

# HOUSE BILL 338

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By: **Delegate Clippinger**

Introduced and read first time: January 22, 2014

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Business Regulation – Automated Purchasing Machines – Licensing of**  
3 **Operators and Required Records**

4 FOR the purpose of requiring a person to have a certain license before doing business  
5 as an automated purchasing machine (APM) operator in the State; establishing  
6 the application and renewal processes for an APM operator license; requiring  
7 applicants for an APM operator license and certain employees of an applicant or  
8 a licensee to apply for a national and State criminal history records check;  
9 authorizing the Secretary of Labor, Licensing, and Regulation to issue a license  
10 only under certain circumstances; authorizing the Secretary to deny, suspend,  
11 or revoke a license, reprimand a licensee, or impose a certain penalty under  
12 certain circumstances; requiring the Secretary to provide certain hearing  
13 procedures before certain actions are taken; requiring the Secretary to inform  
14 each primary law enforcement unit of each license that is issued, renewed,  
15 changed, denied, suspended, or revoked; requiring an automated purchasing  
16 machine to require a seller of certain personal property to provide certain  
17 information before the completion of a certain transaction; requiring an  
18 automated purchasing machine to verify certain information through certain  
19 documentation submitted by a seller; authorizing an automated purchasing  
20 machine to give cash for payment under certain circumstances; requiring  
21 certain payments to be made by check sent to a certain address under certain  
22 circumstances; establishing certain record keeping requirements for an APM  
23 operator; requiring an APM operator to keep all personal property purchased in  
24 the State for a certain period of time; requiring an APM operator to have a  
25 certain employee screen transactions; requiring an APM operator to keep  
26 certain records regarding certain employees under certain circumstances;  
27 requiring an APM operator to contact the primary law enforcement unit if  
28 personal property is determined to be stolen and return personal property to the  
29 primary law enforcement unit free of charge; prohibiting an automated  
30 purchasing machine from accepting an electronic device that does not have a  
31 certain serial number; prohibiting an automated purchasing machine operator

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 from buying or offering to buy personal property from a minor; establishing  
2 certain penalties for a violation of this Act; exempting certain automated  
3 purchasing machines from this Act; requiring the Secretary to adopt certain  
4 regulations; providing for the designation of certain primary law enforcement  
5 units for a certain purpose; defining certain terms; and generally relating to  
6 automated purchasing machines.

7 BY adding to

8 Article – Business Regulation

9 Section 20–101 through 20–403 to be under the new title “Title 20. Automated  
10 Purchasing Machines”

11 Annotated Code of Maryland

12 (2010 Replacement Volume and 2013 Supplement)

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

15 **Article – Business Regulation**

16 **TITLE 20. AUTOMATED PURCHASING MACHINES.**

17 **SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS.**

18 **20–101.**

19 **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
20 **INDICATED.**

21 **(B) “AUTOMATED PURCHASING MACHINE” MEANS A SELF–SERVICE**  
22 **DEVICE THAT:**

23 **(1) IS DESIGNED TO DISPENSE MONEY IN EXCHANGE FOR**  
24 **PERSONAL PROPERTY; AND**

25 **(2) IS ALSO KNOWN AS A REVERSE VENDING MACHINE.**

26 **(C) “AUTOMATED PURCHASING MACHINE OPERATOR” OR “APM**  
27 **OPERATOR” MEANS A PERSON THAT BUYS OR OFFERS TO BUY PERSONAL**  
28 **PROPERTY BY MEANS OF AN AUTOMATED PURCHASING MACHINE.**

29 **(D) “ELECTRONIC DEVICE” MEANS A DEVICE CAPABLE OF**  
30 **FACILITATING COMMUNICATION THROUGH VOICE, DATA, TEXT, OR OTHER**  
31 **VISUAL OR AUDITORY FORMATS.**

1           **(E) “EMPLOYEE” MEANS AN INDIVIDUAL WHO IS EMPLOYED BY AN**  
2 **APM OPERATOR TO BUY OR SUPERVISE DIRECTLY THE BUYING OF PERSONAL**  
3 **PROPERTY.**

4           **(F) “FIXED BUSINESS ADDRESS” MEANS A SINGLE PHYSICAL LOCATION**  
5 **IN MARYLAND WHERE A LICENSEE REGULARLY CONDUCTS BUSINESS AND AT**  
6 **WHICH THE LICENSEE OR AN EMPLOYEE OF THE LICENSEE IS PHYSICALLY**  
7 **PRESENT:**

8                   **(1) DURING NORMAL BUSINESS HOURS; OR**

9                   **(2) OTHER HOURS AS PROVIDED IN THE APPLICATION FOR THE**  
10 **LICENSE WHICH ARE SUFFICIENT TO PROVIDE AN AUTHORIZED LAW**  
11 **ENFORCEMENT OFFICER OR AGENT ACCESS TO THE LICENSEE’S PLACE OF**  
12 **BUSINESS.**

