

ORDINANCE NO. 1155

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, AMENDING TITLE 5 OF THE REDMOND MUNICIPAL CODE BY ADDING A NEW CHAPTER 5.10 REGULATING PAWN BROKERS AND SECONDHAND DEALERS; PROVIDING FOR THE LICENSING THEREOF; REQUIRING THE MAINTENANCE OF CERTAIN RECORDS; ESTABLISHING AN AUTHORIZED RATE OF INTEREST; PROHIBITING CERTAIN TRANSACTIONS AND ESTABLISHING PENALTIES FOR VIOLATIONS.

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON,
DO ORDAIN AS FOLLOWS:

Section 1. A new Chapter 5.10 entitled "Regulation of Pawnbrokers" is hereby added to the Redmond Municipal Code to read as follows:

5.10.010 License Required. It is unlawful for any person, firm or corporation to engage in the business of pawn broker or secondhand dealer without first obtaining a license pursuant to the provisions of this chapter.

5.10.020 Exemption. This chapter shall not apply to any bonafide charitable or nonprofit organization, nor shall it apply to any merchants or dealers whose business is limited to used or secondhand clothing.

5.10.030 Definitions.

A. The term "pawn broker" as used in this chapter, means and includes every person who takes or receives by way of pledge, pawn or exchange, goods, wares, or merchandise of any kind of personal property whatever, for the repayment of security of any money loaned thereon, or to loan money on deposit of personal property, or who makes public display of any sign indicating that he has money to loan on personal property on deposit or pledge. Every person engaged in whole or in part in the business of purchasing precious metals shall be deemed to be a pawnbroker.

B. The term "secondhand dealer" as used in this chapter, means and includes every person who as a business engages in the purchase, sale, barter, auction, sale on consignment, or otherwise exchanges secondhand goods, or who keeps a store, shop, room or other place where secondhand goods of any kind or description are bought, sold, traded or bartered, pledged, auctioned, sold on consignment, or otherwise exchanged; provided, however, that this term shall not apply to those persons engaged in the business of selling used or secondhand motor vehicles, boats and other recreational vehicles.

C. The term "secondhand goods" when used in this chapter means and includes any and all used,

remanufactured, or secondhand goods purchased or kept for sale by a dealer in secondhand goods including metal, junk or melted metals; provided, however, such term shall not be construed to include used or secondhand motor vehicles, boats and other recreational vehicles.

5.10.040 License Fees.

A. The fee for a pawn broker's license shall be \$200.00 per year.

B. The fee for a secondhand dealer's license shall be \$125.00 per year.

C. License fees shall be payable on December 31 preceding the year for which the license is issued. Fees becoming due for less than one year shall be prorated on a quarterly basis. This license shall be in lieu of the city business license and shall not be assignable or transferable. Further, the obtaining of a pawnbroker's license shall preclude the need for a secondhand dealer's license.

5.10.050 Application for License. All applications for issuance or renewal of a pawn broker's or secondhand dealer's license shall be made to and filed with the City Clerk on forms furnished for such purpose, and shall be accompanied by the required fee. This application shall state the true name of the applicant, who shall not be less than 18 years of age, the names of all persons having financial, proprietary or other interest in such pawn shop or secondhand shop, together with such other information as the City Clerk deems appropriate. The application shall then be referred to the Redmond Police Department for investigation, report and recommendation. If, from the investigation, the Police Department deems the applicant to be a fit and proper person, the City Clerk shall issue or renew the license applied for. If the Police Department is not satisfied that the application should be granted, the City Clerk shall notify the applicant in writing of the denial and the reasons therefore and shall inform the applicant of the right to appeal to the City Council. The City Council shall, upon at least ten days notice to the applicant, hold a hearing on such application, at which time the applicant shall be given the opportunity to show by competent evidence that the license should be issued. If after such hearing the Council shall find from a preponderance of evidence the license should be issued, it shall direct the issuance of the license applied for. If after such hearing the Council shall find from a preponderance of evidence the license should not be issued, it shall deny the application. The action of the City Council upon such hearing shall be final. Any pawn broker or secondhand dealer now in business shall apply for such license as provided herein within ten days after the effective date of the ordinance codified herein.

