this chapter and for the protection of any person who purchases a used item which is determined to be stolen or sold deceptively or fraudulently by a court of law of the state of New Jersey.

D. Expiration Date. Each license shall expire on December 31st of the year in which it is issued. (Prior code § 108-2)

5.88.030 Application process—Approval or denial—Return of application fee—Appeals process.

A. Application Process. Upon demand, a member of the central license bureau shall make available to a merchant an application for the purposes of maintaining, keeping and operating such business within the city. No permit shall be issued unless such application is completed, executed and all requirements contained therein are fully met and delivered to the chief license inspector. Upon receipt of an application, fee and bond surety, the chief license inspector shall refer such application to the chief of the

police department, who shall conduct an investigation into the applicant's moral character and business responsibility as he or she deems necessary for the protection of the public welfare. Upon the completion of the investigation and within a reasonable amount of time, the chief of police shall return the application, or a copy thereof with any recommendations, to the chief license inspector.

B. Approval or Denial. The police chief, after engaging in the necessary investigation, shall make a recommendation to the chief license inspector as to whether the application should be approved or denied. The grounds for denial of an application shall be clearly stated and may include, but not be limited to, with respect to the owner or owners of the premises: (1) if a natural person or persons, including partners of a partnership, that he, she or they are twenty-one (21) years of age or older, citizens of the United States and residents of the state of New Jersey, and never convicted, in this state or elsewhere, of a crime involving moral turpitude involving dishonesty, fraud, deceit or misrepresentation; and (2) if a corporation, that all officers and members of the board of directors, and every stockholder holding ten (10) percent or more of the stock of the corporation, directly or indirectly having a beneficial interest therein, have the same qualifications as set forth in this subsection for an applicant who is a natural person. The chief license inspector, upon the recommendation of the police chief, shall approve or deny the license accordingly. If such application is denied, the chief license inspector shall set down in writing his or her findings and conclusions and deliver a copy of same to applicant upon demand.

C. Return of Application Fee. If the application for license is denied, seventy-five (75) percent of the fees shall be returned to the applicant. The balance of the application fee will be kept by the city to offset the costs of the investigation.

D. Appeals Process. Any person aggrieved by such denial may appeal to the city council of the city within thirty (30) days of the date of denial of the application. The city council may, at its own discretion, affirm, reverse or modify the decision of the chief license inspector. (Prior code § 108-3)

5.88.040 Accurate accounts and records required—Inspections authorized.

A. Submission to the Police Department of Transaction Forms—Time Limit Prescribed. Each licensed dealer operating in the city shall deliver to the chief of police and the chief license inspector a description of all items purchased, received or sold, as well as the identities of those who sold or bought the items from him or her. The dealer

shall file this description on consecutively numbered transaction forms prescribed and provided by the chief of police. The prescribed transaction form must be filed within seventy-two (72) hours after the purchase, sale or receipt of any item. A copy of the transaction form is to be kept on the subject premises at all times during operating hours and available for review and inspection by any city official.

B. Records Book. All licensees shall keep an accurate log of accounts of all sales made. The logs shall be open to inspection by any city official. This log shall be kept on the subject premises at all times during operating hours. This log shall also include sales tax collected for each transaction. (Prior code § 108-4)

5.88.050 Restrictions.

A. No dealer shall melt, change the form of or dispose of any used items purchased or received within five days from the date the notification is made to the chief of police and the chief license inspector, and all such items shall remain on the premises where the purchase was made for at least five days from the date of notification of the chief of police and the chief license inspector.

B. Each dealer must require two forms of identification from the person with whom he or she is transacting business. The type of identification must be noted on the transaction form presented to the chief of police and chief license inspector.

C. Each dealer shall photograph each seller of merchandise and shall identify the photograph by name, date of sale, item purchased, amount paid. The photograph shall be retained for a period of two years and shall be subject to inspection by any city official. (Prior code § 108-5)

5.88.060 Sale or purchase by minors.

No merchant or dealer shall sell, purchase or receive any used item, goods, article or thing from any minor unless the minor has expressed written parental consent to make such transaction. In the event that written consent be provided, the merchant or dealer must keep written consent on file for potential inspection by the proper city official. (Prior code § 108-6)

5.88.070 Exemptions.

Used car lots, properly licensed by the state of New Jersey, shall be excluded from the provisions of this chapter. (Prior code § 108-7)

5.88.080 Violation—Penalty.

Any person violating the provisions of this chapter shall, be subject to a fine of not less than five hundred dol-

lars (\$500.00) nor more than one thousand dollars (\$1,000.00) or imprisonment in the county jail or in any place provided by the city for the detention of prisoners for any term not exceeding ninety (90) days or by both such fine and imprisonment. (Prior code § 108-8)