

## TITLE VI - REGULATION OF BUSINESS AND VOCATIONS

CHAPTER 166  
PAWNBROKERS

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166.01 PURPOSE. The purpose of this chapter is to provide for administration of licenses and permits and for local regulation and procedures for the conduct of a pawnbroker's business for the protection of the safety, moral and general welfare of the City.

166.02 DEFINITIONS. The following terms are defined for use in this chapter:

1. "Pawnbroker" means any person who loans money on deposit or pledge of personal property or other thing of value, or who deals in the purchasing of personal property or other things of value, on condition of selling the same back at a stipulated price or who receives actual possession of personal property as security for loans with or without a bill of sale.

2. "Person of Good Moral Character" means any person who meets all of the following requirements:

A. Has financial standing and good reputation as will satisfy the Council that said person will comply with all Iowa laws and ordinances of the City applicable to said person's operation.

B. Has not had a pawnbroker's license revoked within the last two (2) years.

C. Is a citizen of the United States and a resident of Iowa, or licensed to do business in Iowa, in the case of a corporation.

D. Has not been convicted of a felony. However, if this conviction occurred more than five (5) years before the date of the application for a license or permit, and if said person's rights of citizenship have been restored by the Governor, the Council may determine that the person is of good moral character notwithstanding such conviction.

If the licensee is a corporation or partnership, the requirements of this subsection shall apply to each of the officers, directors or partners and to any person who directly or indirectly owns or controls ten percent (10%) or more of any class of stock of such corporation or has an interest of ten percent (10%) or more in the ownership or profit of such business. For purposes of this provision, an individual and spouse shall be regarded as one person.

166.03 LICENSE REQUIRED. Before engaging in business, a pawnbroker shall apply for and obtain a license from the City, which shall be issued without charge, but which must be renewed by the licensee annually provided said licensee remains qualified.

166.04 ELIGIBILITY FOR PAWNBROKER'S LICENSE. Upon meeting any requirements imposed by State law and the ordinances of the City, a person who is of good moral character as defined by State law and this chapter may apply for a pawnbroker's license. In the case of a corporation or partnership, the officers of the corporation or the partners of a partnership shall be persons of good moral character as defined by State law and this chapter.

166.05 CONDITIONS FOR APPROVAL OF LICENSE. An applicant for a pawnbroker's license, as a further condition for approval, must give consent in writing on the application that members of the Fire, Police and Health Departments and the Building Inspector may enter upon the premises without warrant to inspect for violations of the provisions of State law or the ordinances of the City.

1. No pawnbroker's license shall be approved for any premises which do not conform to all applicable laws, ordinances, resolutions and health and fire regulations.
2. All licenses provided for in this chapter shall be displayed in a conspicuous place on the premises of the holder of the permit and shall at all times be subject to inspection.
3. No pawnbroker's shop shall be operated in conjunction with or share a common exterior access with any arcade, coin-

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operated amusement center or other establishment housing or using coin-operated amusement devices open or available to minors except machines clearly marked for retail sale and when used only for demonstration purposes to potential buyers.

4. No alcoholic liquor, alcoholic beverage or intoxicating liquor shall be sold, consumed or kept on the premises of the holder of a pawnbroker's license and no pawnshop shall be established or maintained upon or within any premises or building in which it shares a common access or entrance with any establishment selling or serving alcoholic beverages or holding a liquor control license or beer or wine permit.

166.06 APPLICATION FOR LICENSE. The application for a pawnbroker's license shall be in writing on a form provided by the Clerk and subscribed and sworn to by one of the owners, setting forth the name of each person who is owner of said business or, if a corporation, the names of the officers and directors of the corporation, and the principal place of business thereof, stating the name and address of the manager, the address of the business location and such other information as may be required in order to investigate the good character of the applicant.

166.07 INVESTIGATION OF THE APPLICANT. Upon receipt of an original application for a pawnbroker's license by the Clerk, it shall be forwarded to the Police Chief, who shall conduct an investigation and shall submit a written report on the application and a recommendation to the Council as to the approval of the license. It shall be the duty of the Zoning Administrator to determine if they conform to the requirements of the City relative to the Building and Zoning Codes and no license shall be approved until or unless an approving report has been filed with the Council by such officials.

166.08 SIMPLIFIED APPLICATION FOR RENEWAL. Upon receipt of an application for the renewal of a pawnbroker's license, it shall be forwarded to the Police Chief only, who shall conduct an investigation and shall submit a written report on the application as to the truth of the facts answered in the application and a recommendation to the Council as to approval of the license or permit.

166.09 BOND. No pawnbroker's license shall be issued until a bond, for the period of said license is in effect, is filed, which bond shall be in the penal sum of one thousand dollars (\$1,000.00), conditioned that said business will be conducted in accordance with the provisions of this chapter and the laws of the State, and that such pawnbroker will account for and deliver

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to any person legally entitled thereto any goods, wares, or merchandise or other things of value, which may have come into said person's hands in such business as pawnbroker, or in lieu thereof, that said person will pay money to the person entitled thereto for the reasonable value thereof.

