

ORDINANCE NO. 2198

CONCERNING THE REGULATION OF PAWNBROKERS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That Article V of Chapter 17 of the Code of Ordinances of the City of Grand Junction is repealed and reenacted to read:

ARTICLE V

Pawnbrokers

Sec. 17-70. Definitions. As used in this article, unless the context otherwise requires:

(1) "Contract for purchase" means a contract entered into between a pawnbroker and a customer pursuant to which money is advanced to the customer by the pawnbroker on the delivery of tangible personal property by the customer on the condition that the customer, for a fixed price and within a fixed period of time, not to exceed ninety (90) days, has the option to cancel said contract.

(2) "Fixed price" means the amount agreed upon to cancel a contract for purchase during the option period. Said fixed price shall not exceed:

(a) One-tenth of the original purchase price for each month, plus the original purchase price, on amounts of fifty dollars or over; or

(b) One-fifth of the original purchase price for each month, plus the original purchase price, on amounts under fifty dollars.

(3) "Fixed time" means that period of time, not to exceed ninety (90) days, as set forth in a contract for purchase, for an option to cancel said contract.

(4) "Local law enforcement agency" means the police department of the City.

(5) "Option" means the fixed time and the fixed price agreed upon by the customer and the pawnbroker in which a contract for purchase may be but does not have to be rescinded by the customer.

(6) "Pawnbroker" means a person regularly engaged in the business of making contracts for purchase or purchase transactions in the course of his business.

(7) "Purchase transaction" means the purchase by a pawnbroker in the course of his business of tangible personal property for resale, other than newly manufactured tangible personal property which has not previously been sold at retail, when such purchase

does not constitute a contract for purchase.

(8) "Tangible personal property" means all personal property other than choses in action, securities or printed evidences of indebtedness, which property is deposited with or otherwise actually delivered into the possession of a pawnbroker in the course of his business in connection with a contract for purchase or purchase transaction.

Sec. 17-71. License Required. No person shall engage in the pawnbroker's business without first having obtained a license to do so from the clerk of the City.

Sec. 17-72. Qualifications of Licensee and Business. No license required by this article shall be granted to any person who has been convicted of a felony. No license required by this article shall be granted in conjunction with any business where beer or other alcoholic beverages are sold or consumed or in conjunction with which there is operated any card room, billiard room or other place of amusement.

Sec. 17-73. License Fee. The fee for each license required by this article shall be two hundred dollars (\$200.00) per year or fraction thereof and shall be payable in advance.

Sec. 17-74. Bond Required. Each applicant for a pawnbroker's license shall, prior to being issued a license, give a bond in the sum of two thousand dollars (\$2,000.00) to insure the faithful observance of the provisions of this article and for the safe keeping and return of the articles held under a contract of purchase.

Sec. 17-75. Required Acts of Pawnbrokers.

(1) A pawnbroker shall keep a numerical register in which he shall record the following information: The name, address and date of birth of the customer, and his driver's license number or other identification number from any other form of identification which is allowed for the sale of valuable articles pursuant to Section 18-16-103, C.R.S., or for the sale of secondhand property pursuant to Section 18-13-114, C.R.S.; the date, time and place of the contract for purchase or purchase transaction; and an accurate and detailed account and description of each item of tangible personal property, including, but not limited to, any trademark, identification number, serial number, model number, brand name or other identifying marks on such property. The pawnbroker shall also obtain a written declaration of the customer's ownership which shall state that the tangible personal property is totally owned by the customer, or shall have attached to such declaration a power of sale from the partial owner to the customer, how long the customer has owned the property, whether the customer or someone else found the property, and, if the property was found, the details of the finding.

(2) The customer shall sign his name in such register and on the declaration of ownership and receive a copy of the contract for purchase or a receipt of the purchase transaction.

(3) Such register shall be made available to any local law enforcement agency for inspection at any reasonable time.

(4) The pawnbroker shall keep each register for at least three years after the date of the last transaction entered in the register.

(5) A pawnbroker shall hold all contracted goods within his jurisdiction for a period of ten (10) days following the maturity date of the contract for purchase, during which time such goods shall be held separate and apart from any other tangible personal property and shall not be changed in form or altered in any way.

(6) A pawnbroker shall hold all property purchased by him through a purchase transaction for thirty (30) days following the date of purchase, during which time such property shall be held separate and apart from any other tangible personal property and shall not be changed in form or altered in any way.

(7) Every pawnbroker shall provide the local law enforcement agency, on a daily basis, with two records on forms to be provided or approved by the local law enforcement agency, of all tangible personal property accepted during the preceding week and one copy of the customer's declaration of ownership. The form shall contain the same information required to be recorded in the pawnbroker's register pursuant to subsection (1) of this section.

#### Sec. 17-76. Prohibited Acts - Penalties.

(1) No pawnbroker shall enter into a contract for purchase or purchase transaction with any individual under the age of eighteen (18) years, or with any person who is visibly intoxicated, or with any known thief, or associate of thieves.

(2) With respect to a contract for purchase, no pawnbroker may permit any customer to become obligated on the same day in any way under more than one contract for purchase agreement with the pawnbroker which would result in pawnbroker obtaining a greater amount of money than would be permitted if pawnbroker and customer had entered into only one contract for purchase covering the same tangible personal property.

(3) No pawnbroker licensed under this article shall purchase outright any secondhand goods for the purpose of resale without first obtaining a license to deal in secondhand goods as required by Article VI of this chapter.

(4) No pawnbroker shall violate the terms of the contract for purchase.

(5) Any pawnbroker who violates any of the provisions of this article shall be punished as provided in Section 1-8 of Chapter 1 of the Code of Ordinances of the City of Grand Junction.

(6) Any customer who knowingly gives false information with respect to the information required by Section 17-75(1) shall be punished as provided in Section 1-8 of Chapter 1 of this Code.

PASSED and ADOPTED this 18th day of July, 1984.

Raymond G. Phipps

\_\_\_\_\_  
President of the Council Pro Tempore

Attest:

Neva B. Lockhart, CMC

\_\_\_\_\_  
City Clerk

I HEREBY CERTIFY that the foregoing ordinance, being Ordinance No. 2198, was introduced, read, and ordered published by the City Council of the City of Grand Junction, Colorado, at a regular meeting of said body held on the 5th day of July, 1984, and that the same was published in The Daily Sentinel, a newspaper published and in general circulation in said City, at least ten days before its final passage.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 19th day of July, 1984.

Neva B. Lockhart

\_\_\_\_\_  
Neva B. Lockhart, CMC  
City Clerk

Published: July 6, 1984

Published: July 20, 1984

Effective: August 19, 1984