

SPECIAL ASSEMBLY HUMAN RESOURCES COMMITTEE THE CITY AND BOROUGH OF JUNEAU, ALASKA

July 31, 2014 4:45 PM
Municipal Building - Assembly Chambers
Work Session - No Public Testimony Taken

I. ROLL CALL

II. APPROVAL OF AGENDA

III. APPROVAL OF MINUTES

- A. July 17, 2014 Special HRC Meeting Draft Minutes

IV. AGENDA TOPICS

A. Board Matters

- 1. Ordinance 2014-08(b) An Ordinance Amending Title 20 of the City and Borough Code to Provide for the Regulation of Secondhand Dealers and Providing for a Penalty.

This ordinance was introduced at the June 9, 2014 Assembly meeting, referred to the June 30 Assembly Human Resources Committee (HRC) meeting, and set for public hearing to be held by the Assembly on July 21.

The HRC, at its June 30 meeting, reviewed the ordinance and asked to continue it to a future HRC meeting for additional work.

The HRC took public testimony at its July 17 Special Human Resources Committee meeting and discussed the ordinance. Version b of the Ordinance was distributed at this meeting.

At the July 21 Assembly meeting, HRC Chair Jesse Kiehl moved to continue the Public Hearing to the August 11, 2014 regular Assembly meeting to allow the committee to continue its review at a Special HRC meeting on July 31.

B. Other Business

III. EXECUTIVE SESSION

IV. ADJOURNMENT

Note: Agenda packets are available for review online at www.juneau.org.

ADA accommodations available upon request: Please contact the Clerk's office 72 hours prior to any meeting so arrangements can be made to have a sign language interpreter present or an audiotape containing the Assembly's agenda made available. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city_clerk@ci.juneau.ak.us

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

July 17, 2014 Special HRC Meeting Draft Minutes

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	July 17, 2014 Special HRC Meeting Draft Minutes	7/24/2014	Cover Memo

SPECIAL ASSEMBLY HUMAN RESOURCES COMMITTEE THE CITY AND BOROUGH OF JUNEAU, ALASKA

July 17, 2014 5:30 PM
City Hall Assembly Chambers

I. ROLL CALL

Chair Kiehl called the meeting to order at 5:30 p.m.

Committee Members Present: Jesse Kiehl, Jerry Nankervis, Kate Troll, Loren Jones (teleconference).

Committee Members Absent: None.

Other Assemblymembers Present:

Staff Members Present: Beth McEwen, Deputy Clerk; Lt. Kris Sell, JPD; Amy Mead, Municipal Attorney.

II. APPROVAL OF AGENDA

Ms. McEwen noted three red folder items which were a revised agenda, the addition of Alaska Statute excerpts from Title 8 Sections 08.76.010-08.76.030, and a DRAFT version (b) of Ordinance 2014-08 provided the afternoon of July 17 by the Law Department.

III. AGENDA TOPICS

A. Board Matters

B. Other Business

1. Ordinance 2014-08 An Ordinance Amending Title 20 of the City and Borough Code to Provide for the Regulation of Secondhand Dealers and Providing for a Penalty.

Ms. Mead said version b narrowed the scope of the the regulation to six categories of items, including precious gems, precious metals, firearms, electronic equipment, coins and bullion and tools. All required actions under the ordinance would be limited to those six items. Thrift stores and 501(c)3 organizations remain totally exempt from the ordinance.

Mr. Kiefer said there were some new definitions and asked for the source. Ms. Mead said the changes were to add clarity to what was being regulated, and were pulled from a combination of Alaska law and ordinances from other jurisdictions focused on regulating second-hand sellers.

Mr. Jones asked about page 3 line 16, "in consignment." Mr. Kiehl said there was an extra "an" and it would be removed. Ms. Mead said it ought to read, " A second

hand dealer, upon purchasing or receiving in consignment an article described in section 20.05.010, shall affix to the article a legible, identifying label or tag to correspond to that item's entry in the electronic reporting system required by Section 20.05.010." She said this ordinance was going through substantive changes and mark ups as recent as 20 minutes before this meeting. The purpose of the draft was to get the substantive changes before the members, polishing would come later.

Mr. Kiehl said that because there was a revised draft and there would be public testimony, it would not be possible to get those changes in the packet for the public review by Monday's Assembly meeting. His intent, in conference with Mayor Sanford, was to move the item from Public Hearing on July 21 to August 11 - the following Assembly meeting.

Lt. Sell provided a demonstration of the reporting system for someone who did not have a point of sale system. She gave a power point presentation showing what the JPD was using and JPD would assist in the set up. If the business owner did not want to connect this to their electronic point of sale or did not have one, the business owner would note they were buying a particular item, it would auto generate the time and a number which was a sequential number, the person's name or ID taking the item in, or select the ID type, ie driver's license, and those ID's can be auto-populated if a frequent business associate. Information about the items are added with detail fields and special descriptions. If it was an item that required a photograph, it could be inserted into the system similar to electronic file sharing of photos such as on facebook. It was less burdensome if drawn from the existing point of sale system, but it was not required.

