

EXHIBIT A

CHAPTER 14B.90 - SECONDHAND DEALERS

(Chapter replaced by Ordinance No. 181303,
effective October 26, 2007.)

Sections:

- 14B.90.010 Purpose.
- 14B.90.020 Definitions.
- 14B.90.030 Permit Required.
- 14B.90.035 Minimum Standards.
- 14B.90.040 Application for Permit.
- 14B.90.050 Issuance and Renewal of Permit.
- 14B.90.060 Permit Fees.
- 14B.90.070 Subsequent Locations.
- 14B.90.080 Reporting of Secondhand Dealer Transactions.
- 14B.90.090 Regulated Property Sale Limitations.
- 14B.90.095 Release of Held or Seized Property.
- 14B.90.100 Tagging Regulated Property for Identification.
- 14B.90.110 Inspection of Property and Records.
- 14B.90.120 Prohibited Acts.
- 14B.90.130 ~~Civil~~ Penalties.
- 14B.90.140 Revocation or Suspension of Permit.
- 14B.90.150 Appeals.
- 14B.90.170 Authority of Director to Adopt Rules, Procedures and Forms.

14B.90.010 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 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 ~~p~~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.

14B.90.020 Definitions.

(Amended by Ordinance No. 186746, effective August 6, 2014.) As used in this Chapter, unless the context requires otherwise:

- A. "Acceptable ~~I~~dentification" means either:
 - 1. ~~A~~ a current driver's license; ~~or~~ a State of Oregon Identification Card issued by the Department of Motor Vehicles; ~~or~~
 - 2. ~~T~~two current United States, state or local government-issued identification cards, one of which has a photograph of the ~~S~~seller; ~~or~~

- 3.** One of the following, when the transaction report includes the Seller's thumbprint:
- a.** A current United States, state, or local government-issued identification card which has a photograph of the Seller; or
 - b.** A current passport from any country; or
 - c.** A current Consulate Identity Card.
- B.** "Acquire" means to take or transfer any interest in personal property in a voluntary transaction, including but not limited to: sales; consignments; memoranda between a Dealer and a private party ~~S~~seller; leases; trade-ins; loans; and abandonments. Any acquisition of ~~R~~regulated ~~P~~property by a Dealer will be presumed to be an acquisition on behalf of the Secondhand Dealer business. Notwithstanding the foregoing, "acquire" does not include:
- 1.** Any loans made in compliance with state laws by ~~p~~Persons licensed as ~~P~~pawnbrokers by the State of Oregon; or
 - 2.** Memoranda between a Dealer and a ~~p~~Person engaged in the business of selling ~~R~~regulated ~~P~~property.
- C.** "Business Location" means any physical location where the Dealer conducts business.
- D.** "Chief of Police" means the Chief of the Portland Police Bureau or ~~his or her~~ designee.
- E.** "Consulate Identity Card" means a Mexican Matricula Consular issued after 2014 or an identity card issued by a foreign consulate located in the United States with an application process and cards that meet the following criteria:
- 1.** The applicant must be a citizen of the country served by the consulate and must apply for the card in person; and
 - 2.** In addition to fingerprints and digital photographs, the applicant must provide:
 - a.** A birth certificate from the country served by the consulate; and
 - b.** An official identification from that country, such as a voter identification card; and
 - c.** Proof of address within the issuing consulate's consular district.
 - 3.** The consulate's identification database must be linked to a national security database in the home country; and
 - 4.** The issuance of the consulate identification card is supported by a centralized system to avoid duplications and confirm the authenticity of

required documents and information; and

5. Consulates must have access to an electronic consular identification database.
6. The identity cards must be printed on plastic and incorporate security features including but not limited to:
 - a. Visible and invisible marks;
 - b. A background design with high quality print and micro test frames;
 - c. Text with different colors of ink;
 - d. Embedded identity data on a cryptographic chip;
 - e. A clear photograph;
 - f. A laser engraved unique card number.

A Dealer should contact the Portland Police Bureau if there are questions about whether an identity card from a country other than Mexico will serve as Acceptable Identification for Secondhand transactions.

