

# ADOPTED

NOV 24 2015

ORDINANCE NO. 16A-31

Board of Supervisors  
James City County, VA

AN ORDINANCE TO AMEND AND REORDAIN CHAPTER 12, LICENSES, OF THE CODE OF THE COUNTY OF JAMES CITY, VIRGINIA BY REPEALING AND DELETING ARTICLE VI, SECONDHAND ARTICLES, DIVISION 1, BUYERS OF GOLD, SILVER, DIAMONDS AND JEWELRY, BY DELETING SECTION 12-130, DEFINITIONS; SECTION 12-131, PERMIT REQUIRED; METHOD OF OBTAINMENT; RENEWAL; SECTION 12-132, BOND OR LETTER OF CREDIT REQUIRED; SECTION 12-133, RECORDS TO BE KEPT; INSPECTION THEREOF; SECTION 12-134, CREDENTIALS REQUIRED FROM SELLER; SECTION 12-135, PROHIBITED PURCHASES; SECTION 12-136, DEALER TO RETAIN PURCHASES; SECTION 12-137, RECORD OF DISPOSITION; SECTION 12-138, PRIVATE ACTION ON BOND OR LETTER OF CREDIT; SECTION 12-139, EXEMPTIONS FROM ARTICLE; AND SECTION 12-140, PENALTIES, FIRST AND SUBSEQUENT OFFENSES; AND BY ADDING NEW SECTION 12-130, DEFINITIONS; SECTION 12-131, PERMIT REQUIRED; METHOD OF OBTAINING PERMIT; BOND OR LETTER OF CREDIT REQUIRED; NO CONVICTION OF CERTAIN CRIMES; APPROVAL OF WEIGHING DEVICES; RENEWAL; PERMANENT LOCATION REQUIRED; SECTION 12-132, CREDENTIALS AND STATEMENT OF OWNERSHIP REQUIRED FROM SELLER; SECTION 12-133, RECORDKEEPING; COPY FURNISHED TO LOCAL AUTHORITIES; SECTION 12-134, DEALER TO RETAIN PURCHASES; SECTION 12-135, RECORD OF DISPOSITION; SECTION 12-136, OFFICERS MAY EXAMINE RECORDS OR PROPERTY; WARRANTLESS SEARCH AND SEIZURE AUTHORIZED; SECTION 12-137, PROHIBITED PURCHASES; SECTION 12-138, EXEMPTIONS; SECTION 12-139, PENALTIES; AND SECTION 12-140, PRIVATE ACTION ON BOND OR LETTER OF CREDIT.

BE IT ORDAINED by the Board of Supervisors of the County of James City, Virginia, that Chapter 12, Licenses, is hereby amended and reordained by amending Article VI, Secondhand Articles, Division 1, Buyers of Gold, Silver, Diamonds and Jewelry, by amending Section 12-130, Definitions; Section 12-131, Permit required; method of obtaining permit; bond or letter of credit required; no conviction of certain crimes; approval of weighing devices; renewal; permanent location required; Section 12-132, Credentials and statement of ownership required from seller; Section 12-133, Recordkeeping; copy furnished to local authorities; Section 12-134, Dealer to retain purchases; Section 12-135, Record of disposition; Section 12-136, Officers may examine records or property; warrantless search and seizure authorized; Section 12-137, Prohibited purchases; Section 12-138, Exemptions; Section 12-139, Penalties; and Section 12-140, Private action on bond or letter of credit.

## Chapter 12. Licenses

### Article VI. - Secondhand Articles

#### Division 1. - Buyers of Gold, Silver, Diamonds and Jewelry

#### **Sec. 12-130. - Definitions.**

For the purposes of this article, the following definitions shall apply:

- (1) ~~Coin. Any piece of gold, silver or other metal fashioned into a prescribed shape, weight and degree of fineness, stamped by authority of a government with certain marks and devices, and having a certain fixed value as money.~~

- ~~(2) Dealer. Any person, firm, partnership or corporation engaged in the business of (i) purchasing secondhand precious metals or gems; (ii) removing in any manner precious metals or gems from manufactured articles not then owned by such person, firm, partnership, or corporation; or (iii) buying, acquiring, or selling precious metals or gems removed from such manufactured articles. "Dealer" shall mean all employers and principals on whose behalf a purchase is made, and any employee or agent who makes any such purchase for or on behalf of his employer or principal.~~

~~This definition shall not be construed so as to include persons engaged in the following:~~