13           **(G) “LICENSE” MEANS A LICENSE ISSUED BY THE SECRETARY TO DO**  
14 **BUSINESS AS AN APM OPERATOR.**

15           **(H) (1) “PERSONAL PROPERTY” MEANS PRIVATE PROPERTY THAT IS**  
16 **MOVEABLE INCLUDING PROPERTY THAT IS SERIALIZED OR NORMALLY HAS A**  
17 **UNIQUE IDENTIFIER.**

18                   **(2) “PERSONAL PROPERTY” INCLUDES GIFT CARDS AND**  
19 **VOUCHERS FOR VALUE.**

20           **(I) “PRIMARY LAW ENFORCEMENT UNIT” MEANS THE DEPARTMENT OF**  
21 **STATE POLICE, A POLICE DEPARTMENT, OR SHERIFF, AS DESIGNATED BY A**  
22 **RESOLUTION OF THE COUNTY OR MUNICIPAL GOVERNING BODY IN THE COUNTY**  
23 **IN WHICH THE AUTOMATED PURCHASING MACHINE IS LOCATED.**

24           **(J) (1) “RECYCLABLE MATERIALS” MEANS MATERIAL THAT:**

25                   **(I) IF NOT RECYCLED, WOULD BECOME SOLID WASTE FOR**  
26 **DISPOSAL IN A REFUSE DISPOSAL SYSTEM; AND**

27                   **(II) MAY BE COLLECTED, SEPARATED, OR PROCESSED AND**  
28 **RETURNED TO THE MARKETPLACE IN THE FORM OF RAW MATERIALS OR**  
29 **PRODUCTS.**

30                   **(2) “RECYCLABLE MATERIALS” INCLUDES PAPER, GLASS,**  
31 **METALS, PLASTICS, AND CARDBOARD.**



1           **(2) THE APPLICATION FEE IS NONREFUNDABLE.**

2           **(B) THE APPLICANT SHALL SIGN THE APPLICATION UNDER OATH.**

3           **(C) IN ADDITION TO ANY OTHER INFORMATION THAT THE SECRETARY**  
4 **REQUIRES, THE APPLICATION SHALL STATE:**

5           **(1) THE NAME, DATE OF BIRTH, AND RESIDENCE ADDRESS OF THE**  
6 **APPLICANT;**

7           **(2) THE FIXED BUSINESS ADDRESS OF THE APPLICANT;**

8           **(3) THE FIXED ADDRESS IN THE STATE WHERE PERSONAL**  
9 **PROPERTY WILL BE STORED, IF DIFFERENT FROM THE FIXED BUSINESS**  
10 **ADDRESS, PROVIDED, HOWEVER, THAT A BANK OR SAFE DEPOSIT BOX IS NOT AN**  
11 **ACCEPTABLE STORAGE LOCATION UNLESS WRITTEN CONSENT BY THE**  
12 **APPLICANT AND A BANK OFFICIAL AUTHORIZING ACCESS TO THE STORAGE**  
13 **FACILITY AND EXAMINATION OF ITS CONTENTS BY LAW ENFORCEMENT**  
14 **OFFICERS OR AGENTS ACCOMPANY THE APPLICATION;**

15           **(4) A TELEPHONE NUMBER AT WHICH THE APPLICANT CAN BE**  
16 **REACHED DURING NORMAL BUSINESS HOURS;**

17           **(5) EACH ADDRESS WHERE THE APPLICANT HAS CONDUCTED ANY**  
18 **BUSINESS DURING THE 3 YEARS BEFORE APPLICATION;**

19           **(6) THE DRIVER'S LICENSE NUMBER, IF ANY, OF THE APPLICANT;**  
20 **AND**

21           **(7) THE NAME AND PERMANENT ADDRESS OF EACH EMPLOYEE**  
22 **WHO WILL WORK WITH THE APPLICANT IN THE STATE.**

23           **(D) THE APPLICATION FORM SHALL CONTAIN, IMMEDIATELY ABOVE**  
24 **THE SIGNATURE LINE, THE FOLLOWING:**

25           **"IF ISSUED A LICENSE, I AGREE TO ALLOW A MUNICIPAL, COUNTY, OR**  
26 **STATE POLICE OFFICER OR AGENT ACTING IN THE COURSE OF A STOLEN**  
27 **PROPERTY INVESTIGATION OR AN INVESTIGATION OF A VIOLATION OF THIS**  
28 **TITLE TO INSPECT AND PHOTOGRAPH ALL PERSONAL PROPERTY AND RECORDS**  
29 **AT MY BUSINESS OR STORAGE LOCATIONS."**

30 **20-203.**

1           **BEFORE AN INDIVIDUAL MAY BEGIN WORK FOR AN APM OPERATOR AS AN**  
2 **EMPLOYEE:**

3           **(1) THE APM OPERATOR SHALL SUBMIT TO THE SECRETARY, ON**  
4 **THE FORM THAT THE SECRETARY PROVIDES, THE NAME OF THE INDIVIDUAL;**  
5 **AND**