F. "Criminal Arrests or Convictions" refers to any offense defined by the statutes of the State of Oregon or ordinances of the City of Portland, unless otherwise specified. Any arrest or conviction for conduct other than that denoted by the statutes of the State of Oregon or ordinances of the City of Portland, as specified herein, will be considered to be equivalent to one of such offenses if the elements of such offense for which the person was arrested or convicted would have constituted one of the above offenses under the applicable Oregon statutes or Portland ordinance provisions.

F.G. "Dealer".

1. Means any:
 - a. Sole proprietorship, partnership, limited partnership, family limited partnership, joint venture, association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization for doing business and that:
 - b. Either:
 - (1) Acquires Regulated Property at or from Business Locations within the City of Portland, or on behalf of such a business regardless of where the acquisition occurs, or
 - (2) Offers for sale Regulated Property.

2. Dealers that acquire or offer for sale not more than 50 items of Rregulated Pproperty in any one-year period will be categorized as an “Occasional Secondhand Dealer.” The term "Dealer" in this Chapter and all regulations herein refer to Secondhand Dealers, Occasional Secondhand Dealers and Pawnbrokers unless specifically stated otherwise.
3. “Dealer” does not include:
 - a. A business whose acquisitions of Rregulated Pproperty consist exclusively of donated items and/or purchases from 501(c)3 organizations; or
 - b. A pPerson whose only business transactions with Rregulated Pproperty in the City of Portland consist of the sale of personal property acquired for household or other personal use; or
 - c. A pPerson whose only business transactions with Rregulated Pproperty in the City of Portland consist of a display space, booth, or table maintained for displaying or selling merchandise at any Ttrade Sshow, convention, festival, fair, circus, market, flea market, swap meet or similar event for less than 14 days in any calendar year.

G.H. "Director" means the Director of the Bureau of Revenue and Financial Services Revenue Division or ~~his or her~~ designee.

H.I. "Held Property" means any Rregulated Pproperty that cannot be sold, dismantled or otherwise disposed of for a proscribed period of time as more specifically enumerated in 14B.90.090.

I.J. "Investment Ppurposes" means the purchase of personal property by businesses and the retention of that property in the same form as purchased, for resale to persons who are purchasing the property primarily as an investment.

J.K. "Medication" means any substance or preparation, prescription or over-the-counter, used in treating or caring for ailments and/or conditions in humans or animals.

K.L. "New" means anything conspicuously not Uused.

L.M. "Pawnbroker" means any business required by Oregon Revised Statute 726.040 to hold an Oregon Ppawnbroker's license. Pawnbrokers are required by Chapter 14B.90 to have a Secondhand Dealer Permit. As a Dealer, all transactions occurring within their business (loans, buys, or consignments) are subject to all requirements within this Chapter unless otherwise stated.

M.N. "Person" means a natural pPerson.

N.O. “Principal” means any pPerson who will be directly engaged or employed in the management or operation of the Secondhand Dealer business, including any owners and any shareholders with a 5% or greater interest in the company.

- P.** “RAPID” means the Regional Automated Property Information Database, which is used by Dealers to report acquisitions of Regulated Property to the Police Bureau.
- Q.** "Receive" means to take property into the inventory, possession, or control of a Dealer.
- R.** “Registered Business” means an entity that is:
- 1.** Registered with the Oregon Secretary of State Corporation Division or its equivalent in the state where the business is located; and
 - 2.** Compliant with the City of Portland Tax Division business registration requirements.
- P.S.** "Regulated Property" means property of a type that has been determined by the Portland Police Bureau to be property that is frequently the subject of theft, including New items as defined in this Section 14B.90.020 as well as Used items such as precious metals, precious gems, watches, sterling silver, electronic equipment, photography equipment, tools, musical instruments and cases, firearms, sporting equipment, and household appliances. A list of Regulated Property is included in the Administrative Rules and may be updated at any time in order to enhance the Bureau's ability to reduce property crimes and recover stolen goods.
- Q.T.** “Remanufactured” means that an item has been altered to the degree that the main components are no longer identifiable as the original item.
- R.U.** "Seller" means any Person who:
- 1.** Offers items of Regulated Property in exchange for money or other property; or as collateral for a loan; or
 - 2.** Donates or abandons items of Regulated Property.
- S.V.** “Trade Show” means 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.
- T.W.** "Transaction Report" means the record of the information required by 14B.90.080, transmitted to the Police Bureau by the means required in the Administrative Rules.
- U.X.** "Used" means anything that has been put into action or service.