- ~~(a) Purchases of precious metals or gems directly from other dealers, manufacturers or wholesalers for retail or wholesale inventories, provided the selling dealer has complied with the provisions of this article.~~
  - ~~(b) Purchases of precious metals or gems from a duly qualified fiduciary who is disposing of the assets of the estate being administered by such fiduciary in the administration of an estate.~~
  - ~~(c) Acceptance by a retail merchant of trade in merchandise previously sold by such merchant to the person presenting that merchandise for trade in.~~
  - ~~(d) Repairing, restoring or designing jewelry by a retail merchant, if such activities are within his normal course of business.~~
  - ~~(e) Purchases of previous metals or gems by industrial refiners and manufacturers, insofar as such purchases are made directly from retail merchants, wholesalers, dealers, or by mail originating outside the Commonwealth of Virginia.~~
  - ~~(f) Persons regularly engaged in the business of purchasing and processing nonprecious scrap metals which incidentally may contain traces of precious metals recoverable as a byproduct.~~
- ~~(3) Gems. Any item containing precious or semiprecious stones customarily used in jewelry.~~
- ~~(4) Precious metals. Any item except coins composed in whole or in part of gold, silver, platinum or platinum alloys.~~

~~(Ord. No. 16A-8, 1-11-82)~~

~~**Sec. 12-131. Permit required; method of obtainment; renewal.**~~

- ~~(a) No person shall engage in the activities of dealer as defined in section 12-130 without first obtaining a permit from the chief of police.~~
- ~~(b) To obtain a permit, the dealer shall file with the chief of police an application form which shall include the dealer's full name, any aliases, address, age, sex, photograph and fingerprints; the name, address and telephone number of the applicant's employer, if any; and the location of the dealer's place of business. Upon filing this application and the payment of a \$200.00 fee, the chief of police shall within 30 days conduct an investigation of the applicant and his proposed operation. If the applicant is found to be of good moral character and not to have been convicted of a felony or crime of moral turpitude within seven years prior to the date of application, a permit shall be granted. A permit shall be denied if the applicant has been denied a permit or has had a permit revoked under any ordinance similar in substance to the provisions of this article.~~

- ~~(e) Before a permit may be issued, the dealer must have all weighing devices used in his business inspected and approved by local or state weights and measures official and present written evidence of such approval to the chief of police.~~
- ~~(d) The permit shall be valid for one year from the date issued and may be renewed in the same manner as such permit was initially obtained with an annual fee of \$200.00. No permit shall be transferable.~~
- ~~(e) If the business of the dealer is not operated without interruption, with Saturdays, Sundays and recognized holidays excepted, the dealer shall notify the chief of police of all closings and reopenings of such business. The business of a dealer shall be conducted only from the fixed and permanent location specified in his application for a permit.~~

~~(Ord. No. 16A 8, 1 11 82; Ord. No. 160, 7 7 86)~~

**~~Sec. 12-132. Bond or letter of credit required.~~**

~~Every dealer securing a permit pursuant to section 12-131 shall, at the time of obtaining such permit, enter into a recognizance to the county secured by a corporate surety authorized to do business in the commonwealth, in the penal sum of \$10,000.00, conditioned upon due observance of the terms of this article. In lieu of a bond, a dealer may cause to be issued by a bank authorized to do business in the Commonwealth of Virginia a letter of credit in favor of the county in the sum of \$10,000.00.~~

~~(Ord. No. 16A 8, 1 11 82)~~

**~~Sec. 12-133. Records to be kept; inspection thereof.~~**

- ~~(a) Every dealer shall keep at his place of business an accurate and legible record of each purchase of precious metals or gems. The record of each purchase shall be retained by the dealer for not less than 24 months. These records shall set forth the following:
  - ~~(1) A complete description of all precious metals or gems purchased from each seller. The description shall include all names, serial numbers or other identifying marks or monograms on each item purchased, the true weight or karat of any gem and the price paid for each item;~~
  - ~~(2) The date and time of receiving the items purchased; and~~
  - ~~(3) The name, address, age, sex, race, driver's license number or social security number and signature of the seller.~~~~
- ~~(b) The information required by paragraph (a) shall appear on each bill of sale for all precious metals and gems purchased by a dealer, and a copy shall be mailed or delivered within 24 hours of the time of purchase to the chief of police.~~
- ~~(c) Every dealer shall admit to his premises during regular business hours the chief of police, his sworn designee, the sheriff, or his sworn designee, or any other law enforcement official of the state or federal governments, and shall permit such law enforcement officer to examine all records required by this article, and to examine any article listed in a record which is believed by the officer to be missing or stolen.~~

