

## **Chapter 110**

**(House Bill 203)**

AN ACT concerning

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

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

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

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

BY repealing  
Article – Business Regulation  
Section 17–1015 through 17–1024  
Annotated Code of Maryland  
(2010 Replacement Volume and 2010 Supplement)

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

#### **Article – Business Regulation**

17–1001.

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

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

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

17–1002.

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

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

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

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

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

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

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

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

17–1011.

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

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

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

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

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

(3) This section does not apply to:

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

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

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

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

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

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

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

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

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

(3) A [State junk licensee] **JUNK DEALER OR SCRAP METAL PROCESSOR** may not purchase a cemetery urn, grave marker, or any other item listed under § 17–1001(e)(1)(ii) of this subtitle from an individual unless the individual, at

the time of purchase, provides appropriate authorization from a relevant business or unit of federal, State, or local government specifically authorizing the individual to conduct the transaction.

17-1012.

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

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

[17-1015.

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

[17-1016.

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

[17-1017.

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

[17-1018.

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

- (1) state to the clerk the applicant’s name and address and the registration number of any motor vehicle used in the applicant’s business; and
- (2) pay to the clerk a license fee of \$25.]

[17-1019.

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

[17–1020.

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

[17–1021.

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

[17–1022.

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

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

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

(3) includes:

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

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

(iii) the date of the transaction.

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

[17–1023.

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

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

[17-1024.

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

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

**Approved by the Governor, April 12, 2011.**