

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
August 6 2013	

TO: Mayor Shoji and City Councilors

FROM: Gary McCullough, Chief of Police
Through: Rodger Craddock, City Manager

ISSUE: Review of Coos Bay Municipal Code (CBMC) 5.20 - Second Hand Property Dealers and Gem and Precious Metal Dealers

BACKGROUND:

The purpose for the proposed amendment to CBMC 5.20 ordinance is to assist the Police Department in regulating certain business activities that present an extraordinary risk of being used by criminals to dispose of stolen property. History has shown that this risk is present despite the best efforts of legitimate secondhand property dealers because these businesses process large volumes of goods and materials that are frequently the subject of theft. The regulation listed in CBMC 5.20 is intended to reduce this type of criminal activity by providing timely police awareness of such property transactions and by regulating the conduct of persons engaged in this business activity.

On May 21, 2013, Police Department staff presented to the City Council an amended ordinance that would require businesses that purchase, pawn, or consign certain personal property to electronically report those transactions through an on line reporting system. In addition to the reporting, it was also proposed that this property be held for a 14 day period prior to the property trading hands from the business to customers in order to give the Police Department and citizens time to determine if the said property is/was reported as stolen.

After taking public comments, council members directed staff to address several issues that were brought up and discussed through public comments. Attached are the following items: 1) a clean copy of the current ordinance; 2) an annotated copy containing staffs recommended revisions; 3) a list of the issues that were brought up during the public comments which includes the requested changes by the business owners, purpose of the ordinance as it relates to the issues brought up, what other agencies around the state are doing to address this stolen property reporting, and staff's recommendation; 4) Correspondence from affected business owners, highlighted minutes from the May 21st City Council meeting, and questions and answers raised by business that deal in estate and yard sales; and 5) a news article from around the state advising the public of changes in regulations as it pertains to certain regulated property.

ADVANTAGES:

Reviewing this ordinance will assist Police Department staff in making the necessary collectively agreed upon changes to the current ordinance.

RECOMMENDATION:

Please direct Police Department staff on how to proceed with the recommended changes to the current ordinance. This direction will assist staff in presenting a revised ordinance that will be acceptable to all parties involved.

(CLEAN COPY OF CURRENT ORDINANCE)

ORDINANCE NO. 279

AN ORDINANCE REGULATING THE SALE OR RESALE OF CERTAIN USED OR CERTAIN MERCHANDISE AND LICENSING SECONDHAND STORES AND GEM AND PRECIOUS METAL DEALERS; AND REPEALING ORDINANCE NO. 101, AS AMENDED

The City of Coos Bay ordains as follows:

Section 1: Purpose. The purpose of this ordinance is to provide a means to monitor the sale and resale of valuable used merchandise and gems and precious metals in the City of Coos Bay to deter trafficking in stolen merchandise and to provide revenue to pay expenses incurred therein.

Section 2: Definitions.

Gem and precious metal dealer. Any person who owns, manages or operates a business, including transient merchants, for the purpose of buying, receiving, selling, or in any way exchanging precious metals or gems including, but not limited to gold, silver, zirconium, platinum, diamonds, rubies, sapphires, emeralds, and turquoise.

Licensee. A gem or precious metal dealer or secondhand which has a license pursuant to this ordinance.

Person. An individual, corporation, partnership, or other legal entity or entity-in-fact.

Police Department. The City of Coos Bay Police Department.

Public Safety Officer. A police officer or any designee of the City of Coos Bay Police Chief.

Secondhand stores. Any place in which items of used personal property, other than motor vehicles, are purchased, bartered, pawned or consigned and

placed on sale or resale as part of a regular course of business, but excluding yard sales, moving sales, and other similar one-time sales occurring at a residence.

Section 3: License Required. No person shall conduct, keep, manage, operate, or assist in the conducting, keeping, managing, or operating any gem and precious metals dealership or secondhand store, as owner, officer, principal, agent, employee or otherwise, unless a license is first obtained from the City.

Section 4: License Application.

(a) Written application for a license shall be filed with the City of Coos Bay Finance Department. Applications for licenses by or on behalf of a corporation, partnership or other business entity shall be made by an agent properly authorized by that entity.

(b) Each application shall be accompanied by an irrevocable consent to inspect and examine the licensed premises and business records of the licensee applicant at any time during the term of the license by any officer of the Police Department.

(c) The Police Department shall examine and investigate the background and qualifications of all applicants for licenses and shall make a recommendation whether or not to issue the license.

(d) The license shall not be granted if:

(1) The applicant's activity will not comply with any city ordinance or state or federal law;

(2) The applicant does not have the knowledge or skill required to engage in the licensed activity;

(3) The applicant's activity would endanger property, public health or public safety; or

(4) The applicant's past or present violations of laws or ordinances presents a reasonable question about his or her ability to perform the

licensed activity without danger to property, public health or public safety.

(e) Approval or denial of the license shall be based on consideration of all available evidence indicating whether the applicant meets the requirements of this ordinance.

(f) The license required by this ordinance shall be in addition to, and not in lieu of any business licenses required by other city ordinances or state or federal laws.

Section 5: License Fee. The license fee shall be set by Council resolution. License fees shall be payable at the time of application. Licenses shall commence on the day issued and shall expire on the 31st day of December of the calendar year in which the license is issued. License fees shall not be prorated for any portion of any calendar year.

Section 6: License Display. Every licensee must display the license in a conspicuous manner in the licensee's business premises.

Section 7: Transferability. Licenses may not be assigned or otherwise transferred.

Section 8: Record of Purchases; Restrictions on Resale; Prohibited Transactions.

(a) Every licensee shall keep a permanent record of all items purchased, traded, pledged or consigned from private persons with a resale value of \$50.00 or more.

(b) (1) Records of such transactions may be a permanent bound volume or prenumbered forms. Entries shall be handwritten in ink or typed so that removal of an entry will be obvious.

(2) Records shall contain the following information:

(A) A complete description of the property received in the transaction;

(B) Date of receipt of the property;

(C) Price or consideration paid for property or value of property consigned, pledged or traded;

(D) Name, address, telephone number, date of birth, social security number, and other identifying information as to the person selling, consigning, pledging or trading the property;

(E) Signature of the seller; and

(F) Notation of the type of identification shown by the seller, consignor, pledger or trader.

(c) The record of purchases shall be available during regular business hours to the inspection of any public safety officer of the City. Records shall be maintained for not less than three years.

