

ORDINANCE NO. 1344

**AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON,
RELATING TO PAWNBROKERS AND SECONDHAND DEALERS OF
MERCANDISE; ADDING A NEW CHAPTER 5.11 TO THE GIG
HARBOR MUNICIPAL CODE TO PROVIDE A REQUIREMENT FOR
ELECTRONIC REPORTING OF TRANSACTIONS; PROVIDING FOR
SEVERABILITY AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, RCW 19.60.020 requires the recording of transactions made by pawnbrokers and secondhand dealers; and

WHEREAS, RCW 19.60.010 defines pawnbrokers and secondhand dealers; and

WHEREAS, several businesses within the city limits of Gig Harbor meet the definition and transaction recording requirements described within chapter 19.60 RCW; and

WHEREAS, stolen merchandise is often sold to pawnbrokers and secondhand dealers; and

WHEREAS, LeadsOnline, a private company, has become an industry standard self-reporting database, offered at no cost to pawnbrokers and secondhand dealers and made available to law enforcement on a subscription basis; and

WHEREAS, electronic reporting of these transactions is more easily monitored by law enforcement; Now, therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. New Chapter 5.11 GHMC. A new chapter 5.11 is hereby added to Title 5—Business Licenses and Regulations--of the Gig Harbor Municipal Code as follows:

**5.11 PAWNBROKER AND SECONDHAND DEALER ADDITIONAL
REPORTING REQUIREMENTS**

Sections:

- 5.11.020 Definitions.**
- 5.11.040 Additional Reporting Requirements.**
- 5.11.060 Exempt Transactions.**
- 5.11.080 Penalty for Violation**

5.11.020 Definitions.

For the purposes of this chapter, the following terms, phrases, words, and their deviations shall have the meanings given herein:

- A. "Pawnbroker" as is defined in RCW 19.60.010(5).
- B. "Secondhand dealer" as is defined in RCW 19.60.010(7).

5.11.40 Additional Reporting Requirements.

- A. In addition to the reporting requirements contained in RCW 19.60.025, every pawnbroker and secondhand dealer shall be required to report in such electronic databases or upon such forms as may be designated by the Chief of Police. A scrap metal processor, recycler, or supplier subject to chapter 19.290 RCW may elect to use any such electronic database or form to the extent it complies with the reporting requirements of chapter 19.290 RCW.
- B. Each entity subject to this chapter shall operate and maintain a computer system with Internet access and photographic or video capability sufficient for the electronic reporting requirements of this chapter. Any failure or malfunction of such equipment on the part of the licensee shall not exempt the licensee from the reporting requirements of chapter 19.60 RCW and this section.
- C. In addition to the information required to be reported by chapter 19.60 RCW, each entity subject to regulation under this chapter shall obtain a photographic image of identification of: (i)the pawn/seller, sufficiently clear to allow the information on the identification to be read and (ii) the item which is the subject of the transaction. The identification must be current, issued from a governmental entity of the United States and must include the pawn/seller's first and last name, current address, date of birth and physical descriptors.
- D. On a daily basis, every entity subject to this chapter shall furnish reports to the City. Each report shall cover the transactions covered within the time period proscribed by those statutes.

5.11.060 Exempt Transactions

The following transactions shall be exempt from the reporting requirements of this Chapter:

1. Clothing with a current resale value of less than seventy-five dollars, except for items made partially or wholly from fur or leather;
2. Transactions in which at least one entity is a non-profit organization.

5.11.080 Penalty for Violation

The failure to file a report as required by this section and/or chapter 19.60 RCW shall constitute unlawful conduct justifying summary revocation of a license to do business within the City of Gig Harbor

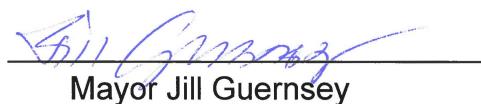
Nothing contained within this chapter or the provisions of chapter 19.60 RCW should be construed as a limitation upon the authority of the City to require, as an express condition of a license issued under this Title, differing reporting requirements upon a business.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. Effective Date. This ordinance shall take effect and be in full force and effect five days after passage and publication of an approved summary consisting of the title.

PASSED by the Council and approved by the Mayor of the City of Gig Harbor, this 24th day of October, 2016.

CITY OF GIG HARBOR



Mayor Jill Guernsey

ATTEST/AUTHENTICATED:



Molly M. Towslee, City Clerk

APPROVED AS TO FORM:
Office of the City Attorney



Angela Summerfield

FILED WITH THE CITY CLERK: 10/05/16
PASSED BY THE CITY COUNCIL: 10/24/16
PUBLISHED: 10/26/16
EFFECTIVE DATE: 11/01/16
ORDINANCE NO: 1344