5.10.060 Criteria for Denial or Revocation of License. The City Council may deny a license to any applicant or may suspend or revoke any and all licenses or permits of any holder when such person, or any other person with any interest in the applicant for, or holder of, such license or permit:

ORIGINAL

A. Knowingly causes, aids, abets, or conspires with another to cause any person to violate any of the laws of this state or the City of Redmond;

B. Has obtained a license or permit by fraud, misrepresentation, concealment, or through inadvertence or mistake;

C. Has been convicted of, or forfeited bond upon a charge of, or pleaded guilty to, forgery, larceny, extortion, conspiracy to defraud, wilful failure to make required payments or reports to a governmental agency at any level, or filing false reports therewith, or of any similar offense or offenses, or of any crime involving moral turpitude;

D. Shall fail to display its license on the premises where the licensed activity is conducted at all times during the operation of the licensed activity;

E. Makes a misrepresentation of, or fails to disclose, a material fact to the City;

F. Allows any person who has been convicted of, or forfeited bond upon, any of the offenses set out in subparagraph 3 above to participate in the management or operation of any activity regulated by this license without prior written approval of the City Clerk;

G. Has violated any section of this chapter.

5.10.070 Personal Property Tax Return. No renewal license shall issue to any pawn broker or second-hand dealer until the applicant shall show that he has made a return to the King County assessor of the property in his possession or ownership and the value thereof for tax assessment purposes and has paid the tax due.

5.10.080 Records Required. Every pawn broker and secondhand dealer shall maintain at his place of business a book in which he shall at the time of such loan, purchase or sale, enter, in the English language, written in ink the following information:

A. The date of the transaction.

B. The name of the person conducting the transaction and making the entries required herein.

C. The printed name, signature, date of birth, street and house number, the general description of the size, dress, complexion, color of hair and facial appearance of the person with whom the transaction is had, including the identification which the customer shall present to verify his identity, pursuant to 5.10.100 and the serial or other number of such identification.

D. The name, street and house number of the owner of the property bought or received in pledge.

E. The street and house number of the place from which the property bought or received in pledge was last removed.

F. A description of the property bought or received in pledge, which shall include the name of

the maker of such property or the manufacturer thereof and the serial number, if the article has such marks on it, or any other inscriptive or identifying marks, which, in the case of watches, shall contain the name of the maker and the number of both the works and the case. Provided, that when the article received is furniture or the contents of any house or room, actually inspected on the premises where the sale is made, a general description of the property shall be sufficient.

G. The price paid or the amount loaned.

H. The number of any pawn tickets issued therefor.

5.10.090 Records and Articles to be Available for Inspection. All books and other records of any pawn broker or secondhand dealer relating to purchase, pledge, exchange, receipt of any goods, wares, merchandise, or other articles or things of value, shall at all times be open for inspection by the City Attorney or any peace officer; and all articles and things received, purchased or left in pledge with the pawn broker or secondhand dealer shall at all times be open to like inspection.

5.10.100 Seller or Consignee to Give True Name and Address. Anyone who pledges, sells or consigns any property to or with a pawn broker or secondhand dealer shall sign the records required to be kept by such pawn broker or secondhand dealer with his true name and shall include his correct address, and shall provide for inspection one of the following containing a photograph of the individual:

1. Driver's license, instruction permit or identification card of any state or province of Canada, or "identocard" issued by the Washington State Department of Licensing pursuant to RCW 46.20.117;

2. United States active duty military identification;

3. Passport.

Anyone who violates this section shall be guilty of a misdemeanor and upon conviction shall be punished by imprisonment for not more than six (6) months or by a fine of not more than \$500 or both.