6           **(2) THE INDIVIDUAL SHALL APPLY FOR A NATIONAL AND STATE**  
7 **CRIMINAL HISTORY RECORDS CHECK REQUIRED UNDER § 20-204(B) OF THIS**  
8 **SUBTITLE.**

9 **20-204.**

10           **(A) IN THIS SECTION, “CENTRAL REPOSITORY” MEANS THE CRIMINAL**  
11 **JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT**  
12 **OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.**

13           **(B) APPLICANTS FOR LICENSES UNDER § 20-201 OF THIS SUBTITLE**  
14 **AND INDIVIDUALS WHOSE NAMES MUST BE SUBMITTED TO THE SECRETARY**  
15 **UNDER § 20-203 OF THIS SUBTITLE SHALL APPLY TO THE CENTRAL**  
16 **REPOSITORY FOR A NATIONAL AND STATE CRIMINAL HISTORY RECORDS CHECK**  
17 **ON A FORM APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY.**

18           **(C) THE CENTRAL REPOSITORY SHALL PROVIDE TO THE SECRETARY:**

19           **(1) THE NATIONAL AND STATE CRIMINAL HISTORY RECORDS OF**  
20 **EACH INDIVIDUAL REQUIRING A CRIMINAL HISTORY RECORDS CHECK UNDER**  
21 **SUBSECTION (B) OF THIS SECTION AND A PRINTED STATEMENT LISTING ANY**  
22 **CONVICTIONS AND PLEAS OF GUILTY OR NOLO CONTENDERE TO ANY CRIMINAL**  
23 **CHARGE;**

24           **(2) AN UPDATE OF THE INITIAL CRIMINAL HISTORY RECORDS**  
25 **CHECK FOR AN INDIVIDUAL REQUIRING A CRIMINAL HISTORY RECORDS CHECK**  
26 **AND A REVISED PRINTED STATEMENT LISTING ANY CONVICTIONS AND PLEAS OF**  
27 **GUILTY OR NOLO CONTENDERE TO ANY CRIMINAL CHARGE OCCURRING IN THE**  
28 **STATE AFTER THE DATE OF THE INITIAL CRIMINAL HISTORY RECORDS CHECK;**  
29 **AND**

30           **(3) AN ACKNOWLEDGED RECEIPT OF THE APPLICATION FOR A**  
31 **CRIMINAL HISTORY RECORDS CHECK BY AN INDIVIDUAL REQUIRING A**  
32 **CRIMINAL HISTORY RECORDS CHECK.**

1           (D) AN INDIVIDUAL REQUIRING A CRIMINAL HISTORY RECORDS CHECK  
2 SHALL SUBMIT A COMPLETE SET OF LEGIBLE FINGERPRINTS TAKEN AT ANY  
3 DESIGNATED STATE OR LOCAL LAW ENFORCEMENT OFFICE IN THE STATE OR  
4 OTHER AGENCY OR LOCATION APPROVED BY THE SECRETARY OF PUBLIC  
5 SAFETY AND CORRECTIONAL SERVICES TO THE CENTRAL REPOSITORY.

6           (E) AN INDIVIDUAL REQUIRING A CRIMINAL HISTORY RECORDS CHECK  
7 UNDER SUBSECTION (B) OF THIS SECTION SHALL PAY:

8                   (1) THE MANDATORY PROCESSING FEE REQUIRED BY THE  
9 FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY  
10 RECORDS CHECK; AND

11                   (2) THE FEE AUTHORIZED UNDER § 10-221(B)(7) OF THE  
12 CRIMINAL PROCEDURE ARTICLE FOR ACCESS TO MARYLAND CRIMINAL  
13 HISTORY RECORDS.

14           (F) AN APM OPERATOR OR AN APPLICANT MAY PAY FOR THE COSTS  
15 INCURRED BY THE EMPLOYEE OR OTHER INDIVIDUAL REQUIRING A CRIMINAL  
16 HISTORY RECORDS CHECK UNDER SUBSECTION (B) OF THIS SECTION.

17           (G) (1) INFORMATION OBTAINED BY THE SECRETARY FROM THE  
18 CENTRAL REPOSITORY UNDER THIS TITLE SHALL BE CONFIDENTIAL AND MAY  
19 BE DISSEMINATED ONLY TO THE INDIVIDUAL WHO IS THE SUBJECT OF THE  
20 CRIMINAL HISTORY RECORDS CHECK.

21                   (2) NOTHING IN PARAGRAPH (1) OF THIS SUBSECTION SHALL  
22 PRECLUDE THE SECRETARY FROM NOTIFYING AN APM OPERATOR OR AN  
23 APPLICANT OF THE APPROVAL OR DISQUALIFICATION OF THE EMPLOYEE FOR  
24 EMPLOYMENT BASED ON INFORMATION OBTAINED BY THE SECRETARY UNDER  
25 THIS SECTION.

