

ANCHORAGE, ALASKA

AO No. 2020-4

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 10.20 RELATING TO CONDUCT OF BUSINESS, RECORD KEEPING AND REPORTING REQUIREMENTS, VIDEO SURVEILLANCE AND OTHER REQUIREMENTS FOR PAWNBROKERS.

WHEREAS, according to the Anchorage Police Department (APD), burglary and theft continue to be a significant crime problem in the Municipality of Anchorage (MOA); and

WHEREAS, according to APD, in the period January 1, 2018 to December 31, 2018, there were 165 reported cases involving the theft and subsequent pawn of stolen property in the MOA; and

WHEREAS, more detailed and precise record keeping and reporting, and video surveillance requirements would be useful tools in investigating thefts and burglaries where the stolen property is subsequently pawned; and

WHEREAS, marijuana establishments licensed by the MOA are required to have video surveillance pursuant to Anchorage Municipal Code (AMC) 10.80.720 due, in part, to concerns about such establishments being attractive to criminal elements; and

WHEREAS, Pursuant to Alaska Statute 08.76.460 a municipality may have its own ordinance regulating pawnbrokers and pawnbroker transactions provided it, at a minimum, complies with the state pawnbroking law, with the exception that it cannot require the payment of a fee or tax related to a pawnbroker transaction, and it cannot restrict the hours of operation beyond what is set forth in state law; and

WHEREAS, the legislative history of the state law regarding pawnbroking – Alaska Statute 08.76.100 – 08.76.590 (effective July 1, 2011), and in particular AS 08.76.460 – Municipal Regulation, indicates that the state statute was intended to be a minimum set of laws, allowing maximum local control and permitting a municipality to have more restrictive pawnbroking ordinances if it so chose; and

WHEREAS, the current Anchorage ordinance regarding the hours of operation for a pawnbroker does not comport with the 2011 state statute and needs to be corrected; now therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 10.20.030 is hereby amended to read as follows *(the remainder of the section is not affected but provided for context)*:

10.20.030 - Pawnbrokers—Conduct of business.

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4 A. *Hours.* A pawnbroking establishment may not be open for the
5 transaction of business [ONLY] between the hours of [8:00 A.M. AND
6 10:00 P.M.] 12 midnight and 6:00 a.m.
7
- 8 B. *Connection with premises selling or dispensing alcoholic*
9 *beverages.* A pawnbroker may not have [HIS] the business premises
10 connected by any means of ingress with premises occupied by an
11 establishment selling or dispensing alcoholic beverages.
12
- 13 C. *Record of articles pawned or purchased.* A pawnbroker shall complete
14 a separate [CARD] electronic form for each article pawned or
15 purchased, which shall contain the following information:
16
- 17 1. The name of the pawnbroker and the pawn transaction number.
 - 18
 - 19 2. The article pawned or purchased, including the manufacturer,
20 serial number, caliber, model number and other identifying
21 description. If the article attempting to be pawned or purchased
22 is a firearm as defined in Alaska Statute 11.81.900(27), the
23 pawnbroker shall provide the firearm serial number to the police
24 department and shall not proceed with any transaction
25 involving the firearm until receiving confirmation from the police
26 department that the firearm associated with the serial number
27 is not stolen.
28
 - 29 3. The date and time of the transaction.
 - 30
 - 31 4. The name, current physical address, phone number [AND THE
32 MILITARY SERIAL NUMBER], and valid current U.S. state,
33 District of Columbia or territorial government, photo
34 identification number or driver's license number of the
35 customer.
36
 - 37 5. The physical description of the customer, including ~~his~~ age,
38 height, weight, race, and color of hair and eyes.
39
 - 40 6. The signature of the customer from whom property was
41 pawned or purchased and a notation by the licensee of the
42 paper, document or license with which the pawnbroker
43 compared the signature.
44
 - 45 7. The name and address of each person to whom a pawned or
46 purchased item is conveyed, and a description of the item.
47
 - 48 8. A clear color photograph of each separate item of jewelry. A
49 single photograph showing more than one piece of jewelry is
50 not acceptable under this provision of the law.
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2 D. *Reports to police.* The licensee shall make a daily [WEEKLY] report to
3 the [CHIEF OF POLICE] police department summarizing all
4 transactions. The licensee shall report each transaction no later than
5 11:59 p.m., on the same date as the transaction was made. The report
6 shall be [ON] in a [FORM PROVIDED BY THE POLICE
7 DEPARTMENT OR ANY] format acceptable to the police department.

