

**TOWN OF WALLKILL  
PRECIOUS METALS DEALER  
PERMIT APPLICATION**

DATE \_\_\_\_\_

Application Completed: _____	_____
Town Clerk	Date
Application Approved _____	_____
Building Inspector	Date
PERMIT # _____	20____

Note: No application will be processed without application fee – if approved, no Permit will be issued until all fees have been paid and required documentation filed with the Town Clerk

APPLICATION FEE: \_\_\_\_\_ PAID \_\_\_\_\_ LICENSE FEE: \_\_\_\_\_ PAID \_\_\_\_\_

*If application is for a business or partnership skip 1,2,3,4*

- 1. NAME: \_\_\_\_\_
- 2. HOME ADDRESS (no PO Box) \_\_\_\_\_
- 3. HOME TEL # \_\_\_\_\_ CELL# \_\_\_\_\_ AGE: \_\_\_\_\_ DATE OF BIRTH \_\_\_\_\_ M \_\_\_\_\_ F \_\_\_\_\_
- 4. LAST 4 DIGITS SOCIAL SECURITY NUMBER \_\_\_\_\_

*If application is for sole proprietor skip,5,6,7,8,9,10 – Applicant for business must be owner or principal officer.*

- 5. BUSINESS/ORGANIZATION NAME: \_\_\_\_\_
- 6. ADDRESS: \_\_\_\_\_
- 7. NATURE OF BUSINESS: \_\_\_\_\_
- 8. BUSINESS OWNER/PRINCIPAL NAME \_\_\_\_\_
- 9. TEL # \_\_\_\_\_ HOURS OF OPERATION \_\_\_\_\_
- 10. FEDERAL ID # \_\_\_\_\_

11. HAVE YOU EVER BEEN CONVICTED OF A CRIME? \_\_\_\_\_ IF SO, STATE WHEN, WHERE AND NATURE OF CRIME: \_\_\_\_\_

12. HAVE YOU EVER APPLIED FOR AND BEEN DENIED A PRECIOUS METALS DEALERS LICENSE? \_\_\_\_\_ IF YES, PLEASE EXPLAIN IN DETAIL

REASON FOR DENIAL \_\_\_\_\_

13. IS ANY WEIGHING DEVICE TO BE USED: \_\_\_\_\_ TYPE \_\_\_\_\_

14. PROPOSED LOCATION:

SECTION \_\_\_\_\_ LOT \_\_\_\_\_ BLOCK \_\_\_\_\_

PHYSICAL ADDRESS \_\_\_\_\_

OWNER OF PROPERTY \_\_\_\_\_

*If you are not the owner, you must submit a signed and notarized statement from the owner outlining the permitted use on the property. You must submit a site plan showing your location on the site.*

15. INSURANCE COMPANY INFORMATION:

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

AGENT: \_\_\_\_\_

POLICY # \_\_\_\_\_

*PLEASE ATTACH COPY OF INSURANCE RIDER/POLICY TO APPLICATION*

16. EMPLOYEES / ANY INDIVIDUAL THAT WILL ASSIST YOU:

1) NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

HAVE THEY BEEN CONVICTED OF A CRIME? \_\_\_\_ YES \_\_\_\_ NO

2) NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

HAVE THEY BEEN CONVICTED OF A CRIME? \_\_\_\_ YES \_\_\_\_ NO

3) NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

HAVE THEY BEEN CONVICTED OF A CRIME? \_\_\_\_ YES \_\_\_\_ NO

*Please add additional names on back of sheet \_\_\_\_ Yes \_\_\_\_ No*

Please list any additional information that you feel is important regarding your application:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**I THE UNDERSIGNED UNDERSTAND THAT I MUST COMPLY WITH ALL THE RULES AND REGULATIONS OF THE DEALERS IN PRECIOUS METALS OR GEMS LAW OF THE TOWN OF WALLKILL LOCAL LAW 7 OF 2009.**

**I ALSO UNDERSTAND THAT I MUST PROVIDE ALL THE DOCUMENTATION REQUIRED PRIOR TO MY APPLICATION BEING "ACCEPTED AS COMPLETE". I UNDERSTAND THAT ONCE MY APPLICATION HAS BEEN ACCEPTED IT SHALL BE APPROVED OR DENIED AND I WILL BE NOTIFIED AS SUCH . I UNDERSTAND THAT THE APPLICATION FEE IS NON-REFUNDABLE.**

