

TOWNSHIP OF AUSABLE ORDINANCE NO. 25

AN ORDINANCE TO LICENSE AND REGULATE AUCTIONEERS AND AUCTION SALES WITHIN THE TOWNSHIP OF AUSABLE, AND TO PROVIDE PENALTIES FOR VIOLATION THEREOF.

Effective March 7, 1977

**THE TOWNSHIP OF AUSABLE ORDAINS:**

**Section 1.** Definition: A public auction house is hereby defined as any lot, building, or store where the business conducted is that of auctioning articles of merchandise.

**Section 2.** No person shall exercise the business of auctioneer or sell of cry off at auction any real estate, goods, wares or merchandise of any description within the Township of AuSable until he shall have first secured a license, where a price is submitted by the auctioneer and a bid requested, either above or below the asking price, are hereby defined as auction sales within the meaning of this ordinance and compliance with this ordinance shall be made by any person conducting such so-called auction sales.

**Section 3.** No auctioneer's license shall be granted to any minor or to any person not of good reputation and moral character. Any person desiring to be licensed as an auctioneer shall file with the Township Clerk his application therefore, and to such application three citizens and residents of the Township of AuSable shall certify to the good reputation and moral character of the applicant, provided a certificate of membership in the Michigan Association of Auctioneers may be filed in lieu of the above references. Before granting any such application the Township Board may require such further information as it may deem necessary in order to pass upon the reputation and character of the applicant.

**Section 4.** After such application shall have been filed with the Township Clerk and before the issuance of such license the applicant shall pay to the Township Clerk a license fee of \$25.00 for an auctioneer's license, which shall expire April 30, of each year.

**Section 5.** No person, firm or corporation shall sell, dispose of, advertise for sale, or offer for sale at public auction in this Township any property of any kind, without being licensed as herein provided, and without a permit to conduct such sale as hereinafter specified.

**Section 6.** Auction sales may be conducted in this Township by regularly licensed auctioneers, whenever a permit has been issued therefor by the Township Clerk, and upon filing a bond as hereinafter provided where merchandise to be auctioned consists of items of jewelry, gold, silver, plated ware, precious or semi-precious stones or watches, and no permit shall be issued unless all taxes on property sought to be sold have been paid, or security satisfactory to the Township Treasurer given for such payment, and unless the property sought to be sold has been within the Township of AuSable for one year, or it part (or all) of the stock of goods of a merchant who has regularly done

business in this Township for one year prior to the date of the application, and no stock has been added thereto in anticipation of such sale within 120 days prior to the date of the application, provided, however, that the above limitations shall not apply to public auctions of household effects and personal belongings at the residence of the owner or under the direction of an administrator of an estate, and provided an affidavit shall be filed showing such to be the case. No permit shall be issued where merchandise to be auctioned consists of items of jewelry, gold, silver, plated ware, precious or semi-precious stones or watches, unless the owner of such merchandise last described shall file with the Township Clerk a bond in the penal sum of Two Thousand (\$2,000.00) Dollars running to the People of the State of Michigan, and conditioned upon the faithful performances by the owner of all the provisions of this ordinance, and the payment of all judgements recovered against the owner for fraud, misrepresentation or deceit, practiced by the owner's agent or auctioneer in the sale of such merchandise.

**Section 7.** The application for an auction sale shall be filed with the Township Clerk, under oath, where it may be examined by the public at any time before or during the sale. Not less than five full days after a proper application has been filed, the Clerk shall issue a permit to the auctioneer named in the application, which shall authorize the auctioneer to conduct an auction sale of the property listed in the application at the place named therein, for the number of days for which an inspector's fee has been paid as hereinafter provided. Such permit, with the number of days plainly stated on its face, shall be posted by the auctioneer in a conspicuous place on the premises where the auction sale is being conducted and shall remain posted throughout such sale; provided, however, that if the application is for an auction sale where the principal merchandise auctioned is platinum, gold, silver, plated ware, precious or semi-precious stones, watches or other jewelry, that all persons interested may examine the same, thirty full days prior to the issuance of a permit. A permit shall not be required for a public auction of household effects and the personal belongings to be auctioned at the bona fide residence of the owner or under the direction of a court administrator, provided the sworn application filed with the Township Clerk shows such to be the case.