(d) All property purchased from any person shall be retained by the licensee for a period of not less than ten (10) days from the date of purchase or receipt, provided each business day the licensee forwards to the police department a copy of the record of purchases made that day. If daily reports are not provided to the police department, then all property purchased or received must be held for a period of thirty (30) days from the date of purchase.

(e) No licensee shall buy or receive any article from persons under the influence of alcohol or drugs or from any person under the age of eighteen (18) years.

Section 9: Revocation.

(a) The city manager may revoke any license if the licensee, licensee's employees or agents have permitted the licensee's business premises to be used in violation of of this or any ordinance of the city, or any state or federal law.

(b) The licensee shall be notified, in writing, of the effective date of revocation, the reasons for revocation, and the licensee's right to appeal. Notice may be given either by mailing the notice of revocation by first class mail to the business address of the licensee or by leaving the notice at the licensed premises.

Section 10: Appeal.

(a) Any person whose application for a license has been denied, or a licensee whose license has been denied renewal or revoked, may, within seven business days after the notice of denial or revocation is mailed, appeal such action. The notice of appeal shall be in writing and filed with the city recorder.

(b) The notice of appeal shall contain the following information:

- (1) The name and address of the appellant;
- (2) The nature of the action being appeal;
- (3) The reason the action is incorrect;
- (4) A statement of facts establishing the contentions of the appellant.

(c) A licensee who fails to file a notice of appeal within the time permitted waives all rights to an appeal. If the action appealed is revocation, revocation does not take effect until final decision on the appeal. At the hearing, the appellant may present evidence, testimony and oral argument.

Section 11: Penalties. Violation of any provision of this ordinance is punishable upon conviction by a penalty not to exceed \$750.00 per violation, and each day that the violation persists shall be a separate and distinct violation.

Section 12: Repeal. Ordinance No. 101, as amended by Ordinances No. 196 and 204, is repealed.

Section 13: Severability. Each provision of this ordinance is severable, and if any provision of this ordinance shall be declared invalid by a court of competent

jurisdiction, the remaining provisions shall nevertheless remain in full force and effect.

Section 14: Savings Clause. All licenses in effect at the time this ordinance is enacted shall remain in full force and effect until the expiration of the term of the license.

Section 15: Emergency Declared. The City Council of the City of Coos Bay finds that the health, safety and welfare of the City of Coos Bay requires this ordinance to have immediate effect. Therefore, the City Council hereby declares the existence of an emergency and this ordinance shall be in full force and effect from the time of its passage and approval.

The foregoing ordinance was enacted by the City Council of the City of Coos Bay this 7th day of September, 1999, by the following vote:

Yes:	Mayor Verger and Councilors Joe Benetti, Jeff McKeown, Cindi Miller, Don Spangler and Kevin Stufflebean
No:	None
Absent:	Councilor Judy Weeks

Joanne Verger
Mayor of the City of Coos Bay
Coos County, Oregon

ATTEST:

Joyce Jansen

(COPY OF CURRENT ORDINANCE W/ SUGGESTED CHANGES)

ORDINANCE NO. 279

Comment [MS1]: Items in blue lettering indicate new, added or changed language. Strikethrough indicates language that needs to be removed or left out of the ordinance.

AN ORDINANCE REGULATING THE SALE OR RESALE OF CERTAIN USED OR CERTAIN MERCHANDISE AND LICENSING SECONDHAND STORES AND GEM AND PRECIOUS METAL DEALERS; AND REPEALING ORDINANCE NO. 101, AS AMENDED

The City of Coos Bay ordains as follows:

Section 1: Purpose. ~~The purpose of this ordinance is to provide a means to monitor the sale and resale of valuable used merchandise and gems and precious metals in the City of Coos Bay to deter trafficking in stolen merchandise and to provide revenue to pay expenses incurred therein.~~

Purpose. The Council's purpose in adopting this Chapter is to regulate certain business activities that present an extraordinary risk of being used by criminals to dispose of stolen property. The Council finds that this risk is present despite the best efforts of legitimate secondhand property dealer businesses because these businesses process large volumes of goods and materials that are frequently the subject of theft. This Chapter is intended to reduce this type of criminal activity by providing timely police awareness of such property transactions and by regulating the conduct of persons engaged in this business activity. The Council finds that these regulations are necessary and the need for the regulations outweighs any anti-competitive effect that may result from their adoption.

Comment [MS2]: Purpose section expanded to fully explain the reasoning behind the ordinance.

Section 2: Definitions.

Gem and precious metal dealer. Any person who owns, manages or operates a business, including transient merchants, for the purpose of buying, receiving, selling, or in any way exchanging precious metals or gems including, but not limited to gold, silver, zirconium, platinum, diamonds, rubies, sapphires, emeralds, and turquoise, **but such items do not include the raw materials or items which have not been previously sold at**

wholesale or retail

Comment [MS3]: Essentially, new items.

Licensee. A gem or precious metal dealer or secondhand which has a license pursuant to this ordinance.

Person. An individual, corporation, partnership, or other legal entity or entity-in-fact.

Acceptable Identification. Means either a current driver's license, a state issued Identification Card issued by the Department of Motor Vehicles, or two current United States, state, or local government issued identification cards, one of which has a photograph of the seller. The second identification card is not required if the photo identification is accompanied by a scanned fingerprint.

Comment [MS4]: Added to clarify what identification forms are acceptable.

Police Department. The City of Coos Bay Police Department.

Public Safety Officer. A police officer or any designee of the City of Coos Bay Police Chief.

~~**Secondhand stores.** Any place in which items of used personal property, other than motor vehicles, are purchased, bartered, pawned or consigned and placed on sale or resale as part of a regular course of business, but excluding yard sales, moving sales, and other similar one-time sales occurring at a residence.~~

Secondhand Property Dealer. Any place in which items of used personal property, other than motor vehicles, are purchased, bartered, pawned or consigned and placed on sale or resale as part of a regular course of business, but excluding yard sales held less than three times in one year period and for no more than a 72 hour period, moving sales, and other similar one-time sales occurring at a residence.

Comment [MS5]: Expanded definition to include frequency and duration guidelines.

Used. Items which have been previously placed into service or sold at retail.

Engage in business. Shall include any principal owning, managing, or operating a business which receives, buys, sells, or in any way exchanges tangible personal property subject to this chapter, but it does not include

purchases of new or secondhand items from licensed manufacturers or wholesalers, with established places of business, and sales of secondhand items by those engaging primarily in the business of selling new merchandise, or dealers in secondhand motor vehicles, or sales on the premises where the goods have been used by the owner (such as garage sales), or rummage sales of donated goods, nor shall it apply to judicial sales or other sales by public officials in the exercise of their official duties.