26           (H) THE SECRETARY SHALL VERIFY PERIODICALLY THE CONTINUED  
27 EMPLOYMENT OR LICENSURE OF INDIVIDUALS REQUIRING CRIMINAL HISTORY  
28 RECORDS CHECKS IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE  
29 SECRETARY OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.

30 **20-205.**

31           (A) ON RECEIPT OF A COMPLETE NATIONAL AND STATE CRIMINAL  
32 RECORD REPORT FROM THE CENTRAL REPOSITORY IN ACCORDANCE WITH §  
33 20-204 OF THIS SUBTITLE, THE SECRETARY SHALL ISSUE A LICENSE TO EACH  
34 APPLICANT WHO MEETS THE REQUIREMENTS OF THIS SUBTITLE.

1           **(B) THE SECRETARY:**

2           **(1) MAY ISSUE A LICENSE ONLY FOR A FIXED BUSINESS ADDRESS;**  
3 **BUT**

4           **(2) MAY NOT ISSUE A LICENSE FOR AN ADDRESS THAT IS:**

5                   **(I) A HOTEL OR MOTEL ROOM;**

6                   **(II) A MOTOR VEHICLE;**

7                   **(III) A POST OFFICE BOX; OR**

8                   **(IV) A LOCATION THAT DOES NOT MEET THE**  
9 **QUALIFICATIONS FOR A FIXED BUSINESS ADDRESS AS DEFINED IN THIS TITLE.**

10           **(C) THE SECRETARY MAY NOT ISSUE MORE THAN ONE LICENSE FOR A**  
11 **SINGLE BUSINESS LOCATION.**

12           **(D) THE SECRETARY MAY NOT ISSUE A LICENSE TO A MINOR.**

13           **(E) WHENEVER A LICENSE IS SUSPENDED OR REVOKED, ANOTHER**  
14 **LICENSE MAY NOT BE ISSUED TO AN APM OPERATOR FOR THE SAME BUSINESS**  
15 **LOCATION.**

16 **20-206.**

17           **A LICENSE AUTHORIZES THE LICENSEE TO DO BUSINESS AS AN APM**  
18 **OPERATOR ONLY AT THE ADDRESS FOR WHICH THE LICENSE IS ISSUED.**

19 **20-207.**

20           **(A) UNLESS A LICENSE IS RENEWED FOR A 2-YEAR TERM AS PROVIDED**  
21 **IN THIS SECTION, THE LICENSE EXPIRES ON THE FIRST APRIL 30 THAT COMES:**

22                   **(1) AFTER THE EFFECTIVE DATE OF THE LICENSE; AND**

23                   **(2) IN AN EVEN-NUMBERED YEAR.**

24           **(B) AT LEAST 1 MONTH BEFORE A LICENSE EXPIRES, THE SECRETARY**  
25 **SHALL MAIL TO THE LICENSEE, AT THE LAST KNOWN ADDRESS OF THE**  
26 **LICENSEE:**

1           **(1) A RENEWAL APPLICATION FORM; AND**

2           **(2) A NOTICE THAT STATES:**

3                   **(I) THE DATE ON WHICH THE CURRENT LICENSE EXPIRES;**

4                   **(II) THE DATE BY WHICH THE SECRETARY MUST RECEIVE**  
5 **THE RENEWAL APPLICATION FOR THE RENEWAL TO BE ISSUED AND MAILED**  
6 **BEFORE THE LICENSE EXPIRES; AND**

7                   **(III) THE AMOUNT OF THE RENEWAL FEE.**

8           **(C) BEFORE A LICENSE EXPIRES, THE LICENSEE PERIODICALLY MAY**  
9 **RENEW IT FOR AN ADDITIONAL 2-YEAR TERM, IF THE LICENSEE:**

10                   **(1) SUBMITS TO THE SECRETARY A RENEWAL APPLICATION ON**  
11 **THE FORM THAT THE SECRETARY PROVIDES;**

12                   **(2) SIGNS THE RENEWAL APPLICATION UNDER OATH;**

13                   **(3) UPDATES THE INFORMATION SUBMITTED IN THE ORIGINAL**  
14 **APPLICATION AND STATES THAT THE INFORMATION IS CURRENT;**

15                   **(4) EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,**  
16 **AGREES TO COMPLY WITH EACH REQUIREMENT APPLICABLE TO THE ORIGINAL**  
17 **APPLICATION;**

18                   **(5) STATES THAT THE LICENSEE:**

19                           **(I) HAS NOT VIOLATED THIS TITLE;**

20                           **(II) HAS NOT BEEN CONVICTED OF AN OFFENSE SPECIFIED**  
21 **IN § 20-208 OF THIS SUBTITLE; AND**

22                           **(III) HAS NOT HAD A SIMILAR LICENSE DENIED, SUSPENDED,**  
23 **OR REVOKED IN ANOTHER JURISDICTION;**

