

ORDINANCE NO. 7566-19

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 30, PAWNBROKERS; BUYERS OF OLD GOLD AND SILVER, OF THE CODE OF THE CITY OF NEWPORT NEWS, VIRGINIA, BY AMENDING ARTICLE I., PAWNBROKERS; SECTION 30-1, DEFINITION OF PAWNBROKER, SECTION 30-2, LICENSE REQUIRED; LICENSE AUTHORIZED BY COURT; BUILDING DESIGNATED IN LICENSE; PENALTY, SECTION 30-3, BOND REQUIRED; PRIVATE ACTION ON BOND, SECTION 30-7, RECORDS TO BE KEPT; CREDENTIALS OF PERSON PAWNING GOODS; AND ARTICLE III. BUYERS OF GOLD AND SILVER; SECTION 30-32, RECORDS TO BE KEPT; COPY FURNISHED TO LOCAL AUTHORITIES, AND SECTION 30-34, CREDENTIALS AND STATEMENT OF OWNERSHIP REQUIRED FROM SELLER.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Newport News, Virginia:

1. That Chapter 30, Pawnbrokers; Buyers of Old Gold and Silver, of the Code of the City of Newport News, Virginia, Article I., Pawnbrokers, Section 30-1, Definition of pawnbroker, Section 30-2, License required; license authorized by court; building designated in license; penalty, Section 30-3, Bond required; private action on bond, Section 30-7, Records to be kept; credentials of person pawning goods; and Article III., Buyers of Gold and Silver, Section 30-32, Records to be kept; copy furnished to local authorities, and Section 30-34, Credentials and statement of ownership required from seller, be, and the same hereby is, amended and reordained as follows:

CHAPTER 30

PAWNBROKERS; BUYERS OF OLD GOLD AND SILVER

ARTICLE I. PAWNBROKERS

Sec. 30-1. Definition of pawnbroker.

"Pawnbroker" means any natural person who lends or advances money or other things for profit on the pledge and possession of tangible personal property, or other valuable things, other than securities or written or printed evidences of indebtedness or title, or who deals in the purchasing of personal property or other valuable things on condition of selling the same back to the seller at a stipulated price.

Sec. 30-2. License required; license authorized by court; building designated in license; penalty.

(a) No natural person shall engage in the business of a pawnbroker without being properly licensed as authorized by the Circuit Court for the City of Newport News, Virginia.

(b) No natural person shall engage in the business of a pawnbroker without having a valid business license issued by the Commissioner of the Revenue for the City of Newport News, Virginia, however, the provisions of this subsection shall not apply to any pawnbroker licensed in the Commonwealth of Virginia prior to July 1, 1998.

(c) The Circuit Court of the City of Newport News, Virginia, may authorize the Commissioner of the Revenue for the City of Newport News, Virginia, to issue to any natural person who has not been convicted of a felony or a crime involving moral turpitude in the last ten (10) years, a license to engage in the business of a pawnbroker. No such license shall be issued by the Commissioner of the Revenue for the City of Newport News, Virginia, except with such authority. Prior to the issuance of the license, the applicant shall furnish his date of birth, a sworn statement or affirmation disclosing any criminal convictions or any pending criminal charges, whether within or without the Commonwealth, and such other information as may be required by this article. The license shall designate the building in which the licensee shall carry on such business. The provisions of this subsection shall not apply to any pawnbroker licensed in the Commonwealth of Virginia prior to July 1, 1998.

(d) No natural person shall engage in the business of a pawnbroker in any location other than the one (1) designated in his license, except with consent of the Circuit Court for the City of Newport News, Virginia.

(e) Any natural person who violates the provisions of this section shall be guilty of a Class 1 misdemeanor. Each day's violation shall constitute a separate offense.

(f) Any pawnbroker not a natural person may continue to operate pursuant to a valid, unexpired license until June 30, 2020. Thereafter, only natural persons shall be permitted to operate as pawnbrokers.

Sec. 30-3. Bond required; private action on bond.

(a) No natural person shall be licensed as a pawnbroker or engage in the business of a pawnbroker without having in existence a bond with surety in the minimum amount of fifty thousand dollars (\$50,000.00) to secure the payment of any judgment recovered under the provisions of subsection (b).

(b) Any person who recovers a judgment against a licensed pawnbroker for the pawnbroker's misconduct may maintain an action in his own name upon the bond of the pawnbroker if the execution issued upon such judgment is wholly or partially unsatisfied.

Sec. 30-7. Records to be kept; credentials of person pawning goods.

