

11.16 PAWNBROKERS

11.16.010 General Provisions

11.16.020 Licensing

11.16.030 Operating Regulations

11.16.010 General Provisions

A. *Purpose.*

1. The City Council finds that the use of services provided by pawnbrokers and secondhand goods dealers provides an opportunity for the commission of crimes and their concealment because such businesses~~pawn businesses~~ have the ability to receive and transfer property stolen by others easily and quickly. The City Council also finds that consumer protection regulation is warranted in transactions involving pawnbrokers. The City Council further finds that the pawn industry has outgrown the city's current ability to effectively or efficiently identify criminal activity related to pawn shops. The purpose of this chapter is to prevent these businesses~~pawn businesses~~ from being used as facilities for the commission of crimes, and to assure that these businesses comply with basic consumer protection standards, thereby protecting the public health, safety, and general welfare of the citizens of the city.
2. To help the Police Department better regulate current and future pawnbrokers and secondhand goods dealers~~businesses~~, decrease and stabilize costs associated with the regulation of these businesses~~pawn industry~~, and increase identification of criminal activities in these businesses~~pawn industry~~ through the timely collection and sharing of pawn transaction information, this chapter also implements and establishes the required use of an electronic reporting and criminal investigation system.

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

~~**BILLABLE TRANSACTION.** Every reportable transaction conducted by a pawnbroker except renewals, redemptions, or extensions of existing pawns on items previously reported and continuously in the licensee's possession.~~

PAWNBROKER. Any natural person, partnership, or corporation, either as principal, or agent or employee thereof, who loans money on deposit or pledge of personal property, or other valuable thing, or who deals in the purchasing of personal property or other valuable thing on condition of selling the same back again at a stipulated price, or who loans money secured by chattel mortgage on personal property, taking possession of the property or any part thereof so mortgaged. To the extent that a **PAWNBROKER'S** business includes buying personal property previously used, rented, or leased, or selling it on consignment, the provisions of this chapter shall be applicable.

SECONDHAND GOODS DEALER. Any person, partnership or corporation whose regular business includes purchasing, receiving, selling or consigning previously used tangible personal property, excluding motor vehicles

REPORTABLE TRANSACTION. Every transaction conducted by a pawnbroker or secondhand goods dealer in which merchandise is received through a pawn, purchase, consignment, or trade, or in which a pawn is renewed, extended, or redeemed, or for which a unique transaction number or identifier is generated by their point-of-sale software, except:

1. The bulk purchase or consignment of new or used merchandise from a merchant, manufacturer, or wholesaler having an established permanent place of business, and the retail sale of that merchandise; provided, the pawnbroker or secondhand goods dealer must maintain a record of the purchase or consignment which describes each item, and must mark each item in a manner which relates it to that transaction record; or
 2. Retail and wholesale sales of merchandise originally received by pawn or purchase, and for which all applicable hold and redemption periods have expired.
- C. *Exemptions.* This chapter does not apply to or include the following:
1. Sales by a person licensed as a motor vehicle dealer;
 2. The sale of secondhand books, magazines, sound or video recordings, or films;
 3. The sale of goods at an auction held by a licensed auctioneer;
 4. The business of buying or selling only those secondhand goods taken as part of full payment for new goods and where that business is incidental to and not the primary business of a person;
 5. A bulk sale of property from a merchant or manufacturer or wholesaler having an established place of business or of goods sold at open sale from bankrupt stock;
 6. Goods sold at a public market;
 7. Occasional garage or yard sales conducted at a residence;
 8. Retail businesses accepting trade-in goods incidental to their primary business; or
 9. Goods sold at an exhibition.
- D. *Violations.* Violation of any provision of this chapter shall be misdemeanor.