24                   **(6) OTHERWISE IS ENTITLED TO BE LICENSED; AND**

25                   **(7) PAYS TO THE SECRETARY A RENEWAL FEE OF \$265.**

1           **(D) THE SECRETARY MAY REQUIRE A LICENSEE TO SUBMIT A NATIONAL**  
2 **AND STATE CRIMINAL HISTORY RECORDS CHECK WITH THE RENEWAL**  
3 **APPLICATION.**

4           **(E) THE SECRETARY SHALL RENEW THE LICENSE OF EACH LICENSEE**  
5 **WHO MEETS THE REQUIREMENTS OF THIS SECTION.**

6           **(F) A LICENSE IS NOT TRANSFERABLE AND MAY BE USED ONLY TO**  
7 **BENEFIT THE LICENSEE.**

8           **(G) (1) A LICENSEE MAY CHANGE THE PLACE OF BUSINESS FOR**  
9 **WHICH A LICENSE IS ISSUED ONLY IF THE LICENSEE:**

10                           **(I) SUBMITS TO THE SECRETARY AN APPLICATION TO**  
11 **TRANSFER THE LICENSE TO A NEW BUSINESS LOCATION ON A FORM THAT THE**  
12 **SECRETARY PROVIDES; AND**

13                           **(II) RECEIVES THE WRITTEN APPROVAL OF THE**  
14 **SECRETARY.**

15                           **(2) WITHIN 45 DAYS AFTER THE APPLICATION IS FILED WITH THE**  
16 **SECRETARY, THE SECRETARY SHALL APPROVE OR DISAPPROVE THE**  
17 **APPLICATION AND NOTIFY THE LICENSEE OF THE APPROVAL OR DISAPPROVAL**  
18 **IN WRITING.**

19                           **(3) IF THE SECRETARY APPROVES A PROPOSED CHANGE OF**  
20 **PLACE OF BUSINESS, THE LICENSEE SHALL:**

21                           **(I) SUBMIT TO THE SECRETARY A CURRENT LIST OF NAMES**  
22 **OF EACH EMPLOYEE TO BE EMPLOYED AT THE NEW LOCATION; AND**

23                           **(II) ATTACH THE WRITTEN APPROVAL OF THE SECRETARY**  
24 **TO THE LICENSE UNTIL AN AMENDED LICENSE IS RECEIVED BY THE LICENSEE.**

25           **(H) THE SECRETARY MAY DETERMINE THAT LICENSES ISSUED UNDER**  
26 **THIS SUBTITLE SHALL EXPIRE ON A STAGGERED BASIS.**

27 **20-208.**

28           **(A) (1) IN THIS SUBSECTION, AN APM OPERATOR'S OR APPLICANT'S**  
29 **AGENTS, EMPLOYEES, MANAGEMENT PERSONNEL, OR PARTNERS INCLUDE ONLY**  
30 **THOSE INDIVIDUALS WHO ARE DIRECTLY INVOLVED IN TRANSACTIONS ON**  
31 **BEHALF OF THE APM OPERATOR OR APPLICANT.**

1           **(2) SUBJECT TO THE HEARING PROVISIONS OF § 20-209 OF THIS**  
2 **SUBTITLE, THE SECRETARY MAY DENY A LICENSE TO AN APPLICANT,**  
3 **REPRIMAND A LICENSEE, OR SUSPEND OR REVOKE A LICENSE IF THE**  
4 **APPLICANT OR LICENSEE OR AN AGENT, AN EMPLOYEE, A MANAGER, OR A**  
5 **PARTNER OF THE APPLICANT OR LICENSEE:**

6                   **(I) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR**  
7 **ATTEMPTS TO OBTAIN A LICENSE FOR THE APPLICANT OR LICENSEE OR FOR**  
8 **ANOTHER PERSON;**

9                   **(II) FRAUDULENTLY OR DECEPTIVELY USES A LICENSE;**

10                   **(III) HAS A SIMILAR LICENSE DENIED, SUSPENDED, OR**  
11 **REVOKED IN ANOTHER JURISDICTION;**

12                   **(IV) UNDER THE LAWS OF THE UNITED STATES OR OF ANY**  
13 **STATE, IS CONVICTED OF:**

14                           **1. A FELONY; OR**

15                           **2. A MISDEMEANOR THAT IS DIRECTLY RELATED TO**  
16 **THE FITNESS AND QUALIFICATION OF THE APPLICANT OR LICENSEE TO BE**  
17 **INVOLVED IN BUYING OR SELLING PERSONAL PROPERTY;**

18                   **(V) KNOWINGLY EMPLOYS OR KNOWINGLY CONTINUES TO**  
19 **EMPLOY, AFTER BEING NOTIFIED BY THE SECRETARY, AN INDIVIDUAL WHO,**  
20 **UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE, IS CONVICTED OF:**