14B.90.030 Permit Required.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. No pPerson or business shall engage in, conduct or carry on a secondhand dealer business in the City without a valid Secondhand Dealer Permit issued by the Revenue Division.
- B. Upon acquiring or offering for sale more than 50 items of Rregulated Property during any one-year period, an Occasional Secondhand Dealer shall apply for and obtain a Secondhand Dealer Permit before acquiring any more items of Rregulated Property.
- C. Any pPerson or business that advertises or otherwise holds him/herself out to be acquiring or offering for sale Rregulated Property within the City will be presumed to be operating as a Dealer subject to the terms of Chapter 14B.90.
- D. The sale of Rregulated Property at events commonly known as "garage sales," "yard sales," or "estate sales," is exempt from these regulations if all of the following are present:
 - 1. No sale exceeds a period of 72 consecutive hours; and
 - 2. No more than four sales are held at the same location in any twelve-month period.

14B.90.035 Minimum Standards.

- A. No pPerson or business may operate as a Dealer within the City of Portland unless the pPerson or business maintains a fixed physical Business Location, and is a Registered Business.
- B. Dealers shall comply with all applicable federal, state, and local regulations.

14B.90.040 Application for Permit.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. An applicant for a Secondhand Dealer Permit shall complete and submit an application (including required personal history forms) that sets forth the following information:
 - 1. The name, address, telephone number, birth date and principal occupation of all owners and any pPerson who will be directly engaged or employed in the management or operation of the business or the proposed business;
 - 2. The name, address and telephone number of the business or proposed business and a description of the exact nature of the business to be operated;
 - 3. The web address of ~~any and~~ all web pages used to acquire or offer for sale Rregulated Property on behalf of the Dealer, and any and all internet auction account names used to acquire or offer for sale Rregulated Property on behalf of the Dealer.
 - 4. Written proof that all Pincipals are at least 18 years of age;

5. Each Pprincipal's business occupation or employment for the 3 years immediately preceding the date of application;
6. The business license and permit history of the applicant in operating a business identical to or similar to those regulated by Chapter 14B.90;
7. A brief summary of the applicant's business history in any jurisdiction including:
 - a. The business license or permit history of the applicant; and,
 - b. Whether the applicant or any Pprincipal has ever had any business-related license or permit revoked or suspended, the reasons therefor, and the business activity or occupation of the applicant or Pprincipal subsequent to the suspension or revocation.
8. Whether the applicant will be a sole proprietorship, partnership, limited partnership, family limited partnership, joint venture, association, cooperative, trust, estate, corporation, personal holding company, limited liability company, limited liability partnership or any other form of organization for doing business.
 - a. If a partnership, the application must set forth the names, birth dates, addresses, telephone numbers, and principal occupations, along with all other information required of any individual applicant, of each partner, whether general, limited, or silent, and the respective ownership shares owned by each;
 - b. If a corporation, or limited liability company, the application must set forth the corporate or company name, copies of the articles of incorporation or organization and the corporate by-laws or operating agreement, and the names, addresses, birth dates, telephone numbers, and principal occupations, along with all other information required of any individual applicant, of every officer, director, members or managers, and shareholder (owning more than five percent of the outstanding shares) and the number of shares held by each;
9. If the applicant does not own the business premises, a true and complete copy of the executed lease (and the legal description of the premises to be permitted) must be attached to the application;
10. All Criminal Arrests or Convictions of each Pprincipal enumerated in paragraphs 1 through 7 of this subsSection;
11. Upon request, Pprincipals and employees shall submit fingerprints and passport size photographs to the Portland Police Bureau ~~the following information: fingerprints, passport size photographs, and a copy of the signature initials to be used by persons on transaction report forms.~~