Trade Show. An event open to the public, held in a venue other than a Dealer's business location, at which vendors of a specific type of merchandise may exhibit, buy, sell, or trade items that may include regulated property. Events commonly known as flea markets or swap meets, in which goods of many types are exhibited, sold or traded, are not considered trade shows for the purpose of this Chapter.

Purchase. The buying, exchanging, transferring, collecting, consigning, or otherwise acquiring of regulated property from another person not a used merchandise dealer, for resale, exchange or transfer by the purchaser. This includes taking possession of regulated property with an expressed or implied agreement or understanding to return regulated property at a subsequent time at a stipulated price or for the payment of a storage or handling fee.

Regulated property.

(a) Except for property excluded in paragraph (b),(1), and (2) below, any property specified in a list maintained and published by the Chief of Police , including, but not limited to, precious metals and gems; watches, jewelry, and household items containing precious metals or precious gems; audio and video equipment and media; photographic and optical equipment; electrical office equipment; small appliances; power equipment and tools; hand tools; telephones or telephone equipment; musical instruments; firearms; sporting equipment; and computer and related equipment.

(b) The term "regulated property" does not include any of the following property: vehicles required to be registered with the state Motor Vehicles division; boats required to be certified by the state Marine Board; books, glassware, furniture, clothes, refrigerators, stoves, washers, dryers, window air conditioner units, and other similar major household appliances;

clothing; or property that is purchased for investment purposes, limited to the following:

- (1) Gold bullion bars or rounds (0.995 fine or better).
- (2) Silver bullion bars or rounds (0.995 fine or better).

New. Any property not obviously put into service.

Comment [MS6]: All new language to reduce ambiguity.

Section 3: License Required. No person shall conduct, keep, manage, operate, or assist in the conducting, keeping, managing, or operating any gem and precious metals dealership or secondhand store, as owner, officer, principal, agent, employee or otherwise, unless a basic business license is first obtained from the City. Reference Coos Bay Municipal Code 5.05.080

Comment [MS7]: Language changed slightly as previous language implied that another separate and "special" secondhand business license was required. Only a business license is required; however, all secondhand property dealer's business license are subject to police department review for approval. *See Section 4.

Section 4: License Application.

(a) Written application for a business license shall be filed with the City of Coos Bay Finance Department ~~Community Development Department~~. Applications for licenses by or on behalf of a corporation, partnership or other business entity shall be made by an agent properly authorized by that entity.

(b) Each business license application for Secondhand Property Dealers shall be accompanied by an irrevocable consent to inspect and examine the licensed premises and business records of the licensee applicant at any time during the term of the license by any officer of the Police Department.

(c) The Police Department shall examine and investigate the background and qualifications of all Secondhand Property Dealer business applicants for licenses and shall make a recommendation whether or not to issue the license.

(d) The license shall not be granted if:

- (1) The applicant's activity will not comply with any city ordinance or state or federal law;

(2) The applicant does not have the knowledge or skill required to engage in the licensed activity;

(3) The applicant's activity would endanger property, public health or public safety; or

(4) The applicant's past or present violations of laws or ordinances presents a reasonable question about his or her ability to perform the licensed activity without danger to property, public health or public safety.

(e) Approval or denial of the license shall be based on consideration of all available evidence indicating whether the applicant meets the requirements of this ordinance.

~~(f) The license required by this ordinance shall be in addition to, and not in lieu of any business licenses required by other city ordinances or state or federal laws.~~

Section 5: License Fee. The license fee shall be set by Council resolution (resolution 09-22). License fees shall be payable at the time of application. Licenses shall commence on the day issued and shall expire on the 31st day of December of the calendar year in which the license is issued. License fees shall not be prorated for any portion of any calendar year.

Comment [MS8]: Business license fees are set forth in resolution 09-22 and are outlined on the Business License Application Form.

Section 6: License Display. Every licensee must display the license in a conspicuous manner in the licensee's business premises.

Section 7: Transferability. Licenses may not be assigned or otherwise transferred.

~~**Section 8: Record of Purchases; Restrictions on Resale; Prohibited Transactions.**~~

~~(a) Every licensee shall keep a permanent record of all items purchased, traded, pledged or consigned from private persons with a resale value of \$50.00 or more.~~

~~(b) (1) Records of such transactions may be a permanent bound volume or pre-numbered forms. Entries shall be handwritten in ink or typed so that removal of an entry will be obvious.~~

~~(2) Records shall contain the following information:~~

~~(A) A complete description of the property received in the transaction;~~

~~(B) Date of receipt of the property;~~

~~(C) Price or consideration paid for property or value of property consigned, pledged or traded;~~

~~(D) Name, address, telephone number, date of birth, social security number, and other identifying information as to the person selling, consigning, pledging or trading the property;~~

~~(E) Signature of the seller; and~~

~~(F) Notation of the type of identification shown by the seller, consignor, pledger or trader.~~

~~(c) The record of purchases shall be available during regular business hours to the inspection of any public safety officer of the City. Records shall be maintained for not less than three years.~~

~~(d) All property purchased from any person shall be retained by the licensee for a period of not less than ten (10) days from the date of purchase or receipt, provided each business day the licensee forwards to the police department a copy of the record of purchases made that day. If daily reports are not provided to the police department, then all property purchased or received must be held for a period of thirty (30) days from the date of purchase.~~

~~(e) No licensee shall buy or receive any article from persons under the influence of alcohol or drugs or from any person under the age of eighteen (18) years.~~

Record of Purchases; Restrictions on Resale.

(a) At the time of a transaction every licensee under the terms of this chapter shall be subject to the following record making and record keeping requirements in the manner specified by the Chief of Police for the City of Coos Bay:

(1) The date, time of the transaction

(2) A description of the regulated property purchased in sufficient detail to distinguish the item from similar items in the dealer’s possession and the notation ‘New’ if an item appears to be New.

(3) Obtain an image of the approved identification of the person from whom the regulated property was purchased as defined in Section 2 “Acceptable Identification” or an image of the person.

(4) An image of thumbprint of the person from whom the regulated property was purchased.

(b) A digital image shall be taken and retained with the records of any regulated property not bearing a serial number or other identifying marks i.e. jewelry, coins, stamps, or other collectibles.

(c) Before taking possession of any article of property subject to this chapter, the licensee shall obtain from the person having custody of such property a signed statement which indicates the person selling the property has the legal authority to transfer ownership by completing a form to be provided or approved by the Chief of Police.

