Ordinance No. 3235

(Amending or Repealing Ordinances)

CFN=122 – Police/Fire Departments
Passed 7/5/1995
Amending Ch. 5.05.010, 5.05.080, 5.05.090 “Pawnbrokers”

Amended by Ord. 4007 (5.05.080;5.05.090)
ORDINANCE NO. 3235

AN ORDINANCE of the City Council of the City of Kent, Washington, amending Kent City Code Sections 5.05.010, 5.05.080, and 5.05.090 relating to pawnbrokers.

WHEREAS, during 1994 the City Council, pursuant to Ordinance No. 3180, amended Chapter 5.05 of the Kent City Code relating to licensing of pawnbrokers to update its provisions in conformance with state law; and

WHEREAS, the state legislature, during the 1995 legislative session, pursuant to House Bill 1012, amended the Revised Code of Washington as it relates to regulation of pawnbrokers, therefore, it is appropriate for the City Council to amend Chapter 5.05 of the Kent City Code to be in conformance with the recent state legislation; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:
SECTION 1. Kent City Code Section 5.05.010 is hereby amended as follows:

Sec. 5.05.010. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

1. Loan period means the period of time from the date the loan is made until the date the loan is paid off, the loan is in default, or the loan is refinanced and new loan documents are issued, including all grace or extension periods.

2. Melted metals means metals derived from junk metal or precious metals that have been reduced to a melted state from other than ore or ingots which are produced from ore that has not previously been processed.

3. Metal junk means any metal that has previously been milled, shaped, stamped, or forged and that is no longer useful in its original form, except precious metals.

4. Nonmetal junk means any nonmetal, commonly discarded item that is worn out, or has outlasted its usefulness as intended in its original form except nonmetal junk does not include an item made in a former period which has enhanced value because of its age.

5. Pawnbroker means every person engaged, in whole or in part, in the business of loaning money on the security of
pledges of personal property, or deposits or conditional sales of personal property, or the purchase or sale of personal property.

5. Precious metals means gold, silver, and platinum.

6. Secondhand dealer means every person engaged, in whole or in part, in the business of purchasing, selling, trading, consignment selling, or otherwise transferring for value, secondhand property including metal junk, melted metals, precious metals, whether or not the person maintains a fixed place of business within the state. "Second-hand dealer" also includes persons or entities conducting business at flea markets or swap meets, more than three (3) times per year.

7. Second-hand property means any item of personal property offered for sale which is not new, including metals in any form, except postage stamps, coins that are legal tender, bullion in the form of fabricated hallmarked bars, used books, and clothing of a resale value of seventy-five dollars ($75.00) or less, except furs.

8. Term of the loan as defined in this chapter shall be set for a period of thirty (30) days to include the date of the loan.

9. Transaction means a pledge, or the purchase of, or consignment of, or the trade of any item of personal property by a pawnbroker or second-hand dealer from a member of the general public.
SECTION 2. Kent City Code Section 5.05.080 is hereby amended as follows:

Sec. 5.05.080. Rates of interest and other fees.

A. All pawnbrokers are authorized to charge and receive interest and other fees at the rates in this section for money loaned on the security of personal property actually received in pledge. The interest for the loan period shall not exceed:

1. For an amount loaded up to nine dollars and ninety-nine cents ($9.99)--interest at one dollar ($1.00) for each thirty-day period to include the loan date.

2. For an amount loaded from ten dollars ($10.00) to nineteen dollars and ninety-nine cents ($19.99)--interest at one dollar twenty-five cents ($1.25) for each thirty-day period to include the loan date.

3. For an amount loaded from twenty dollars ($20.00) to twenty-four dollars and ninety-nine cents ($24.99)--interest at one dollar fifty cents ($1.50) for each thirty-day period to include the loan date.

4. For an amount loaded from twenty-five dollars ($25.00) to thirty-four dollars and ninety-nine cents ($34.99)--interest at one dollar seventy-five cents ($1.75) for each thirty-day period to include the loan date.

5. For an amount loaded from thirty-five dollars ($35.00) to thirty-nine dollars and ninety-nine cents
($39.99)--interest at two dollars ($2.00) for each thirty-day period to include the loan date.

6. For an amount loaded from forty dollars ($40.00) to forty-nine dollars and ninety-nine cents ($49.99)--interest at two dollars and twenty-five cents ($2.25) for each thirty-day period to include the loan date.

7. For an amount loaded from fifty dollars ($50.00) to fifty-nine dollars and ninety-nine cents ($59.99)--interest at two dollars and fifty cents ($2.50) for each thirty-day period to include the loan date.

8. For an amount loaded from sixty dollars ($60.00) to sixty-nine dollars and ninety-nine cents ($69.99)--interest at two dollars and seventy-five cents ($2.75) for each thirty-day period to include the loan date.