8
9 E. *Retention of records.* The records required by this section, with the
10 exception of video surveillance imagery as set forth below, shall be
11 retained by the licensee for a period of not less than one year.

12
13 F. *Duties upon notification that property has been reported stolen.* Upon
14 receipt of verbal or written notification by a police officer or member of
15 the pawn detail that the particular item of property in possession of a
16 pawnbroker has been reported stolen, a pawnbroker:

17
18 1. Is presumed to know or have reason to know, that the item is
19 lost, mislaid, or stolen;

20
21 2. May not sell, transfer, or otherwise dispose of the property
22 except upon:

23
24 a. Expiration of a 60-day period within which a person
25 claiming entitlement to the property may request return
26 of the property and such request is denied the
27 pawnbroker shall, within 30 days of the denial, request
28 a hearing before the administrative hearing officer
29 pursuant to subsection G.2. of this section and hold the
30 property for disposal in accordance with the hearing
31 officer's order; or

32
33 b. An order of the administrative hearing officer following a
34 hearing requested under subsection G.2. of this section;
35 and

36
37 3. Must take reasonable measures to restore the property to a
38 person entitled to have it.

39
40 4. May request the investigation number, officer or police
41 employee name and badge number of the officer or police
42 employee making the verbal or written notification, which shall
43 be provided by that officer or police employee.

44
45 G. *Reasonable measures.* For the purposes of this section reasonable
46 measures shall be either:

47
48 1. Return of the item to the person entitled to have it upon request,
49 accompanied by evidence of ownership, of that person; or

50
51 2. Submission of a request for an administrative hearing before the

1 municipal administrative hearing officer to determine who is entitled to
2 have the property. If an item is referred for hearing under this
3 subsection the administrative hearing officer may request copies of
4 police reports relating to the property to assist in determination of the
5 matter. Any such hearing shall be conducted following the procedures
6 as outlined in chapter 3.60. The burden of proof at such a hearing shall
7 be on the party claiming a legal interest. The hearing officer's decision
8 shall be limited to determining whether any party has established its
9 right to the item by a preponderance of the evidence. If no party is able
10 to prove its right to the item by a preponderance of the evidence, the
11 property shall be returned to the licensee. The administrative hearing
12 officer shall send a copy of the decision to the police department.
13 Except while the matter is pending on appeal, failure of a pawnshop
14 to comply with the orders of the administrative hearing officer shall
15 result in immediate revocation of the pawnbroker's license.

16
17 H. *Request for a determination.* A request for a determination by the
18 administrative hearing officer under subsection G.2 of this section
19 shall include an assertion by the pawnbroker that either:

- 20
21 1.The person requesting the property is not entitled to have it;
22
23 2.The pawnbroker has a superior claim to the property; or
24
25 3.The pawnbroker lacks sufficient information to determine whether
26 the person requesting the property is entitled to have it.
27

28 I. *Failure to return fee.* Failure of a pawnbroker to either return the
29 property to the person entitled to have it upon request of that person,
30 or request an administrative hearing within 30 days of denying the
31 request of a person for the property shall result in suspension or
32 revocation of the pawnbroker's license.
33

34 J. *Finders fee, reward, etc.* A pawnbroker is not entitled to a finder's fee
35 or other reward or compensation from the rightful owner of stolen
36 property found in the pawnbroker's possession unless ordered by the
37 administrative hearing officer upon a finding that it is warranted.
38