Comment [MS9]: Refer to the declaration of ownership form as an example. Form(s) are subject to approval by the Chief of Police.

(d) No licensee shall resell property subject to this chapter for a period of 14 days after the report form has been delivered to the police department, provided, that for good cause shown, the Chief or a designee may waive all or any part of such 14 day period.

Comment [MS10]: 14 day hold period is consistent with numerous municipal codes throughout Oregon, to include: Tigard, McMinnville, Eugene, North Bend.

(e) There shall be maintained at or electronically available from the licensee’s place of business daily records containing a true account of all acquisitions and sales of property. All records of purchases shall be kept in an orderly manner on the used merchandise dealer’s business premises and

open for reasonable inspection by peace officers upon their demand request. Any paper records shall be kept for at least one year following the date of the receipt of the article of property.

(f) Dealers shall, by the end of the business day when a transaction occurs, transmit the recorded information required under subsection (1) and (2) using the automated electronic reporting system approved by the city.

(1) Only reports containing complete information shall be deemed to comply with this section.

(2) In the event that the automated electronic reporting system becomes inoperable or a secondhand dealer's computer system becomes inoperable or other event that makes reporting within the time allowed by this subsection impossible, the secondhand dealer shall maintain paper copies of all the reporting requirements and immediately report the occurrence of such event to the Chief of Police. Once reporting can resume, the secondhand dealers must, within 12 hours, input and transmit the information required under subsection (1) and (2) for all transactions occurring during any period reporting was suspended, using the approved automated electronic reporting system.

(g) Dealers having three (3) or less transactions in a week may choose to use the electronic reporting system specified by the Chief of Police or record their transactions in paper form as approved by the Chief and deliver or mail the paper forms to the Chief of Police at the end of the business day when the transaction occurred.

(NEW SECTION) Limitations on Purchases

(a) A Secondhand dealer shall not:

(1) Purchase regulated property with serial numbers, personalized inscriptions or initials, or other identifying marks, which are or have been altered, obliterated, removed, or otherwise rendered illegible unless such removal is the result of obvious normal wear;

(2) Purchase regulated property from a person under the age of 18 years;

Comment [MS11]: Those businesses with less than three transactions may opt to not use the RAPID system; however, transactions of regulated property still need to be reported to the Police Department in paper form.

*Potential costs associated with the use of the RAPID electronic reporting system:
Computer- a basic "netbook" style computer begins at about \$220.00 or less if one is willing to shop around.
Digital Camera - approximately \$100.00
Thumb Scanner - \$180.00
Total Approximately \$400.00 if the business owner does not have any of these items already.

(3) Purchase regulated property from a person who is obviously under the influence of drugs or intoxicating liquor; or

(4) Knowingly purchase regulated property from a person who is not the owner of the regulated property or parent or guardian of the owner of the regulated property.

(5) Purchase any of the following items:

(a) Gift cards, in-store credit cards or activated phone cards;

(b) Medications.

(b) A secondhand dealer shall comply with all applicable federal, state and local laws and regulations.

(NEW SECTION) Limitations on the Sale of Regulated Property

(a) Regulated property purchased by any secondhand dealer shall not be sold for a period of 14 full days after the date the report required is received by the city. The secondhand dealer shall maintain the purchased property in substantially the same form as purchased and shall not commingle the property in a manner that precludes identification during this 14 day holding period. The purchased property shall be located on the business premises and available for inspection during normal business hours during this holding period as provided herein.

(b) Upon reasonable belief that the purchased property is the subject of theft, the Chief of Police may provide notice to any used merchandise dealer not to dispose of any specifically described property purchased. The used merchandise dealer shall retain the property in substantially the same form as purchased. Upon receipt of notice pursuant to this subsection, the used merchandise dealer shall not sell, exchange, dismantle or otherwise dispose of the property for a period of time, as determined and stated in the notice by the chief of police, not to exceed 180 days from the date of purchase.

(NEW SECTION) Tagging Regulated Property for Identification.

Dealers shall affix a tag to every item of regulated property, which must

contain a unique, legible number. That unique number must either be the same as the transaction item number for that item or be referenced to the transaction report required by the Coos Bay Police Department. After the holding period has expired, the transaction item number must remain identifiable on the property until the sale or disposition of the property.

(a) After the applicable holding period has expired, hand tools, or items that are sold with other like items and have no identifiable numbers or markings need not remain tagged.

(NEW SECTION) Inspection of Property and Records. Upon presentation of official identification, any peace officer may enter onto the business premises of any secondhand dealer to ensure compliance with the provision of subsections of this code. The inspection shall be for the limited purpose of inspecting any regulated property purchased by the dealer, held by the dealer pursuant to subsection (7), or the records incident thereto. Any inspection pursuant to this subsection shall only be authorized to occur during normal business hours.

Section 9: Revocation.

(a) The city manager may revoke any license if the licensee, licensee's employees or agents have permitted the licensee's business premises to be used in violation of this or any ordinance of the city, or any state or federal law.

(b) The licensee shall be notified, in writing, of the effective date of revocation, the reasons for revocation, and the licensee's right to appeal. Notice may be given either by mailing the notice of revocation by first class mail to the business address of the licensee or by leaving the notice at the licensed premises.

Licenses issued under the provisions of this chapter may be revoked by the City Manager of the City of Coos Bay after notice and hearing for any of the following causes:

(a) Fraud, misrepresentation, or false statements contained in the application for a license.

(b) The conviction of any crime or misdemeanor involving any false statement or dishonesty involving any dealings with goods, wares or merchandise in the business.

(c) Any violation of this chapter.

(d) A failure to use reasonable care to determine the ownership or right to possession of any article of goods, merchandise or personal property received by such business.

Notice of the hearing for revocation of a license shall be given in writing, setting forth specifically the grounds of complaint and the time and place of hearing. Such notice shall be mailed, postage prepaid, to the licensee at his last known address at least five days prior to the date set for hearing.

Section 10: Appeal.

(a) Any person whose application for a license has been denied, or a licensee whose license has been denied renewal or revoked, may, within seven business days after the notice of denial or revocation is mailed, appeal such action. The notice of appeal shall be in writing and filed with the city recorder.

(b) The notice of appeal shall contain the following information:

- (1) The name and address of the appellant;
- (2) The nature of the action being appeal;
- (3) The reason the action is incorrect;
- (4) A statement of facts establishing the contentions of the appellant.

