ORDINANCE NO. 5935

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AMENDING TITLE 5, CHAPTER 7 OF THE CITY OF MESA CODE TO EXEMPT FROM SECONDHAND DEALER LICENSING REQUIREMENTS INDIVIDUALS WHO ENGAGE STRICTLY AND SOLELY IN THE SELLING OF SECONDHAND GOODS, WARES, MERCHANDISE, OR ARTICLES.

WHEREAS, pursuant to Arizona Revised Statutes ("A.R.S.") § 9-240(B)(19), the City Council may authorize the issuance of licenses; and

WHEREAS, the City has codified regulations in Title 5, Chapter 7 of the City of Mesa Code related to the licensing of auctioneers, pawnbrokers, scrap metal dealers, and secondhand dealers operating within the City;

WHEREAS, in 2018 the City Council passed Ordinance 5465, which updated those regulations in order to enhance the professionalism and integrity of the licensed industry and deter unlawful activity; and

WHEREAS, City Code currently requires individuals who engage solely in the selling of secondhand goods, wares, merchandise, or articles to obtain a secondhand dealer license; and

WHEREAS, the City Council has determined that individuals who solely sell secondhand goods are differently situated than those who both buy and sell secondhand goods; and

WHEREAS, the City Council has determined that it is appropriate to clarify the City Code to provide that individuals who engage solely in the selling of secondhand goods, wares, merchandise or articles are exempt from secondhand dealer licensing requirements; and

WHEREAS, modifying the language clarifies the rights and responsibilities of sellers of secondhand goods while continuing to protect the health, safety, and welfare of the public.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Text written in BOLD ALL CAPS indicates additional or new language. Text written in strikethrough indicates deletions.

Section 1: That Mesa City Code Title 5, Section 5-7-10 is hereby amended as follows:

Exemptions

The requirements of this Chapter do not apply to any of the following:

(1) Any person who deals exclusively with clothing, phonograph records, books, audio cassette tapes, videotapes, compact discs, or digital video discs.

(2) Any person who deals exclusively in titled vehicles or titled articles, the transfer of title to which

is governed by the laws of the state, must be evidenced by written instrument, and recorded as a public record.

(3) The operator of any self-service storage facility foreclosing its lien in accordance with A.R.S. § 33-1704. For this Subsection (3), the terms "operator" and "self-service storage facility" have the meanings prescribed in A.R.S. § 33-1701.

(4) Garage sales, rummage sales, or similar nonrecurring sales between individuals.

(5) Any organization exempt from federal income tax under Section 501 of the Internal Revenue Code.

(6) Any business dealing in rent-to-own merchandise where the business is the original owner of the merchandise.

(7) Any person who deals exclusively in "numismatic coins" as that term is defined in A.R.S. § 44-1801.

(8) Any operator of an Automated Kiosk who is issued an Automated Kiosk license by the City pursuant to Mesa City Code Title 5, Chapter 22.

(9) ANY PERSONS WHO ENGAGE STRICTLY AND SOLELY IN THE SELLING OF SECONDHAND GOODS, WARES, MERCHANDISE, OR ARTICLES.

Section 4: RECITALS. The recitals above are fully incorporated in this Ordinance by reference, and each recital represents a finding of fact and determination made by the City Council.

<u>Section 5</u>: PRESERVATION OF RIGHTS AND DUTIES. This Ordinance does not affect the rights and duties that matured, penalties that were incurred, or proceedings that were begun before the effective date of this Ordinance.

Section 6: EFFECTIVE DATE. The effective date of this Ordinance is thirty (30) days after the adoption of this Ordinance.

<u>Section 7</u>: SEVERABILITY. If any term, provision, section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the material adopted herein by reference is for any reason held to be invalid, unenforceable, or unconstitutional by the decision of a court of competent jurisdiction, the remaining provisions of this Ordinance shall remain in effect.

PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, this 7th day of April 2025.

APPROVED:

Mayor

ATTEST:

City Clerk