BY AUTHORITY

ORDINANCE NO._____ COUNCIL BILL NO. CB24-

SERIES OF 2024 COMMITTEE OF REFERENCE:

[COMMITTEE NAME]

A BILL

For an ordinance repealing and reenacting article V of chapter 45 of the Denver Revised Municipal Code to regulate the purchase of scrap metal by junk dealers.

BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. Article III of Chapter 45 is amended by deleting the language stricken and adding the language underlined, to read as follows:

Chapter 45 – SECONDHAND GOODS

ARTICLE III. – AUTOMOBILE PARTS RECYCLERS, JUNK DEALERS, AND SECONDHAND DEALERS GENERALLY

Sec. 45-66. – Definitions.

The words and phrases used in this chapter shall have the following meanings ascribed to them:

(a) *Junk dealer* means an establishment or business which is maintained, operated, or used for storing, keeping, buying, or selling scrap metal or other junk.

(b) *Scrap metal* means any metal, including copper, a copper alloy, such as bronze or brass, or aluminum obtained by cutting, demolishing, or disassembling the metal from its intended use, or intended for reuse or recycling. This definition does not include precious metals, such as gold, silver, or platinum.

(~~a~~c) ~~"~~*Secondhand dealer*~~"~~ means any person whose business is that of engaging in selling or trading secondhand property, or whose business is selling new goods, but who buys and sells secondhand articles, goods, wares or merchandise of the same type or class as the new goods sold. The term also includes any person whose business is not that of engaging in selling or trading secondhand property but who sells or trades secondhand property through means commonly known as flea markets or any similar facilities in which secondhand property is offered for sale or trade or who sells or trades secondhand property from a nonpermanent location. The term does not include:

(~~b~~d) ~~"~~*Secondhand property*~~"~~ means the following items of tangible personal property sold or traded by a secondhand dealer:

(~~c~~e) For the purposes of this section, the words "precious or semiprecious metals or stones" shall mean metals such as, but not limited to, gold, silver, platinum, and pewter and stones such as, but not limited to, alexandrite, diamonds, emeralds, garnets, opals, rubies, sapphires, and topaz. For the purpose of this section, ivory, coral, pearls, jade, and other such minerals, stones or gems as are customarily regarded as precious or semiprecious are deemed to be precious or semiprecious.

Section 2. Article V of Chapter 45 is amended by deleting the language stricken and adding the language underlined, to read as follows:

ARTICLE V. - JUNK ~~SHOPS AND JUNK WAGONS~~DEALERS.

Division I. – IN GENERAL.

Sec. 45-127. – Scrap Metal.

(a) It shall be unlawful for a junk dealer to purchase scrap metal unless the scrap metal has been transported to the junk dealer by means of a motor vehicle, and not by other methods, including, but not limited to, transporting materials in a pushcart, handcart, shopping cart, wheelbarrow, bicycle, scooter, or other walk-up basis.

(b) A junk dealer shall hold all purchased scrap metal separate and apart from any other property and the scrap metal shall not be changed in form or altered in any way during the ten (10) day holding period required by section 45-67.

(c) A junk dealer shall not pay a seller of scrap metals by cash payment.

(d) A junk dealer shall retain the following records regarding the sale of scrap metals:

(1) A digital photographic record or videographic record that identifies the seller, the make, model, and license plate of the seller's motor vehicle, and the scrap metal being sold;

(2) A copy of a valid photo identification of the seller or person delivering the scrap metal, including but not limited to, a state issued drivers license or identification card, a passport, a military identification card, a student identification card, a Native American tribal identification card, a permanent resident card or employment authorization document; and

(3) An affidavit, declaration, or equivalent form from the department of excise and licenses, completed under penalty of perjury by the seller or the person delivering the scrap metal describing how and where the scrap metal was obtained and affirming that the scrap metal was lawfully obtained.

The junk dealer shall retain these records for one hundred eighty (180) days and shall permit law

enforcement to make inspections of the record.

(e) Violation of the provisions of this section shall be a noncriminal violation. A junk dealer who violates this section may be subject to a civil penalty of not more than five thousand dollars ($5,000.00) per violation per day, assessed by the director of excise and licenses against the licensee, in accordance with article I of chapter 32 of this Code.

(f) *Exemptions.* The following transactions and materials shall be exempt from this section:

(1) Scrap metal purchased from another junk dealer licensed under this article, a regulated public utility, a governmental entity, or a charitable organization;

(2) The purchase of recyclable food and beverage containers except for metal beer kegs; and

(3) Donations made to a charitable organization that has been exempted from federal income tax under section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended.

Secs. 45-127~~8~~—45-135. - Reserved.

Division I. – IN GENERAL.

Sec. 45-136. – Required

(a) It shall be unlawful for any person to operate as or engage in the business of ~~keeping a junk shop or junk yard for the purchase, sale, barter, exchange or other dealing in or storage of rags, or old rope; paper or bagging; old iron, brass, copper, tin, slush or lead; empty bottles or other junk; or to exercise, engage in or carry on any such business at any other house or place than that designated in the license of such person; or to draw or drive, or cause to be drawn or driven, through the streets of the city, any handcart, wheelbarrow or other car or vehicle for the purpose of collecting or disposing of such articles or materials; or to use, or to allow or cause to be used, a cart or other vehicle for such purpose,~~a junk dealer without being first licensed by the director of excise and licenses for such purpose.

(b) *Exemptions.* Coin collection kiosks and phone collection kiosks shall not require a license and are exempt from the provisions of this article.

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COMMITTEE APPROVAL DATE:
MAYOR-COUNCIL DATE:
PASSED BY THE COUNCIL: _____, 2024
_____ - PRESIDENT
APPROVED: _____ - MAYOR _____, 2024
ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2024; _____, 2024

PREPARED BY: Brylan B. Droddy, Assistant City Attorney

DATE: _____, 2024

Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

Kerry Tipper, Denver City Attorney

BY: _____, Assistant City Attorney DATE: _____, 2024

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