~~(Ord. No. 16A 8, 1 11 82; Ord. No. 160, 7 7 86)~~

**~~Sec. 12-134. Credentials required from seller.~~**

~~No dealer shall purchase precious metals or gems without first ascertaining the identity of the seller by requiring an identification issued by a governmental agency with a photograph of the seller thereon, and at least one other corroborating means of identification.~~

~~(Ord. No. 16A 8, 1-11-82)~~

**~~Sec. 12-135. Prohibited purchases.~~**

- ~~(a) No dealer shall purchase precious metals or gems from any seller who is under the age of 18.~~
- ~~(b) No dealer shall purchase precious metals or gems from any seller who the dealer believes or has reason to believe is not the owner of such items, unless the seller has written and duly authenticated authorization from the owner permitting and directing such sale. Additionally, no dealer shall purchase any such items from any seller who the dealer believes or has reason to believe is intoxicated at the time of the proposed sale.~~

~~(Ord. No. 16A 8, 1-11-82)~~

**~~Sec. 12-136. Dealer to retain purchases.~~**

- ~~(a) A dealer shall retain all precious metals or gems purchased for a minimum of ten calendar days from the date on which a copy of the bill of sale is received by the chief of police. Until the expiration of this period, the dealer shall not sell, alter or dispose of a purchased item in whole or in part, or remove it from the county.~~
- ~~(b) If a dealer performs the service of removing precious metals or gems, he shall retain the metals or gems removed and the article from which the removal was made for a period of ten calendar days after receiving such article and precious metals or gems.~~

~~(Ord. No. 16A 8, 1-11-82)~~

**~~Sec. 12-137. Record of disposition.~~**

~~Each dealer shall keep and maintain for at least 24 months an accurate and legible record of the name and address of the person, firm, or corporation to which he sells any precious metal or gem in its original form after the waiting period required by section 12-136. This record shall also show the name and address of the seller from whom the dealer purchased such item.~~

~~(Ord. No. 16A 8, 1-11-82)~~

**~~Sec. 12-138. Private action on bond or letter of credit.~~**

~~If any person shall be aggrieved by the misconduct of any dealer who has violated the provisions of this chapter, he may maintain an action for recovery in any court of proper jurisdiction against such dealer and his surety; provided that recovery against the surety shall be only for that amount of the judgment, if any, which is unsatisfied by the dealer.~~

~~(Ord. No. 16A 8, 1-11-82)~~

**Sec. 12-139. Exemptions from article.**

~~The chief of police or his designee, may waive by written notice implementation of any one or more of the provisions of this article, except section 12-135, for particular numismatic gems or antique exhibitions or craft shows sponsored by nonprofit organizations, provided that the purpose of the exhibitions is nonprofit in nature, notwithstanding the fact that there may be casual purchases and trades made at such exhibitions. Additionally, the provisions of this article shall not apply to the sale or purchase of coins.~~

~~(Ord. No. 16A-8, 1-11-82)~~

**Sec. 12-140. Penalties, first and subsequent offenses.**

- ~~(a) Any person convicted of violating any of the provisions of this article shall be guilty of a Class 2 misdemeanor for the first offense. Upon conviction of any subsequent offense, he shall be guilty of a Class 1 misdemeanor.~~
- ~~(b) Upon the first conviction by any court of a dealer for violation of any provision of this article, the chief of police may revoke his permit to engage in business as a dealer under this chapter for a period of one full year from the date the conviction becomes final. Such revocation shall be mandatory upon a second conviction.~~

~~(Ord. No. 16A-8, 1-11-82)~~

**Sec. 12-130. Definitions.**

*The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:*

*Coin – means any piece of gold, silver or other metal fashioned into a prescribed shape, weight and degree of fineness, stamped by authority of a government with certain marks and devices, and having a certain fixed value as money.*

*Dealer – means any person, firm, partnership or corporation engaged in the business of purchasing secondhand precious metals or gems; removing in any manner precious metals or gems from manufactured articles not then owned by the person, firm, partnership or corporation; or buying, acquiring or selling precious metals or gems removed from manufactured articles. The term “dealer” includes all employers and principals on whose behalf a purchase is made, and any employee or agent who makes any purchase for or on behalf of his employer or principal. The term “dealer” shall not include persons engaged in the following:*

