

**Carson City  
Agenda Report**

**Date Submitted:** February 17, 2012 **Agenda Date Requested:** March 1, 2012

**Time Requested:** 15 minutes

**To:** Board of Supervisors

**From:** Ken Furlong, Sheriff

**Subject Title:** For Possible Action: Discussion and possible motion to find that the proposed ordinance replacing the previously Reserved section of the Carson City Municipal Code Title 4 License and Business Regulations, Chapter 4.29 with 4.29 Second Hand Stores and Pawnbrokers to the previously reserved chapter– Generally, sections: 4.29.010 Definitions, 4.29.020 License required, 4.29.030 Exemptions, 4.29.040 Records, 4.29.050 Reports Required, 4.29.070 Retention and removal of property, 4.29.080 Secondhand Stores and Pawnbrokers; unlawful acts, 4.29.090 Penalties and other matters properly related thereto, does not impose a direct and significant economic burden on a business or directly restricts formation, operation or expansion of a business, that a Business Impact Statement has been prepared, accepted and is on file with the Carson City Board of Supervisors, and the requirements of law have been met. (*Captain Ken Sandage*)

**Staff Summary:** This ordinance is an exercise of the authority granted to the Sheriff under NRS 647.120 to direct what method a transcript of the records of all transactions which the businesses had on the proceeding day, should be reported to the Sheriff's Office. Currently, each business utilizes its own template and method of submitting such information to the Sheriff's Office. There is currently a backlog of tickets that have not yet been entered into the Sheriff's Office's system.

**Type of Action Requested:**

- |                                                          |                                                   |
|----------------------------------------------------------|---------------------------------------------------|
| <input type="checkbox"/> Resolution                      | <input type="checkbox"/> Ordinance- First Reading |
| <input checked="" type="checkbox"/> Formal Action/Motion | <input type="checkbox"/> Other (Specify)          |

**Does This Action Require A Business Impact Statement:** (X)Yes () No

**Recommended Board Action:** I move to find that the proposed ordinance adding a new section to the Carson City Municipal Code Title 4 License and Business Regulations, Chapter 4.29 Second Hand Stores and Pawnbrokers to the previously reserved chapter– Generally, sections: 4.29.010 Definitions, 4.29.020 License required, 4.29.030 Exemptions, 4.29.040 Records, 4.29.050 Reports Required, 4.29.070 Retention and removal of property, 4.29.080 Secondhand Stores and Pawnbrokers; unlawful acts, 4.29.090 Penalties and other matters properly related thereto, does not impose a direct and significant economic burden on a business or directly restricts formation, operation or expansion of a business, that a Business Impact Statement has been prepared, accepted and is on file with the Carson City Board of Supervisors, and the requirements of law have been met.

**Explanation for Recommended Board Action:** This ordinance will mandate that all records from these businesses be submitted in a uniform and electronic template. Having all records in a uniform and electronic format will not only better serve victims of crime by making information more readily available to law enforcement, but it will also make compliance with the law easier to confirm.

**Applicable Statute, Code, Policy, Rule or Regulation:**

**NRS 647.120 Reports of transactions and suspected stolen property to sheriff or chief of police.**

1. Except as otherwise provided in subsection 4, every secondhand dealer doing business in:

(a) Any unincorporated town shall, before 12 m. of each day, furnish to the sheriff of the county a full, true and correct transcript of the record of all transactions had on the preceding day. The transcript must be furnished by mail or by any other means, including, without limitation, by electronic or facsimile transmission, as directed by the sheriff.

(b) Any incorporated city shall, before 12 m. of each day, furnish to the chief of police of the city, a full, true and correct transcript of the record of all transactions had on the preceding day. The transcript must be furnished by mail or by any other means, including, without limitation, by electronic or facsimile transmission, as directed by the chief of police.

2. Every transcript prepared pursuant to subsection 1 must include, but is not limited to:

(a) The date and time of each transaction; and

(b) The identity of the secondhand dealer or employee who conducted the transaction.

É The person conducting the transaction shall legibly print or type his or her full name and write his or her signature on the transcript. Each transcript must include a certificate, signed by the person selling the property to the secondhand dealer, stating that the person has the legal right to sell the property.