166.10 NATURE OF LICENSE OR PERMIT. A pawnbroker's license shall be a purely personal privilege and be revocable for cause. It shall not constitute property or be subject to attachment and execution or be alienable or assignable and in any case it shall cease upon the death of the licensee. However, the Council may allow the executor or administrator of a licensee to operate the business of the decedent for a reasonable time not to exceed the expiration date of the license. Every license shall be issued in the name of the applicant setting forth the location on which the business is located and no person holding a license shall allow any other person to use the same or operate the business on any other location.

166.11 SUSPENSION AND REVOCATION. A pawnbroker's license may be suspended for a period up to one year or revoked by the Council following notice to the licensee and hearing by the Council, for good cause, upon finding of any of the following causes:

1. Misrepresentation of any material fact in the application of such license.
2. Any change in the ownership or interest in the business operated under a pawnbroker's license which change was not previously reported and approved by the Council.
3. Any event which would have resulted in disqualification from receiving such license or permit when originally issued.
4. The failure or refusal on the part of the licensee to render any report or permit any inspection required by this chapter.
5. A finding by the Council after hearing that such business is being managed, conducted or maintained in a manner that is detrimental to the public health, morals or welfare.

166.12 RECORDS KEPT. Every pawnbroker shall keep a book in which shall be plainly written, at the time of each loan, purchase or sale, an accurate account or description in the English language of the goods, articles or things pawned, pledged, purchased or sold, the amount of money loaned or paid therefor, the date and hour received, and the time when the

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article is to be redeemed or bought back, and the name, residence and social security number, sex, race, hair color, eye color, date of birth, and height of the person pawning, pledging, selling or purchasing the same, which book, plus the pawned or purchased articles, shall at all reasonable times be open to the inspection of any law enforcement officer. Every pawnbroker purchasing or receiving on deposit for loan any article of personal property or other thing of value shall give to the person selling, depositing or purchasing the same a plainly written or printed ticket or receipts therefor, showing the terms of said sale or loan, and a copy of the entry in the book required herein to be kept. However, no pawnbroker shall be required to furnish such information with reference to property purchased from merchants, manufacturers or bona fide wholesale dealers having an established place of business when such property or goods are accompanied by a bill of sale or invoice, which must be shown to any law enforcement officer upon demand. Also, no pawnbroker shall be required to furnish a record with reference to property sold at retail with a value of less than two hundred (\$200.00) dollars. Every pawnbroker shall require each person from whom any property is purchased or received to print and sign his or her name on an inventory sheet provided by the Police Chief. The inventory sheet shall be the property of the City. Any person shall be guilty of a misdemeanor who shall:

1. Fail to keep such record;
2. Fail to make the required entries therein;
3. Intentionally or knowingly make any false or unintelligible entry or any entry which said person has reason to believe is untrue;
4. Fail to make the inquiries necessary to enable said person to make such entries or any of them;
5. Fail to produce the license or book when requested by a peace officer;
6. Destroy or negligently permit such book or record to be destroyed, damaged, rendered unintelligible or lost;
7. Fail to require any person to show physical proof of that person's identification.

166.13 PROHIBITED TRANSACTIONS. It shall be unlawful for any pawnbroker to purchase or receive any property, goods or other thing of value from any minor or from any person who, at the time of making the transaction, is under the influence of intoxicating

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drugs or liquors, or from any feebleminded person or person of unsound mind.

166.14 TIME TO REDEEM. No pawnbroker shall sell or dispose of any pawned or pledged article until the same shall remain in said pawnbroker's possession for thirty (30) days after the pledge or deposit thereof, and the same may be redeemed by the depositor or pledger at any time within said thirty (30) days.

166.15 UNLAWFUL TO OPERATE WITHOUT LICENSE. It shall be unlawful for any person to engage in business of a pawnbroker or to maintain a sign usually known as a pawnbroker's sign, such as three (3) balls, or in any manner to advertise to loan money on pledge or deposit of personal property or any other thing of value without first having applied for and obtained a pawnbroker's license and without having complied with the regulations regarding signs in this Code of Ordinances.

166.16 SEARCHING FOR STOLEN PROPERTY. Whenever any peace officer shall have reason to believe that any pawnbroker has in his or her possession or on the premises any stolen property, said peace officer shall have the right and duty to enter and search the premises of such person for the purpose of discovering stolen property.

166.17 EXAMINATION OF PREMISES BY OFFICERS. No pawnbroker or any other person shall refuse, resist or attempt to prevent any peace officer, with or without warrant, from examining the premises occupied by the pawnbroker for the purpose of discovering stolen property.

166.18 DISPOSING OF STOLEN GOODS OR GOODS FOR WHICH THERE IS AN ADVERSE CLAIM. No pawnbroker shall sell or permit to be redeemed or otherwise dispose of any article which said pawnbroker has reason to believe has been stolen or which is adversely claimed by any person, or which the pawnbroker has been notified not to sell, release or otherwise dispose of by any peace officer without first obtaining written permission to do so from the Police Chief.

(Ch. 166 added by Ordinance No. 612)