**I ACKNOWLEDGE THAT I HAVE RECEIVED A COPY OF THE DEALERS IN PRECIOUS METALS OR GEM LOCAL LAWS, AND A COPY OF REQUIRED DOCUMENTATION FOR MY APPLICATION**

\_\_\_\_\_ **PRINT APPLICANT NAME**

\_\_\_\_\_ **SIGNATURE** \_\_\_\_\_ **DATE**

\_\_\_\_\_ **Notary Public** \_\_\_\_\_ **Date** \_\_\_\_\_

**APPLICATION RECEIVED BY:** \_\_\_\_\_ **TITLE** \_\_\_\_\_

**DATE APPLICATION RECEIVED** \_\_\_\_\_

**DATE APPLICANT NOTIFIED OF DEFICENCY IN APPLICATION** \_\_\_\_\_

TOWN OF WALLKILL

LOCAL LAW NO. 7 OF 2009

A LOCAL LAW AMENDING CHAPTER 187 OF THE TOWN CODE,  
ENTITLED "DEALERS IN PRECIOUS METALS OR GEMS"

Be it enacted by the Town Board of the Town of Wallkill, County of Orange, State of New York, as follows:

**Section 1.**

Town of Wallkill Code Chapter 187, shall be deleted in its entirety and replaced with the following:

**Section 2.**

The title of the Chapter shall be: Dealers In Precious Metals or Gems.

**Section 3. General**

**§ 187-1 Legislative findings and intent.**

The Town Board of the Town of Wallkill finds that the value of gold and other precious metals has created an increase in criminal activity in same. This fact, coupled with the ease of disposition of such metals, has resulted in an alarming rise in the number of crimes, particularly burglaries. The Town Board finds that the most efficient way to deal with this problem is to regulate the available sources of disposition of such precious metals to protect both the people of the town and the many honest business people in this field.

**§ 187-2 Definitions.**

As used in this chapter, the following terms shall have the meanings indicated:

**DEALERS IN PRECIOUS METALS OR GEMS**

Any person engaged in the business of purchasing precious metals or gems or objects containing precious metals or gems, but- shall-not-include a licensed dentist.

**GEM**

One or more precious or semiprecious stones, either uncut or cut and polished for an ornament, or any object containing such a stone.

NUMISMATIC ITEM

That part of a coinage or issue which has been used in exchange or has been used to commemorate a person or event, which term includes coins, tokens, commemorative medals and any metal coin admitted duty-free under the Tariff Schedules of the United States, pursuant to the Tariff Classification Act of 1962, as amended.

PERSON

One or more persons of either sex, a firm, a partnership, a corporation, or any individual representative or agent thereof.

POLICE

The Orange County Sheriff and the Town Police.

PRECIOUS METAL

Gold, silver or platinum, iridium, ruthenium, osmium or any one or more of said metals or any object made in whole or part therefrom.

RETAIL SALE

Sale of an object containing precious metals or gems directly to the consumer on the premises where manufactured.

SELLER

Any person who sells an object or object containing precious metals or gems to a dealer or transient dealer in precious metals or gems.

TRANSIENT DEALER

Any person engaged in the business of purchasing precious metals or gems or objects containing precious metals or gems, who does not have a regular, fixed place of business within a county within the state in which he owns, rents or leases for the purpose of consummating such purchases and in which a transaction described herein occurs.

WHOLESALE MANUFACTURER

An establishment in which an object containing precious metals or gems is manufactured for sale or distribution other than for retail sale directly to the consumer on the premises where manufactured.

**§ 187-3 Registration/License required.**

It shall be unlawful for any person to act as a dealer in precious metals or gems or as a transient dealer, as defined herein unless such dealer shall have complied with the provisions of this chapter and obtained the required certificate of registration or license from the Town Clerk after review and approval by the Building Inspector/Code Enforcement Officer for each location from which the dealer conducts business and submitted to the police a duplicate copy thereof within 48 hours after obtaining said certificate of registration. Each certificate of registration shall expire

on December 31 of each year.

