



**AN ORDINANCE TO REGULATE SECONDHAND
PRECIOUS METAL BUSINESSES**

<u>Section 1. License Required</u>	Page 2
<u>Section 2. Secondhand Precious Metal Business Defined</u>	Page 2
<u>Section 3. Investigation of License Applicant</u>	Page 2-3
<u>Section 4. License Denial or Revocation</u>	Page 3
<u>Section 5. Records of Transactions</u>	Page 3-4
<u>Section 6. Goods to be Kept for Ten Days</u>	Page 4
<u>Section 7. Purchasing from Juvenile</u>	Page 4
<u>Section 8. Use of Unlicensed Premises Prohibited, Exception</u>	Page 4-5
<u>Section 9. Severability</u>	Page 5
<u>Section 10. Jurisdiction</u>	Page 5
<u>Section 11. Penalties</u>	Page 5



AN ORDINANCE TO REGULATE SECONDHAND PRECIOUS METAL BUSINESSES

BE IT ORDAINED BY MECKLENBURG COUNTY THAT:

Section 1. License Required

- (a) No person, partnership, corporation or association shall operate a secondhand precious metal business as herein defined unless such person, partnership, corporation or association shall have first applied for, received and prominently displayed a privilege license from the City-County Tax Collector. A separate license shall be required for each location, place or premises used for the conduct of a secondhand precious metal business, and each license shall designate the location, place or premises to which it applies. In addition, such business shall not be carried on or conducted in any other place than that designated in or by such license. The license fee for each location shall be \$250 for the first year of operation or any portion thereof and \$250 for each successive year of operation.
- (b) Every partnership, corporation or association operating as a secondhand precious metal business shall be responsible for insuring that every employee, within 5 days of being employed, is registered by name and address with the Mecklenburg County Police Department, and thumbprints, fingerprints, and photograph are taken by the Mecklenburg County Police Department. Such employee shall then be issued by the Mecklenburg County Police Department a certificate of compliance with this section.

Section 2. Secondhand Precious Metal Business Defined

A secondhand precious metal business is hereby defined to mean any person, firm, corporation or association engaged in the business of purchasing, trading for or otherwise acquiring ownership of any secondhand article made, in whole or in part, of gold or silver or platinum. For purposes of this article, the term "secondhand article" shall mean an article which has been used or which has been previously traded or sold by a retailer. For purposes of this article, the term "secondhand article" shall not include any coin or any gold or silver ingot or bar.

Section 3. Investigation of License Applicant

- (a) Any person applying to the City-County Tax Collector for a license to conduct the business of a secondhand precious metal dealer shall also report to the Mecklenburg County Police Department and furnish his full name , and any other name used by the applicant during the preceding five years, address, and any other address used by the applicant during the preceding five years , physical description, age, North Carolina driver's license number (if applicable), and social security number to assist in an investigation of his criminal record and character. In addition, the applicant will be photographed and fingerprinted in order to facilitate the investigation.

- (b) In the event that applicant is a partnership or association, all persons owning or having an interest therein shall comply with the provisions of (a) above.
- (c) In the case of a corporate applicant, each officer, director or stockholder owning ten percent (10%) or more of the corporation's common stock shall comply with the provisions of (a) above.

Section 4. License Denial or Revocation

- (a) No License shall be issued to any applicant if any of the persons required to be investigated under Section 3 above has been convicted of any felony or of a crime involving fraud, theft or receiving or possessing stolen property.
- (b) The conviction of any person required to be investigated under Section 3 above for any felony or for any crime involving fraud, theft or receiving or possessing stolen property or for any violation of this article shall constitute grounds for immediate revocation by Mecklenburg County of the privilege license issued to such secondhand precious metal business. The Mecklenburg County Board of Commissioners shall appoint a three member board to determine whether sufficient grounds exist for license revocation and said three member board shall have the authority to revoke such licenses pursuant to rules and regulations adopted by the Board of County Commissioners.