- (a) Purchases of precious metals or gems directly from other dealers, manufacturers or wholesalers for retail or wholesale inventories, provided that the selling dealer has complied with the provisions of this article.*
- (b) Purchases of precious metals or gems from a qualified fiduciary who is disposing of the assets of an estate being administered by a fiduciary.*
- (c) Acceptance by a retail merchant of trade-in merchandise previously sold by the retail merchant to the person presenting that merchandise for trade-in.*
- (d) Repairing, restoring or designing jewelry by a retail merchant, if such activities are within his normal course of business.*

- (e) Purchases of precious metals or gems by industrial refiners and manufacturers, insofar as such purchases are made directly from retail merchants, wholesalers, dealers or by mail originating outside the commonwealth.
- (f) Persons regularly engaged in the business of purchasing and processing nonprecious scrap metals which incidentally may contain traces of precious metals recoverable as a byproduct.

*Gems* – means any item containing precious or semiprecious stones customarily used in jewelry.  
*Precious metals* – means any item except coins, composed, in whole or in part, of gold, silver, platinum or platinum alloys.

*Seller* – means one who sells precious metals or gems and includes one who gives precious metals and gems as security for loans.

**Sec. 12- 131. Permit required; method of obtaining permit; bond or letter of credit required; no conviction of certain crimes; approval of weighing devices; renewal; permanent location required.**

- (a) No person shall engage in the activities of a dealer as defined in Section 12-130 without first obtaining a permit from the chief of police of James City County.
- (1) To obtain a permit, the dealer shall file with the chief of police an application for such permit. The application, which can be obtained from the police department, shall include the dealer's full name, any aliases, address, age, date of birth, sex, name, address and telephone number of the applicant's employer, if any; and the location of the dealer's place of business. The applicant shall be fingerprinted and photographed and a background investigation shall be conducted to determine the applicant's criminal record.
- (2) Upon filing this application, the completion of the background investigation and upon the payment of a \$200.00 application fee to the treasurer's office and proof of payment provided to the chief of police, the dealer shall be issued a permit by the chief of police, provided that the applicant has not been convicted of a felony or crime of moral turpitude within seven years prior to the date of the application. The permit shall be denied if the applicant has been denied a permit or has had a permit revoked under any ordinance similar in substance to the provisions of this chapter.
- (b) With the permit application, the pawnbroker shall post a bond or letter of credit in favor of the Board of Supervisors by a financial institution authorized to do business in the Commonwealth, in the sum of \$10,000, conditioned upon due observance of the terms of this article. A single bond upon an employer or principal may be written or a single letter of credit issued to cover all employees and all transactions occurring at a single location.
- (c) Before a permit may be issued, the dealer must have all weighing devices used in his business inspected and approved by local or state weights and measures officials and present written evidence of such approval to the chief of police or his designee.
- (d) This permit shall be valid for one year from the date issued and may be renewed in the same manner as such permit was initially obtained with the payment of an annual permit fee of \$200.00. No permit shall be transferable.
- (e) If the business of the dealer is not operated without interruption, with Saturdays, Sundays and recognized holidays excepted, the dealer shall notify the chief of police of all closings and reopening's of such business. The business of a dealer shall be conducted only from the fixed and permanent location specified in his application for a permit.
- (f) Each permit holder shall be issued a number by the chief of police and such number must appear on all transaction report forms filed by the permit holder.

**Sec. 12-132. Credentials and statement of ownership required from seller.**

No dealer shall purchase precious metals or gems without first ascertaining the identity of the seller by requiring an identification issued by a governmental agency with a photograph of the seller thereon, and at least one other corroborating means of identification, and obtaining a statement of ownership from the seller.

The board of supervisors may determine the contents of the statement of ownership.

**Sec. 12-133 Recordkeeping; copy furnished to local authorities.**

Every dealer shall keep at his place of business an accurate and legible record of each purchase of precious metals or gems. The record of each purchase shall be retained by the dealer for at least 24 months and shall set forth the following:

- (a) A complete description of all precious metals or gems purchased from each seller. The description shall include all names, initials, serial numbers or other identifying marks or monograms on each item purchased, the true weight or carat of any gem, and the price paid for each item;
- (b) The date, time and place of receiving the items purchased;
- (c) The full name, residence address, workplace, home and work telephone numbers, date of birth, sex, race, height, weight, hair and eye color, and other identifying marks of the person selling the precious metals or gems;
- (d) Verification of the identification by the exhibition of a government-issued identification card bearing a photograph of the person selling the precious metals or gems, such as a driver's license or military identification card. The record shall contain the type of identification exhibited, the issuing agency, and the number thereon;
- (e) A statement of ownership from the seller; and
- (f) A digital image of the form of identification used by the person involved in the transaction.