Ms. Troll asked if this revised ordinance served to close the loopholes as far as JPD was concerned. Lt. Sell said this version focused on the most likely to be stolen items, those that were easily turned over for cash quickly and was sufficient for their purposes.

Public Comment:

Angela Hull said the new version still posed problems for her business. She sells firearms and ammunition. She had a federal license to sell firearms. There were occasionally people who came to their business with a gun they wanted to get rid of and want to get a new one, and would like to do trades with cash. They do this with a background check. If this was passed she would no longer be able to do that transaction. She would stop taking used items, because for the very few times that she did, the reporting requirements were too onerous. She did not want to have to hold the item for 30 days, to keep it in a separate area. She supported the concept but it would change the way she did business. Selling firearms between individuals was completely legal. She likely wouldn't see stolen guns, but people preferred to have her sell their guns because the gun could be sold with a background check, which she could do. She suggested an amendment regarding applicability to read "to firearms for non-FFL holders," - those without a federal license. She also disagreed with the restrictions on hiring employees.

Mr. Nankervis asked if when selling weapons as part of a business, was an FFL

required. Ms. Hull said yes. He asked what was required by the federal license. Ms. Hull said if she took in a firearm she was required to put that firearm in her book as a record of transaction. The information included the type of gun, the serial number, who she obtained it from, but not the price. It was not reported but it was a log. ATF put out alerts of stolen firearms and she could look in her log to see if she had it. Mr. Nankervis asked if she checked for warrants through the JPD to see if the gun was registered as stolen. Ms. Hull said if she did not know the person personally, she did. She was not required to do that. She was not required to check the NIX system, but she did and she checked the court system records as well.

Mr. Kiehl said the state law required notation of the sale price in buying and selling second hand items. Since that was a state requirement, was that still objectionable? Ms. Hull said yes. She did not consider herself a pawn broker or a second-hand dealer. The second-hand part is intermittent and she did not advertise that service. She would work with regular clients on specific items.

Ms. Troll said that since it was so occasional that she would have to deal with the reporting requirements, she did not understand why Ms. Hull saw this as so onerous. Ms. Hull said it was onerous because it did not cut off a side of her business she could do if she chose to expand. It was not right to cut off the ability for people she knows to have somewhere safer to sell their firearms. She could think of five people who had asked her to sell weapons because they didn't have the means to do a background check. Holding items for 30 days did not work for her.

Ray Cox, owner of Rayco Sales selling new and used firearms. There were 25-30 changes from the first to the second draft so he felt that indicated improper drafting. He knows many of his customers but some he does not. If he had reason to suspect a gun was stolen, he could contact JPD and they would tell him if the gun was on the stolen list. It could have been stolen in another jurisdiction and he would not know it. He used to get a list from JPD monthly of stolen guns, but they stopped doing it due to personnel, but they would answer his phone inquiries. He said the burden of this reporting system would be significant to JPD, and to the business owner. I have to sit on the merchandise for 30 days which is a cost. There is a cost to provide a secure space for storage. There is a cost for electronic equipment for reporting. As soon as thieves find out this is happening, they will stop bringing me to sell it to me and they will put it on Craig's list, e-Bay or sell it at a garage sale where there is no reporting requirement. He said the employment requirements of the code were discriminatory and should be left to the discretion of the employer.

Mr. Jones asked about Mr. Cox's statements that there were a lot of firearms stolen and he had mentioned that he thought if it was important, he would contact JPD to make an inquiry. He asked how many stolen weapons he had identified in the last year. Mr. Cox said to the best of his knowledge, he had none. There was a case in which a person had a son steal a weapon from a father and sold it to him and the JPD had claimed it and he had yet to be reimbursed for it. He searched his records and identified this issue - it was two years ago. Mr. Jones said that if thieves were not bringing him guns now then this ordinance should not be a problem for him. Mr.

Cox said he had people who liked to continually buy and sell their used guns to try out new ones and this was a frequent occurrence in his shop.

Dave Babcock said he was a second hand dealer and asked how he would handle items people gave him. It would cost him \$1200 to put things on a PO system and he did not get expensive items. This could put him out of business. He helped the community, he gave homeless people clothing, and he did not buy anything. He was not a non-profit. No one would give him stolen items for no reimbursement. Mr. Babcock said he gave away about \$100 - \$200 worth of items a day.

Mr. Keihl said it was an interesting question. The applicability of the code does include trading or exchanging in the six categories, and might cover what he did if electronics or tools were donated, but the duty to maintain an electronic record was keyed to buying and selling. This would require further work.

Dale Hudson, represented his wife Susan Hudson from Nana's Attic. He asked if the ordinance affected items purchased at garage sales or flea markets or rummage sales, where he purchased items for resale. Identifying the names of sellers at those places would be difficult, and he bought 95% of all of his items there. There was no way to know if those items were stolen. If everything was under \$50 or \$100, it would be a moot point for them. What was the difference between a second hand store and a thrift store? If our store was considered second hand, can we change it to a thrift store and get around the points of the ordinance? If we have to keep track of what we sell, do people that sell items on Problem Corner or Craig's List have to do the same?

