# BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

**ORDINANCE NO: 13-3** 

IN THE MATTER OF AMENDING CHAPTER 3 OF LANE CODE TO ALIGN COUNTY AND CITY OF EUGENE ORDINANCES RELATED TO USED MERCHANDISE DEALERS (LC 3.600, 3.605, 3.620, 3.625, 3.985, 3.990)

WHEREAS, certain changes to Lane Code Chapter 3 is desired to align County and City of Eugene Ordinances Related to Used Merchandise Dealers, and

WHEREAS, if any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion is deemed a separate, distinct, and independent provision, and such holding does not affect the validity of the remaining portions.

NOW, THEREFORE, the Board of County Commissioners of Lane County ORDAINS as follows:

1. Lane Code Chapter 3 is amended by removing, substituting and adding the following sections:

REMOVE THESE SECTIONS	INSERT THESE SECTIONS
3.600	3.600
3,605	3.605
3,620	3.620
3,625	3.625
3,985	3,985
3,990	3.990

Amended sections are attached and incorporated herein by reference.

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Although not a part of this Ordinance, the Board of County Commissioners adopts findings as set forth in Exhibit 'A' attached and incorporated by this reference, in support of this action.

ENACTED this 30th day of April 2013.

Sid Leiken, Chair, Lane County Board of Commissioners

Recording Secretary for this Meeting of the Board

APPROVED AS TO FORM

9/30//3 Lane County

# **USED MERCHANDISE DEALERS**

#### 3.600 Definitions.

For the purposes of this subchapter, the following terms shall mean:

Approved identification. A currently valid identification issued by a government agency that includes a physical description and photograph of the person and bears the signature of the person.

Peace Officer. As defined in ORS 133.005.

<u>Pawnbroker</u>. A person, partnership, corporation or other business association licensed as a pawnbroker under ORS Chapter 726.

<u>Pledge</u>. Any article deposited with a pawnbroker in the course of the business of the pawnbroker as defined in this section.

<u>Precious metal</u>. Gold in eight karat or greater purity, silver, platinum or palladium. Precious metal does not include unrefined metal ore, an electronic product or any part of a mechanical system on a motor vehicle that contains precious metal as a result of the vehicle manufacturing process.

<u>Purchase</u>. The buying, exchanging, transferring, collecting, consigning or otherwise acquiring of regulated property from another person not a used merchandise dealer, for resale, exchange, or transfer by the purchaser. This includes the taking possession of regulated property with an expressed or implied agreement or understanding to return regulated property at a subsequent time at a stipulated price or for the payment of a storage or handling fee.

# Regulated Property.

- (a) Except for property excluded in subparagraph (b) below, any used or secondhand personal property, including, but not limited to, precious metals and gems; watches, jewelry, and household items containing precious metals or precious gems; audio and video equipment and media; photographic and optical equipment; electrical office equipment; yard and garden tools; power equipment and tools; hand tools; telephones or telephone equipment; musical instruments; firearms; and sporting equipment.
- (b) The term "regulated property" does not include any of the following property: vehicles required to be registered with the state Motor Vehicles Division; boats required to be certified by the state Marine Board; books; collectible trading cards (e.g. baseball trading cards or movie trading cards); glassware; furniture; clothes; refrigerators, stoves, washers, dryers, window air conditioner units, and other similar major household appliances; small kitchen appliances; or property that is purchased for investment purposes, limited to the following:
  - (i) Gold bullion bars or rounds (0.995 fine or better);
  - (ii) Silver bullion bars or rounds (0.995 fine or better);
  - (iii) Palladium and platinum bars or rounds (0.995 fine or better);
- (iv) All tokens, coins, or money, whether commemorative or an actual medium of exchange, adopted by a domestic or foreign government as part of its currency;
  - (v) Postage stamps, stamp collections and philatelic items; or
  - (vi) Privately manufactured coins.

Sheriff. The Sheriff of Lane County, or his or her designee.

