

Proposed changes to the city ordinance:

1. Hold Period for Records. Change **from** 2 years **to** 3 years to match State law.

This change requires dealers to hold records for 3 years which matches state law. This makes it less confusing for businesses. Businesses are keeping records for 3 years for IRS reporting and this is not an additional burden.

2. Time period to report to the Houston Police Department. Change **from** no mention in city ordinance **to** Daily.

This change requires dealers to report their transactions by the end of each day that they do business. This is important so that law enforcement can have quicker access to articles that are purchased by dealers. Since dealers are only required to hold items 11 days, it is crucial that law enforcement have access to the records as soon as possible, and not lose time waiting on an item to be entered. A web-based system of reporting daily will provide law enforcement with records quickly so that they may investigate stolen articles before the 11 day hold period expires.

3. Electronic Reporting. Change **from** report by mail **to** electronic reporting.

This change requires dealers to electronically report their transactions in a web-based database which is currently Leads Online. This electronic database allows law enforcement all over the nation, to view dealer transactions.

4. Expand definition of precious metals. Change **from** Gold, Silver or Platinum **to** Gold, Silver, platinum, Palladium, Iridium, Rhodium, Osmium, Ruthenium, or an alloy of those metals

This change requires the definition of crafted precious metal to be expanded to include not only Gold, Silver and Platinum but also palladium, Iridium, Rhodium, Osmium, Ruthenium, or an alloy of those metals. This change matches state law and is less confusing to dealers.

5. Thumb print. Change **from** no mention in city ordinance **to** a clear thumb print of seller

This requires dealers to obtain a clear thumb print of the seller. This print is to be submitted electronically to Leads Online and will assist law enforcement in identifying persons involved in criminal activity.

6. Digital photograph of jewelry. Change **from** no mention in city ordinance **to** a clear digital image of the item purchased

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This requires dealers to obtain a digital image of the items sold and submit it to Leads Online. This image will better assist law enforcement with identifying lost or stolen articles.

7. Digital photograph of person selling.
Change **from** no mention in ordinance **to** a clear digital image of the seller.

This requires dealers to obtain a digital image of the seller and submit it to Leads Online. This image will assist law enforcement with identifying persons involved in criminal activity.

8. Temporary dealer requirements. Change **from** no specific mention in city ordinance **to** out of town dealers are now held at same standard of regular dealer.

9. Must have license numbers on all advertisements. Change from no mention in ordinance to ...must provide and/or display all applicable and valid city and state license numbers

This requires dealers to provide and/or display all applicable and valid City and State license numbers on any form of advertisement (i.e. print, video, internet, radio, etc...) for business conducted in the Houston city limits. This shows law enforcement and other dealers that the business is presumably doing business legitimately.

10. Move Crafted Precious Metals section. Move **from** Article II **to** it's own section in Article V.

Currently, the Crafted Precious Metals section is in Municipal Codes Chapter 7 Article II which consists of antique, precious metals, resale media and clothing. It is confusing to place several second hand items in one section. This placement allows for changes to the municipal code pertaining to Precious Metals Dealers without affecting Antique, Resale Media and Clothing Dealers.

11. Add "purchase" to sections in definition, penalty and license.