5.10.110 Transcript to be Furnished.

A. It is the duty of every pawn broker and secondhand dealer to furnish to the Chief of Police, on such forms as the Chief of Police may provide therefor a full, true and correct transcript of the record of all transactions occurring on a given day, within 48 hours of the close of business.

B. It is also the duty of any pawn broker or secondhand dealer having good cause to believe any property in his possession has been previously lost or stolen, to report such fact to the Police Department immediately, together with the name of the owner, if known, and the date and name of the

person from whom the same was received by such pawn broker or secondhand dealer.

5.10.120 Police Seizures - Police Holds

A. In addition to retention of property required by this Chapter, any police officer having probable cause to believe that any item in the possession of a licensee is stolen, may seize such item at any time. In the event of such a seizure, the licensee shall be entitled to a written receipt for the item from the Redmond Police Department.

B. In lieu of immediate seizure, a police officer may place a "hold" upon the property by making an entry upon the permanent record required by Section 5.10.080, indicating that such item is stolen property. The licensee shall then:

1. Tag or otherwise reasonably identify the item;

2. Hold it in a place on the business premises of the dealer to which police officers shall have access at any time during the dealer's regular business hours;

3. Keep the item safe from alteration, loss, damage, or commingling with other goods.

C. No licensee shall dispose of any item subject to a police hold in any manner; provided, that items subject to a police hold shall be surrendered to the Chief of Police upon request, or in compliance with a subpoena signed by the prosecutor, or in compliance with an order of a court of competent jurisdiction; or as directed in a written release signed by the Chief of Police.

5.10.130 Penalty. Every pawn broker or secondhand dealer and every clerk, agent or employee of such pawn broker or secondhand dealer, who shall:

A. Fail to make an entry of any material matter in his book or record kept as provided in this chapter; or

B. Make any false entry therein; or

C. Falsify, obliterate, destroy or remove from his place of business such book or record; or

D. Refuse to allow the City Prosecutor or the Chief of Police or his agent to inspect the same, or any goods in his possession, during the ordinary hours of business; or

E. Report any material falsely to the Chief of Police; or

F. Fail to furnish the Chief of Police with a full, true and correct transcript of the record of all transactions occurring on a given day within 48 hours of the close of business; or

G. Fail to report forthwith to the Chief of Police the possession of any property which he may have good cause to believe has been lost or stolen, together with the name of the owner, if

ORIGINAL

known, and the date when, and the name of the person from whom the same was received by him; or

H. Remove, or allow to be removed from his place of business except upon redemption by the owner thereof, any property received within fifteen days after receipt thereof shall have been reported to the Chief of Police; or

I. Receive any property from any person under the age of 18 years, any habitual user of narcotic drugs, any habitual criminal, any person in an intoxicated condition, any known thief or receiver of stolen property, or anyone acting on behalf of said individual; or

J. Violate any provision of this Chapter by an act of either omission or commission;

Shall be guilty of a misdemeanor and upon conviction shall be punished by imprisonment for not more than six (6) months or by a fine of not more than \$500 or both.

Section 2. Should any section, paragraph, sentence, clause or phrase of this ordinance or its application to any person or circumstance be declared unconstitutional whether because of conflict with general law or otherwise invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. This ordinance shall be in full force and effect thirty (30) days after its passage and publication by posting as provided by law.

CITY OF REDMOND

Christine T. Himes
MAYOR, CHRISTINE T. HIMES

ATTEST/AUTHENTICATED:

Paul F. Kusakabe
CITY CLERK, PAUL F. KUSAKABE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY *James C. Martin*

FILED WITH THE CITY CLERK: September 22, 1983
PASSED BY THE CITY COUNCIL: October 18, 1983
SIGNED BY THE MAYOR: October 25, 1983
POSTED: October 21, 1983
EFFECTIVE DATE: November 20, 1983
ORDINANCE NO. 1155