

AN ORDINANCE REGULATING AND LICENSING SECONDHAND PRECIOUS METAL BUSINESS

WHEREAS, pursuant to Chapter 153A, Section 121, of the General Statutes of North Carolina, a county may by ordinance define, regulate, prohibit or abate acts, omissions or conditions detrimental to the health, safety or welfare of its citizens and the peace and dignity of the county.

NOW, THEREFORE, the County Board of Commissioners of Union County hereby adopts the following ordinance:

SECONDHAND PRECIOUS METAL BUSINESSSection 1. License Required.

- (a) No person, partnership, corporation or association shall operate a secondhand precious metal business as herein defined unless such person, partnership, corporation or association shall have first applied for and received a privilege license from the county Sheriff. A separate license shall be required for each location, place or premises used for the conduct of a secondhand precious metal business, and each license shall designate the location, place or premises to which it applies. In addition, such business shall not be carried on or conducted in any other place than that designated in or by such license.
- (b) Every employee of a secondhand precious metal business shall, within five (5) days of being employed, register his name and address with the Union County Sheriff's Office and have his thumbprints, fingerprints and photograph taken by the Union County Sheriff's Office. Such employee shall then be issued by the Union County Sheriff's Office a certificate of compliance with this section.

Section 2. Secondhand Precious Metal Business Defined.

A secondhand precious metal business is hereby defined to mean any person, firm, corporation or association engaged in the business of purchasing, trading for or otherwise acquiring ownership of any secondhand article made, in whole or in part, of gold or silver or platinum. For purposes of this article, the term "secondhand article" shall mean an article which has been used or which has been previously traded or sold by a retailer. For purposes of this article, the term "secondhand article" shall not include any coin or any gold or silver ingot or bar.

Section 3. Investigation of License Applicant.

- (a) Any person applying to the Union County Sheriff for a license to conduct the business of secondhand precious metal dealer shall also furnish his full name, address, physical description, age, North Carolina driver's license number (if applicable) and social security number to assist in an investigation of his criminal record and character. In addition, the applicant will be photographed and fingerprinted in order to facilitate the investigation.

- (b) In the event the applicant is a partnership or association, all persons owning or having an interest therein shall comply with the provisions of (a) above.
- (c) In the case of a corporate applicant, each stockholder owning ten percent (10%) or more of the corporation's common stock shall comply with the provisions of (a) above.

Section 4. License Denial or Revocation.

- (a) No license shall be issued to any applicant if any person required to be investigated under Section 3 above has been convicted of any felony or of a crime involving fraud, theft or receiving or possessing stolen property in the five (5) years immediately preceding the date of the license application.
- (b) The conviction of any person required to be investigated under Section 3 above for any felony or for any crime involving fraud, theft or receiving or possessing stolen property or for any violation of this ordinance shall constitute grounds for immediate revocation by the Board of Commissioners of Union County of the privilege license issued to such second-hand precious metal business.

Section 5. Records of Transactions.

- (a) Every secondhand precious metal business shall keep a tightly bound book or books, not looseleaf, with pages numbered in sequence, in which there shall be legibly written at the time of any transaction with a nonlicensee involving the purchasing of, trading for or acquiring of ownership of any secondhand article made, in whole or in part, of gold or silver or platinum, the following information:

An account and description of the item(s), article(s) or things purchased, traded for or taken in, including, if applicable, the manufacturer's name, the model, the model number, the serial number and any engraved number(s), initial(s) or marking(s);

The date of the transaction;

The name and residence of the person involved in the transaction with the secondhand precious metal business, along with the person's date of birth and general physical description, including hair color and approximate height and weight; and

A notation whether the item(s), article(s) or thing(s) are stored on the licensed premises or elsewhere.

- (b) No transaction involving purchasing, trading for or taking in a secondhand article made, in whole or in part, of gold or silver or platinum shall be completed by any secondhand precious metal business or an agent or employee thereof until the person involved in the transaction presents two forms of positive identification or one state or federal government issued identification containing a photographic representation

imprinted thereon. This identification information shall be recorded next to the person's name and residence in the book required to be kept pursuant to (a) above.

- (c) The book(s) required by this section shall be a permanent record to be kept at all times on the premises of the secondhand precious metal business. Such book(s) shall be made available, during regular business hours, to any law enforcement officer. A full and accurate copy of the records required to be kept by this section shall be filed with the Union County Sheriff's Office within forty-eight (48) hours of the transaction. The full and accurate filing with the Union County Sheriff's Office of the records required hereunder by a licensee which is also a licensed pawnbroker shall constitute compliance with the filing provisions of G. S. 91-4 (as the same appears in the 1979 Cumulative Supplement to Volume 2C of the North Carolina General Statutes) for any transaction subject to the provisions thereof.
- (d) The book(s) need not be kept longer than three (3) years by the licensee.

Section 6. Goods to be Kept for Ten Days.

Every secondhand precious metal business must keep all secondhand articles made, in whole or in part, of gold or silver or platinum open to inspection by any law enforcement officer at reasonable times for a period of ten (10) days after the purchase or acquisition thereof in any transaction subject to the provisions of Section 5 above. During this period, the appearance of such articles shall not be altered in any way. A secondhand precious metal business is not prohibited from selling or arranging to sell or trade such articles during the ten (10) day period as long as such articles remain in its possession as required by this section.

Section 7. Purchasing from Juvenile.

No secondhand precious metal business or employee or agent thereof shall purchase from any juvenile under eighteen (18) years of age any secondhand article made, in whole or in part, of gold or silver or platinum without the written consent of the juvenile's parent or guardian or presentation of proof of ownership.

Section 8. Use of Unlicensed Premises Prohibited; Exception.

No secondhand precious metal business shall make use of any property or premises not included within the premises designated in or by the license required by this chapter for the display of any secondhand article made, in whole or in part, of gold or silver or platinum or for the conduct of a secondhand precious metal business. This article does not prohibit the storage or safekeeping of any such secondhand article off of the licensed premises.

Section 9. Penalties.

Violation of any of the provisions of this article by any person shall constitute a misdemeanor and, upon conviction, a violator shall be punished by a fine not to exceed Fifty Dollars (\$50.00) or imprisoned for not more than thirty (30) days. Each and every violation shall constitute a separate and distinct offense.

Section 10. Effective Date.

This ordinance shall become effective thirty (30) days after its adoption.

Union County Board of Commissioners

By: Joe R. Hudson (signed)
Chairman

ATTEST:

Barbara W. Moore (signed)

Dated: 11-23-80

APPROVED AS TO FORM:

C. Frank Griffin (signed)
County Attorney