Principals and employees must submit new photos if requested to do so by the Portland Police Bureau;

12. Any other information that the Director may reasonably feel is necessary to accomplish the goals of this Chapter.
- B. The Dealer shall notify the Revenue Division of any changes in the information required in SubSection A within ten business days.
 - C. New employees of Dealers shall complete and submit the personal history form as required in SubSection A ~~of this SubSection~~. Employees may not acquire Regulated Property until all required information has been reviewed and approved by the Portland Police Bureau. The criteria used to review a new employee will be the same as those used in the review of an initial application in SubSection 14B.90.050 B.
 - D. The personal and business information contained in the application forms required pursuant to SubSection 14B.90.040 A are subject to the requirements of the Oregon Public Records Law, ORS 192.410 et seq.

14B.90.050 Issuance and Renewal of Permit.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. Upon the filing of an application for a ~~Dealer~~ permit and payment of the required fee, the Chief of Police shall conduct an investigation of the applicant and all Pprincipals and employees listed according to the requirements in SubSection 14B.90.040 A. The Director shall issue the permit within 90 days of receiving the application if no cause for denial exists.
- B. Except as provided in SubSection 14B.90.050 C, the Director shall deny an application for a ~~Dealer~~ permit if any of the following apply:
 1. The applicant, or any pPerson who will be directly engaged in the management or operation of the business, or any pPerson who owns a five percent or more interest in the business, has previously owned or operated a business regulated by Chapter 14B.90; and
 - a. the license or permit for the business has been revoked for cause that would be grounds for revocation pursuant to Chapter 14B.90; or
 - b. the business has been found to constitute a public nuisance and abatement has been ordered.
 2. Any pPerson listed on the initial application or renewal application has been convicted of one or more of the offenses listed below or has violated any section of ~~Section~~ Chapter 14B.90. The offenses include:
 - a. Any felony.

- b. Any misdemeanor or violation involving either bribery, controlled substances, deception, dishonesty, forgery, fraud, or theft, or any attempt or conspiracy to commit any of the listed offenses.
 3. The Director finds by a preponderance of the evidence that the applicant or any ~~P~~principal or employee has committed any offense relating to fraud, theft or any attempt or conspiracy to commit theft, or any offense listed in Section 14B.90.120;
 4. The Director finds by a preponderance of the evidence that the applicant or any ~~P~~principal or employee who will be involved in the business has violated any law where the elements of such law are equivalent to the provisions of Chapter 14B.90;
 5. Any statement in the application is false or any required information is withheld; or
 6. The Director finds by a preponderance of the evidence that the applicant, or any ~~p~~Person who will be directly engaged or employed in the management or operation of the business, or any ~~p~~Person who owns a five percent or more interest in the business, has previously owned or operated a business regulated by Chapter 14B.90 or any laws or statutes equivalent to the provisions of Chapter 14B.90, and the business has violated applicable State, Federal or local requirements, including permitting requirements.
- C. Notwithstanding ~~Subs~~Section 14B.90.050 B., the Director may grant a permit after consulting with the Chief of Police despite the presence of one or more of the enumerated factors if the applicant establishes to the Director's reasonable satisfaction that:
 1. The behavior evidenced by such factor is not likely to recur; or,
 2. The behavior evidenced by such factor is remote in time; or,
 3. The behavior evidenced by such factor occurred under circumstances that diminish the seriousness of the factor as it relates to the purpose of Chapter 14B.90.
- D. ~~Dealer P~~ermits are valid for a term of one year and expire on the first anniversary of their issuance. The permits are nontransferable and are valid only for a single ~~B~~business ~~L~~ocation. When the ~~B~~business ~~L~~ocation is to be changed, the permit holder shall provide the address of the new location in writing to the Revenue Division for approval at least 14 days prior to the change.
- E. ~~Dealer P~~ermits must be displayed at the ~~B~~business ~~L~~ocation in a manner readily visible to patrons.
- F. Upon denial of an application for a ~~Dealer's~~ permit, the Director shall give the applicant written notice of the denial.

