

CHAPTER 8-2 PAWNBROKERS - LICENSE

8-2-1

LICENSE REQUIRED.

No person shall engage in the business of pawnbroker at any location without a pawnbroker license for that location. No pawnbroker license may be transferred to a different location or a different person. Issuance of a license under this chapter shall not relieve the licensee from obtaining any other licenses required to conduct business at the same or any other locations.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-2

DISPLAY OF LICENSE.

A license issued under this title shall be prominently displayed at the licensed premises during hours when such premises is open for business.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-3

LICENSE CLASSIFICATIONS.

Class A - Only one classification of license shall be issued, a Class A license.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-4

LICENSE FEES.

The annual license fees for licenses issued under this chapter shall be as follows:

Class A - One thousand five hundred dollars(\$1,500.00).

The annual license fee shall be payable semi-annually in accordance with procedures established by the City Council.

- A. The billable transaction license fee shall reflect the cost of processing transactions from the respective classifications and other related regulatory expenses as determined by the City Council, and shall be reviewed and adjusted, if necessary, at least every six (6) months. Licensees shall be notified in writing thirty (30) days before any adjustment is implemented.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-5

INVESTIGATIVE FEE.

An applicant for a new license under this chapter, or for the renewal of an existing license that is more than six (6) months past due, shall deposit six hundred dollars (\$600.00) with the City Finance Officer at the time an original application is submitted to cover the costs involved in verifying the license application and to cover the expense of any investigation needed to assure compliance with this chapter. If the investigation process is conducted solely with the State of South Dakota, the fee shall be two hundred fifty dollars (\$250.00) and the remainder of the deposit shall be returned to the applicant upon completion of the investigation. If the investigation is conducted outside the State of South Dakota, the issuing authority may recover the actual investigation costs not exceeding ten thousand dollars (\$10,000.00).

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-6

EXPIRATION OF LICENSE.

All licenses shall expire on December 31st.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-7

APPLICATIONS REQUIRED.

- A. Contents: An application form provided by the Finance Officer must be completed by every applicant for a new license or for a renewal of an existing license. Every new applicant must provide all the following information:
1. If the applicant is a natural person:
 - a. The name, place and date of birth, street resident address, and phone number of applicant.
 - b. Whether the applicant is a citizen of the United State or resident alien.
 - c. Whether the applicant has ever used or has been known by a name other than the applicant's name, and if so, the name or names used and information concerning dates and places used.
 - d. The name of the business if it is to be conducted under a designation, name, or style other than the name of the applicant.
 - e. The street address at which the applicant has lived during the preceding five (5) years.
 - f. The type, name and location of every business or occupation in which the applicant has been engaged during the preceding five (5) years and the name(s) and address(es) of the applicant's employer(s) and partner(s), if any, for the preceding five (5) years.
 - g. Whether the applicant has ever been convicted of a felony, crime or violation of any ordinance other than a traffic ordinance. If so, the applicant must furnish information as to the time, place, and offense of all such convictions.
 - h. The physical description of the applicant.
 - I. Applicant's current personal financial statement and true

copies of the applicant's federal and state(if applicable) tax returns for the two (2) years prior to application.

