

ORDINANCE #2167-12

AN ORDINANCE ESTABLISHING REGULATIONS FOR DEALERS IN PRECIOUS METALS, GEM AND GEMSTONES

BE IT ORDAINED AND ENACTED by the Mayor and Council of the City of Woodbury, County of Gloucester and State of New Jersey, as follows:

WHEREAS, the Mayor and Council of the City of Woodbury have been advised by the Gloucester County Prosecutor's Office and the Chief of Police of the City of Woodbury that there exists a significant problem regarding the investigation and recovery of certain stolen precious metals, gems and gemstones; and

WHEREAS, the Mayor and Council of the City of Woodbury believe it in the best interest of the citizens of the City of Woodbury to provide law enforcement with assistance in such investigations so as to provide a reasonable chance of citizens recovering precious metals, gems and gemstones that have been stolen; and

WHEREAS, the Mayor and Council of the City of Woodbury believe the following Ordinance provides reasonable measures and safeguards for said investigation and recovery, while not placing undue burdens on business owners in the City of Woodbury.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Woodbury that the following Ordinance be adopted and added to its Municipal Code:

DEALERS IN PRECIOUS METALS, GEMS AND GEMSTONES

Section One: Purpose and Intent

The purpose of this ordinance is to assist law enforcement officials in recovering stolen precious metals, gems and gemstones by requiring minimum reporting, maintenance and distribution for secondhand and transient dealers.

Section Two: Definitions

- A. For the purposes of this Chapter, the following terms, phrases, words and their derivations shall have the meanings ascribed herein. Words used in the present tense shall include the future, words in the plural number shall include the singular number and words in the singular number shall include the plural number. The word "shall" is always mandatory and not merely directory.
- B. As used in this Chapter, the following terms shall have the meanings herein:

ADVERTISE and/or ADVERTISEMENT – Any attempt directly or indirectly by publication, dissemination, solicitation, endorsement or circulation or in any other

way to induce directly or indirectly any person to enter or not enter into any obligation or acquire any title or interest in any article.

APPLY and/or APPLIED – Any method or means of application or attachment to, or of use on, or in connection with, or in relation to, an article whether such application, attachment, or use is to, on, by in or with:

1. The article itself; or
2. Anything attached to the article; or
3. Anything to which the article is attached; or
4. Anything in or on which the article is; or
5. Anything so used or placed as to lead to a reasonable belief that the mark on that thing is meant to be taken as a mark on the article itself.

Or as so defined in N.J.S.A. 51:6-1.

ARTICLE – Any article of merchandise, including any portion of such article, whether a distinct part thereof or not, including every part thereof whether separable or not, and also including material for manufacture. And as so defined in N.J.S.A. 51:6-1.

MERCHANT – One who purchases from the public and sells or otherwise exchanges, conveys, alters or trades an article.

PERSON – Any individual natural persons, partnerships, joint ventures, businesses, societies, associates, clubs, trustees, trusts, corporations, or unincorporated groups, or an officers, agents, employees, servants, factors or any form of personal representatives of any thereof, in any capacity, acting for self or on behalf of another.

PRECIOUS METALS, GEMS, GEMSTONES – Articles comprised of gold, silver, sterling, platinum and/or their alloys as defined in N.J.S.A. 51:5-1 *et seq.*, N.J.S.A. 51:6-1 *et seq.* and/or N.J.S.A. 51:6A-1 *et seq.*; gems, gemstones, coins and all forms of jewelry herein contained.

PUBLIC – Individuals and retail sellers, not to include wholesale transactions or transactions between other merchants.

PURCHASE – The exchange of money and the exchange, deposit, pledge, sale, conveyance or trade of any tangible or intangible article.

TRANSIENT BUYER – A merchant who has not been in any retail business continuously for at least six (6) months at that address in the municipality where the merchant is required to register or who intends to close out or discontinue all retail business in the City of Woodbury within six (6) months. Or as so defined in N.J.S.A. 51:6A-5 and N.J.A.C. 13:47C-1.1.

Section Three: Responsibilities

A. PRECIOUS METALS, GEMS AND GEMSTONES

1. Permit Required

a. Prior to buying, attempting to buy or offering to buy any precious metals, gems or gemstones, no person, as defined in Section Two above shall engage in such business without first obtaining a permit from the City of Woodbury.

b. The City Clerk shall, on application reviewed and signed by the Chief of Police, issue an appropriate permit. Each applicant is required to:

- i) Provide full name.
- ii) Provide current address.
- iii) Provide current telephone number.
- iv) Provide date of birth.
- v) Provide two (2) forms of identification, one of which shall contain a photograph.
- vi) Provide three (3) sets of fingerprints taken by the City of Woodbury Police Department.
- vii) Pay to the City of Woodbury an annual fee of \$250.00.

c. All permits included in this Section shall expire on December 31st of the year in which they were issued.

d. All permit renewals shall be required to undergo the same process as the initial permit application.

e. All permits shall be displayed in a location at the place of business which is easily visible to the public.

f. Exceptions: Where a Transient Buyer intends to conduct business in the City of Woodbury for five (5) days or less per calendar year, the annual permitting fee shall be reduced to \$50.

