PAWBROKERS AND SECONDHAND DEALERS

ORDINANCE 2014-1

The Town of Hooksett ordains that, pursuant to the authority granted under Section 3.6 of the Hooksett Town Charter, the following Ordinance is hereby enacted in the Town of Hooksett.

SECTION 1

LEGISLATIVE AUTHORITY; PURPOSE.

By authority of New Hampshire Revised Statutes Annotated Chapters 322 and 398, all as amended, the Hooksett Town Council adopts the following provision for the purpose of regulating the transaction of items which have commonly been subject to theft and illicit transfer. The purpose of this chapter is to discourage the transaction of stolen goods, assist in the investigation of any illicit transfer and associated criminal activity, and the recovery of stolen property to the rightful owner.

SECTION 2

LICENSE REQUIRED.

No person, firm or corporation shall engage in the business of a secondhand dealer or pawnbroker as herein defined within the Town of Hooksett without first being licensed pursuant to this chapter as adopted by the Town Council.

SECTION 3

DEFINITIONS.

As used in this chapter, the following words or phrases shall have the meanings set forth below unless expressly indicated.

PAWNbroker

Any person, firm, partnership or corporation engaged in the lending of money secured by taking possession of jewelry, apparel, tools, electronics, household goods, or any other personal property, with interest charged thereon, with the right to sell the personal property if it is not redeemed. A person, firm, partnership, or corporation shall be deemed a pawnbroker whether the transaction takes the form of a loan by the pawnbroker secured by the property, or a sale to the pawnbroker with the right to repurchase within a specified amount of time.
SECONDHAND DEALER
Any person, firm, partnership or corporation whose business is in the retail buying, selling, buyback, exchanging, dealing in or dealing with secondhand articles, including, but not limited to, jewelry, watches, diamonds, precious stones, gems, gold, silver, platinum, precious metals, coins, stamps, musical instruments and equipment, cameras, furs, home and audio stereo equipment, televisions, VCRs, DVD players, multimedia devices, digital equipment, video game systems, equipment and accessories, tools, computers and computer equipment, firearms, electronic navigation systems, automobile accessories and collectables, excepting furniture and books. “Secondhand dealer” does not mean purchases made from private residences by citizens not engaged in a secondhand-dealer-type business.

SECTION 4
LICENSING AUTHORITY.
The Town of Hooksett may license such persons as it deems suitable to be pawnbrokers or secondhand dealers within the Town. All licenses so granted shall contain a clause that the person so licensed agrees to abide by and be subject to all provisions of this chapter as it may be from time to time amended.

SECTION 5
LICENSE REQUIRED; APPLICATION REQUIREMENTS.
No person, firm, partnership or corporation shall operate, conduct or engage in business as a pawnbroker or secondhand dealer unless such person, firm, partnership or corporation obtains a license from the Town of Hooksett, in accordance with New Hampshire Revised Statutes Annotated Chapters 47, 322 and 398, respectively.

A. Application for such licenses and $250 fee shall be made to the Town Clerk who may submit them to the Chief of Police and who may cause an investigation to be made into the fitness of the applicant to engage in the business of a pawnbroker or secondhand dealer, and report his findings to the Town Clerk before such license is acted upon.

B. The license shall be issued for a specific location and is not transferable to any other person, firm, partnership or corporation.

C. Upon approval by the Town Council, a fee of $250 shall be paid by the applicant to the Town Clerk shall issue prior to the issuance of the license. License shall be effective
upon date of approval. Annually on January 1 thereafter, an application fee of $250 shall accompany be made to the Town Clerk for each license application renewal. Said license shall expire on December 31, unless sooner revoked or expired and shall neither be assigned nor transferred.

D. Prior to issuance of a license, a criminal record check may shall be completed upon every owner, manager, and/or employee of a pawnshop or secondhand dealer. The applicant shall be required to provide a certified copy of a complete criminal record of each individual with the license application. The certified copy shall be obtained from the Criminal Records Division of the State Police, Department of Safety of the State of New Hampshire, and/or from the appropriate out-of-state agency or agencies if not a resident of New Hampshire for the ten years preceding the application. No license shall be issued to any firm, corporation, owner or person, to include employees, directly or indirectly involved in the purchase of secondhand articles, who or which has been previously convicted within the preceding ten years of any theft related offenses to include but not limited to: theft, burglary, receiving stolen property, or fraud in this state or any state or territory in the United States.