(c) A licensee who fails to file a notice of appeal within the time permitted waives all rights to an appeal. If the action appealed is revocation, revocation does not take effect until final decision on the appeal. At the hearing, the appellant may present evidence, testimony and oral argument.

Section 11: Penalties. Violation of any provision of this ordinance is punishable

upon conviction by a penalty not to exceed \$750.00 per violation, and each day that the violation persists shall be a separate and distinct violation.

Section 12: Repeal. Ordinance No. 101, as amended by Ordinances No. 196 and 204, is repealed.

Section 13: Severability. Each provision of this ordinance is severable, and if any provision of this ordinance shall be declared invalid by a court of competent jurisdiction, the remaining provisions shall nevertheless remain in full force and effect.

Section 14: Savings Clause. All licenses in effect at the time this ordinance is enacted shall remain in full force and effect until the expiration of the term of the license.

Section 15: Emergency Declared. The City Council of the City of Coos Bay finds that the health, safety and welfare of the City of Coos Bay requires this ordinance to have immediate effect. Therefore, the City Council hereby declares the existence of an emergency and this ordinance shall be in full force and effect from the time of its passage and approval.

(NEW SECTION) Compliance. Any existing businesses at the time of enactment shall have until **November 1**, 2013 to come into compliance.

The foregoing ordinance was enacted by the City Council of the City of Coos Bay this 7th day of September, 1999, by the following vote:

Yes: Mayor Verger and Councilors Joe Benetti, Jeff McKeown, Cindi Miller, Don Spangler and Kevin Stufflebean

No: None

Absent: Councilor Judy Weeks

Joanne Verger
Mayor of the City of Coos Bay
Coos County, Oregon

ATTEST:

Joyce Jansen
Deputy Recorder of the City of Coos Bay
Coos County, Oregon

Ticket #: _____

Date: _____

Declaration of Ownership

I hereby certify that I am the owner of the property described and listed on the above listed ticket.

This property was (circle one) Purchased, Received as a gift or other (explain)

On (date): _____

From: _____

Where: _____

Note: If more than one item is included in this transaction and you acquired the items at different times or in different manners then you may need to make notations for each item. You may use the back of this form for additional writing space.

I certify that all information in this report and in the ticket is complete and accurate and that I am competent to sign this form.

Customer Signature / Date: _____ / _____

Parent or Guardian / Date: _____ / _____

Witness (Clerk): _____

Ticket #: _____

Date: _____

Declaration of Ownership

I hereby certify that I am the owner of the property described and listed on the above listed ticket.

This property was (circle one) Purchased, Received as a gift or other (explain)

On (date): _____

From: _____

Where: _____

Note: If more than one item is included in this transaction and you acquired the items at different times or in different manners then you may need to make notations for each item. You may use the back of this form for additional writing space.

I certify that all information in this report and in the ticket is complete and accurate and that I am competent to sign this form.

Customer Signature / Date: _____ / _____

Parent or Guardian / Date: _____ / _____

Witness (Clerk): _____

ISSUES:

Ken Lawrence owner of "Hole in the Wall Gun Shop" and Christopher Barbie owner of "Empire Firearms", both businesses located inside the city limits of Coos Bay have voiced concerns that the addition of firearms being listed as a regulated property as well as electronic reporting will hinder their ability to operate their businesses in an efficient manner. In addition the proposed 14 day waiting period prior to the sale of second hand firearms would also hinder their ability to efficiently operate businesses.

This ordinance change only pertains to listed regulated property purchased directly from persons walking into their businesses selling, pawning or consigning property with secondhand property dealers. Firearms are listed under regulated property because they are often involved property stolen in thefts and burglaries.

REQUESTED CHANGES TO PURPOSED ORDINANCE BY BUSINESS OWNERS:

Gun Shop owners Lawrence and Barbie are proposing that "Licensed Firearms Dealers" be exempt from this ordinance as they are already following state and federal reporting laws. Mr. Lawrence is also proposing that the "Firearms" be listed and treated the same as "Motor Vehicles" in the ordinance definition sections relating to "Secondhand Property Dealers", "Engage in Business" and "Regulated Property" .

PURPOSE OF ORDINANCE AS IT RELATES TO FIREARMS:

Currently "Licensed Firearm Dealers" are required to record and report to local law enforcement authorities' information on secondhand firearms that they have purchased and personal information on the person selling the firearm. They also conduct an instant check on the firearm to determine if it is listed at the time of transaction as stolen. If the lawful owner of the firearm is unaware that their firearm is stolen and as yet reported it as so, the Gun Shop owner will receive a response stating that the "Gun(s) are clear at this time". Unless the firearm is entered into a DATA base that regularly checks entered property against entered stolen property it could feasibly be years before the stolen firearm(s) return as stolen. The purposed 14 day waiting period would give the owners of the firearm(s) an opportunity to discover and report the stolen firearm(s) to law enforcement authorities before the firearm passes through numerous hands.

OTHER AGENCIES:

McMinnville OR - Firearms listed as regulated property, 25 day holding period.

Baker City OR - Firearms are exempt from reporting, No holding period listed.

North Bend OR - Firearms listed as regulated property, 14 day holding period.

Lebanon OR - Has no definition of regulated property.

Medford OR - Firearms listed as regulated property, 5 day holding period.

Beaverton OR – Firearms listed as regulated property, 25 day holding period.

Tigard OR – Firearms listed as regulated property, 30 day holding period.

Ontario OR – Licensed firearms dealers are listed as exempt from reporting firearms, 10 holding period.

Eugene OR – Firearms listed as regulated property, 14 day holding period.

STAFF RECOMMENDATION

It is the recommendation of staff to list firearms as regulated property and require the licensed firearms dealers to electronically report any secondhand firearms they purchase, pawn or consign from walk in private citizens.

As more Oregon Cities and Counties require secondhand property dealers, pawn shops and firearms dealers to electronically report and hold secondhand merchandise (regulated property), those persons dealing in stolen property begin to have difficulty exchanging stolen property for ready cash. As this occurs these persons begin looking outside their areas to exchange the stolen property for quick cash. By requiring local secondhand property dealers, pawn shops and firearms dealers to electronically report and hold regulated property it prepares our community and the responsible business owners in assisting local law enforcement personnel in tracking and recovering property that has been stolen locally as well as state wide.

ISSUE

Rick Tillett of Coos Bay expressed concerns over the privacy and security of his customers' personal information when it is transmitted using the RAPID electronic reporting system.

Also, he inquired about the disposition of items seized by the police.

Finally, he indicated that he was in support of the automated reporting system (RAPID); however, he felt that the ordinance may not cover all businesses that purchased, traded or otherwise dealt in secondhand property.

