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CHAPTER 5 - SALE AND EXCHANGE OF PROPERTY

PART 2 SECONDHAND DEALERS

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3521 SECONDHAND DEALER PERMIT REQUIRED

No person shall engage in the business of secondhand dealer without a valid secondhand dealer permit issued by the Director.

A secondhand dealer operating with a valid pawnbroker permit as provided in Part 1 of this Chapter is exempt from the licensing requirements of this Part only and may engage in any transaction involving tangible personal property as defined herein, for which a secondhand dealer license is required. A secondhand dealer operating under this exemption is required to comply with all other requirements of this Part.

(Ord. No. 1252, Sec. II, 6-3-02)

3522 PREREQUISITES FOR SECONDHAND DEALER PERMIT

No person who has been convicted of an attempt to receive stolen property, or any other offense involving stolen property, shall be eligible to receive a secondhand dealer permit.

(Ord. No. 1252, Sec. II, 6-3-02)

3523 APPLICATION REQUIREMENTS

In addition to all other information requested on the application form, the applicant shall file with the Director a list of the names, addresses, and fingerprints of the employees at the location proposed to be licensed.

(Ord. No. 1252, Sec. II, 6-3-02)

3524 INVESTIGATION

Upon receiving an application for a secondhand dealer permit, the Director shall cause to be investigated the applicant and his/her employees, the place where the secondhand sales are to take place, the type of secondhand sales proposed, and if the place is suitable for the type of secondhand sales proposed.

The Director shall approve or conditionally approve the permit for such secondhand sales if the following determinations are made based on the required investigation:

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- (1) The applicant and those persons associated with the applicant in the conduct of the business are of good moral character;
- (2) The secondhand sales proposed are not unlawful;
- (3) The place where the secondhand sales are to take place is suitable for the type of secondhand sales proposed; and,
- (4) The granting of such permit will not be detrimental to the public safety, morals, comfort, and welfare, nor detrimental to adjacent properties or uses.

(Ord. No. 1252, Sec. II, 6-3-02)

3525 SECONDHAND DEALER OPERATIONS

a
Employees

No secondhand dealer permittee shall employ any person in such business who would be disqualified from obtaining a secondhand dealer permit under this Part. A revised list of employees shall be submitted to the Police Department, within ten (10) days of hiring any new employee(s), along with the fingerprints of the new employee(s). Employees of a secondhand dealer permittee shall comply with all provisions of this section.

b
Location

The business shall be carried on only at the location designated on the secondhand dealer permit. Property of the business may be stored at other locations only with written consent of the Director and Chief of Police.

c
Display of Permit

The City's secondhand dealer permit, approved by the City, shall be displayed on the premises in plain view at all times.

d
Criminal Activity

A secondhand dealer permittee shall not attempt to receive stolen property or commit any other criminal offense involving stolen property.

e
Advertisement

A secondhand dealer permittee shall not advertise the secondhand dealer business unless the secondhand dealer permit number is clearly displayed in the advertisement.

f
No Transfer or Assignment of Permit

A secondhand dealer permittee shall not transfer or assign a secondhand dealer permit.

g
Property Reporting, Holding, and Production Requirements

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A secondhand dealer permittee shall comply with all property reporting, holding, and production requirements as specified in Chapter 9 of Division 8 of the Business and Professions Code, or successor provisions regarding secondhand goods, as applicable.

h

No Transactions with a Minor

A secondhand dealer permittee shall not engage in any reportable transaction with a minor.

i

No Promise of Repurchase

A secondhand dealer permittee shall not promise any person who sells goods to licensee that the seller may repurchase the goods sold.

3526 EMPLOYEE INFORMATION—CONDITIONAL EXEMPTION

The requirements of Sections 3523 and 3525(a) that names, addresses, and fingerprints of all employees of a licensed secondhand dealer be provided may be waived, in whole or in part, by the Director, in his or her discretion, where the applicant/permittee establishes to the reasonable satisfaction of the Director and Chief of Police that all of the following conditions are met:

- (1) The buying, selling, trading, or taking in of secondhand goods is not the primary business activity of the business establishment;
- (2) No sales of secondhand goods take place at the business establishment;
- (3) The owner and/or operator of the business establishment has obtained a secondhand dealer permit in accordance with this Chapter; and
- (4) Due to the limited nature of transactions involving secondhand goods occurring at the business establishment and/or the secondhand property handling and reporting procedures employed by the business establishment, there is a reduced risk for the business establishment being utilized as an outlet for the trafficking in stolen property.

Notwithstanding whether a waiver is wholly or partially granted in accordance with this Section, the secondhand dealer permittee and each employee thereof shall comply with all other requirements of this Part.

(Ord. No. 1409, Sec. 2, 1-3-12)