

ORDINANCE NO. 2587

AN ORDINANCE to amend and reordain the title of Chapter 19; to amend Chapter 19 by adding a new article numbered I; to amend and reordain Section 19-001; to repeal Section 19-002; to amend Chapter 19 by adding a new article numbered II; to amend and reordain Sections 19-01, 19-1, 19-1.1, 19-2, 19-3, 19-4, 19-4.1, 19-5 and 19-6; to further amend Chapter 19 by adding a new article numbered III, all of Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended; which Chapter 19 formerly related to JUNK DEALERS, ANTIQUE DEALERS, CANVASSERS, PAWNBROKERS AND DEALERS IN SECONDHAND ARTICLES, COINS, GOLD, SILVER, PLATINUM, GEMS AND SEMIPRECIOUS STONES and now relates to JUNK DEALERS, ANTIQUE DEALERS, CANVASSERS, PAWNBROKERS AND DEALERS IN SECONDHAND ARTICLES, PRECIOUS METALS OR GEMS, which new Article I relates to POLICY, which Section 19-001 formerly related to POLICY and now relates to POLICY OF CHAPTER, which Section 19-002 relates to APPLICATION, which new Article II relates to JUNK DEALERS, ANTIQUE DEALERS, CANVASSERS, PAWNBROKERS OR DEALERS IN SECONDHAND ARTICLES, which Section 19-01 relates to DEFINITIONS, which Section 19-1 relates to PERMIT REQUIRED FOR ENGAGING IN OR CONDUCTING BUSINESS, which Section 19-1.1 relates to APPLICATION FOR PERMIT, which Section 19-2 relates to ISSUANCE, which Section 19-3 relates to RECORD OF TRANSACTIONS, which Section 19-4 relates to REPORTS TO POLICE, which Section 19-4.1 relates to INSPECTION OF PREMISES, which Section 19-5 relates to ARTICLES TO BE RETAINED FIFTEEN DAYS AFTER REPORT, which Section 19-6 relates to PROHIBITIONS and which new Article III relates to PRECIOUS METALS OR GEMS DEALERS.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That the title of Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended to read as follows:

JUNK DEALERS, ANTIQUE DEALERS, CANVASSERS,
PAWNBROKERS AND DEALERS IN SECONDHAND ARTICLES,
PRECIOUS METALS OR GEMS.

Section 2. That Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended by adding a new article numbered I to read as follows:

Article I. Policy.

Section 3. That Section 19-001, Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 19-001. Policy of Chapter.

It is hereby declared to be the policy of the City of Alexandria, in the exercise of its police power for the protection of the safety, health and welfare of its citizens to regulate the purchase or pawn of junk, antiques, and secondhand articles, precious metals and gems by pawnbrokers and other dealers by requiring the licensing of persons engaged in the business of purchasing such articles, requiring the holding of each article for a fifteen- (15) day period and requiring that records be kept of each purchase.

Section 4. That Section 19-002, Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is repealed.

Section 5. That Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended by adding a new article numbered II to read as follows:

Article II. Junk Dealers,
Antique Dealers, Canvassers, Pawn-
brokers or Dealers in Secondhand Articles.

Section 6. That Section 19-01, Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 19-01. Definitions.

As used in this article, unless the context clearly requires otherwise, the following terms shall have the meanings herein ascribed to them:

Antique dealer. Any dealer as defined herein who engages in the business or occupation of purchasing any work of art, piece of furniture or decorative object made one hundred (100) years prior to the date of purchase.

Canvasser. Any person who shall canvass for the purpose of buying any junk or any other like commodity for any junk dealer, or for sale to such junk dealer or to another.

Chief of police. The Chief of the Alexandria Police Department or his designee.

Dealer. Any person, firm, partnership, corporation and any principal or employer on whose behalf a purchase is made, employee, agent or servant thereof who makes any such purchase on

behalf of his employer or principal, who or which is engaged in or conducting business for the purchase or pawn of junk, antiques or secondhand articles. Dealers are excluded from this definition insofar as they make purchases of articles subject to this article directly from other dealers, manufacturers or wholesalers for wholesale or retail inventories. Also excluded from this definition are dealers receiving merchandise for consignment sale and jobbers buying complete household inventories through established telephone and newspaper advertisements.

Engaged in or conducting business. The purchase or pawn of any items aforesaid, including such business conducted by an established dealer in a permanent location and including any temporary, transient or itinerant business.

