

City of Fayetteville Staff Review Form

City Council Agenda Items  
and  
Contracts, Leases or Agreements

10/15/2013

City Council Meeting Date  
Agenda Items Only

Chief of Police Greg Tabor  
**Submitted By**

Police  
**Division**

Police  
**Department**

**Action Required:**

Staff seeks council approval to amend Fayetteville City Code Chapter 115, Pawnbrokers, to include secondhand dealers.

\$0  
Cost of this request

\$ -  
Category / Project Budget

Program Category / Project Name

Account Number

\$ -  
Funds Used to Date

Program / Project Category Name

Project Number

\$ -  
Remaining Balance

Fund Name

Budgeted Item

Budget Adjustment Attached



Greg Tabor

8/20/2013  
Date

Department Director

Previous Ordinance or Resolution #

Original Contract Date:

Original Contract Number:



City Attorney

8-20-13  
Date

Paul A. Beehn  
Finance and Internal Services Director

8-20-2013  
Date

Received in City  
Clerk's Office

ENTERED  
8/20/13

King

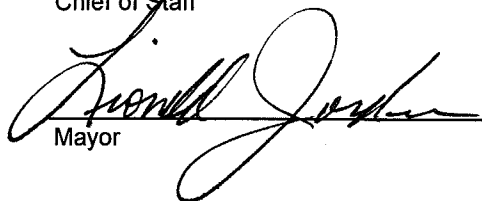
Jim Man  
Chief of Staff

8-21-13  
Date

Received in  
Mayor's Office

ENTERED  
8/20/13

BREP




Mayor

8/21/13  
Date

Comments:

**To:** Mayor Lioneld Jordan and City Council

**From:** Greg Tabor, Chief of Police 

**Date:** Tuesday, August 20, 2013

**Re:** Pawnbroker and Secondhand Dealer Ordinance

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**Recommendation:**

Staff seeks council approval to amend Fayetteville City Code Chapter 115, Pawnbrokers, to include secondhand dealers for the purpose of collecting, maintaining and reporting records of purchase.

**Background and Discussion:**

The first City of Fayetteville pawnbroker ordinance with a yearly fee was enacted on July 3, 1967. The police department requests the current code, Chapter 115, be amended to include secondhand dealers to assist in the identification and recovery of stolen property.

The police department held public meetings to work with merchants on the amendment. The two primary concerns from merchants were the proposed fifteen day holding period for purchased property and the \$300 yearly permit fee currently paid by pawnbrokers. The holding period for purchased items has been reduced to seven days, to match state law as it applies to pawnbrokers. The yearly permit fee has been reduced to \$75.00.

The ordinance amendment was presented to the City of Fayetteville Ordinance Review Committee on Monday, September 25, 2013. After minor revisions, it was determined the amended ordinance should be presented to the full council.

Secondhand dealers purchase many of the same items as pawnbrokers, but secondhand dealers have no responsibility to report purchases. The police department does not have any means to locate stolen property that has been sold to local secondhand dealers.

**Budget Impact:**

None

GT/jf

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 115: PAWNBROKERS OF THE CODE OF FAYETTEVILLE, RENAMING IT TO CHAPTER 115: PAWNBROKERS AND SECONDHAND DEALERS, REQUIRING LICENSURE OF SECONDHAND DEALERS AND REQUIRING ELECTRONIC REPORTING OF CERTAIN ITEMS PURCHASED BY SECONDHAND DEALERS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1. That the City Council of the City of Fayetteville, Arkansas hereby amends Chapter 115: Pawnbrokers of the Code of Fayetteville so that, after amendment, the chapter shall read as presented in Exhibit "A", which is attached hereto and incorporated herein.

**PASSED and APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**APPROVED:**

**ATTEST:**

By: \_\_\_\_\_  
**LIONELD JORDAN, Mayor**

By: \_\_\_\_\_  
**SONDRA E. SMITH, City Clerk/Treasurer**

## CHAPTER 115: PAWNBROKERS AND SECONDHAND DEALERS

### 115.01 Definitions

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

(A) *Pawnbroker*. Any person, firm, or corporation whose business or occupation is to take, receive, by way of pledge, pawn, or exchange any goods, wares, or merchandise, or any kind of personal property whatsoever.

