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## PAWNBROKERS AND SECOND-HAND DEALERS ORDINANCE

BE IT ORDAINED by the Town Council of the Town of Cedar Fort, Utah County, Utah, that an ordinance relating to the establishment of Pawnbroker and Second-Hand Dealers ordinance be enacted as follows:

### 1.0 LICENSE

1.1 It shall be unlawful to engage in any transaction as a pawnbroker or a secondhand dealer without a license therefore.

1.2 The license fee for a pawnbroker or a secondhand dealer shall be \$250.00 per annum, or \$50.00 per annum if following an electronic format as outlined in section 3.

### 2.0 BOND

No license may be issued to a pawnbroker or a secondhand dealer until the applicant has executed and delivered to the town a bond in the principal amount of one thousand dollars (\$1,000.00) executed by a corporate surety authorized to do business in the State of Utah and conditioned upon the faithful performance by the applicant of all the requirements of this chapter.

### 3.0 TRANSACTION RECORDS

3.1 Each merchant shall keep a complete record conforming to the requirements of this section in relation to each transaction. Each transaction record shall be kept on a form approved by the Town of Cedar Fort and the completed form shall include not less than the following information:

3.1.1 the date and time of the transaction;

3.1.2 the name, date of birth, physical description (race, nationality, age, sex, height, weight, hair color and eye color) and a complete street address of the customer. (If the goods are owned by more than one party, the information described in this section shall be given for each owner).

3.1.3 an accurate description of the goods, including the serial number, model number, name of the manufacturer, and dimensional description;

3.1.4 the amount of money given to the customer in the transaction;

3.1.5 if the customer has the right to redeem or buy back the goods, the period of time within which the same must be done.

3.1.6 the right thumbprint of the customer;

3.1.7 a serial number (the record forms of each merchant shall be serially numbered).

3.1.8 the name of the merchant;

3.1.9 the signature of the merchant, or the authorized representative thereof;

3.1.10 the signature of the customer; and

3.1.11 the identification card information required by subsection (A) of this ordinance.

3.2 The information required shall be verified from an identification card containing the photograph of the customer. The type of identification card used for this purpose, together with the identifying numbers thereon, shall be noted on the transaction record.

3.3 Each transaction record shall be an original and four copies. The original shall be retained by the merchant. One copy shall be given to the customer at the time of the transaction. One copy shall be the property of the Town of Cedar Fort, and one copy shall be the property of the office of the Utah County Sheriff. The copies which are the property of the law enforcement agencies may be claimed by them at any time during normal business hours.

3.4 Electronic or computer generated copies of the transaction records may be forwarded to the Town of Cedar Fort and Utah County Sheriff's Office in lieu of physical copies. This information must be provided in a pre-authorized and standardized pawn card format, specified and approved by the Town of Cedar Fort. This information must be provided in the English language and must be provided in a time frame as specified by the Town of Cedar Fort.

#### **4.0 RIGHT OF REDEMPTION; HOLDING PERIODS**

4.1 Unless otherwise expressly provided in the agreement between a merchant and a customer, the customer shall have the right to redeem the goods, which are the subject of a transaction between them.

4.2 All goods which are subject to a customer's right of redemption shall be retained by the merchant and shall be subject to redemption for a minimum of thirty (30) days, or such longer period as the agreement between them describes.

4.3 If the agreement between a merchant and a customer is one of sale and the agreement between them expressly provides that the customer does not have the right to redeem the goods which are the subject of the transaction the goods shall be retained by the merchant for a minimum of thirty (30) days except that gold or silver shall be retained by the merchant for a minimum of seven (7) days.

4.4 A merchant in possession of goods which must be retained for a minimum of thirty (30) days pursuant to the provisions of subsection 4.2 of this section shall be required to retain said goods for a minimum of fifteen (15) days if the merchant keeps a record of the transaction by which the goods are transferred to a buyer or to other transferee. The transaction record shall conform to the requirements of section 3, with the exception of subsection 3.1.5.

#### **5. RETURNING STOLEN PROPERTY; HEARING; PENALTY**

5.1 If it reasonably appears that a merchant is in possession of stolen goods the merchant shall, on demand, surrender the same forthwith to the owner thereof, except that the goods shall be placed in the custody of the appropriate law enforcement agency if they are evidence in relation to the commission of a crime. A merchant surrendering goods pursuant to this subsection 5.1 of this section shall be entitled to a receipt for the surrender goods.

5.2 If the merchant has good reason to believe that the subject goods are not stolen or that the person claiming them is not the owner thereof, the merchant shall be entitled to a hearing on the issue of ownership.

5.3 The failure of a merchant to comply with the provisions of this section may be a basis for the revocation of the license of the merchant.

5.4 Compliance or noncompliance with this section shall not affect any civil or criminal action relating to the subject goods.

5.5 This section shall not affect the right of law enforcement agencies to take possession of goods which are evidence in relation to the commission of a crime.

#### **6.0 REGULATIONS**

It shall be unlawful and a basis for the revocation of a license issued pursuant to this ordinance for a merchant to do any of the following:

6.1 To enter into any transaction with a person less than eighteen (18) years of age except to sell goods to such a person.