11.16.020 Licensing

- A. *Fees.* The annual license fee and the electronic reporting and criminal investigation system fee for a license under this paragraph~~pawnbroker or pawnbrokers~~ for a location where more than one licensee operates~~is engaged in business~~ shall be separately set from time to time, by ~~ordinance~~ordinance of the City Council as it, in its discretion, deems appropriate.
- B. *License Application.*
1. *Application; content.* An application form provided by the City must be completed by every applicant for a new license or for renewal of an existing license. Every new applicant must provide all the following information:
 - a. If the applicant is a natural person:
 - (1) The name, place and date of birth, street~~resident~~ address, and phone number of the applicant;
 - (2) ~~Whether the applicant is a citizen of the U.S. or resident alien~~Is legally authorized to work in or operate a business in the United States;
 - (3) Whether the applicant has ever used or has been known by a name other than the applicant's name, and if so, the name or names used and information concerning dates and places used;
 - (4) The name of the business if it is to be conducted under a designation, name, or style other than the name of the applicant and a certified copy of the certificate as required by M.S. § 333.01, as it may be amended from time to time;
 - (5) The type, name, and location of every business or occupation in which the applicant has been engaged during the preceding five years and the name(s) and address(es) of the applicant's employer(s) and partner(s), if any, for the preceding five years;
 - (6) Whether the applicant has ever been convicted of a felony, crime, or violation of any ordinance other than a traffic ordinance. If so, the

- applicant must furnish information as to the time, place, and offense of all such convictions;
- (7) The physical description of the applicant;
 - (8) ~~The applicant's current personal financial statement and true copies of the applicant's federal and state tax returns for the two years prior to application; and~~
 - (9) If the applicant does not manage the business, the name of the manager(s) or other person(s) in charge of the business and all information concerning each of them required in Paragraphs B,1,a,(1) through B,1,a,(7).
- b. If the applicant is a partnership:
- (1) The name(s) and address(es) of all general and limited partners and all information concerning each general partner required in Paragraph B,1,a;
 - (2) The name(s) of the managing partner(s) and the interest of each partner in the licensed business;
 - (3) A true copy of the partnership agreement shall be submitted with the application. If the partnership is required to file a certificate as to a trade name pursuant to M.S. § 333.01, as it may be amended from time to time, a certified copy of that certificate must be attached to the application;
 - (4) A true copy of the federal and state tax returns for the partnership for the two years prior to application; and
 - (5) If the applicant does not manage the business, the name of the manager(s) or other person(s) in charge of the business and all information concerning each of them required in Paragraphs B,1,a,(1) through B,1,a,(7).
- c. If the applicant is a corporation or other organization:
- (1) The name of the corporation or business form, and if incorporated, the state of incorporation;
 - (2) A true copy of the certificate of incorporation, articles of incorporation, or association agreement, and bylaws shall be attached to the application. If the applicant is a foreign corporation, a certificate of authority as required by M.S. § 303.06, as it may be amended from time to time, must be attached;
 - (3) The name of the manager(s) or other person(s) in charge of the business and all information concerning each manager, proprietor, or agent required in Paragraphs B,1,a,(1) through B,1,a,(7); and
 - (4) A list of all persons who control or own an interest in excess of 5% in the organization or business form or who are officers of the corporation or business form and all information concerning those persons required in Paragraph B,1,a. This Paragraph B,1,c,(4), however, shall not apply to a corporation whose stock is publicly traded on a stock exchange and is applying for a license to be owned and operated by it.
- d. For all applicants:
- (1) Whether the applicant holds a current pawnbroker, precious metal dealer, or secondhand goods dealer license from any other governmental unit;
 - (2) Whether the applicant has previously been denied, or had revoked or suspended, a pawnbroker, precious metal dealer, or secondhand dealer license from any other governmental unit;
 - (3) The location of the business premises;
 - (4) If the applicant does not own the business premises, a true and complete copy of the executed lease;
 - (5) The legal description of the premises to be licensed;