1. Service of the notice will be accomplished by mailing the notice to the applicant by certified mail, return receipt requested.
 2. Mailing of the notice will be prima facie evidence of receipt of the notice.
 3. The denial will be effective the date the notice is sent.
- G. Denial of a permit may be appealed by filing written notice of an appeal within 10 days of the date of denial in accordance with Section 14B.90.150.

14B.90.060 Permit Fees.

(Amended by Ordinance No. 186746, effective August 6, 2014.) Every Dealer shall complete and submit all required forms to the Revenue Division and pay a nonrefundable fee as required by the Administrative Rules.

14B.90.070 Subsequent Locations.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. Dealers must file an application for a permit for a subsequent or additional Business Location with the Revenue Division and pay a non-refundable fee as set forth in the Administrative Rules of Chapter 14B.90, provided the information required for the subsequent or additional Business Location is identical to that provided in the application for the prior location with the exception of that required by Subsection 14B.90.040 A.2.
- B. Permits issued for subsequent or additional Business Locations will be subject to all the requirements of this Chapter, and the term of the permit issued for a subsequent or additional location will expire on the same date as the initial permit.

14B.90.080 Reporting of Secondhand Dealer Transactions.

- A. Dealers shall provide to the Portland Police Bureau all required information as described in the Administrative Rules for each Regulated Property transaction (not including sales). The Chief of Police may designate the format for the transfer of this information and may direct that it be communicated ~~to the Special Property Investigations office~~ by means of mail, the internet, or other computer media as provided in the Administrative Rules.
 1. In any such case that the Chief directs that the information be transmitted via computer media, the Chief may also direct the system that will be utilized in order to ensure conformity among all Dealers.
 2. If, after establishing the format and requirements for the transmission of computerized reports of transactions, the Chief of Police alters the required format, Dealers will be given at least 60 days to comply with the new format requirements. If unable to implement the reporting system before the deadline, a Dealer must submit a written request for additional time to the Chief of Police before the deadline.
 3. Upon approval by the Chief of Police, a Dealer that acquires less than 25

items of Regulated Property in a year may use forms provided by the Portland Police Bureau to report transactions.

4. ~~_____ Pawnbrokers are required to report only new transactions. Loan renewals do not need to be reported.~~

B. ~~The Portland Police Bureau will provide all Dealers with transaction report forms at cost until 60 days after such time that the Chief of Police directs a change in the reporting method. The Chief of Police may specify the format of the transaction report form. The Chief of Police may require that the transaction report form include any information relating to the regulations of this Chapter. Dealers may utilize their own forms, in lieu of those supplied by the Portland Police Bureau, if the Chief of Police has approved such forms. The Declaration of Proof of Ownership will be considered to be included in references in this Chapter to the transaction report form, record, as appropriate.~~

14B.90.090 Regulated Property Sale Limitations.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

A. Regulated Property is subject to the following limitations:

1. Holding Period: Regulated Property acquired by any Dealer must be held for a period of 30 full days from the date of acquisition. Pawnbroker loan transactions are exempt from the 30-day hold requirements of Section 14B.90.090 because of the redeemable nature of the loans and the holding requirements in ORS 726. However, if the loan is converted to a buy by the Pawnbroker within 30 days from the date of the pawn transaction, the difference between the original date of the pawn and the buy will count toward the 30-day hold requirement. All other provisions of Section 14B.90.090 remain in effect.

2. Requirements of Held Property: All Held Property must remain in the same form as when received, must not be sold, dismantled or otherwise disposed of, and must be kept separate and apart from all other property during the holding period to prevent theft or accidental sale and to allow for identification and examination by the Revenue Division or Police Bureau. Held Property must be kept at the Business Location during this holding period so that it can be inspected during normal business hours (as provided in Section 14B.90.110). Held Property, other than property on Police Hold, may be held in a place within public view, as long as the other requirements of ~~A.2~~ the subsection are met.