21                           **1. A FELONY; OR**

22                           **2. A MISDEMEANOR THAT IS DIRECTLY RELATED TO**  
23 **THE FITNESS AND QUALIFICATION OF THE EMPLOYEE TO BE INVOLVED IN**  
24 **BUYING OR SELLING PERSONAL PROPERTY;**

25                   **(VI) WILLFULLY FAILS TO PROVIDE OR WILLFULLY**  
26 **MISREPRESENTS ANY INFORMATION REQUIRED TO BE PROVIDED UNDER THIS**  
27 **TITLE;**

28                   **(VII) VIOLATES THIS TITLE; OR**

29                   **(VIII) VIOLATES A REGULATION ADOPTED UNDER THIS TITLE.**

1           **(3) (I) INSTEAD OF OR IN ADDITION TO REPRIMANDING A**  
2 **LICENSEE OR SUSPENDING OR REVOKING A LICENSE UNDER THIS SUBSECTION,**  
3 **THE SECRETARY MAY IMPOSE A PENALTY NOT EXCEEDING \$5,000 FOR EACH**  
4 **VIOLATION.**

5                   **(II) TO DETERMINE THE AMOUNT OF THE PENALTY**  
6 **IMPOSED UNDER THIS SUBSECTION, THE SECRETARY SHALL CONSIDER:**

- 7                   1.    **THE SERIOUSNESS OF THE VIOLATION;**
- 8                   2.    **THE HARM CAUSED BY THE VIOLATION;**
- 9                   3.    **THE GOOD FAITH OF THE LICENSEE; AND**
- 10                  4.    **ANY HISTORY OF PREVIOUS VIOLATIONS BY THE**  
11 **LICENSEE.**

12           **(4) THE SECRETARY SHALL PAY ANY PENALTY COLLECTED**  
13 **UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.**

14           **(5) THE SECRETARY SHALL DISTRIBUTE PERIODICALLY TO ALL**  
15 **APM OPERATORS A LIST OF INDIVIDUALS WHOSE LICENSES HAVE BEEN**  
16 **REVOKED IN THE STATE.**

17           **(B) (1) IF A LICENSEE IS CHARGED WITH A VIOLATION OF THIS TITLE**  
18 **THAT COULD RESULT IN SUSPENSION OR REVOCATION OF THE LICENSE, THE**  
19 **SECRETARY MAY SEEK FROM A CIRCUIT COURT AN IMMEDIATE RESTRAINING**  
20 **ORDER TO PROHIBIT THE LICENSEE FROM:**

21                   **(I) BUYING OR SELLING PERSONAL PROPERTY;**

22                   **(II) DISPOSING OF PERSONAL PROPERTY; OR**

23                   **(III) DISPOSING OF A RECORD ABOUT PERSONAL PROPERTY.**

24           **(2) THE RESTRAINING ORDER IS IN EFFECT UNTIL:**

25                   **(I) THE COURT LIFTS THE ORDER; OR**

26                   **(II) THE CHARGES ARE ADJUDICATED OR DISMISSED.**

27           **(C) THE SECRETARY SHALL CONSIDER THE FOLLOWING FACTS IN THE**  
28 **GRANTING, DENIAL, RENEWAL, SUSPENSION, OR REVOCATION OF A LICENSE OR**

1 THE REPRIMAND OF A LICENSEE WHEN AN APPLICANT OR A LICENSEE IS  
2 CONVICTED OF A FELONY OR MISDEMEANOR DESCRIBED IN SUBSECTION  
3 (A)(2)(IV) OF THIS SECTION:

4 (1) THE NATURE OF THE CRIME;

5 (2) THE RELATIONSHIP OF THE CRIME TO THE ACTIVITIES  
6 AUTHORIZED BY THE LICENSE;

7 (3) WITH RESPECT TO A FELONY, THE RELEVANCE OF THE  
8 CONVICTION TO THE FITNESS AND QUALIFICATION OF THE APPLICANT OR  
9 LICENSEE TO ACT AS AN APM OPERATOR;

10 (4) THE LENGTH OF TIME SINCE THE CONVICTION; AND

11 (5) THE BEHAVIOR AND ACTIVITIES OF THE APPLICANT OR  
12 LICENSEE BEFORE AND AFTER THE CONVICTION.

13 **20-209.**

14 (A) EXCEPT AS OTHERWISE PROVIDED IN § 10-226 OF THE STATE  
15 GOVERNMENT ARTICLE, BEFORE THE SECRETARY TAKES ANY FINAL ACTION  
16 UNDER § 20-208 OF THIS SUBTITLE, THE SECRETARY SHALL GIVE THE  
17 INDIVIDUAL AGAINST WHOM THE ACTION IS CONTEMPLATED AN OPPORTUNITY  
18 FOR A HEARING BEFORE THE SECRETARY.

19 (B) THE SECRETARY SHALL GIVE NOTICE AND HOLD THE HEARING IN  
20 ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT  
21 ARTICLE.

22 (C) THE SECRETARY MAY ADMINISTER OATHS IN A PROCEEDING  
23 UNDER THIS SECTION.

