Weatherford City Council

AGENDA REPORT

Meeting Date:	July 14, 2026	**Staff Contact:**	Jason Hayes, Chief of Police
Item Number:	2026-927-AR	**Phone:**	817-598-4315

SUBJECT: Consider adoption of Ordinance O2026-24 adding Chapter 16, "Precious Metal and Gem Dealers," to Title V, Business Regulations, of the Official City Code of the City of Weatherford, establishing permitting, registration, reporting, recordkeeping, and operational requirements for precious metal and gem dealers operating within the City of Weatherford.

BACKGROUND/DISCUSSION

The Weatherford Police Department requests City Council consideration of Ordinance No. O2026-24 establishing Chapter 16, "Precious Metal and Gem Dealers," of the Official City Code of the City of Weatherford. The proposed ordinance creates a local permitting and regulatory program for businesses engaged in the purchase of precious metals, gemstones, bullion, coins, and secondhand jewelry.

Property crimes involving jewelry, precious metals, coins, and similar valuables continue to present unique investigative challenges for law enforcement agencies. Unlike pawnshops, which are comprehensively regulated under state law and subject to extensive reporting and recordkeeping requirements, precious metal and gem dealers operate under significantly fewer regulatory requirements. This creates opportunities for stolen property to be quickly converted into cash, altered, melted, or transferred before law enforcement has an opportunity to identify or recover it.

These challenges are often amplified by temporary buying events conducted at hotels, convention centers, and other short-term venues. These businesses may operate within the City for only a few days before relocating to another jurisdiction. Without a local permitting process and advance notification requirements, law enforcement may have little or no knowledge that a buying event is occurring until after property has been purchased and the business has departed. This can significantly hinder criminal investigations, delay the identification of stolen property, and reduce the likelihood of recovering valuable items for crime victims.

The proposed ordinance addresses these concerns by establishing reasonable regulations applicable to both permanent businesses and temporary event operators. Specifically, the ordinance would require dealers to:

- Register with the Texas Office of Consumer Credit Commissioner (OCCC) as required by state law.
- Obtain a City-issued Precious Metal and Gem Dealer Permit before conducting business.
- Obtain a Temporary Precious Metal and Gem Dealer Permit before conducting business from a hotel, event venue, or other temporary location.
- Submit ownership, business location, and employee information as part of the permit application process.
- Report transactions through an electronic reporting platform approved by the Chief of Police.
- Upload photographs of purchased property with each reported transaction.
- Verify the identity of sellers and maintain required transaction records.
- Obtain a signed statement from each seller affirming ownership or legal authority to sell the property.

- Maintain purchased property for the required holding period before resale, alteration, or disposal.
- Make required records available for inspection by law enforcement during reasonable business hours.
- Additionally, the ordinance authorizes the Chief of Police or designee to place an investigative hold on property reasonably believed to be stolen or associated with an active criminal investigation, allowing investigators sufficient time to determine ownership, preserve evidence, and facilitate the recovery of stolen property.

The ordinance also establishes procedures governing permit issuance, suspension, revocation, appeals, inspections, and enforcement while creating consistent regulatory standards for businesses operating within the City of Weatherford.

The proposed regulations are intended to strike a reasonable balance between supporting legitimate commerce and protecting the public. They provide law enforcement with practical investigative tools, improve the recovery of stolen property, enhance transparency and accountability within the industry, and provide additional protections for consumers and crime victims while ensuring legitimate businesses can continue operating under clear and consistent standards.

FINANCIAL IMPACT

Administration of the permitting program will be managed utilizing existing Police Department resources. Permit fees will be established administratively and incorporated into the City's adopted Fee Schedule at the next annual budget cycle.

SUGGESTED ACTION

Staff recommends approval of the proposed Ordinance No. O2026-24 establishing Chapter 16, "Precious Metal and Gem Dealers," of the Official City Code of the City of Weatherford.

ATTACHMENTS

- O2026-24
- Question and Answer Supplement