



Legislation Text

File #: 23785, Version: 7

Fiscal Note

The license fee increases are estimated to yield approximately \$20,000 to \$30,000 in additional General Fund revenues annually. There may be an additional small increase derived from forfeitures. The increased revenues are expected to partially offset the costs of an additional police analyst position, which will likely be required to administer the new database, and for a new compliance software package, estimated to cost in the range of \$20,000. Overall, the requirement for electronic records will result in less administrative work for the Police Department.

Title

AMENDED 5th SUBSTITUTE Amending Sections 9.24 and 1.08(3)(a) of the Madison General Ordinances to require secondhand dealers to compile and submit to the Police Department electronic records of transactions and creating penalties.

Body

DRAFTER'S ANALYSIS: This proposal requires that secondhand dealers (including secondhand jewelry dealers and pawnbrokers) compile electronic databases of sales and purchases and that the secondhand dealers submit the data to the Police Department each day, in a format approved by the Police Department. Currently records of transactions are kept with paper records and the city is required to manually compile lists of such items. Used textbook dealers are not required to make electronic reports of transactions. Transaction reports involving audio tapes, compact discs, laser discs, records, videotapes, digital video discs or other similar audio or audio-visual media need not include the title of the work nor the name of the author or artist. The proposal prohibits purchases by secondhand dealers from persons who are intoxicated or impaired or from persons under the age of 18. The proposal also requires that serial numbers must be recorded by a secondhand dealer when such serial numbers are available and when serial numbers are not available, a photograph or a video of the item must be made if the transaction is made by a pawnshop or secondhand jewelry dealer. The proposal also requires that a photograph or video of the seller of the goods must also be made by a pawnshop or secondhand jewelry dealer. The holding period for computer or video games subject to electronic reporting by a secondhand article dealer is reduced to seven days. The bond amount is increased from \$500 to \$5000 for pawnshops. License fees are increased for pawnshops from \$300 to \$5000 and from \$75 to \$500 for other secondhand dealers other than secondhand textbook dealers. The license fee for secondhand jewelry dealers is increased from \$75.00 to \$2,000. The license fee for secondhand textbook dealers remains \$75.00. This proposal creates a new license category for precious metal dealers, and a license fee of \$2,000 is established for this category. The fees are increased in order to offset the additional city costs for compliance software and a police analyst. The proposal creates penalties for a seller who sells or pawns property not owned by the seller and requires that sellers provide proper identification. Secondhand Article Dealers and Secondhand Jewelry Dealers licensed by other Wisconsin municipalities must comply with investigation and fingerprint requirements, electronic and other recordkeeping, labeling, receipt requirements and holding periods required of those licensed by the City of Madison. Such Dealers licensed in another Wisconsin jurisdiction will also be required to post a \$2,000 bond for the observation of all municipal ordinances. The ordinance shall become effective on February 1, 2012. License fee increases sunset on June 30, 2013.

The Common Council of the City of Madison do hereby ordain as follows:

SEE ATTACHMENTS - BODY-VERSION 7- ADOPTED