**§ 187-4 Persons ineligible for licensure.**

- A. No license shall be granted to a person less than 18 years of age.
- B. No license shall be issued to a person who has been refused a license within the past 12 months or who has had a license revoked within the past 12 months unless the applicant can show that the reasons for such rejection or revocation no longer exist.
- C. No license shall be issued to a person convicted of any felony or of a misdemeanor or other offense, if the same involved violence, dishonesty, deceit, or moral turpitude.
- D. No license shall be issued to any applicant without a street address being listed on the application. Post Office boxes are not sufficient.
- E. No license shall be issued to any applicant that refuses to provide valid photo identification.

**§ 187-5 Application procedure.**

- A. Any person required to obtain a license under this chapter shall file with the Town Clerk a written application, together with an employer's authorization if required, sworn to before a notary public, upon a form approved by the Town Board.
- B. The applicant shall pay a non-refundable application fee.
- C. The applicant shall complete an authorization permitting the Town, its agent or designee, to perform a background investigation of the applicant and entitling the Town, its agent or designee, to obtain information concerning the applicant's prior criminal record, if any, and prior employment history.
- D. The applicant shall indicate the location, including section, block and lot where any dealing in precious metals or gems will be done. Any proposed changes in location must be made in writing to the Town Clerk, who shall refer the request to the Town Building Inspector or Code Enforcement Officer for approval.
- E. An applicant must provide proof of liability insurance in the amount of no less than \$1,000,000 (one million) dollars per occurrence.
- F. Employees, or any other individual that will assist the applicant, whether or not that individual will receive payment or other form of remuneration or compensation from the applicant, must be included in application and, if the license is granted, must wear a photo ID at all times. It is the responsibility of the licensee to confiscate any ID badges of employees or assistants that no longer represent the applicant and return them to the Town Clerk. An additional fee for employee or assistant processing will be charged.

- G. The Town Clerk shall review the application to determine whether or not it is complete and the appropriate fee has been paid. If the application is complete and the appropriate fee has been paid, the Town Clerk shall, within five business days, forward the application to the Town Building Inspector/Code Enforcement Officer for review and/or approval. The Building Inspector/Code Enforcement Officer shall within 10 business days of receipt of the application either deny or approve the application in writing, stating any reasons for the denial of license.
- H. An applicant that has been denied a license may appeal the denial to the Town Board. Appeals to the Town Board must be made within five days of the mailing of the denial by certified mail by the Town Clerk or Building Inspector/Code Enforcement Officer. Upon approval by the Town Board, the Town Clerk shall issue a license signed by the Clerk, authorizing the holder thereof to conduct business under the terms of this chapter.

§ 187-6 Additional requirements for licensure.

- A. All places of dealing in precious metals or gems shall be handicapped accessible.
- B. All applicants licensed hereunder are required to maintain continual compliance with all applicable federal, state and local laws. Any applicant licensed pursuant to this chapter shall immediately notify the Town Clerk, in writing, of their receipt of any notice of violation, summons, judgment, warrant, lien or other matter or process related to the proposed or actual suspension, revocation, expiration, cancellation or loss of privileges or good standing concerning any license, permit, approval or privilege required to conduct their business, including, but not limited to, matters concerning insurance coverage, tax liens, tax warrants, and the like.
- C. License to be conspicuously posted within the place at which **the dealer or transient dealer is conducting business.**
- D. **Photo ID** to be visible at all times.

§ 187-7 Fees; expiration of license.

- A. The application fee, license fee, and/or other fees associated with providing approvals for dealers, their employees and/or assistants shall be set by resolution of the Town Board.
- B. (Reserved)
- C. All licenses shall expire December 31 of each year. Applicants and former licensees must submit an application in compliance with the requirements of this chapter, and any other applicable provisions of the Town Code, for any year or part thereof during which they wish to deal in precious metals or gems.

§ 187-8 Revocation of license.

- A. The Town Building Inspector/Code Enforcement Officer may, for a violation of this chapter or any other law, or otherwise for good cause shown, revoke any license after notice and an opportunity for the licensee to be heard regarding the proposed revocation,

by delivering to the licensee, either in person or by mailing address given in the application, notice of such proposed revocation in writing and stating therein the reason or reasons for such proposed revocation. A license so revoked shall be returned to the Town Clerk within four days of revocation.

- B. The applicant or licensee shall be entitled to a hearing before the Town Board upon any claim that a license was wrongly refused or revoked.

**§ 187-9 Records of applications and licenses.**

It shall be the duty of the Town Clerk to keep a record of all applications received and all licenses granted under the provisions of this chapter, in which shall be recorded the names and addresses of persons licensed, the amount of fees paid, and all other pertinent data concerning the issuance of licenses under this chapter. All licenses issued and all records pertaining thereto shall contain the name and address of the licensee and the date of expiration of said license.

