

HOUSE BILL 318

C2

01r2038

By: **Delegates Sophocleus, Dwyer, and McConkey**

Introduced and read first time: January 27, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Secondhand Precious Metal Object Dealers**

3 FOR the purpose of repealing a certain provision of law authorizing a secondhand
4 precious metal object dealer to transact business for a certain period of time at a
5 certain event; providing that a license to do business as a dealer may be used
6 only to benefit the licensee; authorizing only licensed dealers to make certain
7 advertisements; requiring a certain advertisement to include certain
8 information; requiring dealers to retain the original copy of a certain record at a
9 certain location; authorizing a dealer to request a certain extension; requiring
10 the Secretary of Labor, Licensing, and Regulation to distribute certain
11 information to licensed dealers or post the information on the Department of
12 Labor, Licensing, and Regulation website; and generally relating to regulation
13 of secondhand precious metal object dealers.

14 BY repealing and reenacting, with amendments,
15 Article – Business Regulation
16 Section 12–206, 12–207(f), 12–208, 12–301(a), and 12–304(b)
17 Annotated Code of Maryland
18 (2004 Replacement Volume and 2009 Supplement)

19 BY repealing and reenacting, without amendments,
20 Article – Business Regulation
21 Section 12–303
22 Annotated Code of Maryland
23 (2004 Replacement Volume and 2009 Supplement)

24 BY adding to
25 Article – Business Regulation
26 Section 12–401(g)
27 Annotated Code of Maryland
28 (2004 Replacement Volume and 2009 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Business Regulation**

4 12–206.

5 (a) A license authorizes the licensee to do business as a dealer only at the
6 address for which the license is issued.

7 (b) Notwithstanding subsection (a) of this section, [and except as provided in
8 subsection (c) of this section,] a dealer who holds a license under this subtitle may:

9 (1) [transact business as a dealer for up to 7 consecutive days at an
10 event that takes place at a location other than the fixed business address at which a
11 transaction may occur after giving written notice at least 7 days in advance of the
12 event to the primary law enforcement unit and to the local law enforcement unit with
13 jurisdiction over the place where the event will be held;

14 (2)] make purchases at an estate and judicial sale; and

15 [(3)] (2) transact business at the residence of the owner of a precious
16 metal object or a place where the owner keeps a precious metal object:

17 (i) on request of the owner; and

18 (ii) after giving written notice of the proposed transaction and
19 its location to the local law enforcement unit with jurisdiction over that location.

20 [(c) A dealer is not required to comply with subsection (b)(1) of this section
21 unless the dealer, or the dealer’s employee or agent, has acquired space at a location
22 other than the fixed business address at which a transaction may occur or has
23 published notice of or advertised the event by any means.]

24 12–207.

25 (f) A license is not transferable **AND MAY BE USED ONLY TO BENEFIT THE**
26 **LICENSEE.**

27 12–208.

28 (A) Each licensee shall display the license conspicuously in the place of
29 business of the licensee.

1 **(B) (1) ONLY A LICENSED DEALER MAY ADVERTISE FOR THE**
2 **COMMERCIAL TRADING WITH THE PUBLIC OR ACQUIRING FROM THE PUBLIC IN**
3 **SECONDHAND PRECIOUS METAL OBJECTS.**

4 **(2) AN ADVERTISEMENT FOR THE COMMERCIAL TRADING WITH**
5 **THE PUBLIC OR ACQUIRING FROM THE PUBLIC IN SECONDHAND PRECIOUS**
6 **METAL OBJECTS AT A LOCATION OTHER THAN THE LICENSEE'S FIXED BUSINESS**
7 **ADDRESS SHALL INCLUDE THE NAME AND LICENSE NUMBER OF THE LICENSEE.**

8 12-301.

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

12 **(2) EACH DEALER SHALL RETAIN THE ORIGINAL COPY OF THE**
13 **WRITTEN RECORD REQUIRED TO BE MADE UNDER PARAGRAPH (1) OF THIS**
14 **SUBSECTION AT THE DEALER'S PLACE OF BUSINESS.**

15 12-303.

16 Unless otherwise authorized by the Secretary, a dealer shall keep the records
17 required by this subtitle, at a location within the State, for 3 years after the date of the
18 transaction.

19 12-304.

20 **(b) (1) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
21 **dealer shall submit the records by transmitting the required information from the**
22 **records electronically, in a format acceptable to the receiving law enforcement unit, by**
23 **noon of the next business day.**

24 **(2) A DEALER MAY REQUEST AN EXTENSION OF UP TO 48 HOURS**
25 **TO SUBMIT THE RECORDS REQUIRED UNDER PARAGRAPH (1) OF THIS**
26 **SUBSECTION.**

27 12-401.

28 **(G) THE SECRETARY SHALL DISTRIBUTE TO LICENSED DEALERS OR**
29 **POST ON THE DEPARTMENT'S WEBSITE THE NAME OF THE PRIMARY LAW**
30 **ENFORCEMENT UNIT RESPONSIBLE FOR ENFORCING THIS TITLE IN EACH**
31 **JURISDICTION, INCLUDING MUNICIPALITIES.**

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2010.