39 K. *Failure to request return of property within time period.* If no person
40 requests return of the property within the time period provided in
41 subsection F.2 of this section, the licensee does not have to request
42 a hearing and may sell, transfer, or dispose of the property. For the
43 purposes of an administrative hearing, evidence of ownership
44 includes, but is not limited to, timely filed complaints or police reports
45 of stolen property; local, state or national police information data
46 bases; documents in possession of the police department; license or
47 property identification numbers; markings on the property; appraisals,
48 photographs, or other similar indicia of ownership.
49

50
51 L. *Duties upon notification by a person making a claim that property in*

1 the possession of the pawnbroker is stolen. Upon notice by a person
2 that an item in the pawnbroker's possession is the person's stolen
3 property, the pawnbroker shall immediately notify a member of the
4 pawn detail of the claim and provide a full and complete description of
5 the claimant's information and any identifying information regarding
6 the item, and shall include a phone number, provided by the person
7 making the claim. Such notification may be made by phone or e-mail.

8
9 M. Video surveillance.

10
11 1. A licensee shall install a video surveillance system which, at a
12 minimum, must cover:

13
14 a. Each publicly accessible area and each entrance to a
15 publicly accessible area within the licensed premises;

16
17 b. Each entrance to the exterior of the licensed premises;
18 and

19
20 c. Each sales, transfer or exchange area.

21
22 2. At a pawnbroking establishment, any required video camera
23 must be placed in a way that produces a clear view adequate
24 to identify any individual inside the licensed premises, or within
25 20 feet of each entrance to the licensed premises. Both the
26 interior and the exterior of each entrance to the establishment
27 must be recorded by a video camera.

28
29 3. Surveillance recording equipment and video surveillance
30 records must be housed in a locked and secure area or in a
31 lock box, cabinet, closet or other secure area that is accessible
32 only to a pawnbroker licensee or authorized employee, and to
33 law enforcement personnel. A pawnbroking establishment may
34 use an offsite monitoring service and offsite storage of video
35 surveillance records if security requirements at the offsite
36 facility are at least as strict as onsite security requirements as
37 described in this section.

38
39 4. Each surveillance recording must be preserved for a minimum
40 of 90 days, in a format that can be easily accessed for viewing.
41 All recorded images must clearly and accurately display the
42 time and date, and must be archived in a format that does not
43 permit alteration of the recorded image, so that the images can
44 readily be authenticated. After 90 days, a pawnbroking
45 establishment may erase video recordings,

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50 N. Inspection availability. A pawnbroker shall make the records required
51 by subsections 10.20.030C 1. – 9. available for inspection by a law

1 enforcement officer or a member of the pawn detail, during the
 2 pawnbroker's regular hours of business or at a reasonable time if the
 3 dealer does not keep regular hours of business.

4
5
6 O. *Inspection by law enforcement officer for investigative purposes.*

7 If a law enforcement officer provides the case number assigned to the
 8 investigation for which the inspection is being made, a pawnbroker
 9 may not refuse to allow the law enforcement officer to inspect during
 10 normal business hours, the pawnbroker's register, the purchased
 11 property involved in the investigation or the unredeemed pledged
 12 property involved in the investigation, and the relevant video
 13 surveillance imagery.

14
15 (CAC 6.20.070; AO No. 95-177(S), § 2, 10-24-95)

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17
18 **Section 2.** Anchorage Municipal Code section 10.20.037 is hereby amended to
 19 read as follows (*the remainder of the section is not affected and therefore not set*
 20 *out*):

21
22 **10.20.037 - Pawnbroker/secondhand store, antique store, auction hall,**
 23 **used firearm dealer, used automobile display lot, scrap metal dealers**
 24 **or crafted precious metal dealers; duties upon notification of property**
 25 **reported stolen and disposition of seized property.**

