



City of Chehalis
Police Department
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Dear Business Owner:

As part of the application process for obtaining a secondhand dealer license with the City of Chehalis, I wanted to make you aware of the requirements for businesses which fit into this category. As an applicant for a secondhand dealer license you are likely at least one of the following:

Pawnbroker - A 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.

Secondhand dealer - A 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. Secondhand dealer also includes persons or entities conducting business at flea markets or swap meets, more than three times per year.

Per Washington State criminal code (RCW 19.60.020), secondhand dealers are required to record information on all transactions they receive from an individual who sells, pawns, or consigns any property. At the time of the transaction, the business is required to identify the individual by obtaining valid identification. Items that a business obtains through auctions, estate sales, garage sales, etc. are not required to be reported. The law states:

(1) Every pawnbroker and secondhand dealer doing business in this state shall maintain wherever that business is conducted a record in which shall be legibly written in the English language, at the time of each transaction the following information:

(a) The signature of the person with whom the transaction is made;

(b) The date of the transaction;

(c) The name of the person or employee or the identification number of the person or employee conducting the transaction, as required by the applicable chief of police or the county's chief law enforcement officer;

(d) The name, date of birth, sex, height, weight, race, and address and telephone number of the person with whom the transaction is made;

(e) A complete description of the property pledged, bought, or consigned, including the brand name, serial number, model number or name, any initials or engraving, size, pattern, and color or stone or stones, and in the case of firearms, the caliber, barrel length, type of action, and whether it is a pistol, rifle, or shotgun;

(f) The price paid or the amount loaned;

(g) The type and identifying number of identification used by the person with whom the transaction was made, which shall consist of a valid drivers license or identification card issued by any state or two pieces of identification issued by a governmental agency, one of which shall be descriptive of the person identified. At all times, one piece of current government issued picture identification will be required; and

(h) The nature of the transaction, a number identifying the transaction, the store identification as designated by the applicable law enforcement agency, or the name and address of the business and the name of the person or employee, conducting the transaction, and the location of the property.

(2) This record shall at all times during the ordinary hours of business, or at reasonable times if ordinary hours of business are not kept, be open to the inspection of any commissioned law enforcement officer of the state or any of its political subdivisions, and shall be maintained wherever that business is conducted for three years following the date of the transaction.

Additionally, RCW 19.60.040 requires that all transactions be reported to the Chehalis Police Department using a designated process. We have partnered with a company called Leads Online to provide a free web-based reporting system for secondhand dealer transactions. As a licensed secondhand dealer, you are required to report each transaction using the Leads Online system by the next business day. Attached are instructions on how you can set up your Leads Online account. Failure to properly record and report transactions could result in a suspension of your business license and criminal charges.

If you have any additional questions concerning your reporting requirements or the Leads Online system, please contact the Chehalis Police Department at (360) 748-8605.