John DelGado said the revised ordinance was better, but more work was needed. Mr. Cox and Ms. Hull have a good point that they are federally licensed and there are many existing requirements, including their permanent log maintained by the sellers. The transfer of guns is in the NIX system. The firearms section needed refinement but overall the second draft was better.

Derrick Kingerski said he is a customer of some of the stores affected and the implementation of the ordinance could also affect the customer. The shops are small and they don't have room to hold items for 30 days. The police should just provide a list of stolen items to the stores. The store owner could notify the police if they see the items come through their store.

Dillon Hammonds said he would provide written comments that included a number of issues he had with the ordinance. He said he was "aka, the Gold Buyer." Some of the primary things that needed to be addressed were career drug dealers in the community as the root of the problem. He said he was the only one in the community that fit the definition of the ordinance besides pawn shops in the community. The others in the room who were worried about getting their businesses shut down needed to relax. CBJ was setting a precedent for the rest of the state in regulation of gold buyers, second hand dealers and consignment shops. He proposed a task force of small businesses, law enforcement, Assemblymembers and the public to sit down and address the issues to write the statute properly and he offered his time to help do so.

Page Bridges said she was a friend of the stores on Seward St. which are well loved by the public. Please exempt businesses that are just given merchandise without having to buy it. The point was well taken about those businesses that buy from garage sales. She spoke about the difficulty for businesses after the Log Cabin on Seward closed and the blight downtown and hoped that there would not be too much burden placed on these local businesses, that ran honest businesses.

Gwen Place said she was the manager of Alaska Dames Consignment Shop. They do carry precious jewelry and gems. There was a big theft problem in Juneau, and sometimes thieves would give away stolen items so as not to be caught with the item. To be fair, all of the stores should be affected and should have to report. The holding of the items would be burden. For their store it would only be the jewelry and that was a small space, so we would need a safe, but for those with firearms it would be a bigger burden. The reporting of all of the items was not a bad idea. To have a list of the items that are most commonly stolen was not bad. It might be advantageous for us to receive a list of stolen items from JPD distributed to the businesses to meet in the middle. Drug dealers are not the only people who steal, children steal when they want a new bike or other goods, so it was not uncommon. They have reported items in the past and she uses her judgment when she sees items, even clothing, that are suspicious.

Bill Heumann said he was a real estate developer and land owner and didn't like lots of burdens on business, but he appreciated Ms. Place's comments. He gave an example of having a check stolen, forged to use copper pipe, turned around to a recycle place that buys copper and uses the money for drugs. Another example was a stolen bike that was sold to a bike dealer and resold so the bike is gone. Another example - baseball cards worth over \$10,000, stolen and resold. We know where they are but we can't prove it because we haven't recorded the ownership for proof. Another - a \$20,000 ring was stolen and sold to a pawn shop for \$500, praying that they don't come back for it. That is discovered, lawyers involved, and the merchandise is finally returned. He said this stuff happens all the time and he was supportive of doing something about the problem, but disagreed with the method. He said the ordinance was weak and it was a waste of time. This was an opportunity to address this problem - Juneau was small and there were ways to take away avenues for disposal of stolen goods.

Mr. Kiehl thanked the public for the testimony and said the matter was not ready for the Assembly on July 21, so would be postponed to a future meeting for public comment and action. He suggested another committee meeting to discuss the comments made tonight. He offered people that he would take their emails to notify them of meetings, in addition to the usual public notice.

III. EXECUTIVE SESSION

None.

IV. ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 6:37 p.m.

Respectfully submitted,

Laurie Sica, Municipal Clerk

**ASSEMBLY AGENDA/MANAGER'S REPORT
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

Ordinance 2014-08(b) An Ordinance Amending Title 20 of the City and Borough Code to Provide
for the Regulation of Secondhand Dealers and Providing for a Penalty.

MANAGER'S REPORT:

This ordinance was introduced at the June 9, 2014 Assembly meeting, referred to the June 30 Assembly Human Resources Committee (HRC) meeting, and set for public hearing to be held by the Assembly on July 21.

The HRC, at its June 30 meeting, reviewed the ordinance and asked to continue it to a future HRC meeting for additional work.

The HRC took public testimony at its July 17 Special Human Resources Committee meeting and discussed the ordinance. Version b of the Ordinance was distributed at this meeting.

At the July 21 Assembly meeting, HRC Chair Jesse Kiehl moved to continue the Public Hearing to the August 11, 2014 regular Assembly meeting to allow the committee to continue its review at a Special HRC meeting on July 31.

