Chapter 23 - PURCHASER OF VALUABLE ARTICLES

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5-23-1: - Definitions.

For the purpose of this Chapter, the following terms, phrases, words and their derivations shall have the meanings given herein:

Precious or Semiprecious Metals or Stones: This definition includes, but is not limited to gold, silver, platinum, pewter, alexandrite, diamonds, emeralds, garnets, opals, rubies, sapphires, and topaz. Also, included under this definition is ivory, coral, pearls, jade and other such minerals, stones, or gems as are customarily regarded as precious or semiprecious.

Private Collector: Any person who purchases an item for a price greater than the market price of the item's metallic or stone composition, who has an interest in preserving the item in its unique or historical form, and whose primary purpose in purchasing is not the immediate resale of the item.

Purchase: Giving money to acquire any valuable article.

Purchaser: Any person holding himself out to the public as being engaged in the business of purchasing valuable articles, or any person who purchases five (5) or more valuable articles in any thirty (30) day period. A purchaser does not include a person purchasing valuable articles from a retail or wholesale merchant who deals in goods of that kind.

Seller: Any person offering a valuable article for money to any purchaser.

Valuable Article: Any tangible personal property consisting, in whole or in part, of precious or semiprecious metals or stones including collector coins.

(Ord. 97-24)

5-23-2: - License Required.

It shall be unlawful for any person to offer or purchase valuable objects in the City of Englewood without first obtaining a license except for the following classes of persons:

A.
Private collectors purchasing valuable items from other private collectors.

(Ord. 97-24; Ord. 99-17)

5-23-3: - Application for License.

Purchaser of Valuable Articles Licenses shall be issued in accordance with Chapter 1 of this Title.

(Ord. 97-24)

5-23-4: - Special License Requirements.

A.
Licenses issued under this Chapter shall not be transferred to another person or location.

B.
Applicants will be subject to a police background investigation as part of the application.

C.
A Purchaser of Valuable Articles License holder shall keep a numerical register which will include the following information:

1.
The name, address, and date of birth of the customer.

2.

The customer's driver's license number or other identification number from any other form of identification which is allowed for sale of valuable articles pursuant to state statutes.

3.

The date, time and place of the purchase, and an accurate and detailed account and description of each valuable article, including, but not limited to, any identification number, serial number, material type, mint date, denomination, or other identifying marks on such property.

4.

The license holder shall also obtain a written declaration of the customer's ownership which shall state that each valuable article is totally owned by the customer, or shall have attached to such declaration a power of sale from the partial owner to the customer, how long the customer has owned each piece of property, whether the customer or someone else found the property, and if the property was found, the details of the finding.

D.

If the purchase involves more than one item, each item shall be recorded on the license holder's register and on the customer's declaration of ownership.

E.

The customer shall sign his or her name in such register and on the declaration of ownership and receive a copy of the contract of purchase or a receipt for the purchase transaction.

F.

The customer shall affix a right index fingerprint to the declaration of ownership.

G.

Such register shall be made available to any local law enforcement agency for inspection at any reasonable time.

H.

The purchaser of valuable articles shall keep each register for at least three (3) years after the date of the last transaction entered in the register.

I.

A purchaser of valuable articles license holder shall hold all property purchased by him or her for thirty (30) days following the date of purchase, during which time such property shall be held separate and apart from any other tangible personal property, and shall not be changed in form or altered in any way.

J.

Every purchaser of valuable articles license holder shall provide the local law enforcement agency, on a weekly basis, with two (2) copies of the records, on a form to be provided or approved by the Local Law Enforcement Agency, of all valuable articles purchased during the preceding week and one copy of the customer's declaration of ownership. The form shall contain the same information required to be recorded in the license holder's register pursuant to subsection A of this Section. The Local Law Enforcement Agency shall designate the day of the week on which the records and declarations shall be submitted.

K.

Every purchaser of valuable articles license holder shall pay to the City a fee for every transaction form. This fee shall be determined by the City and set by resolution.

L.

Every purchaser of valuable articles license holder shall, at his/her expense, keep records or provide reports in such manner and by such methods as may be determined from time to time by the Local Law Enforcement Agency or the Licensing Officer.

M.

No purchaser of valuable articles license holder, employee, or agent of the purchaser of valuable articles license holder shall purchase any valuable article from any person under the age of eighteen (18) years or from any person under the influence of alcoholic beverage or drugs.

N.

No purchaser of valuable articles license holder, employee, or agent of the purchaser of valuable articles license holder shall purchase any valuable article from any person known to be a thief or to have been convicted of larceny or burglary, without first notifying the Local Law Enforcement Agency. Such notice shall not be deemed as authorization by the City for the purchaser of valuable articles to make a purchase from such person.

O.

No purchaser of valuable articles license holder shall take any valuable article from a customer on consignment.

P.

No purchaser of valuable articles license holder, employee or agent of a purchaser of valuable articles license holder shall purchase any valuable article wherein the identification number, serial number, model number, brand name, owner's identification number or other identifying marks on such property have been totally or partially obscured.

Q.

Any police officer may order a purchaser of valuable articles license holder to hold any valuable article for purposes of further investigation. A hold order shall be effective upon verbal notification to the purchaser of valuable articles license holder by any police department. No sale or other imposition may be made of such property held by any purchaser of valuable articles while the hold order remains outstanding. A hold order shall supersede all other provisions of this Section, and any sale or other disposition of the property after the purchaser of valuable articles has been notified by the Local Law Enforcement Agency of a hold order shall be unlawful and a violation of this Section.

R.

If any police officer determines that any valuable article held by a license holder is stolen or illegally obtained property, such officer may immediately confiscate such property and must provide the purchaser of valuable articles license holder with a receipt and case report number.

S.

A license holder who purchases any valuable article from a customer who is not the owner thereof obtains no title to the article. Ignorance of the fact that the article was lost or stolen shall not be construed to have any effect on the title. If the purchaser of valuable articles license holder shall sell such article to a third person, the license holder shall recover the article or reimburse the fair market value of the article. The lawful owner may, upon proof of his or her ownership of the article lost or stolen, claim the same from the license holder or recover the same by the appropriate legal means.

(Ord. 97-24; Ord. 99-17)