**§ 187-10 [RESERVED]**

**§187-11 Certificate of registration; keeping of certain records.**

- A. Each certificate of registration issued pursuant to this chapter shall:
  - (1) Be kept conspicuously posted within the place at which the dealer or transient dealer is conducting business or be displayed by the person to whom such certificate was issued.
  - (2) Indicate the name and place of business of the person to whom it was issued.
- B. Record of purchases. Every dealer and transient dealer shall keep a bound book, in a form approved by the Town Clerk, of consecutively numbered transactions, in which shall be legibly written in English, at the time of every purchase from a person other than a dealer, a description of every article so purchased or sold, the number or numbers and any monograms, inscription or other marks of identification that may appear on such article, a description of the articles or pieces comprising precious metals and gems, and any monogram, inscription or marks of identification thereon, the name and residence address of the person from whom such purchase was made and the day and hour of the purchase.
- C. It shall be the duty of every dealer and transient dealer to verify the identity of every person, other than a dealer, from whom he purchases an article and to make and keep a written record of the nature of the evidence submitted by such person to prove his identity.
- D. Only the following shall be deemed acceptable evidence of identity: any official document, except a social security account number card, issued by the United States government, any state, county, municipality or subdivision thereof, any public agency or

department thereof or any public or private employer which requires and bears the signature of the person to whom issued or, when such identification is not available, other identification documentation, the use of which, under the circumstances would not constitute criminal negligence on the part of the dealer or transient dealer.

- E. It shall be the duty of every dealer or transient dealer to require that every person other than a dealer from whom an article is purchased sign his name in the presence of the dealer or transient dealer and to compare the signature with the signature on the identifying document. In addition, it shall be necessary to provide the following physical description: date of birth, sex, height and color of eyes and to retain on his premises the person's signature, together with the number and description of the identifying document and the number of the transaction, as required by Subsection B of this section.
- F. It shall be the duty of every dealer or transient dealer to require that every person other than a dealer from whom an article is purchased sign his name in the presence of the dealer or transient dealer and to compare the signature with the signature on the identifying document.
- G. Every dealer in precious metals or gems, except a transient dealer as defined herein, shall, within three business days of any purchase of precious metals or gems or of an object containing precious metals or gems, give written notice of such purchase other than from a dealer on a form approved by the Town Clerk to the police.
- H. Every transient dealer shall, however, within 24 hours, deliver to the police written notice of every purchase made of precious metals or gems on a form approved by the Town Clerk.
- I. Such records shall be subject to inspection during normal business hours by the police or any administrative agency having jurisdiction over such dealer or transient dealer pursuant to this chapter. Such records shall be preserved for four years after purchase.

**§ 187-12 Keeping of certain records by dealer.**

- A. Record of purchases. Every dealer and transient dealer shall keep a bound book, in a form approved by the Town Clerk, of consecutively numbered transactions, in which shall be legibly written in English, at the time of every purchase from a person other than a dealer, the following:
  - (1). Description of every article purchased, including a general description of the article (e.g. wristwatch), a description of any pieces of the article comprising precious metals and gems, and any monogram, inscription, make or model information, or other mark of identification on the article,
  - (2). Description of the seller, including name, residence address, date of birth, sex, height, and eye color,

- (3). Seller's signature,
  - (4). Description of the evidence submitted by the seller to prove his identity, and
  - (5)- Date, time, and location of the purchase.
- B. Photograph of purchases and proof of identity. Every dealer or transient dealer shall photograph each purchased item when the paid value of the item exceeds \$100, When the total paid value of all items purchased by a dealer or transient dealer from a single seller on a single day exceeds \$100, the dealer or transient dealer shall photograph the entire group of items purchased from said seller. Each photograph shall also contain the image of the documentation proffered by each seller as proof of identity. The dealer or transient dealer must photograph the item or items, together with the documentation, at the time the item or items are purchased from the seller, and the photographs must be developed or printed in color on photograph-quality paper within five business days of the date of purchase of the photographed article. Each developed or printed photograph must be marked with a transaction number associating it with the appropriate record or records of purchase.
- C. Thumbprint of seller. Every dealer or transient dealer shall take a thumbprint of each seller. Each thumbprint must be marked with a transaction number associating it with the appropriate record or records of purchase.
- D. Such records, photographs, and thumbprints shall be subject to inspection during normal business hours by the police or any administrative agency having jurisdiction over such dealer or transient dealer pursuant to this chapter. Such records shall be preserved for four years after purchase.