RECOMMENDATION:

ATTACHMENTS:

	Description	Upload Date	Type
<input type="checkbox"/>	DRAFT Ordinance 2014-08 Version (b) presented at 7/17 Special HRC Meeting	7/17/2014	Ordinance
<input type="checkbox"/>	Ordinance 2014-08 introduced 6/9.	6/4/2014	Ordinance
<input type="checkbox"/>	State Law Second Hand dealers	7/16/2014	Exhibit

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-08(b)

An Ordinance Amending Title 20 of the City and Borough Code to Provide for the Regulation of Secondhand Dealers of Certain Property and Providing for a Penalty.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. New Chapter. Title 20 is amended to create a new chapter entitled CBJ 20.05 Secondhand Dealers, to read as follows:

20.05.010 Applicability of Chapter. This chapter applies to the buying, trading, exchanging, consigning or selling of the following property by secondhand dealers:

- (a) Precious metals;
- (b) Precious gems;
- (c) Coins or bullion;
- (d) Electronic equipment with a resale value over \$50.00;
- (e) Firearms; and
- (f) Tools with a resale value over \$50.00.

1
2
3 **20.05.020 Duty to maintain and submit electronic record of transactions.**

4 (a) A person engaged in the business of buying and selling property described in
5 section 20.05.010, secondhand articles except a bank or a person regulated by AS
6 08.76.100 - 08.76.590, shall maintain an electronic record containing the following
7 information for all secondhand ~~article~~ transactions of property described in section
8 20.05.010:

- 9 (1) The date of the transaction;
- 10 (2) The name of the secondhand dealer conducting the transaction;
- 11 (3) The name, age, and address of the customer selling or consigning the
12 secondhand article;
- 13 (4) The type of government-issued identification used by the customer, the
14 name of the government agency that issued the identification, and the number written on
15 the identification;
- 16 (5) The amount of the purchase price paid by the secondhand dealer to the
17 customer; and
- 18 (6) A complete and accurate description of the secondhand item that is the
19 subject of the transaction, including as applicable:
- 20 (A) The item's brand name, model number, manufacturer's serial
21 number, and all letters and marks inscribed;
- 22 (B) The type of action and caliber or gauge, if the property is a
23 firearm; and
- 24 (C) If the secondhand article is a piece of jewelry, a digital
25 photograph, in .PNG, .JPEG, or .GIF format, of the article.

1
2
3 (b) Transactions shall be recorded in chronological order.

4 (c) A secondhand dealer may not falsify or intentionally fail to collect or maintain
5 an electronic record required by this section.

6 (d) An electronic report of all transactions shall be provided to the Juneau Police
7 Department on a weekly basis. The report is confidential under AS 40.25.100 - 40.25.220
8 and may only be used by a police officer to investigate a crime involving the property that is
9 the subject of the secondhand transactions.

10 (e) A person who violates any provision of this section is guilty of a B
11 misdemeanor and upon conviction is punishable by a fine of not more than \$1000, or by
12 imprisonment for not more than 90 days, or by both.
13

14
15 **20.05.030 Label or tag requirement.**

16 (a) A secondhand dealer, upon purchasing or receiving an in consignment an
17 article described in section 20.05.010 ~~or receiving an in consignment~~, shall affix to the
18 article of property a legible, identifying label or tag to correspond to that item's entry in in
19 the electronic reporting system required by section 20.05.010.

20 (b) All property described in section 20.05.010 already in the possession or control
21 of a secondhand dealer by the effective date of this chapter shall be labeled or tag as
22 required by this subsection no later than August 1, 2015.
23

24
25 **20.05.040 Customer and transaction limitations.**

(a) A secondhand dealer may not knowingly purchase secondhand ~~articles~~
property described in section 20.05.010 from a person who is:

- 1
- 2
- 3 (1) Under 18 years of age;
- 4 (2) Under the influence of alcohol or a controlled substance when the
- 5 influence is apparent; or
- 6 (3) Using the name of another person.

7 (b) A secondhand dealer may not knowingly accept or receive misappropriated

8 property from a person in a purchase transaction.

9

10 **20.05.050 Retention, storage and lease.**

11

12 A secondhand dealer shall store purchased or consigned secondhand property

13 described in section 20.05.010 in a secure area.

14

15 **20.05.060 Required holding period for certain purchased and consigned**

16 **articles property.**

17 (a) It is unlawful for a secondhand dealer to sell, transfer, exchange or otherwise

18 dispose of any purchased ~~goods or articles~~ property described in section 20.05.010 required

19 to be reported to the police department under the provisions of this chapter except as

20 provided herein.

21 (b) Property described in section 20.05.010 reported as a result of transactions

22 described in this chapter shall not be sold, transferred, exchanged or otherwise disposed of

23 until the property has been in the custody of the reporting secondhand dealer for a period of

24 at least thirty (30) days since the property was reported to the police department pursuant

25 to section 20.05.010(d).