6.2 To enter into a transaction with an intoxicated person.

6.3 To fail or refuse to keep transaction records as described in section 5.

6.4 To fail or refuse to retain goods or to allow the redemption of goods as described in section 4.

## 7.0 SEPARATE ROOM

It shall be unlawful for any pawnbroker to contain his pawnbroking business in the same room, or in the same building with interconnected rooms with any business dealing in alcoholic beverages.

## 8.0 GUN DEALERS

It shall be unlawful for gun dealers to engage in the business of selling firearms within the Town of Cedar Fort without obtaining all necessary licenses and permits including business licenses and home occupation permits. For the purposes of this section, gun dealers who are registered with ATF and living in the Town of Cedar Fort shall be presumed to be doing business within the Town of Cedar Fort.

## 9.0 DEFINITIONS

9.1 The following definitions apply to this ordinance.

9.1.1 "Pawnbroker" means any person who takes possession of goods from another person in exchange for money, with an agreement either express or implied to return or resell the goods upon the payment (or repayment) of money.

9.1.2 "Secondhand Dealer" means, except as provided in subsection (B) of this section, any person who buys used goods from a person for the purpose of resale to the seller or third persons.

9.1.3 "Merchant" means a Pawnbroker or Secondhand Dealer as defined in this section.

9.1.4 "Customer" means a person who enters into a transaction with a person who thereby is a Pawnbroker or a Secondhand Dealer as defined herein.

9.1.5 "Goods" means personal property of any description, and including coins and all metals, and including documents of title or ownership relating to personal property.

9.1.6 "Redeem" or variations thereof, means the right to reclaim or repurchase goods from a merchant by the payment or repayment of money.

9.1.7 "Transaction" means the doing of an act within the definition of Pawnbroker or Secondhand Dealer.

9.2 The definition of Secondhand Dealer does not include the following:

9.2.1 a transaction by a financial institution licensed as such by the United States government or the State of Utah;

9.2.2 a transaction by a person licensed and bonded as an automobile dealer;

9.2.3 transaction by a charitable, religious or other non-profit organization, which organization is exempt from taxation because of its status as a charitable, religious or non-profit organization;

9.2.4 a transaction in used furniture;

9.2.5 a transaction at a "garage-yard sale";

9.2.6 a transaction at a bona fide "swap meet" by a person not required to pay a business license fee;

9.2.7 a transaction wherein a vendor primarily engaged in the resale of new goods receives as used item as a "trade-in" as part of the sale of a new item having greater value than the used item.

9.3 "Gun Dealer" means any person who engages in the business of selling or trading firearms within the municipal limits of the Town of Cedar Fort who is required to register as a Gun Dealer with the United States Bureau of Alcohol, Tobacco, and Firearms (ATF).

9.5 "Firearms" means any weapon designed to shoot bullets or other potential lethal missiles by means of an explosive charge, or other means of propulsion, including but not limited to handguns, rifles and shotguns.

#### 10.0 EFFECTIVE DATE

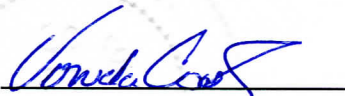
This ordinance will become effective upon passage vote of the Town Council and posting in three (3) public places.

Passed and Approved by the Town of Cedar Fort, this 25<sup>th</sup> day of October, 2016



Mayor

Attested By:



Town Clerk

Councilmember Howard Anderson

Voted Yea 

Councilmember Ellen Cibula

Voted Yea 

Councilmember Larry Mohler

Voted Yea 

Councilmember Chris Murphy

Voted YEA 

Councilmember Richard Stark

Voted YEA 

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STATE OF UTAH                    )  
  ) ss.  
COUNTY OF UTAH                )

I, VONDA Cook, Town Recorder of Cedar Fort Town, Utah, do hereby certify and declare that the above and foregoing is a true, full, and correct copy of an ordinance passed by the Town Council of Cedar Fort Town, Utah, on the 25<sup>th</sup> day of October 2016, entitled

**“PAWNBROKERS AND SECOND-HAND DEALERS ORDINANCE for the Town of CEDAR FORT “**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of Cedar Fort Town Utah this 25<sup>th</sup> day of October 2016.



VONDA Cook  
Cedar Fort Town Recorder

(SEAL)

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**AFFIDAVIT OF POSTING**

STATE OF UTAH                    )  
  ) ss.  
COUNTY OF UTAH                )

I, Vonda Cook, Town Recorder of Cedar Fort Town, Utah, do hereby certify and declare that I posted in three (3) public places the following summary of the ordinance which was passed by the Cedar Fort Town Council on the 25<sup>th</sup> day of October 2016 and herein referred to as:

**“PAWNBROKERS AND SECOND-HAND DEALERS ORDINANCE for the Town of CEDAR FORT “**

**SUMMARY:**

The above named ordinance was enacted to define requirement and restrictions for pawnbrokers and second-hand businesses to be established in the Town of Cedar Fort.

The three places are as follows:

1. Post Office
2. Town Hall
3. Cedar Valley Store



Vonda Cook  
Cedar Fort Town Recorder

Date of Posting 26<sup>th</sup> October 2016