

CHAPTER 5.32
SECONDHAND DEALERS AND PAWN BROKERS

SECTIONS

- 5.32.010 License Required (Ord. 994, February 16, 2016)
- 5.32.020 License Exemptions (Ord. 994, February 16, 2016)
- 5.32.030 Recordkeeping
- 5.32.040 Record Forms
- 5.32.050 Regulated Property (Ord. 994, February 16, 2016)
- 5.32.060 Property Sales
- 5.32.070 Articles to be Tagged
- 5.32.080 Dealings with Minors and Those Under the Influence of Intoxicants Prohibited
- 5.32.090 Inspection of Articles and Records
- 5.32.100 Penalty (Ord. 994, February 16, 2016)
- 5.32.010 LICENSE REQUIRED: APPLICATION (Ord. 994, February 16, 2016)
 - 1. Secondhand Dealers and Pawn Brokers as defined in this Title, doing business in the City shall have a City business license unless otherwise exempted herein. There shall be a separate license for each addressed location that a business operates at within the City.
 - 2. A Secondhand and Pawn license is valid for a term of one year and expires on December 31st of each year.
 - 3. Secondhand Dealers and Pawn Brokers must comply with all Federal, State, and Local laws.
 - 4. Each licensee shall pay an annual licensing fee set by Council resolution.

5.32.020 LICENSE EXEMPTIONS (Ord. 994, February 16, 2016)

The following types of businesses and activities are exempt from this chapter:

- 1. A person who engages in, conducts, manages, or carries on any business that does not buy regulated property outright, but occasionally accepts in trade regulated property as part or full payment for new articles, where such business is incidental to the primary business of the sale of new articles or a repair service;
- 2. A person who engages in, conducts, manages, or carries on any business that deals exclusively in the purchase and sale of used whole automobiles, books or books on tape, trading cards and sports memorabilia, individual video games, music, clothing, furniture, major household electric or gas appliances, or farm implements and machinery;

3. A person, who engages in, conducts, manages, or carries on any business that deals exclusively in purchasing full or partial estates. The purchaser shall keep a receipt for these items for at least one year;
4. A person who engages in, conducts, manages, or carries on any nonprofit corporation or association that purchases, sells or otherwise exchanges only donated articles;
5. A person whose purchases do not exceed 50 items of regulated property each year;
6. A person who buys and sells regulated property which consists of the sale of their own personal property acquired for household or other personal use; or
7. A person who has an event commonly known as a “garage sale,” “yard sale,” or “estate sale” which is regulated by Chapter 5.16.

5.32.030 RECORDKEEPING

1. Any Secondhand Dealer or Pawn Broker conducting business in the City, shall submit to the City, documentation of the transactions for regulated property in a format set forth by the City which includes all of the information set forth by the City. This format may be, but not limited to electronic submission and/or paper copies of transactions. (Ord. 994, February 16, 2016)
2. If the City changes the format for reporting, the business will have 60 days to comply with the new format. If the business can not comply within the allotted time, they shall submit a written request for additional time to the City before the deadline. Additional time may not be indefinite but must be reasonable. (Ord. 994, February 16, 2016)
3. Pawn Brokers are required only to report new transactions. Loan renewals do not need to be reported. (Ord. 994, February 16, 2016)
4. All records for “regulated property” shall be kept in an orderly manner on the Secondhand Dealer or Pawn Broker’s premises and open for reasonable inspection by peace officers upon demand. Each Secondhand Dealer or Pawn Broker shall keep a paper or electronic record of each purchase bearing the signature and/or fingerprint of the customer for a period of one year. (Ord. 994, February 16, 2016)
5. If any regulated property on deposit, pledge, or purchase has engraved thereon any number, word, or initials, or contains any setting of any kind, the description in the records shall contain such number, word, or initial, and shall show the kind of settings and number of each kind.
6. No Secondhand Dealer or Pawn Broker shall be required to record the description of any property purchased from manufacturers or wholesale dealers having an established place of business, or secured from any person doing business and having an established place of business in the City, but

such goods shall be accompanied by a bill of sale or other evidence of legitimate purchase and must be shown to any police officer upon request.

7. The records concerning regulated property shall be kept for at least one (1) year after the date of receipt of such articles or materials. When any business is discontinued, such records or duly authenticated copies thereof shall be delivered to the Police Department or shall be disposed of as it directs.

