

ORDINANCE G-5919

AN ORDINANCE RELATING TO SECOND HAND DEALERS AND AUCTION HOUSES; AMENDING CHAPTER 19, PHOENIX CITY CODE, BY AMENDING SECTIONS 19-40 TO REQUIRE ELECTRONIC REPORTING AND 19-42, PHOENIX CITY CODE TO EXEMPT SECONDHAND BOOKS, MAGAZINES, HANDBILLS OR POSTERS DEALERS FROM THE REPORTING REQUIREMENT.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as

follows:

SECTION 1. Sec. 19-40, Phoenix City Code, is amended to read as

follows:

Sec. 19- 40 Report of transaction; transmittal; retention.

A. Every person engaged in the business of auction house or secondhand dealer shall make out at the time of the transaction a true, complete, and legible report of all goods or articles, received on deposit or consignment, trade or exchange, or by purchase, that bear a serial number or have a fair market value in excess of \$100.00.

~~The report~~ A REPORT SUBMITTED PRIOR TO JULY 1, 2014 shall be made upon forms furnished or approved by the Police Department, OR THROUGH THE PHOENIX POLICE DEPARTMENT'S ONLINE REPORTING PORTAL OR OTHER ELECTRONIC REPORTING MECHANISM APPROVED IN WRITING BY THE POLICE DEPARTMENT and shall be delivered to the Police Department, in the form AND BY THE METHOD prescribed by the Police Department, within 24 hours

after receipt of the property concerned. Delivery of the report to the Police Department is accomplished when the report is delivered in person ~~or when the report~~, is deposited in the United States mail, OR IS CONFIRMED AS SUBMITTED BY THE PHOENIX POLICE DEPARTMENT'S ONLINE REPORTING PORTAL OR OTHER ELECTRONIC REPORTING MECHANISM APPROVED IN WRITING BY THE POLICE DEPARTMENT.

EFFECTIVE JULY 1, 2014, ALL REPORTS SHALL BE MADE THROUGH THE PHOENIX POLICE DEPARTMENT'S ONLINE REPORTING PORTAL, OR OTHER ELECTRONIC REPORTING MECHANISM APPROVED IN WRITING BY THE POLICE DEPARTMENT, WITHIN 24 HOURS AFTER RECEIPT OF THE PROPERTY CONCERNED. DELIVERY OF THE REPORT TO THE POLICE DEPARTMENT IS ACCOMPLISHED WHEN THE REPORT IS CONFIRMED AS SUBMITTED BY THE PHOENIX POLICE DEPARTMENT'S ONLINE REPORTING PORTAL OR OTHER ELECTRONIC REPORTING MECHANISM APPROVED IN WRITING BY THE POLICE DEPARTMENT.

The reporting party shall retain a copy of each report on the premises of the business for six months from the date of the transaction. Each report shall contain for each item received:

1. An accurate description of the property, including brand name and serial number, if any. The word "scrap" shall not constitute a description under this section.
2. The amount paid for the property, or amount allowed in trade.
3. The date and time when the property was received.
4. A statement in ten-point bold type, signed by the person from whom the property was received, that reads as follows: "All information in this report is complete and accurate. I am the owner of goods described in this report that I sold or consigned or I am authorized to enter into this sale or consignment transaction on behalf of the owner of the goods described in this report. I understand that I will be guilty of a Class 1 misdemeanor if the information in this report is not complete and accurate, or if I am not

the owner of the goods sold or consigned or if I am not authorized to enter into the sale or consignment transaction on behalf of the owner of the goods."

5. The name (printed), address and age of such person. Before accepting the property, the reporting party shall require the person who is delivering the property to identify himself with a valid motor vehicle operator's license' valid motor vehicle non-operating identification license, valid armed forces identification card or other government-issued valid photo identification sufficient to verify the information required by this subsection.
6. The serial number and type of the identification card provided pursuant to subsection (A)(5) of this section.
7. A description of such person, consisting of height, weight, race, complexion and hair color.

B. An auction house or secondhand dealer shall not purchase goods in a series of purchases for purposes of avoiding the requirements of this section.