24 (D) IF, AFTER DUE NOTICE, THE INDIVIDUAL AGAINST WHOM THE  
25 ACTION IS CONTEMPLATED DOES NOT APPEAR, THE SECRETARY MAY HEAR AND  
26 DETERMINE THE MATTER.

27 **20-210.**

28 A PARTY TO A PROCEEDING UNDER THIS TITLE WHO IS AGGRIEVED BY A  
29 FINAL DECISION OF THE SECRETARY IN A CONTESTED CASE, AS DEFINED IN §  
30 10-202 OF THE STATE GOVERNMENT ARTICLE, MAY TAKE AN APPEAL AS  
31 ALLOWED IN §§ 10-222 AND 10-223 OF THE STATE GOVERNMENT ARTICLE.

1 **20-211.**

2 **THE SECRETARY SHALL INFORM EACH PRIMARY LAW ENFORCEMENT**  
3 **UNIT OF EACH LICENSE THAT IS ISSUED, RENEWED, CHANGED TO A NEW**  
4 **BUSINESS LOCATION, DENIED, SUSPENDED, OR REVOKED.**

5 **SUBTITLE 3. AUTOMATED PURCHASING MACHINE TRANSACTIONS.**

6 **20-301.**

7 **(A) (1) BEFORE THE COMPLETION OF A TRANSACTION IN WHICH AN**  
8 **AUTOMATED PURCHASING MACHINE PURCHASES PERSONAL PROPERTY, THE**  
9 **AUTOMATED PURCHASING MACHINE SHALL REQUIRE A SELLER TO PROVIDE**  
10 **THE FOLLOWING INFORMATION:**

11 **(I) THE FULL NAME OF THE SELLER;**

12 **(II) THE DATE OF BIRTH OF THE SELLER;**

13 **(III) THE COMPLETE HOME ADDRESS OF THE SELLER; AND**

14 **(IV) A CONTACT TELEPHONE NUMBER FOR THE SELLER.**

15 **(2) AN AUTOMATED PURCHASING MACHINE RECEIVING**  
16 **PERSONAL PROPERTY FROM A SELLER SHALL VERIFY THE INFORMATION**  
17 **PROVIDED BY THE SELLER UNDER PARAGRAPH (1) OF THIS SUBSECTION BY**  
18 **REQUIRING THE SELLER TO SUBMIT:**

19 **(I) THE SELLER'S GOVERNMENT-ISSUED IDENTIFICATION**  
20 **CARD; OR**

21 **(II) ANY OTHER FORM OF PERSONAL IDENTIFYING**  
22 **INFORMATION REQUIRED BY THE SECRETARY.**

23 **(B) (1) ON COMPLETION OF A TRANSACTION IN WHICH AN**  
24 **AUTOMATED PURCHASING MACHINE PURCHASES PERSONAL PROPERTY, THE**  
25 **AUTOMATED PURCHASING MACHINE SHALL MAKE A RECORD OF THE**  
26 **TRANSACTION THAT INCLUDES:**

27 **(I) THE INFORMATION OBTAINED FROM THE SELLER**  
28 **UNDER SUBSECTION (A)(1) OF THIS SECTION;**

1                   **(II) A PHOTOGRAPH OF THE SELLER;**

2                   **(III) AN ELECTRONIC COPY OR A PHOTOCOPY OF THE**  
3 **IDENTIFYING INFORMATION SUBMITTED UNDER SUBSECTION (A)(2) OF THIS**  
4 **SECTION;**

5                   **(IV) THE DATE, TIME, AND LOCATION OF THE TRANSACTION;**  
6 **AND**

7                   **(V) A DESCRIPTION OF THE PERSONAL PROPERTY,**  
8 **INCLUDING A STATEMENT WHETHER THE PERSONAL PROPERTY APPEARS TO**  
9 **HAVE BEEN ALTERED.**

10                   **(2) (I) IN ADDITION TO THE INFORMATION REQUIRED UNDER**  
11 **PARAGRAPH (1) OF THIS SUBSECTION, IF THE PERSONAL PROPERTY**  
12 **PURCHASED BY AN AUTOMATED PURCHASING MACHINE IS AN ELECTRONIC**  
13 **DEVICE, THE AUTOMATED PURCHASING MACHINE SHALL MAKE A RECORD OF:**

14                                   **1. THE MAKE AND MODEL OF THE ELECTRONIC**  
15 **DEVICE; AND**

16                                   **2. THE SERIAL NUMBER OF THE ELECTRONIC**  
17 **DEVICE.**

18                   **(II) A SERIAL NUMBER THAT AN AUTOMATED PURCHASING**  
19 **MACHINE GENERATES TO RECORD A TRANSACTION DOES NOT QUALIFY AS A**  
20 **SERIAL NUMBER FOR PURPOSES OF THIS PARAGRAPH.**

21                   **(3) A SEPARATE ENTRY SHALL BE MADE FOR EACH ITEM OF**  
22 **PERSONAL PROPERTY INVOLVED IN A TRANSACTION.**