9. For an amount loaded from seventy dollars ($70.00) to seventy-nine dollars and ninety-nine cents ($79.99)--interest at three dollars ($3.00) for each thirty-day period to include the loan date.

10. For an amount loaded from eighty dollars ($80.00) to eighty-nine dollars and ninety-nine cents ($89.99)--interest at three dollars and twenty-five cents ($3.25) for each thirty-day period to include the loan date.

11. For an amount loaded from ninety dollars ($90.00) to ninety-nine dollars and ninety-nine cents ($99.99)--interest at three dollars and fifty cents ($3.50) for each thirty-day period to include the loan date.
12. For an amount loaded from one hundred dollars ($100.00) or more--interest at the rate of three (3) percent for each thirty-day period to include the loan date.

B. The fee for preparation of documents, pledges, or reports required under the laws of the United States, the state, King County or the city shall not exceed:

1. For the amount loaned up to four dollars and ninety-nine cents ($4.99)--the sum of fifty cents ($0.50).
2. For the amount loaned from five dollars ($5.00) to nine dollars ($9.00)--the sum of two dollars ($2.00).
3. For the amount loaned from ten dollars ($10.00) to fourteen dollars and ninety-nine cents ($14.99)--the sum of three dollars ($3.00).
4. For the amount loaned from fifteen dollars ($15.00) to nineteen dollars and ninety-nine cents ($19.99)--the sum of three dollars and fifty cents ($3.50).
5. For the amount loaned from twenty dollars ($20.00) to twenty-four dollars and ninety-nine cents ($24.99)--the sum of four dollars ($4.00).
6. For the amount loaned from twenty-five dollars ($25.00) to twenty-nine dollars and ninety-nine cents ($29.99)--the sum of four dollars and fifty cents ($4.50).
7. For the amount loaned from thirty dollars ($30.00) to thirty-four dollars and ninety-nine cents ($34.99)--the sum of five dollars ($5.00).
8. For the amount loaned from thirty-five dollars ($35.00) to thirty-nine dollars and ninety-nine cents ($39.99)--the sum of five dollars and fifty cents ($5.50).

9. For the amount loaned from forty dollars ($40.00) to forty-four dollars and ninety-nine cents ($44.99)--the sum of six dollars ($6.00).

10. For the amount loaned from forty-five dollars ($45.00) to forty-nine dollars and ninety-nine cents ($49.99)--the sum of six dollars and fifty cents ($6.50).

11. For the amount loaned from fifty dollars ($50.00) to fifty-four dollars and ninety-nine cents ($54.99)--the sum of seven dollars ($7.00).

12. For the amount loaned from fifty-five dollars ($55.00) to fifty-nine dollars and ninety-nine cents ($59.99)--the sum of seven dollars and fifty cents ($7.50).

13. For the amount loaned from sixty dollars ($60.00) to sixty-four dollars and ninety-nine cents ($64.99)--the sum of eight dollars ($8.00).

14. For the amount loaned from sixty-five dollars ($65.00) to sixty-nine dollars and ninety-nine cents ($69.99)--the sum of eight dollars and fifty cents ($8.50).

15. For the amount loaned from seventy dollars ($70.00) to seventy-four dollars and ninety-nine cents ($74.99)--the sum of nine dollars ($9.00).
16. For the amount loaned from seventy-five dollars ($75.00) to seventy-nine dollars and ninety-nine cents ($79.99)--the sum of nine dollars and fifty cents ($9.50).

17. For the amount loaned from eighty dollars ($80.00) to eighty-four dollars and ninety-nine cents ($84.99)--the sum of ten dollars ($10.00).

18. For the amount loaned from eighty-five dollars ($85.00) to eighty-nine dollars and ninety-nine cents ($89.99)--the sum of ten dollars and fifty cents ($10.50).

19. For the amount loaned from ninety dollars ($90.00) to ninety-four dollars and ninety-nine cents ($94.99)--the sum of eleven dollars ($11.00).

20. For the amount loaned from ninety-five dollars ($95.00) to ninety-nine dollars and ninety-nine cents ($99.99)--the sum of eleven dollars and fifty cents ($11.50).

21. For the amount loaned from one hundred dollars ($100.00) to one hundred four dollars and ninety-nine cents ($104.99)--the sum of twelve dollars ($12.00).

22. For the amount loaned from one hundred five dollars ($105.00) to one hundred nine dollars and ninety-nine cents ($109.99)--the sum of twelve dollars and twenty-five cents ($12.25).