REQUESTED CHANGE TO ORDINANCE

No specific language changes were requested by Tillett at the time of the May 21st meeting and none were received since the meeting.

PURPOSE

N/A

RESPONSE TO ISSUES / STAFF RECOMMENDATION

In regard to Mr. Tillett's concern regarding the privacy and security of his customers' personal information, the RAPID system uses a secure, 120 bit communication with an https secure format similar to those used to secure personal and private information in online banking, purchasing, PayPal, etc.

As to the disposition of any items identified as stolen and subsequently seized from secondhand property businesses by members of the Coos Bay Police Department, our agency has adopted a procedure consistent with Oregon Revised Statutes concerning the recovery and eventual return of stolen property to the owner. This is covered in ORS 142.010 & 142.020, which includes the final decision of disposition of property being determined by a judge. *Note- several businesses have expressed frustration regarding property being seized by law enforcement agencies and then turned over to the victim, since many times once a victim gets their property back they may not wish to pursue criminal charges against the theft suspect identified on the pawn shop paperwork. This leaves the secondhand property business owner out of both the property and the monies paid for the item. Adherence to ORS 142.010 & 142.020 is necessary to prevent this.

Finally, in regard to the inclusiveness of the ordinance for all businesses engaged in secondhand property the Coos Bay Police Department has taken steps to identify and notify all secondhand property dealers regarding the rules, regulations and requirements of the proposed ordinance and its changes to the previous ordinance.

POLICE CHIEF 6 PAGES TOTAL

TO: Mayor Shoji and City Councilors
FROM: Ken Lawrence, Owner Hole In The Wall Gun Shop
ISSUE : Amending of Coos Bay Municipal Code 5.20; Second Hand
Property Dealers and Gem and Precious Metal Dealer

BACKGROUND:

An amendment to Coos Bay Municipal Code 5.20, was proposed to the Mayor and City Councilors on May 21, 2013. I propose amending the code, or the proposed amendment of this Chapter to avoid an unduly burdensome, discriminatory, and unnecessary layer of regulation of Firearms Dealers.

I have been in business for 3 years and have never had a stolen firearm come into, or go out of my shop. Every used firearm that comes into my shop is vetted through the FICS E-Check system with the State Police. The Firearms Unit is responsible for processing stolen gun checks against the stolen weapons files in the Law Enforcement Data System (LEDS) and the National Crime Information Center (NCIC) for the dealers. A description and serial number for each firearm taken in is entered into the FBI data base and I receive a response stating " Gun(s) are clear at this time" prior to finalizing the transaction (See Attached FICS On-Line Gun Check). I obtain the seller's name, address, State issued picture Identification - either Driver's License or Identification Card with identification card number, phone number and signature for every firearm taken into the shop. This information is recorded on Form 125-5180 (12/08). Under ORS 166.427, I am required to hand deliver or mail a copy of this form to the local law enforcement authority by close of business on the day of the transfer. (See Attached Copy of Form 125-5180 (12/08)

The requirement for me to use the automated upload system required through the proposed amending of the ordinance would not reduce, but increase the already time consuming process of taking in a used firearm. As a Firearm Dealer, I am required under ORS 166.427 to complete Form 125-5180 (12/08) for every used firearm I take into my shop and either mail or hand deliver a copy to the local law enforcement authority on the day of transfer. Whether the proposed amendment is adopted or not the Police Department will still be receiving a hand delivered copy from me. This is not an option. Violation of ORS 166.427 is a Class C misdemeanor.

Section 2: Definitions. Councilors working document

Engage in Business

5.20.020 Definitions. , Business Owners/Public working document

9 " Engage in business"

Shall include any principal owning, managing, or operating a business which receives, buys, sells, or in any way exchanges tangible personal property subject to this chapter, **BUT IT DOES NOT INCLUDE** purchases of new items from licensed manufacturer or wholesalers, with established places of business, **AND SALES OF SECONDHAND ITEMS BY THOSE ENGAGING PRIMARILY IN THE BUSINESS OF SELLING NEW MERCHANDISE.**

Hole In The Wall Gun Shop **ENGAGES PRIMARILY IN THE BUSINESS OF SELLING NEW MERCHANDISE** and as this definition defines, Hole In The Wall Gun Shop is not included. (New Merchandise=88%, Used Merchandise=12%)

I take firearms in as trade on new or different firearms or other merchandise where value's warrant, buy used firearms, and consign firearms. These are things that a Gun Shop does as a usual course of business to help the seller of the used firearm- legally, safely, and responsibly transfer that firearm from private ownership into the retail arena. Believe me, this is a lot better than parking lot sales, side walk sales, private sales, underground sales, garage sales, or any kind of undocumented sale. The ATF and federal requirements along with Oregon State Statutes require stringent control and record keeping on purchases and sales of all firearms. Another layer of regulation at the City of Coos Bay level is unduly burdensome, discriminatory, and unnecessary, not to mention, economically devastating to a small business in which cash flow is critical and a 14 day waiting period before merchandise may be sold would present an extraordinary financial hardship.

As a Firearm Dealer, my business is already heavily regulated, and as such , my business activities do not present an extraordinary risk of being used by criminals to dispose of stolen property.

As you can see from the facts, the proposed ordinance (without modification) will have an unnecessary and unintended consequence on Hole In The Wall Gun Shop and other specifically licensed Gun Shop's in Coos Bay. Please carefully consider the amendments offered here so this Gun Shop and other Gun Shop's in Coos Bay can effectively operate, similar to that of any auto dealership which is also sufficiently regulated to prevent fraud and abuse.

I propose amending the following sections of the proposed amendment to provide the same exemption to firearms as to dealer in motor vehicles.

1st Heading - Councilors working document

2nd Heading- Business Owners/Public working document

Section 2: Definitions.

5.20.020 Definitions

Secondhand Property Dealer.

7. "Secondhand property dealer"

Add the words " And Firearms" after the words Motor Vehicles.

Engage in Business.

9. " Engage in business"

Add the words " Or Firearms" after the words Motor Vehicles.

Regulated property. (b)

12. B. The term " Regulated property"

Add the phrase "Second-Hand Firearms Previously Reviewed by The Police Department" right after the words Motor Vehicles Division.

I submit to the Mayor, the City Councilors, and the Local Law Enforcement Authority that Hole In The Wall Gun Shop being licensed as a Dealer In Firearms Other Than Destructive Devices (Gun Shop) provides an invaluable service to Coos Bay, the Law Enforcement Community of Coos Bay and the local resident's of Coos Bay and the surrounding communities.