1
2
3 (c) During the period that the property described in section 20.05.010 is held
4 pursuant to this chapter, the secondhand dealer shall preserve it in the condition in which it
5 was received and shall not dismantle, scrap, melt-down, press, transform, or otherwise
6 disfigure it until it has been held for the period required by this section. During the holding
7 period, all items that have been purchased or taken in on consignment must remain on the
8 premises of the place of business where the items were taken in by the secondhand dealer.
9

10 **20.05.070 Employees.**

11
12 A secondhand dealer may not knowingly employ a person to work in a secondhand
13 shop if, within five years before the employment begins, the person was convicted of, entered
14 a plea of guilty to, entered a plea of no contest to, or had adjudication withheld for a felony
15 or misdemeanor involving dishonesty.
16

17 **20.05.080 Issuance of police hold order.**

18 (a) When a police officer has probable cause to believe that property described in
19 section 20.05.010 in the possession of a secondhand dealer in a second hand shop has been
20 misappropriated, the police officer may issue a police hold order that directs the secondhand
21 dealer not to release or dispose of the property until the police hold order terminates or a
22 court orders the release or disposal.
23

24 (b) A police hold order begins when the secondhand dealer or the secondhand
25 dealer's designee receives the police hold order.

(c) A police hold order may not exceed 30 days. However, if the probable cause
belief required by subsection (a) continues, a police officer may extend the police hold order

1
2
3 for two additional successive 30-day periods by giving written notification to the secondhand
4 dealer before the expiration of each 30-day period.

5 (d) A new police hold order may not be issued for the same property after the
6 second additional 30-day period allowed under this section. However, the termination of
7 the police hold order does not affect an existing evidentiary hold order on the same property
8 or prevent the issuance of an evidentiary hold order for the same property.

9 (e) A police hold order may be terminated before the end of a 30-day period by the
10 issuing officer or the officer's designee issuing a written release to the secondhand dealer.
11

12
13 **20.05.090. Evidentiary hold order.**

14 (a) When property described in section 20.05.010 in the possession of a
15 secondhand dealer may be needed as evidence in a filed court action involving a criminal
16 charge, the Juneau Police Department may issue an evidentiary hold order to a
17 secondhand dealer that directs the secondhand dealer not to release or dispose of the
18 property until the evidentiary hold order terminates or a court orders the release or
19 disposal.
20

21 (b) A secondhand dealer who receives an evidentiary hold order under (a) of this
22 section shall hold the property described in section 20.05.010 until notified by the police
23 department in writing of the disposition of the filed court action. The police department
24 shall notify the secondhand dealer within 15 days after the disposition of the filed court
25 action for which the property may be needed as evidence.

1
2
3 **20.05.100 Contents of hold order.**

4 A hold order issued under sections 20.05.070 and 20.05.080 must be in writing and
5 contain:

- 6 (a) The name of the secondhand dealer;
7 (b) The name, title, and identification number of the police officer issuing the hold
8 order;
9 (c) The number, if any, assigned by Juneau Police Department to the case, and,
10 for an evidentiary hold order, the number and caption of the filed court action;
11 (d) A complete description of the property being held, including the model
12 number and serial number, if any;
13 (e) The mailing address of the secondhand dealer shop where the property is
14 being held; and
15 (f) The expiration date of the hold order.
16
17

18 **20.05.110 Exemptions.**

19 This chapter does not apply to:

- 20 (a) A financial institution such as a commercial bank, savings bank, credit union,
21 premium finance company, small loan company, bank holding company, financial holding
22 company, trust company, savings and loan association, and deferred deposit advance
23 licensee under AS 06.50; or a financial institution organized under federal law;
24
25 ~~(b) Persons engaged in the business of selling, trading, exchanging, consigning, or
otherwise dealing in recycling metal cans, paper, cardboard, or glass;~~

1
2
3 ~~(e) — Persons engaged in the business of selling, trading, exchanging, consigning, or~~
4 ~~otherwise dealing in used books, tires (excluding rims), clothing, postage stamps, trading~~
5 ~~cards, comic books, furniture (other than appliances), works of art placed on consignment by~~
6 ~~the original artist, and sports memorabilia valued at one hundred dollars or less;~~

7 (b) Organizations that have been determined to be exempt from taxation,
8 pursuant to Section 501(c) of the Internal Revenue Code, by the Internal Revenue Service,
9 including churches and religious organizations;

10 ~~(e) — Persons engaged in the business of buying, selling, trading, exchanging,~~
11 ~~consigning, or otherwise dealing in DVDs, CDs, videos, vinyl records, tapes, or computer~~
12 ~~video games;~~

13 ~~(f) — Persons engaged in the business of buying, selling, trading, exchanging,~~
14 ~~consigning or otherwise dealing in goods or articles that are not considered a precious item~~
15 ~~and do not bear a serial number or owner applied number and that has a fair market value~~
16 ~~of less than one hundred dollars (\$100.00); or~~

17 ~~(g) — Persons engaged in the business of buying, selling, trading, exchanging,~~
18 ~~consigning or otherwise dealing in goods or articles that are considered home decor items~~
19 ~~and do not bear a serial number or owner applied number and that have a fair market value~~
20 ~~of less than five hundred dollars (\$500.00).~~

