

ORDINANCE NO. 84-13

AN ORDINANCE PERTAINING TO PAWBROKER(S) REGULATING THE CONDUCT OF THE PAWBROKER(S), PROVIDING FOR RECORD OF TRANSACTIONS, REPORTS, INSPECTIONS BY POLICE, DEALING WITH MINORS, RESALE OF ARTICLES AND TRANSACTIONS IN PRECIOUS MINERALS AND PROVIDING A PENALTY FOR VIOLATIONS OF THIS ORDINANCE.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF GALENA:

SECTION 1: Definition.

For the purpose of this Ordinance:

- (a) (1) "Pawnbroker" means any person who loans money on deposit or pledge of personal property or other valuable thing, other than intangible personal property, or who deals in the purchase of personal property on the condition of selling the same back again at a stipulated price.
- (2) "Pawnbroker" does not include any person operating under the supervision of the state banking commissioner, credit union administrator or the consumer credit commissioner of this state.
- (b) "Person" means any individual, firm, company, partnership, corporation or association.
- (c) "Precious metal" means gold, silver, or platinum group metals or any used articles or other used personal property containing such metals, but shall not include coins purchased for their numismatic value rather than their metal content or ingots or other industrial residue or by-products composed of such metals purchased from manufacturing firms.
- (d) "Precious metal dealer" means any person who engages in the business of purchasing precious metal for the purpose of reselling such metal in any form.

SECTION 2: Records of Transactions.

- (a) At the time of making the loan or purchase, a pawnbroker shall enter in a book kept for that purpose:
 - (1) The date and the amount of every loan or purchase made by the pawnbroker;
 - (2) a full and accurate description of the property pledged; and
 - (3) the name, age, residence, drivers license number, and state of issuance, date of birth, and other personal identification number(s) of the pledger or seller, which may be required.
- (b) At the time of purchasing precious metal, a precious metal dealer shall enter in a book kept for that purpose:
 - (1) The date of the purchase;
 - (2) a full and accurate description of each item purchased, including any identifying letters, numbers or marks on the item, serial number, model numbers and other identifying marks; and
 - (3) the name, age, residence and drivers license number and state of issuance, date of birth, and other personal identification which may be required, or other personal identification numbers of the seller.
- (c) The pawnbroker or precious metal dealer shall make such entries within one hour after receiving said property and such entries shall be made in ink and shall not be in any manner erased, obliterated or defaced.
- (d) The record required by this section shall be maintained by the pawnbroker or the precious metal dealer at the pawnbroker's or dealer's place of business for not less than one year following the date of the transaction.

SECTION 3: Reports.

(a) It shall be the further duty of every pawnbroker and every precious metal dealer, on a form provided by the Police Department, to report legibly the description of all property received in pledge or purchased. Such report shall include all property purchased as second hand merchandise at wholesale, second hand merchandise taken in for sale or possessed on consignment for sale, second hand merchandise taken in trade and merchandise which the pledger used as collateral for the loan of money. This report shall also include information to positively identify the pledger or seller. No such report need be made concerning property or merchandise acquired from another pawnbroker or precious metal dealer licensed in this state in a transaction involving the purchase or other acquisition from the other pawnbroker or precious metal dealer of the other pawnbroker's or dealer's stock in trade, or a substantial thereof in bulk, where the other pawnbroker has made the reports required by this section with respect to such property or merchandise.

(b) Reports made pursuant to this section will be collected daily by an employee of the Galena Police Department. The records collected will be those made during the preceding calendar day of business. These reports shall only be available to Law Enforcement Officers and City and County Attorneys and then only for Law Enforcement purposes.

SECTION 4: Inspection by Police.

Law Enforcement Officers of the City of Galena shall have access during regular business hours to the place of business of any pawnbroker or precious metal dealer conducting business in the City. Access shall be for the purpose of periodically inspecting property pledged or purchased in the transaction of the business of the pawnbroker or precious metal dealer, and records relating to those transactions, to determine if the pawnbroker or dealer is complying with the provisions of this ordinance.

SECTION 5: Minors; prohibited transactions.

(a) No pawnbroker shall receive in pledge, or as security for any loan, transfer, service, undertaking or advantage, any thing of value from any person under the age of eighteen (18) years.

(b) No precious metal dealer shall purchase any precious metal from any person under the age of eighteen (18) years.

(c) No pawnbroker or precious metal dealer shall purchase or receive any stolen property or any property which he may from any cause have reason to believe or suspect cannot rightfully or lawfully be sold by the persons offering it for sale or pledge.

SECTION 6: Resale, dismantling.

(a) No pawnbroker shall, for a period of ten (10) days from the time of purchase of any article or property by him, resale, dismantle, overhaul, dispose of, change or alter the same.

(b) Every precious metal dealer shall retain all precious metal purchased as a precious metal dealer, for a period of ten (10) days, and such metal shall remain in the condition in which it was purchased.

(c) The ten day period, in (a) and (b) above, shall commence on the date that the Police Department received the report of its acquisition in compliance with Section 3. If a Law Enforcement Officer has probable cause to believe that any property reported by a dealer has been stolen, the Police Chief may give written notice to the dealer to retain such property for an additional period of fifteen (15) days. Upon such notice, the dealer shall retain such property in an unaltered condition for the additional fifteen (15) day period unless the Police Chief notifies the dealer in writing that the waiting period is terminated at an earlier time.

SECTION 7: Transactions in precious metals, requirements; refusal to redeliver stolen property to owner, effect.

(a) A precious metal dealer shall require of every person from whom the dealer purchases precious metal for resale:

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- (1) Proof of identification and
- (2) a signed statement saying that the seller is the legal owner of the precious metal or is an agent of the legal owner who is authorized to sell such metal and stating when, where, and in what manner such metal was acquired by the seller.

(b) When converted or stolen property has been pawned or sold to a pawnbroker or precious metal dealer and the pawnbroker or dealer refuses to redeliver such property to the rightful owner upon demand and presentation of a bill of sale or other proper evidence of ownership by the owner, and legal action by the rightful owner to recover the property becomes necessary, the court may assess the pawnbroker or dealer for reasonable attorney's fees incurred by the rightful owner, if the court finds that the pawnbroker or dealer wrongfully withheld the converted or stolen property.

SECTION 8: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

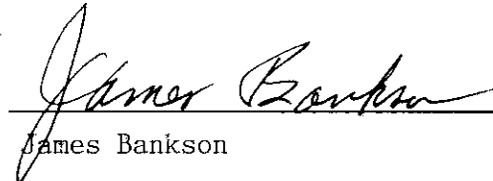
SECTION 9: Penalty. Any person, upon conviction in the Municipal Court of the City of Galena, Kansas, shall be deemed guilty of a misdemeanor and shall be fined a sum of not more than Five Hundred Dollars (\$500.00) or confined in jail for a definite term not to exceed one year (365) days or by both such fine and imprisonment.

SECTION 10: Severability. In the event that any part of this ordinance should be found in fault, it shall not be so construed as to invalidate the entire ordinance.

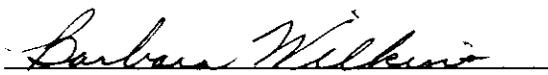
SECTION 11: This ordinance shall take effect from and after its publication in the official City newspaper, The Galena Sentinel-Times.

PASSED BY THE GOVERNING BODY THIS 19th DAY OF June, 1984.

APPROVED BY THE MAYOR:


James Bankson

ATTEST:


Barbara Wilkins, City Clerk

(SEAL)