Hole In The Wall Gun Shop provides a documented platform for the legal, safe, and responsible transfer of used firearms from the private sector into the retail arena. These firearms are acquired lawfully, adhering to stringent control and record keeping as required by State of Oregon and Federal Requirements. As mentioned before, all used firearms taken into Hole In The Wall Gun Shop are Checked using FBI Databases to determine that, at the time that firearm is taken into the shop, there has been no report of it being stolen or any other problem's associated with the firearm. Assured of this, my customers purchase that firearm knowing that it is clean at that time. This process documents where the firearm comes from and where the firearm goes to. If at a later date the firearm is reported stolen or involved in a crime we have a documented trail for the local law enforcement authority to follow, 1. To investigate the person who sold the firearm to Hole In The Wall Gun Shop and 2. To go to the purchaser and acquire the firearm back with a refund on their purchase of the firearm. Hole In The Wall Gun Shop is in a position to facilitate this sequence of events if it becomes necessary, we have the documentation to follow this up, unlike undocumented sales.

Thank You;

A handwritten signature in black ink, appearing to read "K. H. Lawrence". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kenneth H. Lawrence

2011 ORS § 166.427¹

Register of transfers of used firearms

- (1) Whenever a person engaged in the business, as defined in 18 U.S.C. 921, of selling, leasing or otherwise transferring a firearm, whether the person is a retail dealer, pawnbroker or otherwise, buys or accepts in trade, a used firearm, the person shall enter in a register the time, date and place of purchase or trade, the name of the person selling or trading the firearm, the number of the identification documentation presented by the person and the make, model and manufacturers number of the firearm. The register shall be obtained from and furnished by the Department of State Police to the dealer on application at cost.
- (2) The duplicate sheet of the register shall, on the day of purchase or trade, be hand delivered or mailed to the local law enforcement authority.
- (3) Violation of this section by any person engaged in the business of selling, leasing or otherwise transferring a firearm is a Class C misdemeanor. [1989 c.839 §16; 1993 c.4 §3; 2001 c.539 §12]

...

Chapter 166

Law Review Citations

51 OLR 427-637 (1972); 69 OLR 169 (1990)

¹ Legislative Counsel Committee, *CHAPTER 166—Offenses Against Public Order, Firearms and Other Weapons; Racketeering*, <http://www.leg.state.or.us/ors/166.html> (2011) (last accessed Mar. 25, 2012).

² Legislative Counsel Committee, *Annotations to the Oregon Revised Statutes, Cumulative Supplement - 2011, Chapter 166*, <http://www.leg.state.or.us/ors/annos/166ano.htm> (2011) (last accessed Mar. 25, 2012).

³ OregonLaws.org assembles these lists by analyzing references between Sections. Each listed item refers back to the current Section in its own text. The result reveals relationships in the code that may not have otherwise been apparent.

Currency Information

by WebLaws.org
www.oregonlaws.org

Correspondence From Affected Business Owners

Agenda Item #7

**STATE OF OREGON
REGISTER OF TRANSFER OF USED FIREARM**

INSTRUCTIONS FOR COMPLETING THIS PROCESS:

1. Please print, using ink.
2. Fill out in duplicate for each transfer.
3. Keep an original copy for your files.
4. A duplicate copy must be mailed or hand delivered on the day of transfer to the local law enforcement authority where the sale is made.
5. If an error is made while filling out this form, do not destroy. Keep the copy in your book.

Violation of ORS 166.427 is a Class C misdemeanor

Business Name and Address		Salesman (person buying or taking trade-in)	
Date of Purchase or Trade-In (Month, Day, Year)		Time of Purchase or Trade-in <div style="text-align: right;"><input type="checkbox"/> A.M. <input type="checkbox"/> P.M.</div>	
City, Town or Township of Purchase or Trade-in		Description of Used Firearm (Handgun, Shotgun, or Rifle)	
Make or Brand of Firearm		Serial Number	Caliber
Name and Address of Seller/Trader		Identification presented by Seller/Trader (include ID number)	
Signature of Seller/Trader	Phone Number	Signature of Dealer (Purchaser)	Phone Number

125-5180 (12/08)



OREGON FICS On-Line



Transaction Date/Time: 3/4/13 6:01 pm
Name: GUN CHECK by, HOLE IN THE WALL GUN SHO
Approved / Pending:

Firearm(s):

A - LOW15 - Rifle, Semiautomatic - SAO4849

ZZZ - SGL31 - Rifle, Semiautomatic - LO9891257

NOTE: (No Bill) GUNS ARE CLEAR AT THIS TIME MARCH 4, 2013 BY JAS

https://xn.osp.state.or.us/Fics/Web.dll/Transaction?cmd=PRINT_... 3/4/2013

Gary McCullough

From: Rodger Craddock
Sent: Monday, July 22, 2013 12:51 PM
To: Gary McCullough
Subject: FW: Amending of Coos Bay Municipal Code 5.20; Second Hand Property Dealers and Gem and Precious Metal Dealers

[Here is the email I was talking about...Rodger](#)

From: Phil Nelson [<mailto:psn2007@frontier.com>]
Sent: Wednesday, July 17, 2013 7:34 PM
To: Rodger Craddock
Cc: Empire Firearms LLC
Subject: Amending of Coos Bay Municipal Code 5.20; Second Hand Property Dealers and Gem and Precious Metal Dealers

Dear Mr. Craddock:

I have read some of the proposed changes to your municipal code 5.20, as pertains to licensed firearms dealers. As you know, Oregon firearms dealers are governed by a substantial set of regulations and rules prescribed by the ATF, a federal agency. They also are subject to various state firearms laws. When selling a firearm, the buyer must complete and sign a detailed form which information is then called in the Instant-Check system for clearance. If a stolen firearm is involved, the clearance will be denied and the authorities will be contacted. To add another layer of regulation to firearms dealers is unnecessary and would be very onerous to the operation of their businesses. As I read the proposed changes, a 14 day holding period could apply to firearms they acquire as purchases, trades, etc. This would put them at a tremendous competitive disadvantage with larger stores that sell firearms.