# Used merchandise dealer.

- (a) A person who engages in, conducts, manages, or carries on any business that, as part or all of its business:
  - (i) Purchases regulated property; or
  - (ii) Lends money on security of regulated property.

- (b) A used merchandise dealer does not include:
- (i) A person who engages in, conducts, manages, or carries on any business that does not buy regulated property outright, but occasionally accepts in trade regulated property as part or full payment for new articles, where such business is incidental to the primary business of the sale of new articles;
- (ii) A person who engages in, conducts, manages, or carries on any business that deals exclusively in the purchase and sale of used whole automobiles, books, trading cards or sports memorabilia, clothing, furniture, major household electric or gas appliances, or farm implements and machinery; or
- (iii) A person who engages in, conducts, manages, or carries on any nonprofit corporation or association that purchases, sells or otherwise exchanges only donated articles. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

#### 3.601 Used Merchandise Business Limitations.

No person with a felony conviction for Burglary, Theft, Manufacture of a Controlled Substance or Schedule I or II Drug Possession may be permitted to own or operate a used merchandise business. (Revised by Ordinance No., Effective)

# 3.605 Recording Requirements.

- (1) At the time of purchase, a used merchandise dealer shall accurately record:
  - (a) the description of the regulated property purchased;
- (b) the address, date of birth and current telephone number of the person from whom the regulated property was purchased; and
- (c) the approved identification of the person from whom the regulated property was purchased.
- (2) The used merchandise dealer shall record an identifying description and take a discernible, clear photograph of all jewelry, gems and precious metal items. Pawnbrokers accepting a pledge are not required to photograph the pledged item.
- (3) Used merchandise dealers shall record purchases of regulated property via an automated electronic reporting system approved by the County.
- (4) All records of purchases shall be kept in an orderly manner on the used merchandise dealer's business premises and open for reasonable inspection by peace officers upon their demand. Each used merchandise dealer shall keep a paper record of each purchase bearing the signature of the customer for a period of one year. (Revised by Ordinance No. 14-77, Effective 10.26.7; 7-05, 8.25.06)

## 3.610 Reporting Requirements.

- (1) Within 12 hours of a purchase, a used merchandise dealer shall input and transmit the recorded information required under LC 3.605 using the automated electronic reporting system approved by the County.
- (2) Only reports containing complete information shall be deemed to comply with this section.
- (3) In the event that the automated electronic reporting system becomes inoperable, a used merchandise dealer's computer system becomes inoperable, or other event that makes reporting within the time allowed by LC 3.610(1) impossible, the used merchandise dealer shall immediately report the occurrence of such event to the Sheriff. The Sheriff may suspend the reporting requirements of LC 3.610(1) for a reasonable period until electronic reporting can resume. Once the Sheriff determines that reporting can resume, used merchandise dealers must, within 12 hours, input and transmit the information required LC 3.605 for all purchases made during any period reporting was suspended by the Sheriff using the approved automated electronic reporting system.

(Revised by Ordinance No. 14-77, Effective 10.26.77; 7-05, 8.25.06)

# 3.615 Reporting Fees.

- (1) The County shall establish by order the fees for the use of an automated electronic reporting system. Such fees shall reflect the costs associated with providing electronic automated reporting system services to used merchandise dealers.
- (2) Used merchandise dealers shall be charged the fees on an annual basis. Fees become due 45 days after being billed. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 1-88, 2.26.88; 7-05, 8.25.06)

# 3.620 Limitations on the Purchase of Regulated Property.

- (1) A used merchandise dealer shall not:
- (a) Purchase regulated property with serial numbers, personalized inscriptions or initials, or other identifying marks, which are or have been altered, obliterated, removed, or otherwise rendered illegible;
  - (b) Purchase regulated property from a person under the age of 18 years;
- (c) Purchase regulated property from a person who is obviously under the influence of drugs or intoxicating liquor;
- (d) Knowingly purchase regulated property from a person who is not the owner of the regulated property or parent or guardian of the owner of the regulated property; or
- (e) Remove gemstones from jewelry or alter jewelry at the time of purchase or thereafter, or ask the seller to remove gemstones or alter jewelry at time of purchase.
- (2) A used merchandise dealer shall comply with all applicable federal, state, and local laws and regulations. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