**§ 187-13 [RESERVED]**

**§ 187-14 Notice to police.**

- A. Every dealer in precious metals or gems, except a transient dealer as defined herein, shall, within three business days of any purchase of precious metals or gems or of an object containing precious metals or gems, give written notice of such purchase other than from a dealer on a form approved by the Town Clerk to the police.
- B. Every transient dealer shall, however, within 24 hours, deliver to the police written notice of every purchase made of precious metals or gems on a form approved by the Town Clerk.

**§ 187-15 Disposition of certain purchases; delivery of notice to police.**

In no event shall any precious metals or gems purchased by a dealer or transient dealer be sold, assigned, or transferred, or melted down until ten (10) business days after service of notice upon the police shall have been completed as set forth in this section.

- A. Service of notice to police by mail shall be deemed to have been completed five days, exclusive of Sunday or such holiday on which there is no regular United States postal delivery, after said notice has been mailed to the police by depositing same in an official depository of the United States Postal Service within the state.
- B. Personal service of notice upon the police shall be deemed to have been completed when said notice has been personally delivered to the police by the dealer or transient dealer or his or her employee or agent.

**§ 187-16 Purchases from minors; pawnbrokering limitations.**

- A. It shall be unlawful for any dealer or transient dealer to purchase any precious metals or gems from any person whom he knows to be or has reason to believe is less than 18 years of age.
- B. It shall be no defense to a prosecution for a violation of this chapter that, in the transaction upon which the prosecution is based, such person acted as the agent or representative of another or that the defendant dealt with such person as the agent or representative of another.
- C. No person registered as a dealer in precious metals or gems may engage in the business of a pawnbroker unless also licensed as a pawnbroker pursuant to Article 5 of the General Business Law. All persons both registered as dealers in precious metals or gems and licensed *as* pawnbrokers shall post a conspicuous notice, to be clearly visible to all customers entering each place of business of such person, stating that customers may freely choose to either pawn or sell property to such persons.

**§ 187-17 Penalties for offenses.**

Failure by a dealer or transient dealer to comply with any of the provisions of this chapter shall be an offense punishable as follows:

- A. A first offense shall be a violation punishable by a fine of not less than \$500 and not more than \$1,000.
- B. A second or subsequent offense shall be a misdemeanor punishable by a fine of not less than \$500 nor more than \$1,000 or imprisonment for not more than one year, or both such fine and imprisonment.

**§ 187-18 Exemptions.**

The provisions of this chapter shall not apply to:

- A. Transactions involving the wholesale manufacture of an object including precious metals or gems and other industrial and manufacturing uses, including dentistry and dental supplies.

- B. Transactions between dealers and wholesale manufacturers.
- C. Transactions engaged in by any bank, trust company, savings institution or licensed transmitters of money and their registered agents, affiliates and subsidiaries incorporated under the laws of and/or subject to the examination, supervision and control of any state or of the United States, investment advisors or broker-dealers registered under the Securities Exchange Act of 1934 or merchants, brokers, pool operators or advisors registered under the Commodity Exchange Act (7 U.S.C. § I et seq.).

**§ 187-19 Registration of pawnbrokers as dealers required.**

No pawnbrokers shall purchase, directly or indirectly, any precious metals or gems offered to him as a pawn or pledge, nor shall it be lawful for any such pawnbroker, licensed as aforesaid, to engage in any such secondhand business, unless also registered as a dealer in precious metals or gems pursuant to this chapter.

**Section 4. Separability**

If any part or provision of this Local Law or the application thereof to any person or circumstance be adjudged invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the part or provision or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this Local Law or the application thereof to other persons or circumstances, and the Town Board of the Town of Wallkill hereby declares that it would have passed this Local Law or the remainder thereof had such invalid application or invalid provision been apparent.

**Section 5. Repeal**

All ordinances, local laws and parts thereof inconsistent with this Local Law are hereby repealed.

**Section 6. Effective Date**

This Local Law shall take effect immediately upon filing in the office of the New York State Secretary of State in accordance with section 27 of the Municipal Home Rule Law.