E. Licensees shall display their current license in a conspicuous place within the business where it may readily be viewed by the general public.

F. A numbered license shall be issued and continue in full force until December 31 of each year unless revoked prior to this date by the Town Council at any time after notice to the licensee and hearing on the charges preferred.

Any person, firm or partnership or corporation whose business is the retail buying, selling, buy-back, exchanging, dealing in or dealing with furs, fur coats, books, magazines, used furniture, used clothing, or used motor vehicles/motorcycles by legally recognized vehicle dealerships, shall be exempt from the requirements of provisions (C) and (D) above.

Section 6

Exclusions.

Specifically excluded from the provisions of this chapter are the following:

(A) Purchases from private residences by citizens not engaged in a secondhand dealer type business.
(B) An organization that purchases secondhand goods, whether directly or indirectly, from a not-for-profit organization and does not purchase any secondhand goods from the general public.
(C) Transactions which take place at yard or garage sales or otherwise on residential property (but not more frequently than 12 days per year).
Section 7

TRANSACTION RECORDS.

Every pawnbroker or secondhand dealer shall, upon the acquisition or sale of any aforementioned article, either by purchase, or exchange or pawn or other method shall prepare transaction records electronically as directed by the Chief of Police or his/her designee, and submit records electronically, detailing the proven identity of the seller or the pledger including their name, date of birth, address, type of identification and identification number if there is one. A digital photo of said person shall accompany the electronic filing of the transaction. Only government issued forms of photographic identification will be accepted. No transaction shall occur if the identity of the seller cannot be proven. The record of the transaction shall also contain the month, day, and year when the transaction occurred as well as a full, accurate, and detailed description of each article purchased including brand name and serial number, if any, with the price paid therefor, and cause the record to be signed by the seller in person along with a digital color photograph of the property pursuant to the following requirements:

1. Individually identifiable articles. Articles which are individually identifiable by a serial number or other applied numbers, letters, characters or markings or other unique features that serve to distinguish it from any other similar article and can be used to establish ownership.
   a. Each individually identifiable article brought into a second hand/pawn dealer for pawn, sale, barter, trade or other method during a single transaction shall be itemized separately. Articles shall not be grouped together (i.e., five gold rings), but must provide a complete and thorough description of each item to include the following:
      i. Type of article;
      ii. Brand name/make/manufacturer (if applicable);
      iii. Model number (if applicable);
      iv. Serial number (if applicable);
      v. Color/finish;
      vi. Any other identifying marks, writing, engraving, etc.
   b. A digital photograph(s) shall be taken of each individually identifiable article, sufficiently detailed to allow reasonable identification of the article. The photograph(s) shall capture any identifying numbers, marks, writing, engraving, etc., or any other distinguishing characteristics.
(2) **Non-individually identifiable articles.** Articles that cannot be distinguished from any other similar articles may be described in groups of similar types of articles, but only within the same transaction.

a. Non-individually identifiable article brought into a second hand/pawn dealer for pawn, sale, barter, trade or other method during a single transaction may be grouped and shall include reasonable descriptions of the number and types of items within each group to enable the Police Department to determine if they may have been stolen during a particular crime. (For example, the licensee receives a video game controller, five video game discs, and numerous items of jewelry. The licensee would have to individually itemize and photograph the video game controller as outlined in division (1) (a) above, as it would be a serially-numbered item. The remaining items shall not be listed as “miscellaneous video games and jewelry.” Instead, the licensee shall describe them as follows: “five video game discs to include the following titles…” and “miscellaneous jewelry to include two yellow gold necklaces, one silver necklace, two pairs of silver earrings, one women’s yellow gold ring, etc…”)

b. A digital photograph(s) shall be taken of each group of similar types of articles within the same transaction. The articles may be photographed together but each article shall be visible in the photograph. (For example, given the circumstances outline in division (2)(a) above, the five video game discs would be photographed together, side-by-side, and the jewelry items would be photographed together with each item laid out so as to be individually viewable.