21 ~~(h) — Persons engaged in the business of buying, selling, trading, exchanging,~~
22 ~~consigning or otherwise dealing in secondhand sports equipment.~~

23
24
25 (c) Casual or isolated transactions made by any person offering his or her own
personal property for sale, purchase or consignment or that are not made:

(1) Pursuant to a business license; or

1
2
3 (2) By secondhand dealers representing themselves to be in the business
4 of buying, selling, trading, exchanging, consigning or otherwise dealing in secondhand goods
5 or articles.
6

7 **20.05.120 Inspection by police.**

8 If a police officer provides the case number assigned to the investigation for which
9 the inspection is being made, a secondhand dealer may not refuse to allow the police to
10 inspect during normal business hours the purchased or consigned property described in
11 section 20.05.010 involved in the investigation.
12

13
14 **20.05.130 Violations.**

15 Any person, firm, co-partnership or corporation violating any provision of this
16 chapter is guilty of an infraction and upon conviction thereof, shall be punished according
17 to section 01.40.010.
18

19 **20.05.140 Definitions**

20 In this chapter:

21 Electronic equipment means audio equipment, video equipment, electrical office
22 equipment, telephones (including satellite phones and smartphones), video game
23 equipment, and other electronic equipment including, but not limited to, global
24 positioning systems and electronic navigation devices.
25

1
2
3 Firearms includes, but is not limited to, rifles, shotguns, handguns, revolvers,
4 pellet guns and BB guns.

5
6 Jewelry means any tangible item of personal property ordinarily wearable on a
7 person consisting in whole or in part of any metal, mineral or gem customarily regarded
8 as precious.

9
10 Person means an individual, corporation, limited liability company, partnership or
11 association.

12
13 Police department or police officer means the Juneau Police Department or a Juneau
14 Police Officer.

15
16
17 Precious gems means any gem that is valued for its character, rarity, beauty or
18 quality, including but not limited to, diamonds, rubies, emeralds, sapphires, opals, pearls or
19 any other such precious gems or stones, whether as a separate item or in combination as a
20 piece of jewelry.

21
22
23 Precious metals means any metal that is valued for its character, rarity, beauty or
24 quality, including, but not limited to, gold, silver, platinum, or any other such metals,
25 whether as a separate item or in combination as a piece of jewelry.

1
2
3 *Secondhand dealer* means a person engaged in the buying, selling, trading,
4 exchanging, or consigning used goods or articles, including, but not limited to: antiques;
5 jewelry; precious metals, such as gold or gold-plated ware, silver or silver-plated ware, or
6 platinum ware; precious and semi-precious stones; watches; bullion or coins. “Secondhand
7 dealer” shall not include auctioneers.
8

9 *Tools* means power equipment and tools including but not limited to: air hammers,
10 air tools, nail guns, power staplers, power saws, power sanders, chainsaws, power planers,
11 power drills, routers, lathes, joiners, shop vacuums, paint sprayers and accessory
12 equipment, generators, air compressors, pressure washers, logging equipment, welding or
13 cutting equipment and components, measuring devices and gauges or construction
14 equipment.
15

16
17 **Section 3. Effective Date.** This ordinance shall be effective 30 days after its
18 adoption.
19

20 Adopted this _____ day of _____, 2014.
21

22 _____
Merrill Sanford, Mayor

23 Attest:

24 _____
Laurie J. Sica, Municipal Clerk
25

Presented by: The Manager
Introduced:
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2014-08

An Ordinance Amending Title 20 of the City and Borough Code to Provide for the Regulation of Secondhand Dealers and Providing for a Penalty.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. New Chapter. Title 20 is amended to create a new chapter entitled CBJ 20.05 Secondhand Dealers, to read as follows:

20.05.010 Duty to maintain and submit electronic record of transactions.

(a) A person engaged in the business of buying and selling secondhand articles, except a bank or a person regulated by AS 08.76.100 - 08.76.590, shall maintain an electronic record containing the following information for all secondhand article transactions:

- (1) The date of the transaction;
- (2) The name of the secondhand dealer conducting the transaction;
- (3) The name, age, and address of the customer selling or consigning the secondhand article;

1
2
3 (4) The type of government-issued identification used by the customer, the
4 name of the government agency that issued the identification, and the number written on
5 the identification;

6 (5) The amount of the purchase price paid by the secondhand dealer to the
7 customer; and

8 (6) A complete and accurate description of the secondhand item that is the
9 subject of the transaction, including as applicable:

10 (A) The item's brand name, model number, manufacturer's serial
11 number, and all letters and marks inscribed;

12 (B) The type of action and caliber or gauge, if the property is a
13 firearm; and
14

15 (C) If the secondhand article is a piece of jewelry, a digital
16 photograph, in .PNG, .JPEG, or .GIF format, of the article.

17 (b) Transactions shall be recorded in chronological order.

18 (c) A secondhand dealer may not falsify or intentionally fail to collect or maintain
19 an electronic record required by this section.