It sounds like the proposed regulation change is really aimed at various pawned items, not firearms dealers and I would recommend that you exclude licensed firearms dealers from any further consideration under this regulation. Please share this email with the City Council members. Thank you,

Phil Nelson
2517 Everett Ave
North Bend, OR 97459

541-756-5520

motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Public Hearing to Consider Approval of a Supplemental Budget Appropriating the Major
Capital Fund Carryover - Approval Would Require Adoption of Resolution 13-09

Public Works and Development Director Jim Hossley stated earlier this year the motor in the City's 23-year old brush mower tractor motor failed and was in disrepair. Pursuant to Section 2 of the City's contracting rules, Mr. Hossley requested the Council to authorize a special procurement process to purchase a reasonably priced used or new brush mower. The estimated replacement cost was \$70,000 and in order to ensure adequate funds were available Mr. Hossley requested the Council to hold a public hearing in consideration of adopting a supplemental budget. Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Daily moved to adopt Resolution 13-09 and to authorize a specific special procurement process to purchase a tractor and brush mower not to exceed a total cost of \$70,000. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Melton, Muenchrath, and Vaughan voting aye.

Consideration of Approval of a Draft Ordinance Regulating the Sale or Resale of Certain Used Merchandise and Licensing Secondhand Property Dealers and Gem and Precious Metal Dealers - Approval Would Require Enactment of the Proposed Ordinance

Police Chief Gary McCullough stated the purpose of the amendment was to assist the Police Department in regulating certain business activities that presented extraordinary risk of being used by criminals to dispose of stolen property. Chief McCullough briefly explained the current time consuming process for managing/tracking the sales of pawned property; requested the Council consider amending the existing ordinance to require secondhand property dealers to enter and upload the specified regulated property they received each day into an automated upload system.

Brent Banks. Portland: stated he was retired City of Portland Police Officer who currently managed the City of Portland's Regional Automated Property Information Database (RAPID); briefly explained how the system worked for the City and property dealers. Rick Tillett. Coos Bay: expressed privacy and security concerns on behalf of his customers due to the transmission of their personal information over the internet and about police seized items; suggested the ordinance lacked coverage of other businesses which also purchased or traded second hand property; spoke in support of implementation of the automated program. Councilor Muenchrath requested an itemized list of costs associated with implementing the new program for the City and property dealer requirements as well as public input on proposed changes to the ordinance. Ken Lawrence. Coos Bay: stated he owned Hole in the Wall Gun Shop; expressed concern about the financial burden due to the proposed requirement to sequester items for fourteen days; requested the Council consider changing the proposed ordinance to not include tracking fire arms and motor vehicles; was not in support of the automated program. Christopher Barbie. Coos Bay: stated he was the owner of Empire Fire Arms; what items were required to be reported in the system; inquired if an itemized list of required reportable items would be provided to the dealers; also expressed concern about the fourteen day hold requirement. Joseph Anderson. Coos Bay: expressed privacy and security concerns with the transmission of his personal information over the internet.

Questions from Black Cat Antique

1. As a business owner who only purchases property from walk-ins 10-12 times per year, what are our obligations under the existing ordinances? **Under the existing ordinance your business would be required to report any purchases from walk-ins that have a value of \$50.00 or more.**
2. As a business owner who only provides a space for private independent venders to sell their property through a consignment process, what is our obligation under the existing ordinance? **As long as your independent venders are not purchasing property from walk-in customers your/they have no obligation to report.**
3. What does the "special license" under section 5.20.040 in our current ordinance mean and who does it pertain to (refer to section #6) **Under the current ordinance your business would be required to obtain this "special license", however this section of the current ordinance has never been enforced.**
4. Who is required to obtain the "special license" i.e. business owner, private vender, etc, and how much is that license? **This section is being removed in the proposed ordinance changes.**
5. Who verifies compliance and that all regulations have been fulfilled? **The Police Department as well as the City Codes Enforcement officer.**
6. What does section 5.20.080 #1 mean by, "every licensee shall keep a permanent record of all items purchased, traded, pledged or consigned from private persons with a resale value of \$50.00 or more."? Who monitors these items and determines there value? **Under the current ordinance your business or venders would be required to maintain and keep permanent records of all of all purchases over \$50.00 from walk-in customers.**
7. What is required of my private independent contractors who are purchasing most of their items through estate sales, yard sales, or one time purchases but some of those items are precious metals, jewelry, etc. **Estate and Yard Sales are exempt from reporting under the current ordinance. One time purchases over \$50.00 from walk-in customers would require reporting.**



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Everything Oregon

Clackamas County tightens rules for pawnshops, hoping to deter thieves

Published: Sunday, October 23, 2011, 9:20 PM Updated: Sunday, October 23, 2011, 10:50 PM

Rick Bella, The Oregonian

By

Clackamas County is tightening its regulations over pawnshops and secondhand stores, closing a gap that officials say attracted thieves from across the Portland area.

The regulations will bring Clackamas County into line with Portland and Washington County, which have long required thumbprints, photos and identification checks from people pawning items or selling them to secondhand stores.

"We're hoping this closes the gap," said Sgt. James Rhodes, Clackamas County Sheriff's Office spokesman. "Clackamas County will no longer be the dumping ground for thieves trying to sell the stuff they stole."

The new regulations, adopted by the county commissioners in September, are being phased in this month by sheriff's deputies, who are working directly with the county's 22 pawnshops and secondhand dealers.

Pawnbrokers and secondhand dealers will be required to enter serial numbers, thumbprints, photos and ID information into the Northwest Regional Automated Property Information Database -- or NW RAPID. The computerized system compares the information overnight against law enforcement databases and then emails shop owners and police if a red flag pops up. Shop owners are then told to place the items on "hold" until police can follow up.

NW RAPID even makes "smart matches" in cases of strikingly similar names or serial numbers.

The new system is a significant upgrade for Clackamas County's antiquated, manually entered database, which may not have turned up any discrepancies for weeks. The new system already is working.

"We were one of Clackamas County's guinea pigs, so we were on-line before most of the others," said Hal Hallmark, who owns the Stuff shop, 9770 S.E. 82nd Ave. "And now, we're getting about one hit a week.

"The thing about RAPID is it works. In the secondhand business, there's always the potential for buying stolen goods, and I've always hated that," Hallmark said.

Sheriff's Sgt. Adam Phillips, a property crimes specialist, has been conducting classes for shop owners, showing them the equipment and procedures now required. He said most have embraced the changes, but some have balked at the cost of hardware and software, as well as the extra hoops.

"I had one guy say, 'That's it -- I'm out. I'm just going to sell everything I have and I'm not going to buy anything else,'" Phillips said.

Phillips said he hoped the new system would cut off a source of ready cash for thieves.

"We want to make business safer for the dealers and tougher on bad guys," he said. "We also hope that we can help people who have had their things stolen. They're the victims."

-- **Rick Bella**

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