(B) *Secondhand Dealer*. Any person, partnership, corporation, limited liability company, or other legal entity, whether as a principal, agent or employee thereof, licensed under this Chapter, whose business includes selling, trading or buying any kind of used property for profit. For purposes of this Chapter, "used property" includes only the following:

- (1) Jewelry, precious metals, precious stones, collectible coins, watches, bracelets, rings, necklaces and earrings.
- (2) Electronics, typewriters, calculators, cash registers, copying machines, facsimile machines, computer hardware or software, computers, computer parts, computer monitors, computer printers, computer memory cards, computer storage media, computer hard drives, cellular telephones, televisions, speakers, stereos, stereo components, gaming consoles, any kind of accessories, cameras, video cameras or any other kind of device that can be used for viewing or listening to motion pictures, videos or music.
- (3) Tools used to facilitate manual or mechanical work.
- (4) Musical instruments, including all devices or contrivances designed to produce musical tones or sounds.
- (5) Compact discs (CDs), digital video discs (DVDs), blu-ray discs, video game discs, video game cartridges, and any other device that can be used in or attached to a gaming console or computer to play games.
- (6) Sporting equipment of any type needed for use in any sporting activity.

(C) Notwithstanding subsection (B) of this section, the following do not constitute secondhand dealers:

- (1) Persons conducting a private residential sale commonly known as a "garage sale" or "yard sale," so

long as such sale takes place on residentially zoned property.

- (2) An organization qualified as a section 501(c)(3) tax-exempt organization by the Internal Revenue Code.
- (3) A used motor vehicle dealer.
- (4) Auctioneers, auction houses and flea markets.
- (5) Antique or Used Furniture Dealers.
- (6) Persons solely conducting sales online via internet websites including, but not limited to, Craigslist and eBay.

### 115.02 License Requirements

(A) The business of owning, operating, or conducting a business defined by §115.01 hereof, as that of a pawnbroker or secondhand dealer, is hereby declared to be a privilege, and no person shall own, operate, conduct, or engage in any such business unless he has a current license to do so issued by the city.

(B) Licenses as herein provided for shall be issued by the finance department and attested by the license officer. The mayor shall have authority to promulgate from time to time any rules and regulations necessary for the proper administration of this chapter.

(C) *Application required.*

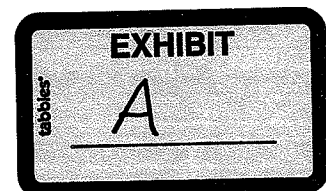
(1) Any person desiring to engage in any business for which a license is required by this chapter shall file an application for such license with the license officer. The application shall then be referred to the chief of police of the city, who shall make a written recommendation to the mayor.

(2) It shall be unlawful for any person to make any false statement or representation in any application or give any false statement or representation in any application or give any false answer to any question contained therein.

(D) The annual license fee shall be \$75.00.

(E) A license applied for under this chapter shall be issued by the mayor upon compliance by the applicant with all provisions of this chapter, including payment of the prescribed fee.

(F) A license issued under this chapter shall not be transferable.



(G) Every license issued under this chapter shall expire on the next December 31st following its issuance.

(H) *Revocation.*

- (1) When any person licensed under this chapter is convicted of a violation of any provision of this chapter, the court shall, in addition to the penalty imposed for such violation, revoke such person's license.
- (2) When any license is revoked under this chapter no new license shall be issued to the same person within one year after such revocation.

### **115.03 Duty To Maintain Books And Records**

Every pawnbroker and secondhand dealer shall keep a book or record, which shall be numbered consecutively and will correspond to the pawn ticket or stub issued to the person so pawning, pledging, leaving as security, or selling such article. The book or record shall contain an accurate, detailed description, so as to be readily identified, bearing the serial number, if it has one, of the article so pawned, pledged, left as security, or sold, as well as the make, model, color and size of the article. The book or record shall further contain the date and hour the article was pawned, pledged, left as security, or sold, the name, residence, address, state-issued identification or driver's license number, telephone number, date of birth, and signature of the person so pawning, pledging, leaving such article as security, or selling, the amount of money loaned or advanced on the article, and the date that such is to be redeemed, or the sale amount of the article. The book or record shall at all times be open to inspection by the chief of police, or any police officer of the city.

### **115.04 Daily Reports**

Every pawnbroker, pawnshop, or secondhand dealer doing business in the City of Fayetteville, Arkansas, shall be required to upload via internet connection to the entity designated by the Fayetteville Police Department, information detailing all goods pawned, pledged, or left as security or sold with the pawnbroker, pawnshop, or secondhand dealer, within (1) business day of receipt.

### **115.05 Waiting Period Before Disposition Of Pawned Article Or Article Sold to Secondhand Dealer**

It shall be unlawful for any pawnbroker, or secondhand dealer to sell, exchange, barter, or remove from his place of business or permit to be sold or redeemed any article pawned, pledged, left as security, or sold for a period of seven (7) days after making such daily report unless the article is redeemed by the person who sold or pawned it.

### **115.06-115.98 Reserved**

### **115.99 Penalty**

Every person, firm, or corporation, or their agents, servants, or employees, who shall violate any of the provisions of this chapter, shall upon conviction thereof, be guilty of a misdemeanor, and shall be fined in a sum not less than \$10.00 nor more than \$50.00, and each day's violation shall constitute a separate offense.