#### 3.625 Limitations on the Sale of Regulated Property.

- (1) Regulated property purchased by any used merchandise dealer shall not be sold for a period of 14 full days after the date the report required in LC 3.610 is received by the County. The used merchandise dealer shall maintain the purchased property in substantially the same form as purchased and shall not commingle the property in a manner that precludes identification during this 14 day holding period. The purchased property shall be located on the business premises during normal business hours during this holding period so that it can be inspected as provided in LC 3.630. The 14-day holding period does not apply to a pledge held by a pawnbroker.
- (2) Upon reasonable belief that the purchased property is the subject of theft, the Sheriff may provide written notice to any used merchandise dealer not to dispose of any specifically described property purchased. The used merchandise dealer shall retain the property in substantially the same form as purchased and shall not remove gemstones from, or make other alterations to, pieces of jewelry. Upon receipt of written notice pursuant to this subsection, the used merchandise dealer shall not sell, exchange, dismantle or otherwise dispose of the property for a period of time, as determined and stated in the notice by the Sheriff, not to exceed 180 days from the date of purchase. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

# 3.630 Inspection of Used Merchandise Dealers and Regulated Property.

Upon presentation of official identification, any peace officer may enter onto the business premises of any used merchandise dealer to ensure compliance with the provisions of LC 3.600 through 3.625. The inspection shall be for the limited purpose of inspecting any

regulated property purchased by the dealer, held by the dealer pursuant to LC 3.625, or the records incident thereto. Any inspection pursuant to this section shall only be authorized to occur during normal business hours. (Revised by Ordinance No. 7-05, Effective 8.25.06)

#### 3.635 Administrative Rules.

The Sheriff shall have the authority to adopt procedures concerning the administration and enforcement of LC 3.600 through 3.630, including but not limited to the establishment of procedures for the release of property seized from used merchandise dealers by peace officers and the procedures to be followed at any hearings related thereto. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

#### **ENFORCEMENT**

# 3.985 Enforcement.

- (1) Any peace officer may enforce the provisions of this Chapter.
- (2) If it appears to the Sheriff that a used merchandise dealer has repeatedly and substantially violated this section or other laws applicable to used merchandise dealers, the Sheriff may initiate judicial proceedings for injunctive relief to prohibit the person from acting as a used merchandise dealer and to prohibit the purchase or sale of regulated property at the location where the violations occurred. (Revised by Ordinance No., Effective)

#### 3.990 Violation.

- (1) Violation of any of the requirements of LC 3.445(1) and (2), constitutes a Class A violation. Continued violations after 10 days from the service of the citation on the alleged violator, and continued violations after an order has been entered by the court for the same violation, constitute a separate Class A violation for each day the violation continues. The Sheriff, or said Sheriff's duly authorized representative, shall have the authority to issue a citation for violations of LC 3.445(1) and (2).
- (2) Violation of any of the requirements of LC 3.601 through 3.630 above, is punishable as follows:
- (a) A person who violates this Chapter may be punished by a fine of not more than \$500.
- (b) A person who violates this Chapter after having been convicted at three different times for violating this Chapter may be punished by a fine of not more than \$1500 for each new violation.
- (c) A person who violates this Chapter after having been convicted at six different times for violating this Chapter may be punished by a fine of not more than \$3000 for each new violation.
- (d) Each violation of this Chapter or any of the rules adopted thereunder is a separate offense.
- (e) For purposes of this Chapter, "a violation of this Chapter" includes a violation of the rules adopted under that section.
- (f) For purposes of this section, "person" includes individuals, corporations, partnerships and any form of business association.
- (3) In addition to the remedies provided in LC 3.990 above, additional proceedings may be instituted, including, but not limited to, injunctive relief to enforce the provisions of this chapter. (Revised by Ordinance No. 18-73, Effective 4.5.74; 1-77, 4.1.77; 6-77, 7.29.77, 14-77, 10.26.77; 22-77, 12.28.77; 1-88, 2.26.88; 10-88, 1.4.89; 1-00, 4.12.00; 7-05, 8.25.06)