- (6) Whether all real estate and personal property taxes that are due and payable for the premises to be licensed have been paid, and if not paid, the years and amounts that are unpaid;
 - (7) Whenever the application is for premises either planned or under construction or undergoing substantial alteration, the application must be accompanied by a set of preliminary plans showing the design of the proposed premises to be licensed; and
 - (8) Other information as the City Council or issuing authority may require.
2. *Site plan.* The application for a ~~pawnbroker~~-license under this paragraph must be accompanied by a site plan drawn to scale. The site plan must contain:
- a. A legal description of the property upon which the proposed licensed premises are situated;
 - b. A plot plan;
 - c. The exact location of the licensed premises on the property, customer and employee parking areas, accesses onto the property, and entrance into the premises;
 - d. The location of and distance from the nearest church, school, hospital, and residence; and
 - e. A floor plan of the licensed premises.
3. *New manager.* When a licensee places a manager in charge of a business, or if the named manager(s) in charge of a licensed business changes, the licensee must complete and submit the appropriate application within 14 days. The application must include all appropriate information required in this paragraph.
- a. *Investigation fee.* Upon completion of an investigation of a new manager, the licensee must pay an amount equal to the cost of the investigation to assure compliance with this paragraph. If the investigation process is conducted solely within this state, the fee shall be as set from time to time by Council ~~ordinance~~ordinance. If the investigation is conducted outside this state, the issuing authority may recover the actual investigation costs not exceeding \$10,000.
 - b. *Application execution.* All applications for a license under this paragraph must be signed and sworn to under oath or affirmation by the applicant. If the application is that of a natural person, it must be signed and sworn to by that person; if that of a corporation, by an officer thereof; if that of a partnership, by one of the general partners; and if that of an unincorporated association, by the manager or managing officer thereof.
 - c. *Investigation.* The Police Department ~~shall~~must investigate into the truthfulness of the statements set forth in the application and shall endorse the findings thereon. The applicant must furnish to the police license inspector such evidence as the inspector may reasonably require in support of the statements set forth in the application.
 - d. *Persons ineligible for a license.* No licenses under this paragraph will be issued to an applicant who is a natural person, a partnership if the applicant has any general partner or managing partner, or a corporation or other organization if the applicant has any manager, proprietor, or agent in charge of the business to be licensed, if the applicant:
 - (1) Is a minor at the time that the application is filed;
 - (2) Has been convicted of any crime directly related to the occupation licensed as prescribed by M.S. § 364.03~~(2)~~, subd. 2, as it may be amended from time to time, and has not shown competent evidence of sufficient rehabilitation and present fitness to perform the duties of a licensee under

this chapter as prescribed by M.S. § 364.03~~(3)~~, subd. 3, as it may be amended from time to time

- (3) Has amde a material false statement or omission in the application; or
- (4) Is not of good moral character or repute.

- C. *Public Hearing.* A ~~pawnbroker~~ license under this paragraph will not be issued or renewed without a public hearing may be issued by the City Council following review of the application and investigative report. The City Council may, in its discretion, require a public hearing prior to issuance or renewal of a license. Any person having an interest in or who will be affected by the proposed license will be permitted to testify at the hearing. If a public hearing is required, A public hearing must it shall be preceded by at least ten days' published notice specifying the location of the proposed licensed business premises.
- D. *Bond Required.* Before a license will be issued, every pawnbroker applicant must submit a ~~\$5,000~~25,000 bond on the forms provided by the licensing authority. All bonds must be conditioned that the principal will observe all laws in relation to pawnbrokers, and will conduct business in conformity thereto, and that the principal will account for and deliver to any person legally entitled any goods which have come into the principal's hand through the principal's business as a pawnbroker, or in lieu thereof, will pay the reasonable value in money to the person. The bond shall contain a provision that no bond may be cancelled except upon 30 days' written notice to the city, which shall be served upon the licensing authority. This requirement shall not apply to secondhand goods dealers unless required by the City Council.
- E. *Ineligible Places.* A license will not be issued or renewed under this chapter for any place or for any business:
1. If taxes, assessments, or other financial claims of the city or the state on the licensee's business premises are delinquent and unpaid;
 2. If the premises are located within five hundred (500) feet of any structure containing a public or private school, ~~church,~~ licensed day care center, public library, or park, ~~or municipal building, or are within 500 feet of any residential district;~~
 3. Where operation of a licensed premises would violate zoning ordinances; or
 4. Where the applicant's present license was issued conditioned upon the applicant making specified improvements to the licensed premises or the property of the licensed premises which improvements have not been completed.
- F. *License Denial, Suspension, Or Revocation; Penalties.*
1. Any license under this chapter may be denied, suspended, or revoked for one or more of the following reasons:
 - a. The proposed use does not comply with ~~the~~ any applicable zoning code;
 - b. The proposed use does not comply with any health, building, building maintenance, or other provisions of this chapter or other ordinances of the city, or state law;
 - c. The applicant or licensee has failed to comply with one or more provisions of this chapter;
 - d. The applicant is not ~~a citizen of the U.S. or a resident alien,~~ legally authorized to work in or operate a business in the United States or the State of Minnesota ~~or upon whom it is impractical or impossible to conduct a background or financial investigation due to the unavailability of information;~~
 - e. The applicant or licensee has failed to provide sufficient and/or verifiable information to allow the city to conduct a background investigation of the applicant or any person in control of the licensed business.
 - f. Fraud, misrepresentation, or bribery in securing or renewing a license;
 - g. Fraud, misrepresentation, or false statements made in the application and investigation for, or in the course of, the applicant's business;

