BY AUTHORITY

ORDINANCE NO._____ COUNCIL BILL NO. CB25-

SERIES OF 2025 COMMITTEE OF REFERENCE:

[COMMITTEE NAME]

A BILL

For an ordinance amending chapter 45 of the 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. That chapter 45, article III is amended by deleting the language stricken and adding the language underlined, to read as follows:

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, collecting, disposing, or selling scrap metal or other junk, but shall not include a coin collection kiosk or phone collection kiosk.

(b) *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.

(c) *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, but does not include precious or semiprecious metals or stones.

(da) ~~"~~*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:

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

~~(c) 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.~~

Sec. 45-67. - Secondhand property~~articles~~ to be held ten days before sale.

No secondhand dealer ~~or junk dealer~~ shall offer for sale, or sell or dispose of, any secondhand property ~~article~~ within ten (10) days of the time of purchasing it, nor until it has been in or upon the premises where it will be offered or sold at least ten (10) days. No automobile parts recycler shall offer for sale, or sell or dispose of, any used automobile parts as defined in section 45-141~~(3)~~ of this Code within ten (10) days of the time of purchasing it, nor until it has been in or upon the premises where it will be offered or sold at least ten (10) days.

Sec. 45-69. - Dealers to exhibit and report goods to police.

In addition to any other acts prohibited by this chapter, it shall be unlawful for any secondhand dealer, automobile parts recycler, or junk dealer ~~or operator of a junk wagon~~ to violate any of the provisions of this section.

(a) Upon demand by any officer of the Denver Police Department, any secondhand dealer, automobile parts recycler, or junk dealer ~~or operator of a junk wagon~~ who possesses any good(s) or article(s) which may have been lost or stolen, or are alleged to have been lost or stolen, shall immediately produce and exhibit the good(s) or article(s) to the officer.

(b) Any secondhand dealer, automobile parts recycler, or junk dealer ~~or operator of a junk wagon~~ who receives a catalytic converter shall notify the Denver Police Department within one (1) business day of such receipt. Such notice shall be provided in a manner established or approved by the manager of safety or the manager's duly authorized representative. At a minimum, such notice shall include a photograph of the catalytic converter and a record, photograph, or copy of a valid government-issued form of photo identification for the person who supplied or delivered the

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catalytic converter to the dealer.

Sec. 45-71. - Transferability.

The director of excise and licenses may permit the license of a secondhand dealer, automobile parts recycler, or junk dealer to be transferred from one (1) person to another or from one (1) location to another pursuant to chapter 32 of the Revised Municipal Code. ~~Junk wagon licenses shall not be transferable.~~

Section 2. That chapter 45, article IV is amended by deleting the language stricken and adding the language underlined, to read as follows:

Sec. 45-87. - Secondhand dealers not to conduct pawnshops, junk dealers~~shops~~, or automobile parts recycling businesses.

Section 3. That chapter 45, article V 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 1. – GENERALLY

Sec. 45-121. - Marking of vehicles.

The name and address of the person operating a junk dealer~~yard or junk shop~~ shall be painted in large letters on each wagon, cart, or other vehicle used by the licensee for the collection or disposal of any of the articles of junk mentioned in this article ~~in the business~~.

~~**Sec. 45-122. - Vehicle plates.**~~

~~It shall be unlawful for any person licensed under the provisions of this article to use any other vehicle or allow or cause the same to be used, for the collection or disposal of any of the articles of junk mentioned in this article, without having securely fastened to the rear of such vehicle an identification plate obtained from the director of excise and licenses, showing the number of the license required under this article, the word "junk," and the year for which the license has been issued. Such identification plate shall be kept clean so that the words and figures thereof may be easily read.~~

~~**Sec. 45-122**~~**23. ~~- Identification card for drivers.~~**

~~Licensees under this article shall obtain from the director of excise and licenses an identification card for the driver of each licensed junk vehicle, having a number thereon corresponding to the number of the identification plate.~~

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Sec. 45-1224. - Register.

Every person licensed as a junk dealer~~keeper of a junk shop or yard~~ shall keep at the place of business: ~~a substantial, well-bound book, in which such person shall enter~~ a minute description of all the personal property purchased by such person, the date of purchase, the name and residence or place of business of the person from whom such purchase was made, and particular mention of any prominent or descriptive marks that may be on the property. The junk dealer shall retain these records for one hundred and eighty (180) days and shall permit law enforcement to inspect the records.~~All the entries made therein shall be made in ink, and the book shall be kept clean and neat. Every person so licensed shall, during the ordinary hours of business, when requested by any police officer or license inspector of the city, submit and exhibit the book described above to the inspection of any of the above named officers, and shall also exhibit such goods or personal property to any of the aforesaid officers.~~

Sec. 45-1235~~5~~. - Junk dealers~~shop keepers~~ not to accept pawns.

No junk dealer~~keeper of a junk shop~~ shall receive any article or thing by way of pledge or pawn; nor shall the junk dealer~~keeper~~ loan or advance any sum of money on the security of any article or thing.

Sec. 45-1246~~6~~. - Junk dealer~~shop keeper~~ not to be licensed as pawnbroker, automobile parts recycler, or secondhand dealer.

No junk dealer~~keeper of a junk shop~~ shall, during the term of the license, receive or hold a license to carry on the business of a pawnbroker, automobile parts recycler, or of a secondhand dealer ~~in secondhand articles~~.

Sec. 45-125. - 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 not pay a seller of scrap metals by cash payment.

(c) A junk dealer shall retain the following records regarding the sale of scrap metals, shall retain these records for one hundred eighty (180) days, and shall permit law enforcement to make inspections of the records:

(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;

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(2) A copy of a valid photo identification of the seller or person delivering the scrap metal by one of the methods of identification contained in C.R.S. § 18-13-111, as amended; 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.

(d) 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.

(e) *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. 45-126~~7~~ — 45-135. - Reserved.

DIVISION 2. - LICENSE

Sec. 45-136. – License r~~R~~equired.

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. The director of excise and licenses shall issue licenses in accordance with chapter 32 of this code.

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~~**Sec. 45-138. - Issuance.**~~

~~The director of excise and licenses may issue licenses to such persons as shall produce satisfactory evidence of good character to keep what are commonly called junk shops or junk wagons, or both, for the purchase and sale of old rope, old iron, brass, copper, tin or lead, rags, empty bottles, paper, bagging and other junk.~~

Secs. 45-13~~89,~~ 89 - 45-140. - Reserved.

Section 4. That chapter 32, article II is amended by deleting the language stricken and adding the language underlined, to read as follows:

Sec. 32-88. - Junk dealers~~shops and junk wagons~~.

Fees for junk dealers~~shops and junk wagons~~ shall be as follows:

(1) Application fee~~:~~ .....

~~a. Junk shops and junkyards, per year .....150.00~~

~~b. Junk peddlers, per year .....25.00~~

(2) License fee~~s~~:, per year .....

~~a. Junk shops and junkyards, per year .....150.00~~

~~b. Junk peddlers, per year .....50.00~~

COMMITTEE APPROVAL DATE:
MAYOR-COUNCIL DATE:
PASSED BY THE COUNCIL: _____, 2025
_____ - PRESIDENT
APPROVED: _____ - MAYOR _____, 2025
ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2025; _____, 2025

PREPARED BY: Brylan B. Droddy, Assistant City Attorney DATE: April 11, 2025

Pursuant to section 13-9, 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.

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Katie J. McLoughlin, Interim City Attorney

BY: _____, Assistant City Attorney DATE: _____, 2025

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