

HOUSE BILL 203

C2

11r0100

By: **Chair, Economic Matters Committee (By Request – Departmental – State Police)**

Introduced and read first time: January 28, 2011

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Junk Dealers and Scrap Metal Processors – State Licensing Laws –**
3 **Applicability and Exemptions**

4 FOR the purpose of repealing a provision exempting certain counties from certain
5 State licensing laws on junk dealers and scrap metal processors; exempting
6 certain licensed secondhand precious metal object dealers and pawnbrokers
7 from the scope of certain State licensing laws on junk dealers and scrap metal
8 processors; clarifying certain prohibited acts relating to junk dealers and scrap
9 metal processors; repealing certain licensing provisions for Calvert County junk
10 dealers and scrap metal processors; altering a certain definition; making
11 clarifying and stylistic changes; and generally relating to the applicability of
12 and exemptions from State licensing laws on junk dealers and scrap metal
13 processors.

14 BY repealing and reenacting, without amendments,
15 Article – Business Regulation
16 Section 17–1001(a) and 17–1012(a)
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2010 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Business Regulation
21 Section 17–1001(f), 17–1002, 17–1011(a) and (d), and 17–1012(b)
22 Annotated Code of Maryland
23 (2010 Replacement Volume and 2010 Supplement)

24 BY repealing
25 Article – Business Regulation
26 Section 17–1015 through 17–1024
27 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2010 Replacement Volume and 2010 Supplement)

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

4 **Article – Business Regulation**

5 17–1001.

6 (a) In this subtitle the following words have the meanings indicated.

7 (f) **(1)** “Junk dealer” or “scrap metal processor” means a person who does
8 business buying or selling junk or scrap metal.

9 **(2) “JUNK DEALER” OR “SCRAP METAL PROCESSOR” DOES NOT**
10 **INCLUDE A DEALER OR PAWNBROKER LICENSED UNDER TITLE 12 OF THIS**
11 **ARTICLE.**

12 17–1002.

13 [(a) Except as otherwise provided in this subtitle, this subtitle does not apply
14 in Baltimore City or Anne Arundel, Baltimore, Caroline, Carroll, Dorchester, Kent,
15 Somerset, Washington, and Worcester counties.

16 (b) **(1)] (A)** This subtitle does not apply to:

17 **(1) A DEALER OR PAWNBROKER LICENSED UNDER TITLE 12 OF**
18 **THIS ARTICLE;**

19 **[(i)] (2)** a person doing business other than junk business or
20 scrap metal business whenever the person:

21 **[1.] (I)** buys or transports junk or scrap metal used in
22 the operation of the business; or

23 **[2.] (II)** transports, for disposal or sale, junk or scrap
24 metal accumulated by the business to dispose of or sell the junk or scrap metal; or

25 **[(ii)] (3)** a vehicle that a common carrier uses to transport junk
26 or scrap metal in the business of the common carrier.

27 **[(2)] (B)** Except as provided in § 17–1012 of this subtitle, this subtitle
28 does not apply to antique dealers.

29 17–1011.

1 (a) (1) This section applies to all junk dealers and scrap metal processors
2 doing business in the State, including nonresident junk dealers[,] AND nonresident
3 scrap metal processors[, and junk dealers and scrap metal processors who are
4 residents of the counties listed in § 17–1002(a) of this subtitle].

5 (2) This section applies to an automotive dismantler and recycler or
6 scrap metal processor licensed under Title 15, Subtitle 5 of the Transportation Article
7 if the automotive dismantler and recycler or scrap metal processor:

8 (i) conducts business as a licensed junk dealer or scrap metal
9 processor;

10 (ii) acquires vehicle parts that qualify as junk or scrap metal as
11 defined under § 17–1001(e) of this subtitle; or

12 (iii) acquires articles that are listed, or made of metals that are
13 listed, in § 17–1001(e) of this subtitle.

14 (3) This section does not apply to:

15 (i) an automotive dismantler and recycler or scrap metal
16 processor that only acquires whole vehicles for the purpose of dismantling, destroying,
17 or scrapping them for the benefit of their parts or the materials in them; or

18 (ii) a person that buys scrap metal to use as raw material to
19 produce 1,000,000 tons of steel or more in the State per calendar year.

20 (4) (i) Except as provided in subparagraph (ii) of this paragraph,
21 this section preempts the right of a county or municipality to regulate the resale of
22 junk or scrap metal.

23 (ii) This section does not limit the power of a county or
24 municipality to license junk dealers and scrap metal processors.

25 (iii) This section supersedes any existing law of a county or
26 municipality that regulates the resale of junk or scrap metal.

27 (d) (1) A [State junk licensee] **JUNK DEALER OR SCRAP METAL**
28 **PROCESSOR** may not barter, buy, exchange, or accept from a person any junk or scrap
29 metal unless the [State junk licensee] **JUNK DEALER OR SCRAP METAL PROCESSOR**
30 keeps records and makes entries in them in accordance with Part II of this subtitle.

31 (2) A [State junk licensee] **JUNK DEALER OR SCRAP METAL**
32 **PROCESSOR** may not purchase a catalytic converter from an individual unless the
33 individual, at the time of purchase, provides identification as:

1 (i) a licensed automotive dismantler and recycler or scrap metal
2 processor; or

3 (ii) an agent or employee of a licensed commercial enterprise.

4 (3) A [State junk licensee] **JUNK DEALER OR SCRAP METAL**
5 **PROCESSOR** may not purchase a cemetery urn, grave marker, or any other item listed
6 under § 17–1001(e)(1)(ii) of this subtitle from an individual unless the individual, at
7 the time of purchase, provides appropriate authorization from a relevant business or
8 unit of federal, State, or local government specifically authorizing the individual to
9 conduct the transaction.

10 17–1012.

11 (a) In this section, “historic marker or plaque” means a marker, plaque, or
12 tablet commemorating an historic person or event, or identifying an historic place,
13 structure, or object.

14 (b) This section applies to all junk dealers, scrap metal processors, and
15 antique dealers who are residents of the State[, including junk dealers, scrap metal
16 processors, and antique dealers who are residents of the counties listed in §
17 17–1002(a) of this subtitle].

18 [17–1015.

19 In Part III of this subtitle, “Calvert County junk dealer or scrap metal processor
20 license” means a license issued by the clerk to do business as a junk dealer or scrap
21 metal processor in Calvert County.]

22 [17–1016.

23 Part III of this subtitle applies only in Calvert County.]

24 [17–1017.

25 A person must have a Calvert County junk dealer or scrap metal processor
26 license whenever the person does business as a junk dealer or scrap metal processor in
27 Calvert County.]

28 [17–1018.

29 An applicant for a Calvert County junk dealer or scrap metal processor license
30 shall:

31 (1) state to the clerk the applicant’s name and address and the
32 registration number of any motor vehicle used in the applicant’s business; and

1 (2) pay to the clerk a license fee of \$25.]

2 [17-1019.

3 A Calvert County junk dealer or scrap metal processor license expires on the
4 first anniversary of its effective date.]

5 [17-1020.

6 Each junk dealer or scrap metal processor shall notify the clerk of any change of
7 address or of motor vehicle registration number.]

8 [17-1021.

9 If a Calvert County junk dealer or scrap metal processor licensee buys or sells
10 any stolen goods and transports them by motor vehicle, the owner of the motor vehicle
11 used to transport the goods is liable equally with the Calvert County junk dealer or
12 scrap metal processor licensee.]

13 [17-1022.

14 (a) Each month by the 10th day of the month each Calvert County junk
15 dealer or scrap metal processor licensee shall submit to the Office of the Sheriff of
16 Calvert County a report that:

17 (1) is on the form that the Sheriff requires;

18 (2) is signed and dated by the Calvert County junk dealer or scrap
19 metal processor licensee; and

20 (3) includes:

21 (i) a list of the items of junk or scrap metal bought or sold
22 during the preceding month;

23 (ii) the name and address of the seller or buyer of the junk or
24 scrap metal; and

25 (iii) the date of the transaction.

26 (b) A person who fails to submit the report required by this section is guilty
27 of a misdemeanor and, on conviction, is subject to a fine not exceeding \$25.]

28 [17-1023.

1 (a) A junk dealer or scrap metal processor in Calvert County may not buy
2 junk or scrap metal from a minor unless the junk dealer or scrap metal processor first
3 gets permission, signed by the minor's parent or guardian, authorizing the minor to
4 sell junk or scrap metal to the junk dealer or scrap metal processor.

5 (b) A person who violates this section is guilty of a misdemeanor and, on
6 conviction, is subject to a fine not exceeding \$30 for each offense.]

7 [17-1024.

8 Except as otherwise specifically provided in Part III of this subtitle, a person
9 who violates Part III of this subtitle is guilty of a misdemeanor and, on conviction, is
10 subject to a fine not exceeding \$100.]

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2011.