23. For the amount loaned from one hundred ten dollars ($110.00) to one hundred fourteen dollars and ninety-nine cents ($114.99)--the sum of twelve dollars and seventy-five cents ($12.75).
24. For the amount loaned from one hundred fifteen dollars ($115.00) to one hundred nineteen dollars and ninety-nine cents ($119.99)--the sum of thirteen dollars and twenty-five cents ($13.25).

25. For the amount loaned from one hundred twenty dollars ($120.00) to one hundred twenty-four dollars and ninety-nine cents ($124.99)--the sum of thirteen dollars and fifty cents ($13.50).

26. For the amount loaned from one hundred twenty-five dollars ($125.00) to one hundred twenty-nine dollars and ninety-nine cents ($129.99)--the sum of thirteen dollars and seventy-five cents ($13.75).

27. For the amount loaned from one hundred thirty dollars ($130.00) to one hundred forty-nine dollars and ninety-nine cents ($149.99)--the sum of fourteen dollars and fifty cents ($14.50).

28. For the amount loaned from one hundred fifty dollars ($150.00) to one hundred seventy-four dollars and ninety-nine cents ($174.99)--the sum of fourteen dollars and seventy-five cents ($14.75).

29. For the amount loaned from one hundred seventy-five dollars ($175.00) to one hundred ninety-nine dollars and ninety-nine cents ($199.99)--the sum of fifteen dollars ($15.00).
30. For the amount loaned from two hundred dollars ($200.00) to two hundred twenty-four dollars and ninety-nine cents ($224.99)--the sum of sixteen dollars ($16.00).

31. For the amount loaned from two hundred twenty-five dollars ($225.00) to two hundred forty-nine dollars and ninety-nine cents ($249.99)--the sum of seventeen dollars ($17.00).

32. For the amount loaned from two hundred fifty dollars ($250.00) to two hundred seventy-four dollars and ninety-nine cents ($274.99)--the sum of eighteen dollars ($18.00).

33. For the amount loaned from two hundred seventy-five dollars ($275.00) to two hundred ninety-nine dollars and ninety-nine cents ($299.99)--the sum of nineteen dollars ($19.00).

34. For the amount loaned from three hundred dollars ($300.00) to three hundred twenty-four dollars and ninety-nine cents ($324.99)--the sum of twenty dollars ($20.00).

35. For the amount loaned from three hundred twenty-five dollars ($325.00) to three hundred forty-nine dollars and ninety-nine cents ($349.99)--the sum of twenty-one dollars ($21.00).

36. For the amount loaned from three hundred fifty dollars ($350.00) to three hundred seventy-four dollars and ninety-nine cents ($374.99)--the sum of twenty-two dollars ($22.00).
37. For the amount loaned from three hundred seventy-five dollars ($375.00) to three hundred ninety-nine dollars and ninety-nine cents ($399.99)--the sum of twenty-three dollars ($23.00).

38. For the amount loaned from four hundred dollars ($400.00) to four hundred twenty-four dollars and ninety-nine cents ($424.99)--the sum of twenty-four dollars ($24.00).

39. For the amount loaned from four hundred twenty-five dollars ($425.00) to four hundred forty-nine dollars and ninety-nine cents ($449.99)--the sum of twenty-five dollars ($25.00).

40. For the amount loaned from four hundred fifty dollars ($450.00) to four hundred seventy-four dollars and ninety-nine cents ($474.99)--the sum of twenty-six dollars ($26.00).

41. For the amount loaned from four hundred seventy-five dollars ($475.00) to three hundred ninety-nine dollars and ninety-nine cents ($499.99)--the sum of twenty-seven dollars ($27.00).

42. For the amount loaned from five hundred dollars ($500.00) to five hundred twenty-four dollars and ninety-nine cents ($524.99)--the sum of twenty-eight dollars ($28.00).

43. For the amount loaned from five hundred twenty-five dollars ($525.00) to five hundred forty-nine dollars and ninety-nine cents ($549.99)--the sum of twenty-nine dollars ($29.00).
44. For the amount loaned from five hundred fifty dollars ($550.00) to five hundred ninety-four dollars and ninety-nine cents ($599.99)--the sum of thirty dollars ($30.00).

45. For the amount loaned from six hundred dollars ($600.00) to six hundred ninety-nine dollars and ninety-nine cents ($699.99)--the sum of thirty-five dollars ($35.00).

46. For the amount loaned from seven hundred dollars ($700.00) to seven hundred ninety-nine dollars and ninety-nine cents ($799.99)--the sum of forty dollars ($40.00).

47. For the amount loaned from eight hundred dollars ($800.00) to eight hundred ninety-nine dollars and ninety-nine cents ($899.99)--the sum of forty dollars ($40.00).

48. For the amount loaned from nine hundred dollars ($900.00) to nine hundred ninety-nine dollars and ninety-nine cents ($999.99)--the sum of fifty dollars ($50.00).