Established dealer. Any dealer as defined herein who engages in or conducts business at a fixed location in Alexandria, Virginia, for profit for thirty (30) consecutive days or more.

Itinerant dealer. Any dealer as defined herein who engages in any temporary or transient business conducted in a shop, room, hotel room, motel room or other premises for any duration less than thirty (30) consecutive days.

Junk dealer. Any dealer as defined herein who engages in the purchase or pawn of junk, rags, rag cullings, bones, bottles, scrap, metals, metal drosses, steel, iron, old lead pipe, old bathroom fixtures, old rubber, old rubber articles or other like commodities, except paper, furniture, clothes and shoes.

Pawnbroker. Any person who shall in any manner lend or advance money or other things for profit on the pledge or possession of personal property, or other valuable things, other than securities or written evidences of indebtedness, 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.

Secondhand articles. Any item of personal property or object of value, previously owned or used, which is not purchased or sold as new. Secondhand articles do not include property purchased by one licensed, established merchant from another within or without the City of Alexandria in the normal course of business.

Section 7. That Sections 19-1, 19-1.1, 19-2, 19-3, 19-4, 19-4.1, 19-5 and 19-6, Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby are amended and reordained to read as follows:

Sec. 19-1. Permit required for engaging in or conducting business.

It shall be unlawful for any dealer to engage in any activity subject to regulation by this article without first obtaining a permit therefor from the chief of police as specified herein. Such permit shall be necessary in addition to any required business license.

Sec. 19-1.1. Application for permit.

Applicants for a permit under this article, whether a person, firm or corporation, shall file a written application on a form provided by the chief of police, signed by the applicant if an individual, by all partners if a partnership and by the president if a corporation, with the chief of police showing:

(a) The name or names of the principals, agents and employees of the applicant's business during the time that it is proposed that it will be carried on in the City of Alexandria; the local address or addresses of such person or persons while engaged in such business; the permanent address or addresses of such person or persons; the capacity in which such person or persons will act (as proprietor, agent, employee or otherwise); the name and the address of the person, firm or corporation for whose account the business will be carried on, if any; and if a corporation, under the laws of what state it is incorporated;

(b) The place or places in the City of Alexandria where it is proposed to carry on the applicant's business, and the length of time during which it is proposed that said business shall be conducted;

(c) The place or places, other than the permanent place of business of the applicant, where the applicant within the six (6) months next preceding the date of said application conducted an itinerant business, stating the nature thereof and giving the post office and street address of any building or office in which such business was conducted;

(d) Whether or not the applicant has been convicted, within the seven (7) years immediately preceding the date of the filing of the application, of a felony or crime involving burglary, larceny, receiving stolen goods, embezzlement or fraudulent conversion, the nature of such offense and the punishment assessed therefor; and

(e) Credentials from the person, firm or corporation for which the applicant proposes to do business, authorizing the applicant to act as such representative.

The application shall state thereon that "It is unlawful for any person to make a false statement on this application." Any false statement made on the application form will void the application ab initio and constitute a misdemeanor punishable under section 19-12.

Sec. 19-2. Issuance.

Upon receipt of an application for a permit in accordance with the provisions of section 19-1.1, the chief of police shall investigate the statements made on the application. Unless the chief of police determines otherwise after his investigation, he shall within thirty (30) days following the date of the filing of the application issue the applicant a permit hereunder. The chief of police may, after investigation and finding that the health, safety or welfare of the public so demand, refuse to issue a permit to an applicant for the following reasons:

(a) conviction of the applicant of any felony within the seven (7) years immediately preceding the date of filing of the application;

(b) conviction of the applicant of any crime within the seven (7) years immediately preceding the date of the filing of the application involving burglary, larceny, receiving stolen goods, embezzlement and fraudulent conversion;

(c) fraud, misrepresentation or false statement of material or relevant facts contained in the application; or

(d) The chief of police may refuse to issue a permit or may revoke a permit issued to any canvasser who fails to obtain a canvasser's license as required by section 54-829 of the Code of Virginia or to any junk dealer who fails to obtain a license as required by section 54-825 of the Code of Virginia.

An applicant for a permit may, in the discretion of the chief of police, be issued a temporary permit within seventy-two (72) hours after filing the application based upon a preliminary investigation by the chief of police, which permit shall remain in effect until the issuance, or denial, of a permit as herein provided.