- 26
27 A. Following notification from the police department that an item of
 28 property has been reported stolen, the pawnbroker, secondhand
 29 store, antique store, auction hall, used firearm dealer, used
 30 automobile display lot, scrap metal dealer or crafted precious metal
 31 dealer, hereinafter referred to in this section as "merchant", shall hold
 32 that property safe from alteration, loss, or damage.
- 33
34 B. The merchant shall place an identifying tag or other suitable
 35 identification upon the property which shall contain the officer's name
 36 or the name of the member of the pawn detail, as well as the date,
 37 agency and case number.
- 38
39 C. Property held shall not be disposed of or released for 60 days from the
 40 date of police notification unless pursuant to a court order, or released
 41 by the officer who placed the initial hold or by a member of the pawn
 42 detail. Such a hold does not preclude the actual physical seizure of
 43 the item at a later time in accordance with applicable law. The intent
 44 of this section is that property should not be seized unless there is a
 45 good faith intent to refer the matter for prosecution upon completion of
 46 the investigation.
- 47
48 D. In cases where a police officer or a member of the pawn detail have
 49 placed a verbal hold on an item they must then give written notice
 50 confirming the hold order within ten business days. If such written
 51 notice is not received within that period of time, then the hold order

shall cease, however, the holding period may be extended in successive 60-day increments upon written notification prior to the expiration of the initial holding period. If the holding period has expired and has not been extended, the hold order should be considered expired and no longer in effect.

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(AO No. 95-115, § 1, 7-6-95; AO No. 2000-113, § 2, 7-25-00; AO No. 2017-31(S) , § 2, 5-26-17)

State Law reference— Licensing and Regulation of Pawnbrokers, AS 08.76.100 – 08.76.590.

Section 3. Anchorage Municipal Code section 14.60.030 is hereby amended to read as follows (*the remainder of this section is not affected and therefore not set out*):

14.60.030 Fine Schedule

The fine schedule under this chapter is as follows:

Code Section	Offense	Penalty/Fine
* * *	* * *	* * *
<u>10.20.030A.</u>	<u>Failure to keep required hours.</u>	<u>500.00</u>
<u>10.20.030B.</u>	<u>Failure to maintain premises unconnected to an alcoholic beverage establishment.</u>	<u>500.00</u>
<u>10.20.030C.1.-9.</u>	<u>Failure to maintain required records.</u>	<u>300.00</u>
<u>10.20.030D.</u>	<u>Failure to make daily report to the police department.</u>	<u>500.00</u>
<u>10.20.030E.</u>	<u>Failure to retain records for one year after a transaction.</u>	<u>500.00</u>
<u>10.20.030F.- L.</u>	<u>Failure to fulfill duties and requirements upon notification property is stolen.</u>	<u>500.00</u>
<u>10.20.030M.1.-4.</u>	<u>Failure to have and maintain a video surveillance system as required.</u>	<u>500.00</u>
<u>10.20.030N.</u>	<u>Failure to make records available for</u>	<u>300.00</u>

	<u>inspection by a law enforcement officer or a member of the pawn detail.</u>		
<u>10.20.030O.</u>	<u>Failure to make records available for investigative purposes when a law enforcement officer provides an investigative case number.</u>	<u>500.00</u>	