(a) Every pawnbroker shall keep at his place of business an accurate and legible record of each loan or transaction in the course of his business, including transactions in which secondhand goods, wares or merchandise is purchased for resale. The account shall be recorded at the time of the loan or transaction and shall include:

- (1) A description, serial number, and a statement of ownership of the goods, article or thing pawned or pledged or received on account of money loaned thereon, or purchased for resale;
- (2) The time, date and place of the transaction;
- (3) The amount of money loaned thereon at the time of pledging the same, or paid as the purchase price;
- (4) The rate of interest to be paid on such loan;
- (5) The fees charged by the pawnbroker, itemizing each fee charged;
- (6) The full name, residence address, telephone number, and driver's license number or other form of identification of the person pawning, pledging or selling the goods, article or thing, together with a particular description, including the height, weight, date of birth, race, gender, hair and eye color, and any other identifying marks, of such person;
- (7) Verification of the identification by the exhibition of an unexpired government-issued identification card bearing the current legal address and a photograph of the person pawning, pledging, or selling the goods, article or thing, such as a driver's license or military identification card. If the government-issued identification card does not bear the current legal address, the person shall present other documentation verifying his current legal address. The record shall contain the type of identification exhibited, the issuing agency, and the number thereon;
- (8) A digital image of the form of identification used by the person involved in the transaction;
- (9) As to loans, the terms and conditions of the loan, including the period for

which any such loan may be made; and

(10) All other facts and circumstances respecting such loan or purchase.

(b) A pawnbroker may maintain at his place of business an electronic record of each transaction involving goods, articles or things pawned or pledged or purchased. If maintained electronically, a pawnbroker shall retain the electronic records for at least one (1) year after the date of the transaction and make such electronic records available to any duly authorized law-enforcement officer upon request.

(c) For each loan or transaction, a pawnbroker may charge a service fee for making the daily electronic reports to the appropriate law-enforcement officers required by Section 54.1-4010 of the Code of Virginia, as amended, creating and maintaining the electronic records required under this section, and investigating the legal title to property being pawned or pledged or purchased. Such fee shall not exceed five (5) percent of the amount loaned on such item or paid by the pawnbroker for such item or three dollars (\$3.00), whichever is less.

(d) No goods, article, or thing shall be pawned or pledged or received on account of money loaned or purchased for resale if the original serial number affixed to the goods, article, or thing has been removed, defaced, or altered.

(e) The Newport News Chief of Police shall adopt regulations consistent with the regulations promulgated by the superintendent of state police specifying the nature of the particular description for the purposes of subdivision (a)(6) above. The Newport News Chief of Police shall adopt regulations consistent with the regulations promulgated by the superintendent of state police specifying the nature of identifying credentials of the person pawning, pledging or selling the goods, article or thing. Such credentials shall be examined by the pawnbroker, and an appropriate record retained thereof.

ARTICLE III. BUYERS OF GOLD AND SILVER

Sec. 30-32. Records to be kept; copy furnished to local authorities.

(a) Every dealer shall keep at his place of business an accurate and legible record of each purchase of precious metals or gems. The record of each purchase shall be retained by the dealer for at least twenty-four (24) months and shall set forth the following:

(1) A complete description of all precious metals or gems purchased from each seller. The description shall include all names, initials, serial numbers or other identifying marks or monograms on each item purchased, the true weight or carat of any gem, the price paid for each item, and a digital image

- of all precious metals or gems involved in the transaction;
- (2) The date, time and place of receiving the items purchased;
 - (3) The full name, residence address (in addition to any post office box number, if any), work place, home and work telephone numbers, date of birth, sex, race, height, weight, hair and eye color, and other identifying marks of the person selling the precious metals or gems;
 - (4) Verification of the identification by the exhibition of an unexpired government-issued identification card bearing the current legal address and a photograph of the person selling the precious metals or gems, such as a driver's license or military identification card. If the government-issued identification card does not bear the current legal address, the person shall present other documentation verifying his current legal address. The record shall contain the type of identification exhibited, the issuing agency and the number thereon;
 - (5) A statement of ownership from the seller; and
 - (6) A digital image of the form of identification used by the person involved in the transaction.

(b) The information required by subdivisions (1) through (3) of subsection (a) of this section shall appear on each bill of sale for all precious metals and gems purchased by a dealer and a copy shall be mailed or delivered within twenty-four (24) hours of the time of purchase to the chief of police.

Sec. 30-34. Credentials and statement of ownership required from seller.

No dealer shall purchase precious metals or gems without first (i) ascertaining the identity of the seller by requiring an unexpired identification card issued by a governmental agency with the current legal address and a photograph of the seller thereon, and at least one (1) other corroborating means of identification, and (ii) obtaining a statement of ownership from the seller. If the government-issued identification card does not bear the current legal address, the person shall present other documentation verifying his current legal address.

2. That this ordinance shall be in effect on and after the date of its adoption, July 9, 2019.

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PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON JULY 9, 2019

Mabel Washington Jenkins, MMC
City Clerk

McKinley L. Price, DDS
Mayor

A true copy, teste:

City Clerk