- h. Violation within the preceding five years of any law relating to theft, damage or trespass to property, sale of a controlled substance, operation of a business, or any other crime showing a lack of moral turpitude;
- i. Conviction of an offense directly related to the licensed activity, consistent with M.S. Ch. 364; or
- j. The owner of the premises licensed or to be licensed would not qualify for a license under the terms of this chapter.

2. *Penalties.*

- a. *Misdemeanors.* A person who violates this chapter is guilty of a misdemeanor unless otherwise provided by law.
- b. *Administrative civil penalties.* If a licensee or an employee of a licensee is found to have violated this chapter, in addition to and independent from any criminal action, the City Council may impose an administrative penalty as follows:
 - (1) First violation: a civil fine of \$500.00
 - (2) Second violation within 12 months of another: a civil fine in the amount of \$750.00 and suspension of license for a period often (10) days.
 - (3) Third violation within 24 months of two others: a civil fine in the amount of \$1,000.00 and suspension of license for a period of twenty (20) days.
 - (4) Fourth violation within 36 months of three others: revocation of license.
- c. *Presumptions regarding administrative penalties.* The administrative penalties described herein are the presumed sanctions for the violations indicated, however, the City Council reserves the right to adjust the term of any suspension due to the severity of a violation. If the City Council determines it is appropriate to deviate from these presumed sanctions, it shall inform the licensee of the reasons for this departure. In the event of any license suspension imposed under this paragraph, the City Council may select which days a suspension will be served. Notwithstanding the provision contained herein, a license may be revoked for any violation of this paragraph when in the judgment of the Council it is appropriate to do so. The City Council may by resolution revise the amount of the above civil penalties or the presumed suspension terms. Other mandatory requirements may be made of the licensee, including but not limited to, meetings with the Police Department staff to present a plan of action to assure that the problems will not continue, mandatory education sessions with Police Department staff, or other action that the City Council deems appropriate.
- d. *Hearing.* Before the City Council may revoke or suspend a license under this chapter, it must first notify the licensee of its intention to take such action and provide the licensee the opportunity to be heard during public hearing on the matter.
- e. Continuing violations. Each day a violation of this chapter continues shall constitute a separate offense for purposes of administrative or criminal enforcement.

G. *Licensed Business Only At One Location.* A license under this chapter authorizes the licensee to carry on its business only at the permanent place of business designated in the license. However, upon written request, the police license inspector may approve an off-site locked and secured storage facility. The licensee shall permit inspection of the facility in accordance with SLPC 11.16.030 Paragraph G. All provisions of this chapter regarding record keeping and reporting apply to the facility and its contents. Property shall be stored in compliance with all provisions of this city code. The licensee must either own the building in which the business is conducted, and any approved off-site storage facility, or have a lease on the business premises that extends for more than six months.

- H. *Refunds*. The Administrator, Clerk/Treasurer will refund a pro rata share of the license fee for a license to the licensee or the licensee's estate if:
1. The business ceases to operate because of destruction or damage; or
 2. The licensee dies.
- I. *Death Of Licensee*. In the case of the death of the licensee, the personal representative of the estate of the licensee may continue operation of the business for not more than 90 days after the licensee's death.
- J. *Use Of "Three Balls" Restricted*. No pawnbroker shall exhibit and maintain any sign usually known as a pawnbroker's sign, such as "three balls," or advertise in any way as such without first being licensed under this chapter.
- K. *County License*. ~~Pawnbrokers dealing in precious metals and gems must be licensed by Anoka County.~~ Licensees shall obtain and maintain any license required by the county in which the licensed premises is located for the dealing of precious metals or secondhand goods. Proof of such licensure shall be provided prior to issuance or renewal of a City license.