SECTION 2. Sec. 19-42, Phoenix City Code, is amended to read as

follows:

Sec. 19-42 Reporting and holding period exemptions.

A. Sections 19-40 and 19-41 shall not apply to transactions falling within any one or more of the following categories:

1. Purchases by a secondhand dealer or auction house, or consignments to an auction house, of either business inventory or business equipment from a business with a fixed business location; provided, that the licensee acquires at, or has previously acquired by, the time of the transaction, all of the following:
 - a. The name and address of the business.
 - b. The State and local privilege (sales) tax license number of the business, if applicable.

- c. Regardless of the amount of the transaction, either a copy of the invoice or other document showing the business's bona fide purchase of or right to possess the article sold, or a transaction report that is completed in all its particulars as specified in Section 19-40 and that is signed by a representative of the business with actual or apparent authority to act on behalf of the business for purposes of this subsection.
 2. Purchases of household items by a secondhand dealer or auction house from a place of residence; provided, that all of the following apply:
 - a. The purchase is made by the licensee by check or other negotiable instrument made payable to the seller, or the purchase is made in cash and the licensee has obtained a receipt for that cash payment from the seller bearing the seller's name and address, verified to be accurate by the licensee from identification of the type listed in Section 19-40(A)(5).
 - b. The seller has produced for the licensee's inspection documentary evidence that would establish to the satisfaction of a reasonable person that the seller is either the lawful occupant of the premises or has the legal right to sell the items being offered for sale. The licensee shall record from the documentary evidence produced a description of the document, including the name or nature of the document, and, to the extent available, its date, the individual's name and address thereon, and any account number appearing thereon.
 3. Consignments, other than a firearm consigned to an auction house or secondhand dealer; provided, that no payment is made by the licensee to the consignor for a period of three calendar days after the date of the consignment.
 4. Consignments of household items to an auction house if all consigned items are located at a residence and are auctioned at that residence.

5. Any firearm consigned to a licensee by a pawnbroker, secondhand dealer, or auction house licensed by the State of Arizona or any city within the State of Arizona.
6. Articles of used clothing received in trade, exchange, by purchase, or on consignment.
7. Articles of furniture received in trade, exchange, by purchase, or on consignment. For the purposes of this subsection, the word "furniture" does not include pianos or other musical instruments.
8. Goods or articles received in trade, exchange, or by purchase from a business engaged in the lawful liquidation of its business.
9. Goods or articles received in trade, exchange, by purchase, or on consignment from a secondhand dealer or auction house possessing a valid license issued pursuant to this article, or a pawnbroker possessing a valid license issued pursuant to Section 44-1627, Arizona Revised Statutes, as amended.
10. Used appliances.
11. Gold and silver bullion coins.
12. Gold, silver, platinum, rhodium or palladium bullion that has been assayed and is properly marked as to its weight and fineness.
13. Coins.
14. Commemorative medallions.
15. Collectible cards.
16. Used tires.
17. Titled vehicles or titled property, the transfer of title to which is required by the laws of the State to be evidenced by written instrument and recorded in an appropriate government office.

18. Donated items purchased or received from an organization described at Section 19-3.01(A)(1) if the receiving party obtains a written statement from the seller or donor at the time of the transaction that contains:
 - a. The name of the Section 19-3.01(A)(1) organization.
 - b. The name of the receiving party.
 - c. The date.
 - d. A general description of the goods transferred.
 - e. A verification that all items transferred were donated to the Section 19-3.01(A)(1) organization.
 - f. The printed name and signature of an authorized representative.
19. Audio records and cassettes.
20. Compact discs.
21. Digital video discs.
22. Video game software discs, cartridges and cassettes.
23. SECONDHAND BOOKS, MAGAZINES, HANDBILLS OR POSTERS.

PASSED by the Council of the City of Phoenix this 28th day of May, 2014.

Greg Stanton

MAYOR

ATTEST:

Cris Meyer City Clerk

APPROVED AS TO FORM:

Patricia Boland Acting City Attorney

REVIEWED BY:

Ed Zuercher City Manager

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