The chief of police shall mail to the applicant, by certified mail, a written statement of his decision on each application together with a brief statement of his reasons therefor. In the event the chief of police denies a permit, he shall notify the applicant in writing within thirty (30) days of the filing of the application. A confidential record of the investigation shall be kept on file by the chief of police.

The permit issued hereunder shall be a personal privilege and shall not be transferable, nor shall there be any abatement of the fee for such permit by reason of the fact that the permit holder shall have exercised the privilege for any period of less than it was granted.

The issuance of a permit to any itinerant dealer shall specify the date or dates upon which the business may be conducted. A fee of ten dollars (\$10.00) per day shall be charged, and the permit shall be issued only for the period specified in the application. A fee for the issuance of a permit to an established dealer in the amount of ten dollars (\$10.00) shall be charged and said permit shall be renewed annually.

The permit issued under this article shall be posted conspicuously in each place of business named therein.

Appeals from the decision of the chief of police shall be made in accordance with section 19-11.1.

Sec. 19-3. Record of transactions.

Every dealer shall keep at his place of business for at least twenty-four (24) months, or carry with him while conducting business, a permanently bound book in which shall be legibly recorded with ink in the English language, at the time of the purchase or pawn of any item aforesaid within the City of Alexandria in the course of his business, an accurate account of each such transaction. The record shall set forth an accurate and legible description of the goods, articles or things purchased or pawned, the name, residence and description of the person selling or pawning the same, the driver's license number or social security number of the seller or pawnor and the dealer's permit number. The description of the person required by this section shall consist of the hair color, sex, race, approximate height, weight, date of birth and any distinguishing features of such person. In order to ensure the accuracy of the information, the dealer shall comply with the provisions of section 19-6(d). Such book shall during regular business hours be open to the inspection of the chief of police. It shall be unlawful for any person to fail to exhibit to the chief of police any record book required to be kept pursuant to this section.

Each dealer shall also keep and maintain for at least twenty-four (24) months an accurate and legible record of the name and address of the person, firm or corporation to which he sells any item aforesaid after the waiting period required by section 19-5. This record shall also show the name and address of the seller from whom the dealer purchased such item.

Sec. 19-4. Reports to police.

Every dealer buying from off-the-street or walk-in sellers shall, every day except Sunday, deliver or mail to the chief of police within twenty-four (24) hours of the time of purchase, on blank forms to be prescribed by the chief of police or on a copy of the bill of sale, a legible and accurate description of every article or thing required to be entered in a record book provided for under the preceding section. The form or bill of sale shall set forth the dealer's permit number, the driver's license number or social security number of the seller or pawner, together with a description of the person selling the same including the hair color, sex, race, approximate height, weight, date of birth and any distinguishing features, together with a reference to the volume and page number of the record book where the original entry required by the preceding section was made.

Sec. 19-4.1. Inspection of premises.

Every dealer shall admit to his premises during regular business hours the chief of police to examine any books or other record on the premises or in his possession which are required by this article, as well as any article listed in a record known or believed by the chief of police to be missing or stolen.

Sec. 19-5. Articles to be retained fifteen days after report.

No dealer shall sell, melt, change the form of or dispose of any article received by him, of which he is required to make record and report under this chapter, within fifteen (15) days after such report is mailed or delivered to the chief of police. All such articles shall be retained in his possession in the City of Alexandria during the fifteen- (15) day period.

Sec. 19-6. Prohibitions.

(a) No dealer shall have in his place of business or in his possession, or shall have acquired and resold any article which is proved to have been stolen, the account and report of which he has not kept and reported as herein prescribed.

(b) It shall be unlawful for any dealer in the course of his business or occupation to acquire, by purchase or pawn, any goods from any person under eighteen (18) years of age.

(c) It shall be unlawful for any dealer to acquire, by purchase or pawn, goods bearing evidence of a serial number which has been tampered with or scratched or obliterated in any manner unless such person immediately contacts the police department of the city.

(d) It shall be unlawful for any dealer to accept or buy any articles prior to ascertaining the identity of the person pawning or selling said articles by requiring an identification issued by a governmental agency and at least one other corroborating means of identification.

Section 8. That Chapter 19 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended by adding a new article numbered III to read as follows:

Article III. Precious metals or
gems dealers.

Sec. 19-13. Definitions.