Section 5. Records of Transactions

- (a) Every secondhand precious metal business shall keep a tightly bound book or books, not loose-leaf, with pages numbered in sequence, in which there shall be legibly written at the time of any transaction with a nonlicensee involving the purchasing of, trading for or, acquiring of ownership of any secondhand article made, in whole or in part, of gold or silver or platinum, the following information:

An account and description of the item(s), article(s), or thing(s) purchased, traded for or taken in, including, if applicable, the manufacturer's name, the model, the model number, the serial number, and any engraved number(s), initials or marking(s):

The amount of money involved in the transaction or any item offered in trade;

The date of the transaction;

The name and residence of the person involved in the transaction with the secondhand precious metal business, along with the person's date of birth and general physical description, including hair color and approximate height and weight, and a black and white or color photograph of the person involved in the transaction minimum size 2" x 2" with 1 3/8" headsizes;

A notation whether the item(s), article(s), or thing(s) are stored on the licensed premises or elsewhere; and

The initials of the licensee or registered employee conducting the business transaction.

- (b) No transaction involving purchasing, trading for or taking in a secondhand article made, in whole or in part, of gold or silver or platinum shall be completed by any secondhand precious metal business or an agent or employee thereof until the person involved in the transaction presents two forms of positive identification, one of which must be state or federal government issued identification containing a photographic representation imprinted thereon. This identification information shall be recorded next to the person's name and residence in the book required to be kept pursuant to (a) above.
- (c) The book(s) required by this section shall be a permanent record to be kept at all times on the premises of the secondhand precious metal business. Such book(s) shall be made available, during regular business hours, to any law enforcement officer without any warrant or showing of probable cause. A full and accurate copy of the records required to be kept by this section shall be filed with Mecklenburg County Police Department within 48 hours of the transaction. The full and accurate filing with the Mecklenburg County Police Department of the records required hereunder by a licensee which is also a licensed pawnbroker shall constitute compliance with the filing provisions of G.S. 91-4 (as the same appears in the 1979 Cumulative Supplement to Volume 2C of the North Carolina General Statutes) for any transaction subject to the provisions thereof.
- (d) The book(s) need to be kept longer than 3 years by the licensee.

Section 6. Goods to be Kept for Ten Days

Every secondhand precious metal business shall keep all secondhand articles made, in whole or in part, of gold or silver or platinum, open to inspection by any law enforcement officer at reasonable times for a period of ten (10) days after the purchase or acquisition thereof in any transaction subject to the provisions of Section 5 above. During this period the appearance of such articles shall not be altered in any way. A secondhand precious metal business is not prohibited from selling or arranging to sell or trade such articles during the ten (10) day period as long as such articles remain in its possession a required by this section.

Section 7. Purchasing from Juvenile

No secondhand precious metal business or employee or agent thereof shall purchase from any juvenile under 18 years of age any secondhand article made, in whole or in part, of gold or silver or platinum without the written consent of the juvenile's parent or guardian or representation of proof of ownership.

Section 8. Use of Unlicensed Premises Prohibited, Exception

No secondhand precious metal business shall make use of any property or premises not included within the premises designated in or by the license required by this chapter for the display of any secondhand article made in whole or in part of gold or silver or platinum or for

the conduct of a secondhand precious metal business. This article does not prohibit the storage or safekeeping of any such secondhand article off of the licensed premises.

Section 9. Severability

Should any provision of this ordinance be declared invalid or unconstitutional by any Court, such declaration shall not affect the validity of the ordinance as a whole or any part thereof which is not specifically declared to be invalid or unconstitutional.

Section 10. Jurisdiction

This ordinance shall be applicable and enforceable within all unincorporated areas of Mecklenburg County. In addition, the governing board of any city or town within the County may by resolution permit this Ordinance to become applicable and enforceable within said city or town. Any city or town wishing to do so should give the County written notice of the passage of the resolution permitting enforcement within the city or town at least 20 days prior to the proposed date for this Ordinance to become effective within said city or town. The city or town may at any time thereafter by resolution withdraw its permission to this Ordinance. Thirty (30) days after the County receives written notice of the passage of a resolution withdrawing permission for the Ordinance to be effective within the city or town, this Ordinance shall cease to be effective within said city or town.

Section 11. Penalties

Violation of any of the provisions of this article by any person shall constitute a misdemeanor and, upon conviction, a violator shall be punished by a fine not to exceed \$50.00 or imprisoned for not more than 30 days. Each and every violation shall constitute a separate and distinct offense.

This ordinance shall become effective 30 days after its adoption.

Ratified this the 16th day of February, 1981.

Amended April 21, 1981.