11.16.030 Operating Regulations

A. *Records Required*.

1. *Transaction records*. At the time of any reportable transaction other than renewals, extensions, or redemptions, every licensee must immediately record in English the following information by using ~~ink or other indelible medium on forms or in a~~ computerized record or other format approved by the Police Department:
 - a. A complete and accurate description of each item including, but not limited to, any trademark, identification number, serial number, model number, brand name, or other identifying mark on such an item;
 - b. The purchase price, amount of money loaned upon, or pledged therefor;
 - c. For pawnbrokers, ~~The~~ maturity date of the transaction and the amount due, including monthly and annual interest rates and all pawn fees and charges;
 - d. The date, time, and place the item of property was received by the licensee, and the unique alpha or numeric transaction identifier that distinguishes it from all other transactions in the licensee's records;
 - e. The full name, current residence address, current residence telephone number, date of birth, and accurate description of the person from whom the item of property was received, ~~including: sex, height, weight, race, color of eyes, and color of hair;~~
 - f. The identification number and state of issue from any of the following forms of identification of the seller:
 - (1) Current valid driver's license of this state;
 - (2) Current valid identification card of this state;
 - (3) Current valid photo identification card issued by another state or province of Canada.
 - (4) Current valid military identification card; or
 - (5) Current valid passport.
 - g. The signature of the person identified in the transaction;
 - (1) ~~Color photograph or video recording of each customer involved in a billable transaction and every item pawned or sold that does not have a unique serial or identification number permanently engraved or affixed to the item;~~
 - (2) ~~If a photograph is taken, it must be at least two inches in length by two inches in width and must be maintained in such a manner that the photograph can be readily matched and correlated with all other records~~

~~of the transaction to which they relate. These photographs must be available to the Police Chief, or the Chief's designee, upon request. The major portion of the photograph must include an identifiable front facial close-up of the person who pawned or sold the item. Items photographed must be accurately depicted. The licensee must inform the person that he or she is being photographed by displaying a sign of sufficient size in a conspicuous place in the premises. If a video photograph is taken, the video camera must zoom in on the person pawning or selling the item so as to include an identifiable close-up of that person's face. Items photographed by video must be accurately depicted. Video photographs must be electronically referenced by time and date so they can be readily matched and correlated with all other records of the transaction to which they relate. The licensee must inform the person that he or she is being videotaped orally and by displaying a sign of sufficient size in a conspicuous place on the premises. The licensee must keep the exposed videotape for three months.~~

- h. A color photograph or digital image of each customer involved in a reportable transaction and every item received that does not have a unique serial or identification number permanently engraved or affixed to the item. The image must include 1) an identifiable front facial view of the person; 2) accurately depict the item; and 2) be electronically linked or otherwise readily matched to the corresponding transaction record. All images shall be maintained in a format approved by the Police Department and shall be made available upon request to the Police Chief or designee. Licensees shall provide notice to customers that photographs or video recordings are being taken by posting a sign in a conspicuous location on the premises; and
- i. If a video recording is used to satisfy the requirement of Paragraph A,1,h, the recording must 1) capture a clear and identifiable image of the customer; 2) be time- and date-stamped; and 3) be capable of being matched to a corresponding transaction record.
- j. ~~Licensees must fulfill the color photograph requirements in this paragraph by submitting them as digital images, in a format specified by the issuing authority, electronically cross referenced to the reportable transaction they are associated with. Notwithstanding the digital images may be captured from required video recordings, this provision does not alter or amend the requirements in Paragraph A,1,h.~~

- 2. *Renewals, extensions, and redemptions.* For renewals, extensions, and redemptions, the licensee shall provide the original transaction identifier, the date of the current transaction, and the type of transaction.
- 3. *Inspection of records.* The records must at all reasonable times be open to inspection by the Police Department or other city employees or agents. Data entries shall be retained for at least three years from the date of transaction. Entries of required digital images shall be retained a minimum of 90 days. All records required under this section apply equally to pawnbrokers and secondhand goods dealers.