3. Every secondhand dealer doing business in an unincorporated town or in an incorporated city having good cause to believe that any property in his or her possession has been previously lost or stolen shall forthwith report that fact to the sheriff or chief of police, respectively, together with the name of the owner if known, and the date when and the name of the person from whom the secondhand dealer received the property.

4. The provisions of subsection 1 do not apply to any transaction which involves buying, selling or trading used:

(a) Books, periodicals or sound recordings;

(b) Clothing; or

(c) Coins which are not part of any jewelry.

**Fiscal Impact:** N/A

**Explanation of Impact:** N/A

**Funding Source:** Sheriff's Office

**Alternatives:** 1) Refer back to Sheriff and District Attorney's office for further review

**Supporting Material:**

- 1) Business Impact Statement
- 2) Ordinance (different item on same agenda)

**Prepared By:** Tina Russom, Deputy District Attorney, Civil Division

**Reviewed By:**

  
(Public Works)

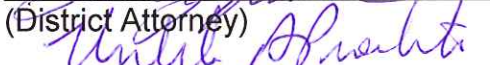
Date: 2-21-12

  
(City Manager)

Date: 2/21/12

  
(District Attorney)

Date: 2/21/12

  
(Finance Director)

Date: 2/21/12

**Board Action Taken:**

Motion: \_\_\_\_\_ 1) \_\_\_\_\_ Aye/Nay  
2) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

## **BUSINESS IMPACT STATEMENT**

The following business impact statement was prepared pursuant to NRS 237.080 to address the proposed impact of an Ordinance amending Title 4, Licenses and Business Regulations, by adding a new section, Chapter 4.31 Secondhand Stores and Pawnbrokers, and other matters, properly related thereto. The changes to Title 4 would mandate that Secondhand Stores and Pawnbrokers electronically submit their pawn tickets to the Carson City Sheriff's Office. Such mandate would eliminate the current system of submitting a paper record to the Sheriff's Office who then through the use of volunteers manually enter the contents of such documents into the Sheriff's Office system. This current system is ineffective and results in a delay of access to the records.

- 1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.**

The proposed ordinance amending Title 4 of the Carson City Municipal Code regarding a mandate that Secondhand Stores and Pawnshops electronically submit their pawn tickets to the Carson City Sheriff's Office has been presented to the Secondhand Stores and Pawnbrokers and to the public through newspaper advertisements.

The draft of proposed Ordinance was mailed to all pawnshops and secondhand stores on January 12, 2012. Additionally, all stores received a phone call reminding them to submit their questionnaire. Six responses to the mandated change from paper reporting to electronic reporting have been received to date. A copy of this Business Impact Statement is available at the Carson City Sheriff's Office at 911 E. Musser, Carson City, Nevada 89701.

- 2. The estimated economic effect of the proposed rule on businesses including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:**

- a. Adverse effects:**

The pawnshops currently submit their transactions in a format of their choosing. Therefore, the enactment of this ordinance would require for business owners and/or their employees to be available to be trained to utilize the proposed software, which may result in additional labor costs.

An additional adverse effect is that each store must have a computer with at least an operating system of Windows 95 and at least a dial-up connection to the internet.

- b. Beneficial effects:**

By making the transition to electronic filing of pawn tickets, compliance with the State reporting laws will be much easier, given that Leads Online automatically uploads and updates the system at 12 a.m. each day.

**c. Direct effects:**

The passage of this measure will require the businesses to train their employees to use the software, which may result in additional money paid toward labor.

**d. Indirect effects:**

The passing of this ordinance may have indirect effects. However at this time, the only foreseeable one is that the businesses must maintain their computer and maintain at a minimum a dial-up connection to the internet.

**3. The following constitutes a description of the methods that the governing body of the local government considered to reduce the impact of the proposed ordinance on businesses and a statement regarding whether any, and if so which, of these methods were used:**

In the preliminary stages of the proposed ordinance personal visits were made to each of the impacted businesses. Such visits revealed all of the businesses but one are already equipped with a computer system and internet which met the minimum requirements for utilization of the program the Sheriff's Office wishes to utilize. Currently, all pawnshops have a software product that they track transactions with. Thus, there is no need for them to purchase any new software. However, the shops would have to extract the data in the format required by the Sheriff. However, there would be minimal impact to the businesses given the that the entity the Sheriff's Office wishes to contract with would assist the businesses by educating them and assisting them in learning how to extract information from their current form into the appropriate format. The entity the Sheriff's Office intends to utilize provides technical support and has a help line which business owners and employees could contact and ask for assistance, at no additional cost to any party. The Sheriff's Office has agreed to budget in and to pay 100% of the costs of the electronic program and installation. Furthermore,