3. ~~Held property requirements do not apply if:~~

a. ~~The property is received from a Dealer regulated by the City of Portland who has already satisfied the holding requirements of this Chapter and the Dealer records the original transaction report number on the transaction report completed for the new transaction, or~~

~~b. If a customer, who originally purchased property from a Dealer, returns it to that Dealer with the original receipt.~~

- B.** Notwithstanding Subsection 14B.90.090 A., the Director may determine that certain types of transactions pose a reduced risk of being an outlet for the sale of stolen property and therefore may modify the hold period and/or reporting requirements for those types of transactions. Those transactions and the modified requirements are described in the Administrative Rules.
- C.** Upon reasonable belief that an item of Rregulated Pproperty is the subject of a crime, any peace officer may provide notice to any Dealer that a specifically described item of Rregulated Pproperty must be held in a separate Police Hold area for a period not to exceed 30 days from the date of notification, and is subject to the requirements of sSubsection 14B.90.090 A.2 above. The hold may be extended an additional 30 days upon notice provided to the Dealer that additional time is needed to determine whether a specific item of Rregulated Pproperty is the subject of a crime. The Dealer shall comply with the hold notice and notify the ~~Portland Police Bureau Special Property Investigations unit~~ Chief of Police of the hold notice not later than five calendar days from the day the notice was received, either by telephone, fax, email, or in person. A Dealer must notify the ~~Special Property Investigations office~~ Chief of Police of their intent to dispose of any item of Rregulated Pproperty under Police Hold at least 10 days prior to doing so.
1. A Police Hold area must meet the following criteria:
 - a. Located out of public view and access, and
 - b. Marked "Police Hold," and
 - c. Contain only items that have been put on Police Hold.
 2. Dealers may maintain up to three Police Hold areas as necessary for the safe storage of high value items, physically large items, and general merchandise put on Police Hold.
 3. If it is not possible or practical to move an item to or store an item in the Police Hold area, a Dealer may submit a written request to the Chief of Police for approval to keep the item with other Hheld Pproperty. Approval may be granted with the understanding that the item will be clearly marked as being on Police Hold and kept from public view and access.
- D.** Upon probable cause that an item of property is the subject of a crime, the Chief of Police may take physical custody of the item or provide written notice to any Dealer to hold such property for a period of time as determined by the Chief of Police, not to exceed the statute of limitations for the crime being investigated. Any property placed on hold pursuant to this subsection is subject to the requirements found in Subsection 14B.90.090 A.2 of this subsection, and will be maintained in the Police Hold area unless seized or released by the Police. Seizure of property will be carried out in accordance with Oregon Revised Statutes.

- E. If a Dealer acquires Rregulated Pproperty with serial numbers, personalized inscriptions or initials, or other identifying marks which have been destroyed or are illegible due to obvious normal use, the Dealer ~~shall~~ must continue to hold the property at the Bbusiness Llocation for a period of 90 full days after acquisition. The Dealer must notify the Portland Police Bureau by ~~writing~~ adding "90 day hold" to the description of the item in the transaction record, along with a notation of what kind of information has been destroyed or is illegible, next to the item on the transaction report or by an electronic means approved by the Portland Police Bureau. The Hheld Pproperty must conform to all the requirements found in Subsection 14B.90.090 A.2 of this subsection.
- F. If a Dealer receives information that leads to an objectively reasonable basis to believe that any property already at his/her Bbusiness Llocation has been previously lost or stolen, he/she must report that belief to the Portland Police Bureau by day's end. The notice must include the RAPID item ~~transaction report~~ number and any additional information regarding the name of the owner, if known.
- G. If a peace officer seizes any property from a Dealer; the Dealer must notify the Portland Police Bureau of the seizure not later than five calendar days from the day the seizure occurs. The Dealer must provide the name of the agency, the name of the peace officer, the number of the receipt left for the seizure, and the seized property information. Notification to the Police Bureau may be given by telephone, fax, email, or in person.

14B.90.095 Release of Held or Seized Property.

Items held or seized under Subsection 14B.90.090 D may not be released to anyone other than the Dealer unless the property is released to:

- A. Another law enforcement agency that has provided documentation to the satisfaction of the Chief of Police of the stolen status of the property, or
- B. A Person who reported the property as stolen; and
 - 1. A stolen property report has been filed with a law enforcement agency where making an untruthful report is a violation of the law, and
 - 2. A notice has been delivered to the Dealer holding the property or from whom the property was seized.
 - a. The required notice will state that the property will be released to the Person who has filed the stolen property report unless the Dealer or pawner/Seller files a motion for return of seized property within 10 days of the date of the notice and in the manner set forth in the notice.
 - b. The notice will be sent electronically with a request for acknowledgement, or delivered in person to the Dealer at the email or physical address shown on the Dealer's permit application or most recent permit renewal application, and to the pawner/Seller at the address shown in the transaction report required by Section

14B.90.080.

- c. The notice will provide the information necessary to submit a motion for return of seized property.
- d. The failure of any Person to receive the required notice will not invalidate or otherwise affect the proceedings of this section.

14B.90.100 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 item number from the RAPID transaction record same as the transaction report number for that item or be referenced to the Transaction Report required by the Portland Police Bureau or assigned by the approved reporting method described in the Administrative Rules. After the holding period has expired, the transaction unique number must remain identifiable on the property until the sale 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.
- B. After the applicable holding period has expired, items that are Remufactured need not remain tagged.

14B.90.110 Inspection of Property and Records.

(Amended by Ordinance No. 186746, effective August 6, 2014.) Upon presentation of official identification, a Dealer ~~shall~~ must allow any representative of the Portland Police Bureau or the Revenue Division to enter the Business Location to ensure compliance with the provisions of Chapter 14B.90. The inspection will be for the limited purpose of inspecting the Business Location, Regulated Property, and related records as provided in this Chapter and the Administrative Rules. Except by mutual agreement with the Dealer or by court order, any inspection under this section ~~may~~ will occur only during the Dealer's normal business hours.

14B.90.120 Prohibited Acts.

- A. It is unlawful for any person regulated by Chapter 14B.90:
 - 1. To receive any property from any person
 - a. Known to the Principal, employee or Dealer to be prohibited from selling by a court order,
 - b. Under the age of 18 years unless the person's parent or guardian complete the applicable information on the Declaration of Proof of Ownership,
 - c. About whom the Principal, employee or Dealer has been given notice by law enforcement as having been convicted of burglary, robbery, theft or possession of or receiving stolen property within

the past ten years whether the pPerson is acting in his or her own behalf or as the agent of another who meets the above criteria;

2. To receive property prohibited by this Chapter or the Administrative Rules, including
 - a. Medications;
 - b. ~~Gift cards, in-store credit cards, or activated phone cards;~~
 - e. Property with serial numbers, personalized inscriptions or initials or other identifying marks that appear to have been intentionally altered or rendered illegible.
 3. To receive property that a reasonable pPerson under similar circumstances would believe is more likely than not stolen, except as allowed by the Administrative Rules. A later determination regarding whether or not an item is found to be stolen will not be used as a factor to determine whether a Dealer has violated this subsection.
- B.** Any violation of SubsSection 14B.90.120 A. is punishable, upon conviction, by a fine of not more than \$500 and a jail sentence of up to six months.
- C.** Notwithstanding Subsection 14B.90.120 A, a Dealer may receive property for which the Dealer has an objectively reasonable basis to believe is more likely than not stolen if the Dealer is doing so with the intention of recovering the item for a specifically identified victim. The Dealer must notify the Portland Police Bureau of the acquisition and the name of the specific Person or entity believed to be the victim by the end of the business day that the acquisition is made. Notification may be made by phone or email. An item acquired under this subsection must be immediately placed under a 30-day Police Hold.

14B.90.130 Civil Penalties.

- A.** The Director may assess civil penalties in an amount up to \$500 for each violation of Chapter 14B.90.
- B.** Procedure.
 1. The Director, having made a determination to seek civil penalties as provided by this sSection, shall give the Dealer written notice of the determination.
 2. Service of the notice will be accomplished by mailing the notice by regular and certified mail, return receipt requested.
 3. Mailing of the notice will be prima facie evidence of receipt of the notice.
 4. The civil penalty will be due ten days from the date of the notice unless such civil penalty is appealed in accordance with Section 14B.90.150.

C. Any Principal of a Dealer that has been assessed civil penalties in excess of \$2,000 in the previous 12 months who subsequently violates Chapter 14B.90 may be punished, upon conviction, by a fine of up to \$500 and a jail sentence of up to 6 months.

14B.90.140 Revocation or Suspension of Permit.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. Along with the other regulatory enforcement authority granted under this Chapter, the Director may, after consulting with the Chief of Police, revoke or suspend any permit issued pursuant to this Chapter:
1. For any cause that would be grounds for denial of a permit; or
 2. Upon a finding that any violation of the provisions of this Chapter, federal, state or other local law has been committed and the violation is connected with the operation of the permitted ~~B~~business ~~L~~location so that the ~~p~~Person in charge of the ~~B~~business ~~L~~location knew, or should reasonably have known, that violations or offenses were permitted to occur at the location by the Dealer or any ~~P~~principal or employee engaged or employed in the management or operation of the ~~B~~business ~~L~~location; or
 3. A lawful inspection has been refused; or
 4. If payment of civil penalties has not been received by the Revenue Division within ten business days after the penalty becomes final; or
 5. If any statement contained in the application for the permit is false.
- B. The Director, upon revocation or suspension of any permit issued pursuant to this Chapter, shall give the Dealer written notice of the revocation or suspension.
1. Service of the notice will be accomplished by mailing the notice by regular and certified mail, return receipt requested.
 2. Mailing of the notice by regular mail will be prima facie evidence of receipt of the notice.
- C. Revocation will be effective and final ten days after the giving of notice unless the revocation is appealed in accordance with Section 14B.90.150.
- D. Suspension will be effective immediately upon the giving of notice, for the period of time set in the notice not to exceed 30 days.
- E. Any Principal of a Dealer whose permit has been revoked who subsequently violates Chapter 14B.90 may be punished, upon conviction, by a fine of up to \$500 and a jail sentence of up to 6 months.

14B.90.150 Appeals.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. Any Dealer or ~~p~~Person whose initial application or renewal application for a Dealer permit has been denied, or whose permit has been revoked or suspended, or who has been directed to pay a civil penalty by the Director, may appeal the action of the Director to the Code Hearings Officer of the City of Portland, as set out in Chapter 22.10 of the Portland City Code. Requests for appeal hearings must be filed with the ~~Revenue Division~~ Code Hearings Office or as specified by Section 22.10.030.
- B. The filing of a notice of appeal of revocation or suspension of a permit, or of a civil penalty imposed by the Director under this Chapter, will stay the effective date of the action until the Code Hearings Officer issues an opinion.

14B.90.170 Authority of Director to Adopt Rules, Procedures and Forms.

(Amended by Ordinance No. 186746, effective August 6, 2014.)

- A. The Director may adopt rules, procedures and forms to implement the provisions of this Chapter.
- B. Adoption of Rules.
 - 1. The Director may adopt rules pertaining to matters within the scope of this Chapter.
 - 2. Before the Director adopts a rule, a public hearing must be conducted. The Director must give notice of the public hearing in a reasonable manner not less than ten nor more than 30 days before the hearing. The notice must include the place and time of the hearing; where copies of the full text of the proposed rules may be obtained; and a brief description of the proposed rules.
 - 3. The Director will consider oral and/or written testimony during the public hearing. The Director shall adopt the proposed rule, modify, or reject the proposed rule, based on the testimony received. Unless otherwise stated, all rules are effective upon adoption by the Director and will be kept on file at the Revenue Division. Copies of all rules will be made available to the public upon request.
 - 4. Notwithstanding paragraphs 2 and 3 of this sSection, the Director may adopt an interim rule without prior public notice upon a finding that failure to act promptly would result in serious prejudice to the public interest. In so doing, the Director must include the specific reasons for such prejudice. Any rule adopted pursuant to this paragraph will be effective for a period of not longer than 180 days.