As used in this article, unless the context clearly requires otherwise, the following terms shall have the meanings herein ascribed to them:

Coin. Any piece of gold, silver or other metal fashioned into a prescribed shape, weight and degree of fineness, stamped by authority of a government with certain marks and devices and having a certain fixed value as money.

Chief of police. The Chief of the Alexandria Police Department or his designee.

Dealer. Any person, firm, partnership or corporation engaged in the business of (i) purchasing secondhand precious metals or gems; (ii) removing in any manner precious metals or gems from manufactured articles not then owned by such person, firm, partnership or corporation; or (iii) buying, acquiring or selling precious metals or gems removed from such manufactured articles. "Dealer" shall mean all employers and principals on whose behalf a purchase is made and any employee or agent who makes such purchase for or on behalf of his employer or principal.

This definition shall not be construed so as to include persons engaged in the following activities:

(a) Purchases of precious metals or gems directly from other dealers, manufacturers or wholesalers for retail or wholesale inventories, provided the selling dealer has complied with the provisions of this article or of sections 54-859.15 through 54-859.27 of the Code of Virginia (1950), as amended.

(b) Purchases of precious metals or gems from a duly qualified fiduciary who is disposing of the assets of the estate

being administered by such fiduciary in the administration of an estate.

(c) Acceptance by a retail merchant of trade-in merchandise previously sold by such retail merchant to the person presenting that merchandise for trade-in.

(d) Repairing, restoring or designing jewelry by a retail merchant, if such activities are within his normal course of business.

(e) Purchases of precious metals or gems by industrial refiners and manufacturers, insofar as such purchases are made directly from retail merchants, wholesalers, dealers or by mail originating outside the Commonwealth of Virginia.

(f) Persons regularly engaged in the business of purchasing and processing nonprecious scrap metals which incidentally may contain traces of precious metals recoverable as a by-product.

Gems. Any item containing precious or semiprecious stones customarily used in jewelry.

Precious metals. Any item except coins composed in whole or in part of gold, silver, platinum or platinum alloys.

Sec. 19-14. Permit required.

Effective July 1, 1981, no person shall engage in the activities of a dealer as defined in section 19-14 without first obtaining a permit from the chief of police. Appeals from the decision of the chief of police to deny an application for a permit shall be made in accordance with section 19-21 of this article.

Sec. 19-15. Application for permit.

Applicants for a permit under this article shall file with the chief of police an application form which shall include the dealer's full name, any aliases, address, age, sex and fingerprints; the name, address and telephone number of the applicant's employer, if any; and the location of the dealer's place of business. Upon filing this application and the payment of a two hundred dollar (\$200.00) application fee, the dealer shall be issued a permit by the chief of police, provided that the applicant has not been convicted of a felony or crime of moral turpitude within seven (7) years prior to the date of application. The permit shall be denied if the applicant has been denied a permit or has had a permit revoked under any ordinance similar in substance to the provisions of this article

or pursuant to sections 54-859.15 through 54-859.27 of the Code of Virginia (1950), as amended.

Before a permit may be issued, the dealer must have all weighing devices used in his business inspected and approved by local or state weights and measures officials and present written evidence of such approval to the chief of police.

If the business of the dealer is not operated without interruption, with Saturdays, Sundays and recognized holidays excepted, the dealer shall notify the chief of police of all closings and reopenings of such business. The business of a dealer shall be conducted only from the fixed and permanent location specified in his application for a permit.

The permit required under this article shall be valid for one (1) year from the date issued and may be renewed in the same manner as such permit was initially obtained with an annual permit fee of two hundred dollars (\$200.00). No permit shall be transferable.

Each dealer at the time of obtaining a permit shall enter into a recognizance to the City of Alexandria secured by a corporate surety authorized to do business in the Commonwealth of Virginia, in the penal sum of ten thousand dollars (\$10,000.00), conditioned upon due observance of the terms of this article. In lieu of a bond, a dealer may cause to be issued by a bank authorized to do business in the Commonwealth of Virginia a letter of credit in favor of the City of Alexandria in the sum of ten thousand dollars (\$10,000.00). A single bond upon an employer or principal may be written or a single letter of credit issued to cover all employees and all transactions occurring at a single location.

If any person shall be aggrieved by the misconduct of any dealer who has violated the provisions of this article, he may maintain an action for recovery in any court of proper jurisdiction against such dealer and his surety, provided that recovery against the surety shall be only for that amount of the judgment, if any, which is unsatisfied by the dealer.