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(AO No. 93-167(S-1), § 1, 4-13-94; AO No. 94-108, § 1, 10-5-94; AO No. 94-134, § 2, 9-8-94; AO No. 95-42, § 2, 3-23-95; AO No. 95-67(S), § 9, 7-1-95; AO No. 95-102, § 1, 4-26-95; AO No. 95-118, § 3, 9-1-95; AO No. 95-163(S), § 21, 8-8-95; AO No. 95-195(S-1), 1-1-96; AO No. 96-51(S-1), § 2, 8-1-96; AO No. 96-96(S-1), § 2, 2-1-97; AO No. 96-126(S), § 3, 10-1-96; AO No. 96-137(S), § 9, 1-2-97; AO No. 97-88, § 3, 6-3-97; AO No. 97-107, § 3, 11-17-97; AO No. 97-133(S), § 1, 11-11-97; AO No. 98-27(S-1), § 2, 11-11-97; AO No. 98-160, § 2, 12-8-98; AO No. 99-13(S), 2-9-99; AO No. 99-91(S), § 4, 7-13-99; AO No. 2000-64, § 1, 4-18-00; AO No. 2000-116(S), § 4, 7-18-00; AO No. 2000-127(S), § 2, 10-14-00; AO No. 2000-129(S), § 26, 11-21-00; AO No. 2001-48, § 1, 3-13-01; AO No. 2001-74(S), § 2, 4-17-01; AO No. 2001-4, § 2, 2-6-01; AO No. 2001-145(S-1), § 11, 12-11-01; AO No. 2003-68, § 1, 9-30-03; AO No. 2003-97, § 4, 9-30-03; AO No. 2003-117, § 2, 1-28-03; AO No. 2003-130, § 8, 10-7-03; AO No. 2003-152S, § 10, 1-1-04; AO No. 2004-1, § 2, 1-1-03; AO No. 2004-99, § 2, 6-22-04; AO No. 2004-100(S-1), § 6, 1-1-05; AO No. 2004-171, § 1, 1-11-05; AO No. 2005-160, § 9, 11-1-05; AO No. 2005-84(S), § 3, 1-1-06; AO No. 2005-185(S), § 35, 2-28-06; AO No. 2005-124(S-1A), § 33, 4-18-06; AO No. 2006-39, § 6, 4-11-06; AO No. 2006-54, § 1, 5-2-06; AO No. 2006-80, § 1, 6-6-06; AO No. 2007-50, § 4, 4-10-07; AO No. 2007-60, § 4, 11-1-07; AO No. 2007-70, § 3, 5-15-07; AO No. 2008-84(S), § 5, 7-15-08; AO No. 2009-61, § 3, 7-7-09; AO No. 2009-82, § 5, 7-7-09; AO No. 2009-40(S), § 3, 7-21-09; AO No. 2009-112, § 4, 10-13-09; AO No. 2009-122, § 2, 12-17-09; AO-2010-35(S), § 7, 5-11-10; AO No. 2010-39, § 2, 5-11-10; AO No. 2010-87(S), § 3, 12-7-10; AO No. 2011-46, § 4, 4-12-11; AO No. 2011-59, § 10, 5-24-11; AO No. 2011-106(S), § 3, 11-8-11; AO No. 2011-112, § 4, 11-22-11, eff. 12-22-11; AO No. 2012-10, § 1, 1-31-12; AO No. 2012-77, § 29, 8-7-12; AO No. 2013-109(S-1), § 5, 12-3-13; AO No. 2013-130(S-1), § 1, 1-14-14; AO No. 2014-42, § 31, 6-21-14; AO No. 2014-85, § 4, 8-5-14; AO No. 2014-110(S), § 2, 9-9-14; AO No. 2014-137(S), § 3, 11-18-14; AO No. 2015-23(S), § 20, 3-24-15; AO No. 2015-48, § 16, 5-14-15; AO No. 2015-54, § 1, 5-26-15; AO No. 2015-65, § 4, 6-9-15; AO No. 2015-111(S-1), § 2, 1-1-16; AO No. 2016-16(S), § 4, 2-9-16; AO No. 2016-76(S), § 7, 7-12-16; AO No. 2016-81(S), § 4, 8-25-16; AO No. 2016-83(S), § 9, 7-26-16; AO No. 2016-82, § 3, 8-9-16; AO No. 2016-116, § 2, 10-18-16; AO No. 2016-115(S), § 2, 11-15-16; AO No. 2016-124(S), § 11, 12-20-16; AO No. 2017-26, § 2, 5-1-17; AO No. 2017-29(S), § 61, 6-1-17; AO No. 2017-30, § 3, 3-21-17; AO No. 2017-31(S), § 5, 5-26-17; AO No. 2017-119(S), § 4, 11-9-17; AO No. 2017-101, § 2, 2-5-18; AO No. 2017-161(S), § 3, 2-27-18; AO No. 2017-16, § 3, 2-14-17; AO No. 2017-129, § 2, 1-23-18; AO No. 2018-63(S), § 2, 8-28-18; AO No. 2018-100(S), § 2, 1-1-19; AO No. 2018-110, § 2, 12-18-18; AO No. 2019-9(S), § 2, 2-12-19; AO No. 2019-12, § 2, 3-5-19; AO No. 2019-15(S), § 2, 3-19-19; AO No. 2019-34, § 5, 4-18-19; AO No. 2019-50(S), § 2, 6-6-19; AO No. 2019-66, § 26, 6-18-19; AO No. 2019-74(S), § 2, 6-18-19)

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Section 4. This ordinance shall be effective 60 days after passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 28th day of January, 2020.