B. *Daily Reports To Police.*

- 1. *Daily reports required.* Effective no later than 60 days after the Police Department provides licensees with the most current electronic reporting and criminal investigation system, licensees must submit every reportable transaction to the Police Department daily in the following manner.
- 2. *Manner of report.* Licensees must provide to the Police Department all information required in this section ~~Paragraphs A,1,a through A,1,f and other required information~~, by

transferring it electronically from their computer to the electronic reporting and criminal investigation system established by the Police Department. All required records must be transmitted completely and accurately after the close of business each day in accordance with standards and procedures established by the issuing authority ~~using procedures that address security concerns of the licensees and the issuing authority.~~ The electronic reporting requirement applies to all licensees under this chapter. The licensee must display a sign of sufficient size, in a conspicuous place in the premises, which informs all patrons that all transactions are reported to the Police Department daily.

3. *Billable transaction fees.* Licensees will be charged an annual fee for use of the electronic reporting and criminal investigation system.
4. *Technical difficulties; alternative reporting methods.*
 - a. If a licensee is unable to successfully transfer the required reports electronically, the licensee must provide the Police Department printed copies of all reportable transactions along with the video for that date, by 12:00 noon the next business day.
 - b. Until the licensee's system is corrected, the licensee must provide the required reports in Paragraph B,4,a, by printed copy, and resubmit all such transactions electronically when the error is corrected.
 - c. If a licensee is unable to capture, digitize, or transmit the photographs required in Paragraph A,1,h the licensee must immediately take all required photographs with a still camera, cross-reference the photographs to the correct transaction, and make the pictures available to the Police Department upon request.
 - d. Regardless of the cause or origin of the technical problem that prevented the licensee from uploading his or her reportable transactions, upon correction of the problem, the licensee shall upload every reportable transaction from every business day the problem had existed.

C. *Receipt Required.*

1. Every licensee must provide a receipt to the party identified in every reportable transaction and must maintain a duplicate of that receipt for three years.
2. The receipt must include at least the following information:
 - a. The name, address, and telephone number of the licensed business;
 - b. The date and time the item was received by the licensee;
 - c. Whether the item was pawned or sold, or the nature of the transaction;
 - d. An accurate description of each item received including, but not limited to, any trademark, identification number, serial number, model number, brand name, or other identifying mark on the item;
 - e. The signature or unique identifier of the licensee or employee that conducted the transaction;
 - f. The amount advanced or paid;
 - g. The monthly and annual interest rates, including all pawn fees and charges;
 - h. The last regular day of business by which the item must be redeemed by the pledger without risk that the item will be sold, and the amount necessary to redeem the pawned item on that date;
 - i. The full name, current residence address, current residence telephone number, and date of birth of the pledger or seller;
 - j. The identification number and state of issue from any of the following forms of identification of the seller:
 - (1) Current valid driver's license of this state;
 - (2) Current valid identification card of this state; or
 - (3) Current valid photo driver's license or identification card issued by another state or a province of Canada.

