AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO PAWNBROKERS AND SECONDHAND DEALERS.

The City Council of the City of Kirkland do ordain as follows:

<u>Section 1</u>. Section 7.36.010 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.010 Licensing—Necessity declared.

It is hereby declared necessary under the exercise of the police power and the taxing power of the city to license, tax and regulate certain businesses as hereinafter provided. The purpose of this chapter is to set forth rules for the licensing, regulation and inspection of pawnbrokers, coin dealers, and secondhand dealers. For the purposes of this code the use of these terms, pawnbroker, coin dealer, junk dealer or secondhand dealer, shall mean all of the terms pawnbroker, coin dealer, junk dealer or secondhand dealer.

Section 2. Section 7.36.020 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.020 Definitions.

Whenever used in this chapter terms defined in this section shall have the meanings herein specified unless the context clearly indicates otherwise:

- (1) "Coin dealer." Every person, firm or corporation engaged in whole or in part in the business of buying or selling coins or stamped metal shall be deemed to be a coin dealer. The coins may be legal tender or otherwise, and may be made of precious metals, gold, silver or platinum.
- (2) "Commencing to carry on or conduct business" or "to engage in business." Any person, firm or corporation coming under this chapter shall be deemed to commence to carry on or conduct such business or to engage in such business in the city, subject to the license fees herein, if any transactions in connection with such businesses are actually conducted within the city regardless of whether the person, firm or corporation is carrying on such business as a resident or nonresident of the city. This chapter applies to fixed places of business within the city and also to itinerants not having a fixed place of business within the city, and also to a person, firm or corporation engaging in such business temporarily or to one continuing to engage in such business throughout a given calendar year within the corporate limits of the city.
- (3) "Pawnbroker." Every person, firm or corporation engaged in whole or in part in the business of loaning money on the security of pledges, deposits or conditional sales of personal property, shall be deemed a pawnbroker.
- (4) "Pawnshop." Pawnshop means and includes every place at which the business of pawnbrokers is being carried on.
- (5) "Secondhand dealer." Every person engaged in whole or in part in the business of purchasing, selling, trading, consignment selling, or otherwise transferring for value, secondhand property, including metal junk, melted metals, precious metals, whether or not the person maintains a fixed place of business within the city, provided that "secondhand dealer" shall not apply to thrift stores and similar businesses to the extent such a business acquires its

secondhand merchandise from charitable or religious nonprofit organizations or obtains its secondhand merchandise by way of direct donation.

(6) "Secondhand property." Any item of personal property offered for sale which is not new, including metals in any form, except postage stamps, coins that are legal tender, bullion in the form of fabricated, hallmarked bars, used books, and clothing of a resale value of seventy-five dollars or less, except furs. (7) "Transaction." Transaction means a pledge, purchase, or consignment by a pawnbroker or a secondhand dealer from a member of the general public.

Section 3. Section 7.36.030 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.030 License required—Application.

Every person, firm or corporation before commencing to carry on, open, conduct or operate a junk dealer or pawnbroker, secondhand dealer or coin dealer business shall obtain a license to do so. The issuance of such a license shall be governed by Sections 7.20.040 and 7.20.080.

<u>Section 4</u>. Section 7.36.060 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.060 Records required—Contents.

It shall be the duty of every pawnbroker, secondhand dealer and coin dealer and junk dealer doing business in the city to maintain at his, her or its place of business a book or other permanent record in which shall be legibly written in the English language, at the time of each loan, purchase or sale, a record thereof containing the following:

- (1) The date of the transaction:
- (2) The name of the person or employee conducting the same;
- (3) The name, age, street and house number, and a general description of the dress, complexion, color of hair, and facial appearance of the person with whom the transaction is had;
- (4) The name and house number of the owner of the property bought or received in pledge;
- (5) The street and house number of the place from which the property bought or received in pledge was last removed:
- (6) A detailed description of the property bought or received in pledge or consignment. This will include any brand names, serial, model numbers, pattern or type, engravings, size, color or markings likely to help in identifying the property. In the case of watches the description shall contain the name of the maker and the number of both the works and the case, and in the case of jewelry shall contain a description of all letters and marks inscribed thereon, and include the type of metal employed, and the weight and size of the piece of jewelry. If, however, the article bought or received is furniture, or the contents of any house or room actually inspected on premises, a general record of the transaction shall be sufficient. In the case of firearms, the caliber, barrel length, type of action, and whether it is a pistol, rifle, or shotgun shall be recorded:
- (7) The price paid or the amount loaned;
- (8) The type and identifying number of identification used by the person with whom the transaction is made, which shall consist of a valid driver's license or identification card issued by any state or two pieces of identification issued by a governmental agency. No transaction may be conducted without at least one picture identification; and
- (9) The number of any pawn ticket issued therefor.