23                   **(C) (1) AN AUTOMATED PURCHASING MACHINE MAY DISBURSE CASH**  
24 **AS PAYMENT TO A SELLER ONLY IF THE REQUIREMENTS OF SUBSECTION (B)(2)**  
25 **OF THIS SECTION ARE MET AT THE TIME OF THE TRANSACTION.**

26                   **(2) (I) IF THE REQUIREMENTS OF SUBSECTION (B)(2) OF THIS**  
27 **SECTION ARE NOT MET AT THE TIME OF THE TRANSACTION, PAYMENT MAY ONLY**  
28 **BE MADE TO THE SELLER IN THE FORM OF A CHECK.**

29                   **(II) THE CHECK REFERRED TO IN SUBPARAGRAPH (I) OF**  
30 **THIS PARAGRAPH SHALL BE SENT TO THE ADDRESS PROVIDED IN SUBSECTION**  
31 **(A)(1)(III) OF THIS SECTION.**

1 **20-302.**

2 (A) (1) AN APM OPERATOR SHALL SUBMIT AN ELECTRONIC COPY OF  
3 THE RECORDS REQUIRED UNDER § 20-301(B) OF THIS SUBTITLE TO THE  
4 PRIMARY LAW ENFORCEMENT UNIT WITHIN 48 HOURS AFTER A TRANSACTION  
5 IN A FORMAT ACCEPTABLE TO THE PRIMARY LAW ENFORCEMENT UNIT.

6 (2) AN APM OPERATOR SHALL KEEP THE RECORDS REQUIRED  
7 UNDER § 20-301(B) OF THIS SUBTITLE FOR AT LEAST 1 YEAR AFTER THE DATE  
8 OF THE TRANSACTION.

9 (3) A COPY OF A RECORD SUBMITTED UNDER § 20-301(B) OF THIS  
10 SUBTITLE:

11 (I) SHALL BE KEPT CONFIDENTIAL;

12 (II) IS NOT A PUBLIC RECORD; AND

13 (III) IS NOT SUBJECT TO TITLE 10, SUBTITLE 6 OF THE  
14 STATE GOVERNMENT ARTICLE.

15 (B) AN APM OPERATOR SHALL KEEP ALL PERSONAL PROPERTY  
16 PURCHASED IN THE STATE FOR AT LEAST 30 DAYS AFTER THE APM OPERATOR  
17 SUBMITS THE INFORMATION REQUIRED UNDER § 20-301(B) OF THIS SUBTITLE  
18 TO THE PRIMARY LAW ENFORCEMENT UNIT.

19 **20-303.**

20 (A) (1) AN APM OPERATOR SHALL USE AN INDIVIDUAL TO SCREEN  
21 EACH TRANSACTION IN WHICH AN AUTOMATIC PURCHASING MACHINE  
22 PURCHASES PERSONAL PROPERTY.

23 (2) (I) AN APM OPERATOR SHALL KEEP A RECORD OF THE  
24 SCREENER ASSIGNED TO SCREEN EACH TRANSACTION.

25 (II) EACH EMPLOYEE THAT SCREENS A TRANSACTION  
26 SHALL BE STATIONED IN THE STATE.

27 (B) IF AN APM OPERATOR DETERMINES THAT PERSONAL PROPERTY  
28 SOLD TO AN AUTOMATED PURCHASING MACHINE IS STOLEN, THE APM  
29 OPERATOR SHALL:

1           **(1) CONTACT THE PRIMARY LAW ENFORCEMENT UNIT AS SOON AS**  
2 **PRACTICABLE; AND**

3           **(2) RETURN THE PERSONAL PROPERTY TO THE PRIMARY LAW**  
4 **ENFORCEMENT UNIT FREE OF CHARGE.**

5                   **SUBTITLE 4. PROHIBITED ACTS; PENALTIES.**

6           **20-401.**

7           **AN AUTOMATED PURCHASING MACHINE MAY NOT ACCEPT AN**  
8 **ELECTRONIC DEVICE IF THE DEVICE DOES NOT HAVE A VISIBLE AND LEGIBLE**  
9 **SERIAL NUMBER.**

10           **20-402.**

11           **AN APM OPERATOR MAY NOT BUY OR OFFER TO BUY PERSONAL**  
12 **PROPERTY FROM A MINOR.**

13           **20-403.**

14           **(A) A PERSON WHO VIOLATES THIS TITLE IS GUILTY OF A**  
15 **MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:**

16                   **(1) FOR A FIRST OFFENSE, A FINE NOT EXCEEDING \$1,000; AND**

17                   **(2) FOR A SECOND OR SUBSEQUENT OFFENSE, A FINE NOT**  
18 **EXCEEDING \$5,000.**

19           **(B) EACH VIOLATION OF THIS TITLE IS A SEPARATE OFFENSE.**

20           **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**  
21 **October 1, 2014.**