20 (d) An electronic report of all transactions shall be provided to the Juneau Police
21 Department on a weekly basis. The report is confidential under AS 40.25.100 - 40.25.220
22 and may only be used by a police officer to investigate a crime involving the property that is
23 the subject of the secondhand transactions.

24 (e) A person who violates any provision of this section is guilty of a B
25 misdemeanor and upon conviction is punishable by a fine of not more than \$1000, or by
imprisonment for not more than 90 days, or by both.

1
2
3
4 **20.05.020 Label or tag requirement.**

5 A secondhand dealer, upon purchasing an article or receiving an article in
6 consignment, shall affix to the article a legible, identifying label or tag to correspond to that
7 item's entry in in the electronic reporting system required by section 20.05.010.
8

9 **20.05.030 Customer and transaction limitations.**

10 (a) A secondhand dealer may not knowingly purchase secondhand articles
11 from a person who is:
12

13 (1) Under 18 years of age;

14 (2) Under the influence of alcohol or a controlled substance when the
15 influence is apparent; or

16 (3) Using the name of another person.

17 (b) A secondhand dealer may not knowingly accept or receive misappropriated
18 property from a person in a purchase transaction.
19

20 **20.05.040 Retention, storage and lease.**

21 A secondhand dealer shall store purchased or consigned secondhand property in a
22 secure area.
23

24 **20.05.050 Required holding period for purchased and consigned articles.**

25 (a) It is unlawful for a secondhand dealer to sell, transfer, exchange or otherwise
dispose of any purchased goods or articles required to be reported to the police department

1
2
3 under the provisions of this chapter except as provided herein.

4 (b) Property reported as a result of transactions described in this chapter shall
5 not be sold, transferred, exchanged or otherwise disposed of until the property has been in
6 the custody of the reporting secondhand dealer for a period of at least thirty (30) days since
7 the property was reported to the police department pursuant to section 20.05.010(d).

8 (c) During the period that the property is held pursuant to this chapter, the
9 secondhand dealer shall preserve it in the condition in which it was received and shall not
10 dismantle, scrap, melt-down, press, transform, or otherwise disfigure it until it has been
11 held for the period required by this section. During the holding period, all items that have
12 been purchased or taken in on consignment must remain on the premises of the place of
13 business where the items were taken in by the secondhand dealer.
14

15
16 **20.05.060 Employees.**

17 A secondhand dealer may not knowingly employ a person to work in a secondhand
18 shop if, within five years before the employment begins, the person was convicted of, entered
19 a plea of guilty to, entered a plea of no contest to, or had adjudication withheld for a felony
20 or misdemeanor involving dishonesty.
21

22
23
24
25 **20.05.070 Issuance of police hold order.**

(a) When a police officer has probable cause to believe that property in the
possession of a secondhand dealer in a second hand shop has been misappropriated, the

1
2
3 police officer may issue a police hold order that directs the secondhand dealer not to release
4 or dispose of the property until the police hold order terminates or a court orders the release
5 or disposal.

6 (b) A police hold order begins when the secondhand dealer or the secondhand
7 dealer's designee receives the police hold order.

8 (c) A police hold order may not exceed 30 days. However, if the probable cause
9 belief required by subsection (a) continues, a police officer may extend the police hold order
10 for two additional successive 30-day periods by giving written notification to the secondhand
11 dealer before the expiration of each 30-day period.

12 (d) A new police hold order may not be issued for the same property after the
13 second additional 30-day period allowed under this section. However, the termination of
14 the police hold order does not affect an existing evidentiary hold order on the same property
15 or prevent the issuance of an evidentiary hold order for the same property.

16 (e) A police hold order may be terminated before the end of a 30-day period by the
17 issuing officer or the officer's designee issuing a written release to the secondhand dealer.
18
19

20 **20.05.080. Evidentiary hold order.**

21 (a) When property in the possession of a secondhand dealer may be needed as
22 evidence in a filed court action involving a criminal charge, the Juneau Police Department
23 may issue an evidentiary hold order to a secondhand dealer that directs the secondhand
24 dealer not to release or dispose of the property until the evidentiary hold order terminates
25 or a court orders the release or disposal.

1
2
3 (b) A secondhand dealer who receives an evidentiary hold order under (a) of this
4 section shall hold the property until notified by the police department in writing of the
5 disposition of the filed court action. The police department shall notify the secondhand
6 dealer within 15 days after the disposition of the filed court action for which the property
7 may be needed as evidence.
8

9
10 **20.05.090 Contents of hold order.**

11 A hold order issued under sections 20.05.070 and 20.05.080 must be in writing and
12 contain:

- 13 (a) The name of the secondhand dealer;
14 (b) The name, title, and identification number of the police officer issuing the hold
15 order;
16 (c) The number, if any, assigned by Juneau Police Department to the case, and,
17 for an evidentiary hold order, the number and caption of the filed court action;
18 (d) A complete description of the property being held, including the model
19 number and serial number, if any;
20 (e) The mailing address of the secondhand dealer shop where the property is
21 being held; and
22 (f) The expiration date of the hold order.
23
24
25

