



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 713 (as introduced 10-4-11)
Sponsor: Senator Mike Nofs
Committee: Regulatory Reform

Date Completed: 2-15-12

CONTENT

The bill would amend Public Act 350 of 1917, which regulates and provides for the licensure of second hand goods and junk dealers, to do the following:

- Exclude from the definition of "second hand dealer" or "junk dealer" businesses that resell used clothing, toys, sporting goods, and certain other items.**
- Prohibit local implementing ordinances from conflicting with or being more stringent than the Act.**

Under the Act, the mayor of a city or the chief executive officer of a county or village may grant a license to any person, corporation, copartnership, or firm authorizing it to carry on the business of a second hand dealer or junk dealer.

The Act defines "second hand dealer" or "junk dealer" as any person, corporation, or member or members of a copartnership or firm whose principal business is that of purchasing, selling, exchanging, storing, or receiving second hand articles of any kind, scrap metals, cast iron, old iron, old steel, tool steel, aluminum, copper, brass, lead pipe or tools, or lighting and plumbing fixtures.

The bill would delete the references in these provisions to a corporation, copartnership, or firm, and would define "person" as an individual, partnership, corporation, limited liability company, association, or other legal entity.

Currently, "second hand dealer" or "junk dealer" does not include a scrap processor, an automotive recycler, or a junkyard that deals principally in industrial scrap and is licensed by a city, village, or county. Under the bill, the definition also would not include a retail store or business that deals primarily in the purchase and resale of second hand clothing, children's furniture and equipment, children's toys, sporting goods, or musical instruments. "Sporting goods" would not include firearms.

The bill specifies that a city's, county's, or village's implementing ordinance could not contain provisions in conflict with or more stringent than Public Act 350.

MCL 445.402 & 445.403

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would reduce local unit revenue and expense by an unknown, and likely negligible amount. License fees are required to be based on the cost of issuing and administering the license. By exempting certain businesses from the requirements of the Act, the bill would reduce both license revenue and administrative expenses.

The bill would have no impact on State revenue or expenditures.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.