2. Registration

a. A merchant of precious metals, gems or gemstones shall, prior to buying, attempting to buy or offering to buy, register with the City of Woodbury providing the following information on a form prescribed by the Police Department:

- i) Name and address of merchant;
- ii) Address from which merchant shall conduct business;

iii) Copy of valid permit from the City of Woodbury

3. Bond

A bond shall be obtained in accordance with N.J.A.C. 13:47C-6 and/or N.J.S.A. 45:22-7, as applicable, or as otherwise required by law.

4. Recordkeeping

Every merchant within the City of Woodbury shall, upon the purchase of any precious metal, gem or gemstone from the public, be required as follows:

- a. Record on a numbered receipt the name, address and telephone number of the purchaser; the name address and telephone number of the seller or sellers; the time and date of the transaction; the net weight in terms of pounds Troy, pennyweight (Troy) or kilograms/grams of the precious metals; fineness in terms of karats for gold, silver, sterling coin, gem or gemstones, and/or as in accordance with N.J.S.A. 51:5-1 *et seq.*, N.J.S.A. 51:6-1 *et seq.* and/or N.J.S.A. 51:6A-1 *et seq.* All merchants regulated under this Chapter shall weigh the article in plain view of the seller and on a scale certified and calibrated by the New Jersey Department of Weights and Measures.
- b. Each day except Sunday, before eleven o'clock in the forenoon, deliver to the Chief of Police of the City of Woodbury, or his/her duly designated representative, a legible and correct transcript, on blank forms to be furnished by the Police Department, showing the information contained in Section 4(a) above, in addition to the following:
 - i) A physical description of the seller;
 - ii) The receipt number;
 - iii) A full description of the articles purchased, including but not limited to marks, numbers, dates, sizes, shapes, initials and monograms;
 - iv) The price paid for the article; and
 - v) The form shall be signed by the seller and initialed by the merchant who made the transaction.

In the case of business done on Saturday such report shall be delivered before eleven o'clock on the succeeding Monday.

- c. The precious metals, gems and gemstones are to be made available for inspection to the Chief of Police of the City of Woodbury, or his/her duly designated representative, for a period of five (5) days from the date the information required above is received by the Chief of Police.

The precious metals, gems and/or gemstones shall remain in the same condition as when purchased and shall not be changed, modified, melted, altered or disposed of by the merchant until the five-day period has expired. During this five-day period, the precious metals, gems and/or gemstones shall be in public view at the merchant's place of business.

If the property is such that it would create a hardship on the merchant by holding the precious metal, gem and/or gemstone for such period, the merchant may present the property to the Chief of Police, or his/her duly designated representative, so that it may be photographed and, if deemed necessary by the Chief of Police, or his/her duly designated representative, an investigation shall be initiated into the purchase.

The Chief of Police, or his /her duly designated representative, has the authority to grant the merchant a waiver of the requirement under this Section. The waiver shall be on official Department of Police stationery and executed by the Chief of Police, or his/her duly designated representative. The original of said waiver shall be retained by the Department of Police and a copy shall be retained by the merchant.

All records shall be kept and maintained for a period of not less than two (2) years from the date of transaction. All records shall further be available for inspection by the Chief of Police or his duly designated representative during this period.

5. Advertisements

- a. Advertising, as defined in Section Two, that precious metals, gems and/or gemstones are being purchased in any location within the City of Woodbury shall constitute "engage[ing] in such business" for the purposes of this Section.
- b. No person shall place or cause to be placed any advertisement for purchase of precious metals, gems and/or gemstones without stating in the advertisement the permit number under which the merchant operates.

- i) In any print media advertisement, the permit number shall appear in type no smaller than eight (8) point. The permit number shall appear in the lower right hand corner of the advertisement.
- ii) In any electronic media advertisement, the permit number shall be visually and/or audibly stated.
- iii) Failure to include the permit number in any advertisement shall constitute a violation.

Section Four: Non-Applicability

This Chapter shall not apply to purchases made by jewelers or other merchants from wholesalers or other suppliers, but shall only apply to those purchases made from the public or other retail purchases. The merchant shall keep records of all wholesale purchases from a period of six months from the date of such purchase, which records shall be opened to investigation by the City of Woodbury Police Department upon request.

Section Five: Purchases from Minors

No merchant within the City of Woodbury shall purchase any precious metal, gem or gemstone from any person under the age of eighteen (18) years of age.

Section Six: Violations and Penalties

Any person, firm or corporation violation any provisions of this chapter shall, upon conviction thereof in the Municipal Court, be punished by a minimum fine of \$100 up to a maximum fine of \$500.00. Each and every violation shall be considered a separate violation.

PASSAGE. This Ordinance shall become effective immediately upon passage and publication as required by law.

THE FOREGOING was introduced by the City Council of the City of Woodbury at its regular meeting held on July 23, 2012. This Ordinance will be considered for adoption at final reading and public hearing to be held on August 13, 2012 at 7:30 P.M. or at such time as may be determined and announced, in City Hall, Council Chambers, 2nd Floor, 33 Delaware Street, Woodbury, New Jersey, at which time and place all persons interested will be given the opportunity to be heard concerning said Ordinance. During the time prior to and up to and including the date of such meeting, copies of said

Ordinance will be made available at the City Clerk's office to the members of the general public who may request same.

HEATHER S. TIERNEY
President of Council

ATTEST

ROY A. DUFFIELD
Clerk

APPROVED

HARRY R. RISKIE
Mayor