The Sheriff's Office considered imposing a fee for each pawn ticket received by the Sheriff's Office as most of the entities that utilize electronic reporting charge businesses conducting business that requires reporting a fee. Given the current economic climate, the Sheriff's Office will not be requesting such a fee at this time. Rather, the Sheriff's Office has agreed to budget in and to pay 100% of the costs of the electronic program and installation.

**4. The governing body estimates that the annual cost to the local government for enforcement of the proposed ordinance is:**

De minimis and possibly less than current enforcement costs.

**5. The proposed ordinance increases the existing cost of reporting to \$3,688**

The entire increase in cost is a result of using a computer program to track the tickets and will be absorbed by the Sheriff's Office.

**6. The proposed ordinance includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity. The following explains why such duplicative or more stringent provisions are necessary.**

The reporting and retention timeline requirements are duplicative of NRS 646 and NRS 647. However, it is important to adopt a local ordinance which mandates local pawnshops and secondhand dealers electronically submit their reports to the Sheriff's Office. NRS 647.120 directs that such records "must be furnished by mail or by any other means, including, without limitation, by electronic or facsimile transmission, as directed by the sheriff. Given the back log of paper copies the Sheriff's Office has of paper pawn tickets, the lack of uniformity in the format of which reports are sent to the Sheriff's Office, and the minimal cost associated with purchasing software rights, a more stringent ordinance would substantially benefit the Sheriff's Office and allow better service victims of theft in Carson City.

### **OBJECTION PROCESS**

1. If a business believes it is aggrieved by a rule (as defined in NRS 237.060) adopted by the governing body, the business may object by filing a petition in writing with the clerk/secretary of the local government at 201 North Carson Street, Ste. 1, Carson City, Nevada, 89701.
2. The governing body will accept such petitions for a period of thirty (30) days following approval of the subject Rule for one of the following reasons:
  - a. The governing body failed to prepare a business impact statement as required pursuant to NRS Chapter 237; or
  - b. The business impact statement prepared by the governing body did not consider or significantly underestimated the economic effect of the ordinance or rule on business.
3. Upon receipt of the petition, the clerk/secretary will forward a copy to the local government's attorney, the department/agency that generated the Rule and the local government's manager/chief executive.
4. Staff will consider the merits of the petition and forward a recommendation to the governing body.
5. The governing body will determine if the petition has merit and direct staff accordingly.
6. A sample petition is attached.

### PETITION OBJECTING TO ADOPTION OF RULE

NRS 237.100 provides that a business that is aggrieved by an ordinance, regulation, resolution or other type of instrument through which a governing body exercises legislative powers, except pursuant to Chapter 271, 278, 278A and 278B of NRS (herein a "Rule") adopted by the governing body may object to all or a part of the Rule by filing a petition. This petition form is provided to assist those who wish to object. The petition must be filed with the clerk/secretary of the local government at **201 North Carson Street, Carson City, Nevada 89701**, within 30 days after the date on which the Rule was adopted.

Petitioner's name (Include name of the business or proposed business and whether it is a corporation, partnership, sole proprietorship, fictitious name):

Petitioner's type of business:

Petitioner's business location:

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
City County State

Petitioner's mailing address (If different from above):

Petitioner's phone number: (\_\_\_\_) \_\_\_\_\_ -

Petitioner is objecting to the following:

(Identify the Rule to which Petitioner is objecting and state whether it is an ordinance, resolution, regulation or other instrument. Please give number if known)

The basis of Petitioner's objection is as follows:

\_\_\_\_\_ The governing body failed to prepare a business impact statement; or  
\_\_\_\_\_ The business impact statement did not consider or significantly underestimated the economic effect of the adopted Rule.

The nature of the impact of the above Rule on Petitioner's business is as follows (Attach additional sheets if necessary):

By signing below, the signor of this Petition certifies it as a duly authorized representative of the

business identified above and has been authorized by that Business to file this Petition on behalf of the business.

Business Name

By:

Title of Signor: