Chapter 9.70
ECOATM MACHINES AND OTHER SIMILAR DEVICES OR MACHINES

Sections:

9.70.010 Findings.
9.70.020 Authority and Purpose.
9.70.030 Definitions.
9.70.040 EcoATM Machines and other similar machines prohibited.

9.70.010 Findings.
The City Council finds as follows:
A. EcoATM is a kiosk machine that allows people to sell their cell phones, mp3 players, and tablets in exchange for an immediate cash distribution or charitable donation.
B. EcoATM employs security features to both deter and catch thieves selling stolen devices.
C. EcoATM requires the consumer to swipe a valid government issued ID, provide a valid thumbprint, and allow the machine to take their photograph. Whenever “technically possible” ecoATM also logs the serial number of each personal electronic device involved in a transaction.
D. EcoATM machines are responsible for a rise in violent and non-violent theft of personal electronic devices in cities permitting the machines, such as Washington D.C., El Cajon, Glendale and San Diego. Examples of such incidents include the following:
   1. In March of 2013, the Washington D.C. police reported that 40% of all forced robberies in the last year involved a cell phone. In a recent investigation, the D.C. police discovered six stolen cell phones inside ecoATM machines. The Police have even video recorded thieves using an elderly woman as a middleman to complete the ecoATM transaction.
   2. In April 2013, El Cajon Police expressed concern about ecoATM machines contributing to the rise in cell phone theft. Two teenagers, ages 14 and 15, were arrested for six cell phone thefts in which the teenagers sold the phones to ecoATM machines for quick cash.
   3. San Diego Police also reported a marketed rise in cell phone theft since the installation of ecoATMs. From January 2011 to March 2013, there were 270 cell phone thefts on the streets of the City and some of the stolen phones were later found inside ecoATM machines.
   4. In May of 2013, news anchors Jeff Rossen and Avni Patel from the Today Show on NBC tested the security features of ecoATM in one of their “Rossen Reports” specials. The reporters sent two NBC producers to two different ecoATM machines and told them to switch IDs. Although the producer looked nothing like the picture in the ID, both ecoATM machines approved the transaction and dispensed cash for the deposited phone.
   5. In July of 2013, Glendale Police reported several instances where juvenile suspects sold stolen devices to an ecoATM machine using the identification of others (adults) that looked nothing like the person using the machine. The stolen devices had already been exchanged for cash by the time the devices were reported stolen to the police.
E. EcoATM’s security features cannot successfully deter thieves; the machine does not have the technology to verify whether the valid government issued ID, fingerprint, and photograph collected by the machine belong to the person completing the transaction and whether the person is the true owner of the device being sold.
F. There is no security device that ecoATM could install to catch thieves who use third parties or “middlemen” to complete the transaction.
G. Theft of personal electronic devices is already a growing problem in the City of Riverside even without the addition of ecoATM machines. On April 4, 2013, the University of California Riverside held a town meeting to discuss campus safety and the rise in cell phone theft.

H. Currently, there are no ecoATM locations in the City of Riverside. It is reasonable to conclude that the adverse effects of ecoATM machines on the public health, safety, and welfare of other cities will certainly occur in the City of Riverside if the City fails to prohibit the machines. The incentive that these machines create far outweighs the benefits derived from their security features. The security features of the ecoATM machines fail to deter and aid in prosecuting thieves. Theft of personal electronic devices is on the rise in the City and will likely increase from the quick and easy cash incentive provided by ecoATM machines. (Ord. 7227 § 1, 2013)

9.70.020 Authority and Purpose.

A. This Chapter is adopted pursuant to the authority granted to the City of Riverside in Article XI, Section 5(a) and Section 7 of the California Constitution, and Section 200 of the Riverside City Charter.

B. The purpose and intent of this Chapter is to protect public health, safety, and general welfare of the residents of the City of Riverside. (Ord. 7227 § 1, 2013)

9.70.030 Definitions.

The following words and phrases shall, for the purposes of this Chapter, have the meanings respectively ascribed to them by this section, as follows:

“EcoATM” means the automated self-serve kiosk system that buys back personal electronic devices for immediate cash, store credit, or a charitable donation and is patented and copyrighted by ecoATM Corp. or other similar device or machine.

“Consumer electronic device” means any cell phone, mp3 player, tablet, or other similar device or machine. (Ord. 7227 § 1, 2013)

9.70.040 EcoATM machines and other similar machines prohibited.

EcoATM machines and other similar devices or machines are prohibited in the City of Riverside. No person shall locate, operate, own, suffer, allow to be operated or aide, abet or assist in the operation of any EcoATM machine or other similar device or machine within the City. (Ord. 7227 § 1, 2013)