Chair

ATTEST:

Municipal Clerk



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM 25-2020

Meeting Date: January 14, 2020

1 **From:** ASSEMBLY VICE-CHAIR LAFRANCE AND ASSEMBLY CHAIR
2 RIVERA
3

4 **Subject:** AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
5 AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 10.20
6 RELATING TO CONDUCT OF BUSINESS, RECORD KEEPING
7 AND REPORTING REQUIREMENTS, VIDEO SURVEILLANCE
8 AND OTHER REQUIREMENTS FOR PAWNBROKERS.
9

10 According to the Anchorage Police Department (APD), burglary and theft continue
11 to be a significant crime problem in the Municipality of Anchorage (MOA)
12

13 APD reports that in the period January 1, 2018 to December 31, 2018, there were
14 165 reported cases involving the theft and subsequent pawn of stolen property in
15 the MOA.
16

17 APD's pawn unit states that more detailed and precise record keeping and
18 reporting, and video surveillance requirements would be useful tools in
19 investigating thefts and burglaries where the stolen property is subsequently
20 pawned.
21

22 Requiring individual photos of jewelry will make better use of APD resources, as it
23 is time consuming and often ineffective to identify individual pieces of stolen
24 jewelry when it has been photographed with multiple pieces of jewelry or when
25 only a description has been provided. Also, APD will be able to hold individual
26 pieces of jewelry in the photograph and release others that are not part of an
27 investigation.
28

29 One of the provisions of this proposed ordinance amending the existing pawn
30 ordinance, is to require that each pawn license holder have video surveillance
31 systems in the same way that it is required of marijuana establishments pursuant
32 to Anchorage Municipal Code (AMC) 10.80.720. Like marijuana stores, pawn
33 stores are seen as being particularly attractive to criminal elements. As such,
34 video surveillance would be both a deterrent and an investigative tool.
35

36 Alaska Statute 08.76.460 states that a municipality may have its own ordinance
37 regulating pawnbrokers and pawnbroker transactions provided it, at a minimum,
38 complies with the state pawnbroking law, with the exception that it cannot require
39 the payment of a fee or tax related to a pawnbroker transaction, and it cannot

1 restrict the hours of operation beyond what is set forth in state law.

2
3 The legislative history of the state law regarding pawnbroking – Alaska Statute
4 08.76.100 – 08.76.590 (effective July 1, 2011), and in particular AS 08.76.460 –
5 Municipal Regulation, indicates that the state statute was intended to be a
6 minimum set of laws, allowing maximum local control and permitting a municipality
7 to have more restrictive pawnbroking ordinances if it so chose.

8
9 In reviewing the existing MOA pawn ordinance – which pre-dates the state pawn
10 statute – it was discovered that the hours of operation section does not comport
11 with the current state law as required. This ordinance will amend that section as
12 well to ensure it follows state law.

13
14 Private sector economic effects:

15
16 Approval of this ordinance will require pawnbroker licensees to improve the quality
17 of their video surveillance and to increase the retention period for the recorded
18 video surveillance. Pawnbrokers will be required to photograph property from all
19 transactions involving jewelry. Costs for hardware improvements include the
20 purchase of webcams, video cameras, digital video recorders (DVRs), and hard
21 drives. There should not be significant software improvement costs, since industry-
22 standard pawnbroker point-of-sale programs already include the ability to
23 attach/upload photographs to a transaction record. Hardware and software
24 improvement expenses will be based on the size of the pawnbroker's operation
25 and existing hardware and software systems. Labor costs will relate to training.
26 Total requisite improvement expenses will likely range from \$2,000.00 to
27 \$8,000.00, per licensee.

28
29 We request your support of this important law enforcement tool.

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31 Respectfully submitted: Suzanne LaFrance, Assembly Vice-Chair
32 District 6 – South Anchorage

33
34 Felix Rivera, Assembly Chair
35 District 4 – Midtown