3.600 Lane Code 3.600

#### **USED MERCHANDISE DEALERS**

#### 3.600 Definitions.

For the purposes of this subchapter, the following terms shall mean:

Approved identification. A currently valid identification issued by a government agency that includes a physical description and photograph of the person and bears the signature of the person.

Peace Officer. As defined in ORS 133.005.

Pawnbroker. A person, partnership, corporation or other business association licensed as a pawnbroker under ORS Chapter 726.

Pledge. Any article deposited with a pawnbroker in the course of the business of the pawnbroker as defined in this section.

Precious metal. Gold in eight karat or greater purity, silver, platinum or palladium. Precious metal does not include unrefined metal ore, an electronic product or any part of a mechanical system on a motor vehicle that contains precious metal as a result of the vehicle manufacturing process.

<u>Purchase</u>. The buying, exchanging, transferring, collecting, consigning or otherwise acquiring of regulated property from another person not a used merchandise dealer, for resale, exchange, or transfer by the purchaser. This includes the taking possession of regulated property with an expressed or implied agreement or understanding to return regulated property at a subsequent time at a stipulated price or for the payment of a storage or handling fee.

# Regulated Property.

- (a) Except for property excluded in subparagraph (b) below, any used or secondhand personal property, including, but not limited to, precious metals and gems; watches, jewelry, and household items containing precious metals or precious gems; audio and video equipment and media; photographic and optical equipment; electrical office equipment; yard and garden tools; power equipment and tools; hand tools; telephones or telephone equipment; musical instruments; firearms; and sporting equipment.
- (b) The term "regulated property" does not include any of the following property: vehicles required to be registered with the state Motor Vehicles Division; boats required to be certified by the state Marine Board; books; collectible trading cards (e.g. baseball trading cards or movie trading cards); glassware; furniture; clothes; refrigerators, stoves, washers, dryers, window air conditioner units, and other similar major household appliances; small kitchen appliances; or property that is purchased for investment purposes, limited to the following:
  - (i) Gold bullion bars or rounds (0.995 fine or better);
  - (ii) Silver bullion bars or rounds (0.995 fine or better);
  - (iii) Palladium and platinum bars or rounds (0.995 fine or better);

 $\frac{\text{(iii)}(\text{iv})}{\text{(iv)}}$  All tokens, coins, or money, whether commemorative or an actual medium of exchange, adopted by a domestic or foreign government as part of its currency;  $\Theta$ 

(iv)(v) Postage stamps, stamp collections and philatelic items; or

(vi) Privately manufactured coins.

<u>Sheriff</u>. The Sheriff of Lane County, or his or her designee. Used merchandise dealer.

3.605 Lane Code 3.610

- (a) A person who engages in, conducts, manages, or carries on any business that, as part or all of its business:
  - (i) Purchases regulated property; or
  - (ii) Lends money on security of regulated property.
  - (b) A used merchandise dealer does not include:
- (i) A person who engages in, conducts, manages, or carries on any business that does not buy regulated property outright, but occasionally accepts in trade regulated property as part or full payment for new articles, where such business is incidental to the primary business of the sale of new articles;
- (ii) A person who engages in, conducts, manages, or carries on any business that deals exclusively in the purchase and sale of used whole automobiles, books, trading cards or sports memorabilia, clothing, furniture, major household electric or gas appliances, or farm implements and machinery; or
- (iii) A person who engages in, conducts, manages, or carries on any nonprofit corporation or association that purchases, sells or otherwise exchanges only donated articles. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