5.32.040 RECORD FORMS

In addition to any other records required to be kept by this Chapter, all Secondhand Dealers and Pawn Brokers shall, at the time of taking, receiving, or purchasing any article for the business, enter the item and description of the regulated property or things pledged, pawned, received, or purchased, as well as the sellers information into an electronic reporting system approved by the City. Seller's information shall be verified with photo identification and signature or fingerprint. (Ord. 994, February 16, 2016)

5.32.050 REGULATED PROPERTY (Ord. 994, February 16, 2016)

1. Regulated property is a type of property that has been determined by law enforcement to be property frequently the subject of theft or other criminal activity. The following list of regulated property may be added to by the Chief of Police in writing to the Secondhand and Pawn Brokers if a particular type of property becomes prone to criminal activity.
 - a. Jewelry, watches, gems, or precious metals with a retail market value of over fifty dollars (\$50.00);
 - b. Television, video and stereo equipment;
 - c. Cameras and camera equipment;
 - d. Firearms, operable or not operable;
 - e. Sporting equipment specifically and individually identifiable by way of a serial number or some other marking;
 - f. Power tools;
 - g. Electronic devices such as but not limited to: Computers, phones, electronic tablets, and electronic gaming devices;
 - h. Musical instruments that are specifically and individually identifiable by way of a serial number or some other marking;
 - i. Individual Coins and Currency that are certified by a nationally recognized certifying agency; and
 - j. Coins, currency, and token collections that are valued over \$1,000.

(Ord. 994, February 16, 2016)

2. The following list of properties are exempt from reporting:
 - a. Precious metals in the form of bullion bars or rounds such as but not limited to gold, silver, platinum, and palladium;
 - b. Postage stamps, stamp collections and philatelic items with no unique identifier, unless they are over \$500 in value or certified;
 - c. Individual video game cartridges;
 - d. Individual movies;
 - e. Individual books that are mass produced with no unique identifier, unless they are over \$250 in value; and
 - f. Coins, currency, and tokens unless certified by a nationally recognized certifying agency; and
 - g. Clothing

The above lists do not preclude an item from being documented as regulated property if a dealer believe there is a need to track the item. (Ord. 994, February 16, 2016)

5.32.060 PROPERTY SALES

1. No regulated property listed in this Chapter shall be sold from the secondhand dealer or pawnbroker's place of business for seven (7) days after purchase.
2. Whenever any police officer serves notice in writing to any Secondhand Dealer or Pawn Broker not to sell any property received on deposit, or purchased, or permit same to be redeemed, the property shall not be sold, redeemed, or otherwise disposed of until such time as may be determined by the Police Department, not exceeding fifteen (15) days from the day of notice aforesaid. Any property purchased by the dealer which is determined to be stolen property, may be seized by the Police Department and may be returned to the rightful owner without any recovery of purchase price to the dealer from the owner or the City.

5.32.070 ARTICLES TO BE TAGGED

Any Secondhand Dealer or Pawn Broker receiving in pledge, by purchase or otherwise, any article or goods shall affix to the article or goods a tag upon which shall be written a number, in legible characters, which number shall correspond to the number in the book required to be kept as heretofore provided or provide an alternative form of identifying articles to correspond to the book record approved by the Police Department.

5.32.080 DEALINGS WITH MINORS AND PERSONS UNDER THE INFLUENCE OF INTOXICANTS PROHIBITED

No secondhand dealer or pawnbroker shall buy or receive on deposit or for pledge any article or thing whatsoever from or sell any article or thing to any person under the influence of intoxicants. No Secondhand Dealer or Pawn Broker shall buy or receive on deposit or for pledge any article or thing whatsoever from any person under the age of eighteen (18) years.

5.32.090 INSPECTION OF ARTICLES AND RECORDS

Any person doing business as a Secondhand Dealer or Pawn Broker, and any person employed by such business, shall permit a representative of the Police Department entry to the business premises for the limited purpose of inspecting any articles received on deposit, pledged, or purchased in the business as regulated by this Chapter and/or the records incident thereto, to ensure compliance with the provisions of this Title. Such inspections may be made at any reasonable time.

5.32.100 PENALTY (Ord. 994, February 16, 2016) Violation of this Chapter is punishable by a fine set by Council resolution.