(3) **Pawnbrokers or secondhand dealers shall retain original records of each transaction for a minimum of three years from initial transaction date.**

Section 8

**IDENTIFICATION OF SELLERS REQUIRED; AGE RESTRICTION.**

Every pawnbroker and secondhand dealer shall require every seller or pledger of items to produce a positive government issued photographic identification, and the type of identification used shall be noted on the transaction records. At no time shall a pawnbroker or secondhand dealer accept another person's photographic identification for any transaction. The pawnbroker or secondhand dealer shall attach a photocopy of the identification shown to the transaction record. No pawnbroker or secondhand dealer shall transact business with anyone under 18 years of age, except when said minor is accompanied by a parent or legal guardian who shall sign the transaction record with an accompanying copy of his or her positive photographic identification.
Section 9

REPORTING OF TRANSACTIONS.

Pawnbrokers or secondhand dealers shall prepare and deliver photocopies of all transaction records to the Chief of Police, or his designee, within 48 hours of the end of said dealer’s business day on which the transaction occurred. If during any week a pawnbroker or secondhand dealer has not purchased any items, he or she shall make a report of such fact to the Chief of Police, or his designee, on or before 10:00 a.m. of the first business day of the following week.

Pawnbrokers or secondhand dealers shall provide proof of subscription to an authorized electronic filing software. They shall be required to post pictures and a description of all transactions records to this electronic filing software within 48 hours of said dealer’s business day on which the transaction occurred.

Section 10

INSPECTION OF RECORDS AND PREMISES.

Pawnbrokers or secondhand dealers shall retain the original transaction records in their possession, which, together with any article which is kept or stored in or upon such premises, may be inspected at any time by a duly authorized police officer.

Section 11

TIME RESTRICTIONS.

Pawnbrokers or secondhand dealers will not sell, encumber by sales contract, or otherwise dispose of or alter an article in its appearance within 14 days of purchase, unless granted permission, in writing, from the Chief of Police, but in any case not within 24 hours of time of purchase. Pawnbrokers or secondhand dealers shall retain on premises all items purchased or pawned during the waiting period and not place such items on the sales floor until the waiting period has expired unless the item is clearly marked as to the sales release date based on the time frames outlined in this section. Pawnbrokers or secondhand dealers shall clearly mark the transaction records of any pawn item repurchased by the original seller and shall submit a copy of the record to the Chief of Police, or his designee, within 48 hours of the transaction.
Section 12

REMOVAL OF ARTICLES BY POLICE OFFICERS.

If the Chief of Police, or his designee, determines that an article is needed for evidence in a criminal investigation, the Police Department shall seize the evidence pursuant to applicable criminal procedures. The pawnbroker or secondhand dealer shall be issued a receipt for the article. Pursuant to RSA 595-A:6, the Police Department shall keep seized articles under the court's direction as long as necessary to permit the article to be used as evidence. At the conclusion of all court proceedings or closure of the police investigation, the Police Department shall notify the original owner, the pawnbroker/secondhand dealer, and any person who may have a lawful interest that the property will be released in 30 calendar days to the original owner if no other claim is placed on the property.

Section 13

VIOLATIONS AND PENALTIES; REVOCATION OR SUSPENSION OF LICENSE; NOTICE; SEVERABILITY.

A. Any violation of this chapter shall be punishable by a fine not exceeding $100 per day.
B. The Town Council may, independently or upon recommendation from the Chief of Police, suspend or revoke said license for any violation of this chapter, or reasons it deems to be in the best interest of the Town of Hooksett, following a hearing. Offenses which may result in the suspension or revocation of said license include, but are not limited to, the following:
   (1) Violation of any provision of this chapter; or
   (2) Violation of any statute of the State of New Hampshire or any other state or territory of the United States relating to the licensed business.
C. Notice of the suspension or revocation will be made, in writing, to the owner(s) of the business within five business days of said hearing.
D. The provisions of this chapter shall be severable, and if any phrase, clause, sentence or provision of these regulations shall, for any reason, be held invalid or unconstitutional, the validity of the remainder of these regulations shall not be affected thereby.