

SENATE BILL 35

C2

6lr0923

(PRE-FILED)

By: **Senator Conway**

Requested: October 19, 2015

Introduced and read first time: January 13, 2016

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable

Senate action: Adopted

Read second time: February 2, 2016

CHAPTER _____

1 AN ACT concerning

2 **Secondhand Precious Metal Object Dealers and Pawnbrokers – Required**
3 **Records – Photograph of Precious Metal Object**

4 FOR the purpose of requiring certain records that a secondhand precious metal object
5 dealer or pawnbroker is required to keep for certain purposes to include a photograph
6 of each precious metal object acquired or pawned; providing that a secondhand
7 precious metal object dealer or pawnbroker is not required to submit to certain law
8 enforcement units a copy of a certain photograph except under certain
9 circumstances; and generally relating to required records of secondhand precious
10 metal object dealers and pawnbrokers.

11 BY repealing and reenacting, without amendments,
12 Article – Business Regulation
13 Section 12–101(a), (b)(1), and (g) and 12–301(a), (b), and (c)
14 Annotated Code of Maryland
15 (2015 Replacement Volume and 2015 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Business Regulation
18 Section 12–302 and 12–304
19 Annotated Code of Maryland
20 (2015 Replacement Volume and 2015 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That the Laws of Maryland read as follows:

3 **Article – Business Regulation**

4 12–101.

5 (a) In this title the following words have the meanings indicated.

6 (b) (1) “Dealer” means:

7 (i) an individual who acquires commercially from the public or
8 trades commercially with the public in secondhand precious metal objects;

9 (ii) an individual who for compensation arranges for the sale or
10 delivery of a secondhand precious metal object on behalf of a person that does not hold a
11 license under this title; or

12 (iii) unless otherwise provided, a pawnbroker.

13 (g) “Pawnbroker” means a person who engages in pawn transactions.

14 12–301.

15 (a) (1) Each dealer shall make a written record, on a form provided by the
16 Secretary, of each business transaction that involves the acquisition of a secondhand
17 precious metal object when the transaction is made.

18 (2) Each dealer shall retain the original copy of the written record required
19 to be made under paragraph (1) of this subsection at the dealer’s place of business.

20 (b) Each pawnbroker shall make a written record, on a form provided by the
21 Secretary, of each business transaction that involves:

22 (1) lending money on pledge of personal property, other than a security or
23 printed evidence of indebtedness;

24 (2) buying personal property on condition of selling it back at a stipulated
25 price; or

26 (3) buying the following items for the purpose of resale:

27 (i) binoculars;

28 (ii) cameras;

29 (iii) firearms;

- 1 (iv) furs;
- 2 (v) household appliances;
- 3 (vi) musical instruments;
- 4 (vii) office machines or equipment;
- 5 (viii) radios, televisions, videodisc machines, videocassette recorders,
6 and stereo equipment;
- 7 (ix) personal computers, tapes, and disc recorders;
- 8 (x) watches;
- 9 (xi) bicycles; and
- 10 (xii) tangible personal property pledged as collateral.

11 (c) Each pawnbroker shall make a written record, on a form provided by the
12 Secretary, of each transaction that involves the acquisition of an item described in
13 subsection (b)(3) of this section for the purpose of resale.

14 12-302.

15 (a) In addition to any other information required by the Secretary, the records of
16 a dealer shall include:

- 17 (1) the date, place, and time of each transaction that involves the
18 acquisition of a precious metal object;
- 19 (2) the name and address of the principal, if the transaction is by an agent;
- 20 (3) a description of the precious metal object, including:
 - 21 (i) its approximate metallic composition;
 - 22 (ii) any jewels, stones, or glass parts;
 - 23 (iii) any mark, number, word, or other identification on the precious
24 metal object;
 - 25 (iv) its weight, if payment is based on weight;
 - 26 (v) a statement whether it appears to have been altered by any
27 means, including:

1 1. obscuring a serial number or identifying feature;

2 2. melting; or

3 3. recutting a gem; and

4 (vi) the amount paid or other consideration;

5 **(4) A PHOTOGRAPH OF THE PRECIOUS METAL OBJECT;**

6 **[(4) (5)** for each individual from whom the dealer acquires a precious
7 metal object:

8 (i) the name, date of birth, and driver's license number of the
9 individual; or

10 (ii) identification information about the individual that:

11 1. positively identifies the individual from at least 2 forms of
12 identification, which may include an age of majority card, military identification, or
13 passport; and

14 2. provides a physical description of the individual, including
15 the sex, race, any distinguishing features, and approximate age, height, and weight of the
16 individual;

17 **[(5) (6)** a statement indicating whether or not the person making the
18 transaction is personally known to the dealer; and

19 **[(6) (7)** the signature of the person from whom the precious metal object
20 or personal property is acquired and the dealer or employee who accepted the precious
21 metal object.

22 (b) In addition to any other information required by the Secretary, the records of
23 a pawnbroker shall include, for each item pawned:

24 (1) the type of item;

25 (2) its manufacturer, model number, year of manufacture if known, and
26 serial number if known; [and]

27 (3) its color and size; **AND**

28 **(4) IF THE ITEM IS A PRECIOUS METAL OBJECT, A PHOTOGRAPH OF**
29 **THE ITEM.**

1 12-304.

2 (a) (1) A dealer shall submit the required information from each record to the
3 primary law enforcement unit in accordance with subsection (b) of this section.

4 (2) If the dealer transacts business in accordance with § 12-206(b) of this
5 title, the dealer also shall submit the required information from the records to the local law
6 enforcement unit in accordance with subsection (b) of this section.

7 (3) On the request of a dealer, the Secretary shall provide to the dealer a
8 list of local law enforcement units.

9 (b) (1) Subject to paragraph (2) of this subsection, the dealer shall submit the
10 records by transmitting the required information from the records electronically, in a
11 format acceptable to the receiving law enforcement unit, by noon of the next business day.

12 (2) A dealer may request an extension of up to 48 hours to submit the
13 records required under paragraph (1) of this subsection.

14 (c) (1) Each record, submitted to the primary law enforcement unit and, if
15 applicable, local law enforcement unit, shall include:

16 [(1)] (I) the license number of the dealer;

17 [(2)] (II) the location of each item listed in the record; and

18 [(3)] (III) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
19 SUBSECTION, the information required under § 12-302 of this subtitle.

20 (2) A DEALER SUBMITTING A RECORD TO A PRIMARY LAW
21 ENFORCEMENT UNIT OR LOCAL LAW ENFORCEMENT UNIT UNDER PARAGRAPH (1)
22 OF THIS SUBSECTION IS NOT REQUIRED TO SUBMIT A COPY OF THE PHOTOGRAPH OF
23 A PRECIOUS METAL OBJECT TAKEN IN ACCORDANCE WITH § 12-302(A)(4) OR (B)(4)
24 OF THIS SUBTITLE EXCEPT AT THE REQUEST OF THE PRIMARY LAW ENFORCEMENT
25 UNIT OR LOCAL LAW ENFORCEMENT UNIT.

26 (d) The required information from a record submitted under this section:

27 (1) shall be kept confidential;

28 (2) is not a public record; and

29 (3) is not subject to Title 4 of the General Provisions Article.

1 (e) The primary law enforcement unit shall adopt a procedure for a dealer to
2 amend a record required to be submitted under this section.

3 (f) A law enforcement unit may cease to maintain a record submitted under this
4 section after 1 year from the date the law enforcement unit receives the copy.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.