The information required by (a)-(f) above shall appear on each bill of sale for all precious metals and gems purchased by a dealer. One copy of such bill is to be retained by the dealer, one copy is to be mailed or delivered within 24 hours of the time of purchase to the chief of police or his designee and one copy shall be delivered to the seller of such precious metals or gems. If the purchase or loan occurs during the weekend or holiday then the delivery to the chief of police or his designee shall be made no later than 10:00 a.m. of the next regular county business day.

**Sec. 12-134. Dealer to retain purchases.**

The dealer shall retain all precious metals or gems purchased or held as security for a minimum of 15 calendar days from the time of filing the bill of sale with the chief of police or his designee. Until the expiration of this period, the dealer shall not sell, alter or dispose of a purchased item in whole or in part, or remove it from the county.

If the dealer performs the service of removing precious metals or gems, he shall retain the metals or gems removed and the article from which the removal was made for a period of 15 calendar days after receiving such article and precious metals or gems.

**Sec. 12-135. Record of disposition.**

*Each dealer shall keep and maintain for at least 24 months an accurate and legible record of the name and address of the person to which he sells any precious metals or gems in their original form after the waiting period required by section 12-134. This record shall also show the name and address of the seller from whom the dealer purchased such item.*

***Sec. 12-136. Officers may examine records or property; warrantless search and seizure authorized.***

*Every dealer or his employee shall admit to his place of business during regular business hours the chief of police or his designee or any law enforcement officer of the state or federal government. The dealer or his employee shall permit the officer to examine all records required by this article and any article listed in a record which is believed by the officer to be missing or stolen, and search for and take into possession any article known to be missing, or known or believed by him to have been stolen.*

***Sec. 12-137. Prohibited purchases.***

*No dealer shall purchase precious metals or gems from any seller who is under the age of 18. No dealer shall purchase precious metals or gems from any seller who the dealer believes, or has reason to believe, is not the owner of such item, unless the seller has written and duly authenticated authorization from the owner permitting and directing such sale.*

***Sec. 12-138. Exemptions.***

*The chief of police or his designee, may waive by written notice, implementation of any one or more of the provisions of this article, except those provisions of section 12-137 may not be waived, for particular numismatic, gem, or antique exhibitions or craft shows sponsored by nonprofit organizations, provided that the purpose of the exhibition is nonprofit in nature, notwithstanding the fact that there may be casual purchases and trades made at such exhibitions.*

*This article shall not apply to any bank, branch thereof, trust company or bank holding company, or any wholly owned subsidiary, engaged in buying and selling gold and silver bullion.*

*This article shall not apply to the sale or purchase of coins.*

***Sec. 12-139. Penalties.***

*Any person convicted of violating any of the provisions of this article shall be guilty of a class 2 misdemeanor for the first offense. Upon conviction of any subsequent offense he shall be guilty of a class 1 misdemeanor.*

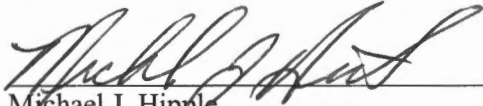
*Upon the first conviction of a dealer for violation of any provision of this article, the chief of police may revoke the dealer's permit for one full year from the date the conviction becomes final. Such revocation shall be mandatory upon a second conviction.*

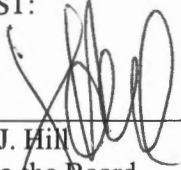
***Sec. 12-140. Private action on bond or letter of credit.***

*Any person aggrieved by the misconduct of any dealer which violated the provisions of this article may maintain an action for recovery in any court of proper jurisdiction against the dealer and his surety. Recovery against the surety shall be only for that amount of the judgment which is unsatisfied by the dealer.*



***Secs. 12-141-12-142. Reserved.***

  
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Michael J. Hipple  
Chairman, Board of Supervisors

ATTEST:  
  
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Bryan J. Hill  
Clerk to the Board

	VOTES		
	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>
JONES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MCLENNON	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ONIZUK	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
KENNEDY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HIPPLE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Adopted by the Board of Supervisors of James City County, Virginia, this 24th day of November, 2015.