# 3.601 Used Merchandise Business Limitations.

No person with a felony conviction for Burglary, Theft. Manufacture of a Controlled Substance or Schedule I or II Drug Possession may be permitted to own or operate a used merchandise business. (Revised by Ordinance No., Effective)

# 3.605 Recording Requirements.

- (1) At the time of purchase, a used merchandise dealer shall accurately record:

  (a) the description of the regulated property purchased;
- (b) the address, date of birth and current telephone number of the person from whom the regulated property was purchased; and
- -\_\_\_\_\_(c) the approved identification of the person from whom the regulated property was purchased.
- (2) The used merchandise dealer shall record an identifying description and take a discernible, clear photograph of all jewelry, gems and precious metal items. Pawnbrokers accepting a pledge are not required to photograph the pledged item.
- (2)(3) Used merchandise dealers shall record purchases of regulated property via an automated electronic reporting system approved by the County.
- (3)(4) All records of purchases shall be kept in an orderly manner on the used merchandise dealer's business premises and open for reasonable inspection by peace officers upon their demand. Each used merchandise dealer shall keep a paper record of each purchase bearing the signature of the customer for a period of one year. (Revised by Ordinance No. 14-77, Effective 10.26.7; 7-05, 8.25.06)

# 3.610 Reporting Requirements.

- (1) Within 12 hours of a purchase, a used merchandise dealer shall input and transmit the recorded information required under LC 3.605 using the automated electronic reporting system approved by the County.
- (2) Only reports containing complete information shall be deemed to comply with this section.

3.615 Lane Code 3.625

(3) In the event that the automated electronic reporting system becomes inoperable, a used merchandise dealer's computer system becomes inoperable, or other event that makes reporting within the time allowed by LC 3.610(1) impossible, the used merchandise dealer shall immediately report the occurrence of such event to the Sheriff. The Sheriff may suspend the reporting requirements of LC 3.610(1) for a reasonable period until electronic reporting can resume. Once the Sheriff determines that reporting can resume, used merchandise dealers must, within 12 hours, input and transmit the information required LC 3.605 for all purchases made during any period reporting was suspended by the Sheriff using the approved automated electronic reporting system. (Revised by Ordinance No. 14-77, Effective 10.26.77; 7-05, 8.25.06)

# 3.615 Reporting Fees.

- (1) The County shall establish by order the fees for the use of an automated electronic reporting system. Such fees shall reflect the costs associated with providing electronic automated reporting system services to used merchandise dealers.
- (2) Used merchandise dealers shall be charged the fees on an annual basis. Fees become due 45 days after being billed. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 1-88, 2.26.88; 7-05, 8.25.06)

# 3.620 Limitations on the Purchase of Regulated Property.

- (1) A used merchandise dealer shall not:
- (a) Purchase regulated property with serial numbers, personalized inscriptions or initials, or other identifying marks, which are or have been altered, obliterated, removed, or otherwise rendered illegible;
  - (b) Purchase regulated property from a person under the age of 18 years;
- (c) Purchase regulated property from a person who is obviously under the influence of drugs or intoxicating liquor; or
- (d) Knowingly purchase regulated property from a person who is not the owner of the regulated property or parent or guardian of the owner of the regulated property; or
- (e) Remove gemstones from jewelry or alter jewelry at the time of purchase or thereafter, or ask the seller to remove gemstones or alter jewelry at time of purchase.
- (2) A used merchandise dealer shall comply with all applicable federal, state, and local laws and regulations. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

# 3.625 Limitations on the Sale of Regulated Property.

(1) Regulated property purchased by any used merchandise dealer shall not be sold for a period of 714 full days after the date the report required in LC 3.610 is received by the County. The used merchandise dealer shall maintain the purchased property in substantially the same form as purchased and shall not commingle the property in a manner that precludes identification during this seven-14 day holding period. The purchased property shall be located on the business premises during normal business hours during this holding period so that it can be inspected as provided in LC 3.630. The 14-day holding period does not apply to a pledge held by a pawnbroker.