- j. If the applicant does not manage the business, the name of the manager(s) or other person(s) in charge of the business and all information concerning each of them required in a. through h. of subdivision (1) of this section.
2. If the applicant is a partnership:
 - a. The name(s) and address(es) of all general and limited partners and all information concerning each general partner required in subdivision (1) of this section.
 - b. The names(s) of the managing partner(s) and the interest of each partner in the licensed business.
 - c. A true copy of the partnership agreement shall be submitted with the application.
 - d. A true copy of the federal and state (if applicable) tax returns for partnership for the two (2) years prior to application.
 - e. If the applicant does not manage the business, the name of the manager(s) or other person(s) in charge of the business and all information concerning each of them required in a. through h. of subdivision (1) of this section.
 3. If the applicant is a corporation or other organization:
 - a. The name of the corporation or business form, and if incorporated, the state of incorporation.
 - b. A true copy of the Certificate of Incorporation, Articles of Incorporation or Association Agreement, and By-laws shall be attached to the application.
 - c. The name of the manager(s) or other person(s) in charge of the business and all information concerning each manager, proprietor, or agent required in a. through h. of subdivision (1) of this section.
 - d. A list of all person who control or own an interest in excess of five (5) percent in such organization or business form or who are officers of the corporation or business form and all information concerning said persons required in subdivision (1) above. This subdivision (d), however, shall not apply to a corporation whose stock is publicly traded on a stock exchange and is applying for a license to be owned and operated by it.
 4. For all applicants:
 - a. Whether the applicant holds a current pawnbroker, precious metal dealer or secondhand good dealer license from any other government unit.
 - b. Whether the applicant has previously been denied, or had revoked or suspended, a pawnbroker, precious metal dealer, or secondhand dealer license from any other governmental unit.
 - c. The location of the business premises.
 - d. If the applicant does not own the business premises, a true and complete copy of the executed lease.
 - e. The legal description of the premises to be licensed.
 - f. Whether all real estate and personal property taxes that are due and payable for the premises to be licensed have been paid, and if not paid, the years and amount that are unpaid.

- g. Whenever the application is for a premises either planned or under construction or undergoing substantial alteration, the applicant must be accompanied by a set of preliminary plans showing the design or the proposed premises to be licensed.
 - h. Such other information as the City Council or issuing authority may require.
- B. New Manager. When a license places a manager in charge of a business, or if the named manager(s) in charge of a licensed business changes, the licensee must complete and submit the appropriate application, on forms provided by the Finance Officer, within fourteen (14) days. The application must include all appropriate information required in section 8-2-7, subdivision (1).
- 1. Upon completion of an investigation of a new manager, the licensee must pay an amount equal to the cost of the investigation, as provided in 8-2-5, to assure compliance with this chapter.
- C. Application Execution. All applications for a license under this chapter must be signed and sworn to under oath or affirmation by the applicant. If the applicant is that of a natural person, it must be signed and sworn to by such person; if that of a corporation, by an officer thereof; if that of a partnership, by one of the general partners; and if that of an unincorporated association, by the manager or managing officer thereof.
- D. Investigation. The police chief or his designee must investigate into the truthfulness of the statements set forth in the application and shall endorse the findings thereon. The applicant must furnish to the police chief or his designee such evidence as the chief may reasonably require in support of the statements set forth in the application.
- E. Public Hearing. The City Council may request a public hearing for the proposed business at the location in the approximate vicinity of the proposed location.
- F. Person Ineligible for a License. No licenses under this chapter will be issued to an applicant who is a natural person, a partnership if such applicant has any general partner or managing partner, a corporation or other organization if such applicant has any manager, proprietor or agent in charge of the business to be licensed, if the applicant:
- 1. Is a minor at the time that the application is filed;
 - 2. Has been convicted of any crime directly related to the occupation licenses as prescribed by South Dakota Statutes, and has not shown competent evidence of sufficient rehabilitation and present fitness to perform the duties of a licensee under this chapter as prescribed by South Dakota Statutes;
 - 3. Is not of good moral character of repute.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2

8-2-8

BOND REQUIRED.

Before a license will be issued, every applicant must submit a ten thousand dollar (\$10,000.00) bond on the forms provided by the Finance Officer. all bonds must be conditioned that the principal will observe all laws in relation to pawnbrokers, and will conduct business in conformity thereto, and that the principal will account for and deliver to any person legally entitled any goods which have come into the principal's hand through the principal's business as pawnbroker, or in lieu thereof, will pay the reasonable value in money to the person. the bond shall contain a provision that no bond may be canceled except upon thirty (30) days written notice to the City, which shall be served on the Finance Officer.

Legislative History:
Ordinance No. 268, 4519/98.

Authority:
SDCL § 9-45-2