**Section 8.** The application to conduct an auction sale in the Township shall be made by the owner of the property to be auctioned on blanks to be furnished by the Township Clerk. The application shall be sworn to be owner, or by some one in the owner's behalf, who knows the facts. It shall state the name of the auctioneer who is to conduct the sale; the location of the property the place where the sale is to be held; that the property has been in the Township for a period of one year, or, that it is a part of or all of the stock of merchant who had regularly done business in this Township for one year; that all taxes which have become a lien on such property have been paid; that no property other than that listed will be sold, or offered for sale, at such auction sale; the number of days the sale is to continue and the hours of the sale each day and a completely itemized statement of the property, in duplicate, including, if it is personal property, identifying number from each and every article, a brief description of its quality and character, and its cost price to the owner. A permit fee of twenty five (\$25.00) Dollars shall accompany such application, in addition to such permit fee, the auctioneer or owner shall cause to be paid to the Township Treasurer, before a permit shall be issued an inspector's fee of Ten

(\$10.00) Dollars for each calendar day during which an auction sale is to be held for dale of jewelry, watches and similar items, and the permit shall be operative only on the days for which such fee has been paid. New permits; however, may be issued by the Clerk from time to time upon the payment of additional inspector's fees.

**Section 9.** The Chief of Police of the Township may appoint an inspector, who shall be all time of the premises where jewelry, watches and similar items are to be auctioned. He shall be given one copy of the inventory by the Township Clerk upon which he shall keep a record of each article that is offered for sale and whether or not such article is struck off to the highest bidder. If any article is offered for sale by the auctioneer which does not appear on the inspector's inventory, or if an article is offered for sale which has been previously struck off to a bidder at such sale, the inspector may forbid the sale of such article and take such other steps as appear to be necessary to protect the interests of the public.

**Section 10.** The following acts, omissions, and practices in connection with auction sales are prohibited.

- a. The use of deceit, fraud or misrepresentation in the sale of any property.
- b. The substitution of another article for that bid upon by the prospective purchaser.
- c. The use of false bidders, cappers or puffers.
- d. The use of bells, buzzers, ballyhoo, loud speakers or any variety of mechanical or excessive vocal sound to attract attention.
- e. The use of any false or misleading advertising matter.
- f. A sale by a person other than the licensed auctioneer named in the application.
- g. Failure to exhibit an auctioneer's license to a police officer on demand at the place where the auction is being conducted.
- h. Failure to completely post the auction sale permit.
- i. Sale of property not listed on the inventory filed with the Township Clerk.
- j. Adding property to the stock sought to be sold after the inventory is filed or within 120 days prior thereto in anticipation of such sale.
- k. Offering property for sale, which has once been struck off to the highest bidder.
- l. The carrying on of so-called auction sales as defined in this ordinance, without obtaining license as herein provided.

**Section 11.** If the auction sale is of platinum, gold, silver, plated ware, precious or semi-precious stones, watches, or other jewelry each article sold shall have securely attached to it a tag or label upon which shall be plainly written or printed in English, a true and correct statement of the kind and quality of the metal of which such articles is made or with which it is plated, and/or the true name or names, weight, quality and color of any precious or semi-precious stone or stones, together with the name of the manufacturers or such article, and not such auction sale shall be conducted between the hours of 6 p.m. and 8 a.m. not shall any such sale continue longer than 30 days.

**Section 12.** The provisions of this ordinance shall not apply to sheriffs, constables or other public or court officers or to any person acting under the license, direction or authority of any court, state or federal, selling property in the course of their official duties or to any person selling property under and by virtue of any statute, state or federal.

**Section 13.** Any auctioneer who shall violate the provisions of this ordinance may have his license and permit revoked, and any owner, auctioneer or other person, who shall violate the provisions of this ordinance, in addition to the revocation of any license or permit, upon a conviction thereof, shall be punished by a fine of not more than \$100.00 or by imprisonment in the County Jail not to exceed 90 days or may be both fined and imprisoned in the discretion of the Court, plus, in any event costs of prosecution.

**Section 14.** All ordinances or parts of ordinances in conflict herewith, are hereby repealed.

**Section 15.** The sections of this ordinance are declared to be severable, and if any section thereof is declared illegal or void for any reason, it shall not affect the remainder of the ordinance.

**Section 16.** This ordinance shall take effect thirty (30) days from and after the date of its publication in the Oscoda Press.

Made and passed by the Township Board of the Township of AuSable, Iosco County, Michigan, this 7<sup>th</sup> day of March, 1977.

TOWNSHIP of AuSable

Dated: March 7, 1977

Terry Palmiter  
By: Terry Palmiter  
Its: Supervisor

Dated: March 7, 1977

Mornelva Snitchler  
By: Mornelva Snitchler  
Its: Clerk