3.630 Lane Code

3.990

(2) Upon reasonable belief that the purchased property is the subject of theft, the Sheriff may provide written notice to any used merchandise dealer not to dispose of any specifically described property purchased. The used merchandise dealer shall retain the property in substantially the same form as purchased and shall not remove gemstones from, or make other alterations to, pieces of jewelry. Upon receipt of written notice pursuant to this subsection, the used merchandise dealer shall not sell, exchange, dismantle or otherwise dispose of the property for a period of time, as determined and stated in the notice by the Sheriff, not to exceed 180 days from the date of purchase. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

## 3.630 Inspection of Used Merchandise Dealers and Regulated Property.

Upon presentation of official identification, any peace officer may enter onto the business premises of any used merchandise dealer to ensure compliance with the provisions of LC 3.600 through 3.625. The inspection shall be for the limited purpose of inspecting any regulated property purchased by the dealer, held by the dealer pursuant to LC 3.625, or the records incident thereto. Any inspection pursuant to this section shall only be authorized to occur during normal business hours. (Revised by Ordinance No. 7-05, Effective 8.25.06)

## 3.635 Administrative Rules.

The Sheriff shall have the authority to adopt procedures concerning the administration and enforcement of LC 3.600 through 3.630, including but not limited to the establishment of procedures for the release of property seized from used merchandise dealers by peace officers and the procedures to be followed at any hearings related thereto. (Revised by Ordinance No. 14-77, Effective 10.26.77; 12-79, 11.9.79; 7-05, 8.25.06)

#### **ENFORCEMENT**

#### 3.985 Enforcement.

- (1) Any peace officer may enforce the provisions of this Chapter.
- (2) If it appears to the Sheriff that a used merchandise dealer has repeatedly and substantially violated this section or other laws applicable to used merchandise dealers, the Sheriff may initiate judicial proceedings for injunctive relief to prohibit the person from acting as a used merchandise dealer and to prohibit the purchase or sale of regulated property at the location where the violations occurred. (Revised by Ordinance No., Effective)

# 3.990 Violation.

- (1) Violation of any of the requirements of LC 3.445(1) and (2), constitutes a Class A violation. Continued violations after 10 days from the service of the citation on the alleged violator, and continued violations after an order has been entered by the court for the same violation, constitute a separate Class A violation for each day the violation continues. The Sheriff, or said Sheriff's duly authorized representative, shall have the authority to issue a citation for violations of LC 3.445(1) and (2).
- (2) Violation of any of the requirements of LC 3.6051 through 3.630 above, is punishable as follows:

\_At left margin indicates changes **Bold** indicates material being added

<del>Strikethrough</del> indicates material being deleted

# LEGISLATIVE FORMAT

3,990 Lane Code 3.990 (a) A person who violates this Chapter may be punished by a fine of not more than \$500. (b) A person who violates this Chapter after having been convicted at three different times for violating this Chapter may be punished by a fine of not more than \$1500 for each new violation. (c) A person who violates this Chapter after having been convicted at six different times for violating this Chapter may be punished by a fine of not more than \$3000 for each new violation. (d) Each violation of this Chapter or any of the rules adopted thereunder is a separate offense. (e) For purposes of this Chapter, "a violation of this Chapter" includes a violation of the rules adopted under that section. (f) For purposes of this section, "person" includes individuals. corporations, partnerships and any form of business association. -constitutes a Class-B violation as defined in ORS-153.018. Each violation of any of the requirements of LC 3.605 through 3.630 shall constitute a separate violation. Each day that a violation continues shall constitute a separate violation. In addition to the remedies provided in LC 3.990(1) and (2) above, additional proceedings may be instituted, including, but not limited to, injunctive relief to

enforce the provisions of this chapter. (Revised by Ordinance No. 18-73, Effective 4.5.74; 1-77, 4.1.77; 6-77, 7.29.77, 14-77, 10.26.77; 22-77, 12.28.77; 1-88, 2.26.88; 10-88, 1.4.89; 1-00, 4.12.00; 7-05,

8.25.06)