25.05.100 Exemptions.

This chapter does not apply to:

1
2
3 (a) A financial institution such as a commercial bank, savings bank, credit union,
4 premium finance company, small loan company, bank holding company, financial holding
5 company, trust company, savings and loan association, and deferred deposit advance
6 licensee under AS 06.50; or a financial institution organized under federal law;

7 (b) Persons engaged in the business of selling, trading, exchanging, consigning, or
8 otherwise dealing in recycling metal cans, paper, cardboard, or glass;

9 (c) Persons engaged in the business of selling, trading, exchanging, consigning, or
10 otherwise dealing in used books, tires (excluding rims), clothing, postage stamps, trading
11 cards, comic books, furniture (other than appliances), works of art placed on consignment by
12 the original artist, and sports memorabilia valued at one hundred dollars or less;

13
14 (d) Organizations that have been determined to be exempt from taxation,
15 pursuant to Section 50 I(c) of the Internal Revenue Code, by the Internal Revenue Service,
16 including churches and religious organizations;

17 (e) Persons engaged in the business of buying, selling, trading, exchanging,
18 consigning, or otherwise dealing in DVDs, CDs, videos, vinyl records, tapes, or computer
19 video games;

20 (f) Persons engaged in the business of buying, selling, trading, exchanging,
21 consigning or otherwise dealing in goods or articles that are not considered a precious item
22 and do not bear a serial number or owner applied number and that has a fair market value
23 of less than one hundred dollars (\$100.00); or

24 (g) Persons engaged in the business of buying, selling, trading, exchanging,
25 consigning or otherwise dealing in goods or articles that are considered home decor items

1
2
3 and do not bear a serial number or owner-applied number and hat have a fair market value
4 of less than five hundred dollars (\$500.00).

5 (h) Persons engaged in the business of buying, selling, trading, exchanging,
6 consigning or otherwise dealing in secondhand sports equipment.

7 (i) Casual or isolated transactions made by any person offering his or her own
8 personal property for sale, purchase or consignment or that are not made:

9 (1) Pursuant to a business license; or

10 (2) By secondhand dealers representing themselves to be in the business
11 of buying, selling, trading, exchanging, consigning or otherwise dealing in secondhand goods
12 or articles.
13
14

15 **20.05.110 Inspection by police.**

16 If a police officer provides the case number assigned to the investigation for which
17 the inspection is being made, a secondhand dealer may not refuse to allow the police to
18 inspect during normal business hours the purchased or consigned property involved in the
19 investigation.
20

21 **20.05.120 Violations.**

22 Any person, firm, copartnership or corporation violating any provision of 20.05.020
23 – 20.05.110 is guilty of an infraction and upon conviction thereof, shall be punished
24 according to section 01.40.010.
25

20.05.130 Definitions

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

In this chapter:

Person means an individual, corporation, limited liability company, partnership or association.

Police department or police officer means the Juneau Police Department or a Juneau Police Officer.

Secondhand dealer means a person engaged in the buying, selling, trading, exchanging, or consigning used goods or articles, including, but not limited to: antiques; jewelry; precious metals, such as gold or gold-plated ware, silver or silver-plated ware, or platinum ware; precious and semi-precious stones; watches; bullion or coins. "Secondhand dealer" shall not include auctioneers.

Section 3. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this _____ day of _____, 2014.

Merrill Sanford, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

Alaska Statutes, Title 8, Businesses and Professions

Chapter 76. Pawnbrokers and Secondhand Dealers

Article 01. RECORDS OF SECONDHAND ARTICLE TRANSACTIONS

Sec. 08.76.010. Transactions to be entered in book kept at place of business; electronic records. (a) A person engaged in the business of buying and selling secondhand articles, except a bank or a person regulated by AS 08.76.100 - 08.76.590, shall maintain a book, in permanent form, in which the person shall enter in legible English at the time of each purchase or sale

- (1) the date of the transaction;
- (2) the name of the person conducting the transaction;
- (3) the name, age, and address of the customer;
- (4) a description of the property bought, which includes, for any firearm, watch, camera, or optical equipment bought, the name of the maker, the serial, model, or other number, and all letters and marks inscribed;
- (5) the price paid;
- (6) the signature of the customer.

(b) *[Repealed, Sec. 7 ch 49 SLA 2010].*

Sec. 08.76.020. Manner of recording entry. The entries in the book required by AS 08.76.010 shall appear in chronological order in ink or indelible pencil. Blank lines may not be left between entries. Obliterations, alterations, or erasures may not be made. Corrections shall be made by drawing a line through the entry without destroying its legibility, and the line shall be drawn in ink. The book shall be open to the inspection of a peace officer at reasonable times.

Sec. 08.76.030. Criminal liability. A person who violates AS 08.76.010 or 08.76.020 is guilty of a misdemeanor and upon conviction is punishable by a fine of not more than \$500, or by imprisonment for not more than six months, or by both.