49. For the amount loaned from one thousand dollars ($1,000.00) to one thousand four hundred ninety-nine dollars and ninety-nine cents ($1,499.99)--the sum of fifty-five dollars ($55.00).

50. For the amount loaned from one thousand five hundred dollars ($1,500.00) to one thousand nine hundred ninety-nine dollars and ninety-nine cents ($1,999.99)--the sum of sixty dollars ($60.00).

51. For the amount loaned from two thousand dollars ($2,000.00) to two thousand four hundred ninety-nine
dollars and ninety-nine cents ($2,499.99)--the sum of sixty-five dollars ($65.00).

52. For the amount loaned from two thousand five hundred dollars ($2,500.00) to two thousand nine hundred ninety-nine dollars and ninety-nine cents ($2,999.99)--the sum of seventy dollars ($70.00).

53. For the amount loaned from three thousand dollars ($3,000.00) to three thousand four hundred ninety-nine dollars and ninety-nine cents ($3,499.99)--the sum of seventy-five dollars ($75.00).

54. For the amount loaned from three thousand five hundred dollars ($3,500.00) to three thousand nine hundred ninety-nine dollars and ninety-nine cents ($3,999.99)--the sum of eighty dollars ($80.00).

55. For the amount loaned from four thousand dollars ($4,000.00) to four thousand four hundred ninety-nine dollars and ninety-nine cents ($4,499.99)--the sum of eighty-five dollars ($85.00).

56. For the amount loaned from four thousand five hundred dollars ($4,500.00) or more--the sum of ninety dollars ($90.00).

C. Fees under subsection B-(B) of this section may be charged one (1) time only during the term of a pledge for each loan period; no additional fees, other than interest allowed under subsection (A) of this section, shall be charged for making the loan.
D. A copy of this section set in twelve-point type or larger shall be posted prominently in each premises subject to this chapter.

SECTION 3. Kent City Code Section 5.05.090 is hereby amended as follows:

Sec. 5.05.090. Sale of pledged property limited.

A. The term of the loan shall be for a period of thirty (30) days to include the date of the loan.

A. A pawnbroker shall not sell any property received in pledge until both the term of the loan and a grace period of a minimum of sixty (60) days has expired. However, if a pledged article is not redeemed within the ninety (90) day period of both the term of the loan and the grace period, the pawnbroker shall have all rights, title and interest of that item of personal property. The pawnbroker shall not be required to account to the pledgor for the proceeds received from the disposition of that item. Any provision of law relating to the foreclosures and the subsequent sale of forfeited pledged items, shall not be applicable to any pledge as defined under this chapter, the title to which is transferred in accordance with this section.

B. C. Every loan transaction entered into by a pawnbroker shall be evidenced by a written document, a copy of which shall be furnished to the pledgor. The document shall set forth the term of the loan, the final date of which the loan is
due and payable: the loan preparation fee; the amount of interest charged every thirty (30) days; the total amount due including the principal amount, the preparation fee, and all interest charges due if the loan is outstanding for the full ninety (90) days allowed by the term and minimum grace period; and the annual percentage rate, and shall inform the pledgor of the pledgor's right to redeem the pledge at any time within sixty (60) days after the expiration of the loan term the term of the loan or the minimum sixty (60) day grace period.

D. If a person who has entered into a loan transaction with a pawnbroker in this state is unable to redeem and repay the loan on or before the expiration of the term of the loan plus the minimum sixty (60) day grace period, and that person wishes to retain his or her rights to use that item by rewriting the loan, and if both parties mutually agree, an existing loan transaction may be rewritten into a new loan, either in person or by mail. All applicable provisions of this chapter shall be followed in rewriting a loan, except that where an existing loan is rewritten by mail subsection 5.05.030(A)(1) and (7) shall not apply.

SECTION 4. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity
or constitutionality of any other section, sentence, clause or phrase of this ordinance.

**SECTION 5. Effective Date.** This ordinance shall take effect and be in force thirty (30) days from and after its passage, approval and publication as provided by law.

JIM WHITE, MAYOR

ATTEST:

**Donna Swau**
BRENDA JACOBER, CITY CLERK
DONNA SWAU, ACTING

APPROVED AS TO FORM:

ROGER A. LUBOVICH, CITY ATTORNEY
PASSED 5th day of July, 1995.
APPROVED 6th day of July, 1995.
PUBLISHED 9th day of July, 1995.

I hereby certify that this is a true copy of Ordinance No. 3235, passed by the City Council of the City of Kent, Washington, and approved by the Mayor of the City of Kent as hereon indicated.

BRENDA JACOBER, CITY CLERK
DONNA SWAU, ACTING