Sec. 19-16. Record of transactions.

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 such purchase shall be retained by the dealer for not less than twenty-four (24) months. These records shall set forth the following:

(a) 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 and the price paid for each item;

(b) The date and time of receipt of the items purchased; and

(c) The name, address, age, sex, race, driver's license number or social security number and signature of the seller.

The information required above shall appear on each bill of sale for all precious metals and gems purchased by a dealer. A copy of the bill of sale or a form prescribed by the chief of police containing such information shall be mailed or delivered within twenty-four (24) hours of the time of purchase to the chief of police.

Each dealer shall keep and maintain for at least twenty-four (24) months an accurate and legible record of the name and address of the person, firm or corporation to which he sells any precious metal or gem in its original form after the waiting period required by section 19-19. This record shall also show the name and address of the seller from whom the dealer purchased such item.

Sec. 19-17. Inspection of premises.

Every dealer shall admit to his premises during regular business hours the chief of police or any law enforcement officer of the state or federal governments, and shall permit such law enforcement officer to examine all records required by this article and to examine any article listed in a record which is believed by the officer or official to be missing or stolen.

Sec. 19-18. Articles to be retained fifteen days.

The dealer shall retain all precious metals or gems purchased for a minimum of fifteen (15) calendar days from the date on which a copy of the bill of sale or form prescribed by the chief of police is mailed or delivered to the chief of police. Until the expiration of this period, the dealer shall not sell, alter or dispose of a purchased item in whole or in part, or remove it from the City of Alexandria.

If a dealer performs the service of removing precious metals or gems, he shall retain the metals or gems removed and the article from which the removal was made for a period of fifteen (15) calendar days after receiving such article and precious metals or gems.

Sec. 19-19. Prohibitions.

(a) No dealer shall purchase precious metals or gems without first ascertaining the identity of the seller by requiring an identification issued by a governmental agency with a photograph of the seller thereon, and at least one (1) other corroborating means of identification.

(b) No dealer shall purchase precious metals or gems from any seller who is under the age of eighteen (18).

(c) No dealer shall purchase precious metals or gems from any seller who the dealer believes or has reason to believe is not the owner of such items, unless the seller has written and duly authenticated authorization from the owner permitting and directing such sale.

Sec. 19-20. Exemptions.

The chief of police may waive by written notice implementation of any one or more of the provisions of this article except subsections 19-19(b) and (c) for particular numismatic, gem or antique exhibitions or craft shows sponsored by nonprofit organizations; provided that the purpose of the exhibitions is nonprofit in nature notwithstanding the fact that there may be casual purchases and trades made at such exhibitions.

Sec. 19-21. Appeals.

An appeal from the decision of the chief of police to deny an application or to revoke a permit shall be made in writing to the city manager within seven (7) days of the receipt of a decision. The appeal shall state the specific grounds for the appeal. The city manager shall hold a hearing within a reasonable time from the receipt of the appeal. At the hearing, the applicant or permit holder may be represented by counsel, may cross-examine witnesses and may present evidence in his favor. The city manager may grant or deny the appeal. The decision of the city manager shall be final.

Sec. 19-22. Penalty.

(a) Any person convicted of violating any of the provisions of this article shall be guilty of a class 2 misdemeanor for the first offense. Upon conviction of any subsequent offense, he shall be guilty of a class 1 misdemeanor.

(b) Upon the first conviction by any court of a dealer for violation of any provision of this article, the chief of police

may revoke his permit to engage in business as a dealer under this article for a period of one (1) full year from the date the conviction becomes final. Appeals from the decision of the chief of police shall be made in accordance with section 19-22 of this article. Such revocation shall be mandatory upon a second conviction.

Section 9. That the title of and an informal memorandum explaining this ordinance shall be published in a newspaper of general circulation published in the city not later than five days following its introduction together with a notice containing the time and place for a public hearing. The city clerk shall have the full text of this ordinance printed in sufficient numbers to supply copies to meet request. The city clerk shall note the date of introduction and first reading, the date of publication, the date of the public hearing, and the date of the second reading and final passage in the minutes of the meeting. This ordinance shall become effective the date of its final passage.

CHARLES E. BEATLEY, JR.
Mayor

Final Passage: June 13, 1981