- k. A description of the pledger or seller including approximate sex, height, weight, race, color of eyes, and color of hair;
 - l. The signature of the pledger or seller; and
 - m. All printed statements as required by M.S. § 325J.04(2), as it may be amended from time to time, or any other applicable statutes.
- D. *Redemption and Holding Periods*. Any person pledging, pawning, or depositing an item for security must have a minimum of sixty (60) days from the date of that transaction to redeem the item before it may be forfeited and sold. During the 60-day holding period, items may not be removed from the licensed location except as provided in SLPC 11.16.020 Paragraph G. Licensees are prohibited from redeeming any item to anyone other than the person to whom the receipt was issued or to any person identified in a written and notarized authorization to redeem the property identified in the receipt, or to a person identified in writing by the pledger at the time of the initial transaction and signed by the pledger, or with approval of the police license inspector. Written authorization for release of property to persons other than the original pledger must be maintained along with original transaction record in accordant with Paragraph A. Secondhand goods dealers shall retain all items for a minimum of ten (10) days before resale or transfer.
- E. *(Reserved)*
- F. *Police Order To Hold Property.*
 - 1. *Investigative hold.* Whenever a law enforcement official from any agency notifies a licensee not to sell an item, the item must not be sold or removed from the premises. The investigative hold shall be confirmed in writing by the originating agency within 72 hours and will remain in effect for 15 days from the date of initial notification, or until the investigative order is canceled, or until an order to hold or confiscate is issued, pursuant to Paragraph F,2, whichever comes first.
 - 2. *Order to hold.* Whenever the Police Chief, or the Chief's designee, notifies a licensee not to sell an item, the item must not be sold or removed from the licensed premises until authorized to be released by the Chief or the Chief's designee. The order to hold shall expire 90 days from the date it is placed unless the Police Chief or the Chief's designee determines a hold is still necessary and notifies the licensee in writing.
 - 3. *Order to confiscate.* If an item is identified as stolen or evidence in a criminal case, the Chief or Chief's designee may:
 - a. Physically confiscate and remove it from the shop, pursuant to a written order from the Chief or the Chief's designee; or
 - b. Place the item on hold or extend the hold as provided in Paragraph F,2, and leave it in the shop.
 - 4. *Confiscation; identification.* When an item is confiscated, the person doing so shall provide identification upon request of the licensee, and shall provide the licensee the name and phone number of the confiscating agency and investigator, and the case number related to the confiscation.
 - 5. *Termination.* When an order to hold or confiscate is no longer necessary, the Police Chief or Chief's designee shall so notify the licensee.
- G. *Inspections.* At all times during the term of the license, the licensee must allow law enforcement officials to enter the premises where the licensed business is located, including all off-site storage facilities as authorized in SLPC 11.16.020 Paragraph G, during normal business hours, except in an emergency, for the purpose of inspecting the premises and inspecting the items, wares, and merchandise, and records therein to verify compliance with this chapter or other applicable laws.
- H. *Label Required.* Licensees must attach a label to every item at the time it is pawned, purchased, or received in inventory from any reportable transaction. Permanently recorded on this label must be the number or name that identifies the transaction in the shop's records, the transaction date, the name of the item and the description or the model and serial number of the item as reported to the

Police Department, whichever is applicable, and the date the item is out of pawn or can be sold, if applicable. Labels shall not be re-used.

I. *Unlawful Acts.*

1. No person under the age of 18 years may pawn or sell or attempt to pawn or sell goods with any licensee, nor may any licensee receive any goods from a person under the age of 18 years.
2. No licensee may receive any goods from a person of unsound mind or an intoxicated person.
3. No licensee may receive any goods, unless the seller presents identification in the form of a valid driver's license, a valid identification card from this state, or current valid photo driver's license or identification card issued by the state of residency of the person from whom the item was received.
4. No licensee may receive any item of property that possesses an altered or obliterated serial number or operation identification number or any item of property that has had its serial number removed.
5. No person may pawn, pledge, sell, consign, leave, or deposit any article of property not his or her own; nor shall any person pawn, pledge, sell, consign, leave, or deposit the property of another, whether with permission or without; nor shall any person pawn, pledge, sell, consign, leave, or deposit any article of property in which another has a security interest; with any licensee.
6. No person seeking to pawn, pledge, sell, consign, leave, or deposit any article of property with any licensee shall give a false or fictitious name; nor give a false date of birth; nor give a false or out-of-date address of residence or telephone number; nor present a false or altered identification, or the identification of another; to any licensee.

J. *Weapons.* It is the finding of the City Council that pawnbrokers should be authorized and allowed to receive handguns as a pledge and to accept handguns for consignment or sale within the ordinary course of business. Secondhand goods dealers shall not receive or sell firearms or weapons except as otherwise permitted by law.

K. *Hours Of Operation.*

1. Pawnbrokers. No property shall be received as a pledge or purchase by any pawnbroker, nor shall any property be sold by a pawnbroker on any day before 9:00 a.m. or after 8:00 p.m., Monday through Friday, nor after 6:00 p.m. on Saturday and Sunday; further, no pawnbroker shall be open for business on New Year's Day, Memorial Day, July 4, Labor Day, Thanksgiving Day, or Christmas Day.
2. Secondhand goods dealers. Secondhand goods dealers may operate during hours permitted by the City's zoning code or other applicable ordinances, provided that all transactions subject to this chapter occur only during hours in which the business is open to the public.