<u>Section 5</u>. Section 7.36.080 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.080 Keeping property—Time limit.

No property bought or received in pledge by any pawnbroker or-junk-dealer shall be removed from his or her place of business before fifteen days have elapsed since the receipt thereof was reported to the chief of police. A police officer may place a hold of up to fifteen additional days upon the property if the item is potential evidence. The police officer shall make an entry upon the permanent record required by this chapter indicating how long the property is to be held. The pawnbroker or dealer shall then:

- (1) Tag or specifically identify the item;
- (2) Hold it in place on the business premises of the pawnbroker or dealer, to which the police officer shall have access at any time during regular business hours:
- (3) Keep the item safe from alteration, loss, damage or commingling with other goods. No pawnbroker shall dispose of any item subject to a police hold in any manner. The items shall be surrendered to the chief of police upon request, or in compliance with a subpoena signed by a prosecuting attorney.

<u>Section 6</u>. Section 7.36.100 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.100 Record of transactions upon demand.

It shall be the duty of every pawnbroker, coin dealer, or secondhand dealer, by regular or electronic mail, at by the end of each business day, to report to the chief of police on such forms as he designates, a true, correct, and complete transcript of the record of all transactions had during the preceding day. It shall also be the duty of any pawnbroker, secondhand dealer or coin dealer having good cause to believe any property in his or her possession has been previously lost or stolen, to report such fact to the chief of police, together with the name of the owner, if known, the date of the transaction, and the name and description of the person from whom the property was received by such pawnbroker, secondhand dealer or coin dealer. Transient dealers shall also report to the chief of police or designee daily.

Section 7. Section 7.36.120 of the Kirkland Municipal Code ("KMC") is hereby amended to read as follows:

7.36.120 Acts deemed misdemeanor.

Every pawnbroker, secondhand dealer or coin dealer or junk dealer and every clerk, agent or employee of a pawnbroker, secondhand dealer or coin dealer or junk-dealer is guilty of a misdemeanor when he or she:

- (1) Fails to make an entry of any material matter in his or her records; or
- (2) Makes any false entry therein; or
- (3) Falsifies, obliterates, destroys or removes from his <u>or her place</u> of business any book or record; or
- (4) Refuses to allow the prosecuting attorney or any peace officer to inspect his or her records, or any goods in his possession, during the ordinary hours of business; or
- (5) Reports any material matter falsely to the chief of police; or
- (6) Having forms provided therefor, fails before noon the end of each <u>business</u> day to furnish the chief of police with a full, true and correct transcript of the record of all transactions had on the previous day, it being the intent of this section that Saturday's business may be reported on Monday; or

(7) Fails to report forthwith to the chief of police the possession of any property which he <u>or she</u> may have good cause to believe has been lost or stolen, together with the name of the owner, if known, and the date when, and the name of the person from whom the same was received by him<u>or her</u>; or

(8) Removes or allows to be removed from his <u>or her place</u> of business, except upon redemption by the owner thereof, any property received before four days have elapsed since the receipt thereof was reported to the chief of police; or

(9) Receives any property from any person under the age of twenty-one eighteen years, any common drunkard, any habitual user of narcotic drugs, any habitual criminal, any person in an intoxicated condition, any known thief or receiver of stolen property, or any known associate of such thief or receiver of stolen property, whether such person be acting in his or her own behalf or as the agent of another.

<u>Section 8</u>. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

Section 9. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication pursuant to Section 1.08.017, Kirkland Municipal Code in the summary form attached to the original of this ordinance and by this reference approved by the City Council.

Passed by majority vote of the Kirkland City Council in open meeting this <u>lst</u> day of <u>November</u>, 2005.

Signed in authentication thereof this <u>lst</u> day of <u>November</u>, 2005.

Attest:

Approved as to Form:

City Attorney

PUBLICATION SUMMARY OF ORDINANCE NO. _4009_

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO PAWNBROKERS AND SECONDHAND DEALERS.

SECTIONS 1-7. Amend portions of Chapter 7.36 of the Kirkland Municipal Code and provide that secondhand dealers are exempt from the provisions of Chapter 7.36 of the Kirkland Municipal Code to the extent they acquire the goods they sell from charitable or religious non-profit organizations or by way of direct donation.

<u>SECTION 8</u>. Provides a severability clause for the ordinance.

SECTION 9. Authorizes publication of the ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the 1st day of November, 2005.

Thetau Anderson
City Clerk