

SENATE BILL 382

C2

4r1817
CF HB 918

By: **Senator Conway**

Introduced and read first time: January 23, 2014

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 22, 2014

CHAPTER _____

1 AN ACT concerning

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

4 FOR the purpose of requiring a person to have a license before doing business as a
5 buyer of personal property by means of an automated purchasing machine in
6 the State; establishing the application and renewal processes for a buyer's
7 license; requiring applicants for a buyer's license and a certain resident agent of
8 an applicant or a licensee to apply for a national and State criminal history
9 records check; authorizing the Secretary of Labor, Licensing, and Regulation to
10 issue a license under certain circumstances; authorizing the Secretary to deny,
11 suspend, or revoke a license, reprimand a licensee, or impose a certain penalty
12 under 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 to a new business location, denied, suspended, or revoked; requiring a
16 buyer to ensure that each automated purchasing machine that the buyer owns
17 or operates in the State meets certain requirements; requiring an automated
18 purchasing machine to require a seller of certain personal property to provide
19 certain information before the completion of a certain transaction; requiring an
20 automated purchasing machine to verify certain information through certain
21 documentation submitted by a seller; establishing certain record keeping and
22 reporting requirements for a buyer; requiring a buyer to submit certain reports
23 to the primary law enforcement unit if certain information cannot be
24 determined at a certain time; providing that certain reporting requirements
25 may not be construed to require a buyer to incur a certain financial burden;

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 requiring a buyer to keep all personal property bought for a certain period of
 2 time; requiring a buyer to provide certain personal property to the primary law
 3 enforcement unit on request and at the cost of the buyer; requiring a buyer to
 4 make certain personal property available for inspection by the primary law
 5 enforcement unit at a certain time; requiring buyers to remove certain personal
 6 property from an automated purchasing machine in a certain manner and to
 7 provide a certain notice; authorizing the primary law enforcement unit to
 8 inspect personal property being removed from an automated purchasing
 9 machine at the time of removal; requiring a buyer to ~~have~~ use an individual
 10 screen ~~transactions~~ transaction under certain circumstances; requiring a buyer
 11 to keep certain records regarding screeners; requiring a buyer to contact the
 12 primary law enforcement unit if personal property is determined to be stolen
 13 and to return personal property to the primary law enforcement unit free of
 14 charge; prohibiting ~~an automated purchasing machine operator~~ a buyer from
 15 buying or offering to buy personal property from a minor; prohibiting a buyer
 16 from buying an electronic device under certain circumstances; establishing
 17 certain penalties for a violation of this Act; exempting certain automated
 18 purchasing machines from this Act; providing that this Act preempts the right
 19 of any county or municipality to regulate automated purchasing machines or
 20 operators of automated purchasing machines and supersedes any existing law of
 21 a county or municipality that regulates automated purchasing machines or
 22 operators of automated purchasing machines under certain circumstances;
 23 authorizing a county or municipality to license automated purchasing machines
 24 and operators of automated purchasing machines; requiring the Secretary to
 25 adopt certain regulations; providing for the designation of certain primary law
 26 enforcement units for a certain purpose; defining certain terms; and generally
 27 relating to automated purchasing machines.

28 BY adding to

29 Article – Business Regulation

30 Section 20–101 through 20–502 to be under the new title “Title 20. Automated
 31 Purchasing Machines”

32 Annotated Code of Maryland

33 (2010 Replacement Volume and 2013 Supplement)

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

36 **Article – Business Regulation**

37 **TITLE 20. AUTOMATED PURCHASING MACHINES.**

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

39 **20–101.**

1 **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
2 **INDICATED.**

3 **(B) “AUTOMATED PURCHASING MACHINE” MEANS A SELF-SERVICE**
4 **DEVICE THAT:**

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

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

8 **(C) “BUYER” MEANS A PERSON THAT BUYS OR OFFERS TO BUY**
9 **PERSONAL PROPERTY BY MEANS OF AN AUTOMATED PURCHASING MACHINE.**

10 **(D) “ELECTRONIC DEVICE” MEANS A DEVICE CAPABLE OF**
11 **FACILITATING COMMUNICATION THROUGH VOICE, DATA, TEXT, OR OTHER**
12 **VISUAL OR AUDITORY FORMAT.**

13 **(E) “EMPLOYEE” MEANS AN INDIVIDUAL WHO IS EMPLOYED BY A BUYER**
14 **TO BUY OR SUPERVISE DIRECTLY THE BUYING OF PERSONAL PROPERTY.**

15 **(F) “LICENSE” MEANS A LICENSE ISSUED BY THE SECRETARY TO DO**
16 **BUSINESS AS A BUYER.**

17 **(G) (1) “PERSONAL PROPERTY” MEANS PRIVATE PROPERTY THAT IS**
18 **MOVEABLE.**

19 **(2) “PERSONAL PROPERTY” INCLUDES:**

20 **(I) PROPERTY THAT IS SERIALIZED OR NORMALLY HAS A**
21 **UNIQUE IDENTIFIER; AND**

22 **(II) GIFT CARDS OR VOUCHERS THAT HAVE MONETARY**
23 **VALUE.**

24 **(H) “PRIMARY LAW ENFORCEMENT UNIT” MEANS THE DEPARTMENT OF**
25 **STATE POLICE, A POLICE DEPARTMENT, OR SHERIFF, AS DESIGNATED BY A**
26 **RESOLUTION OF THE COUNTY OR MUNICIPAL GOVERNING BODY IN THE COUNTY**
27 **IN WHICH THE AUTOMATED PURCHASING MACHINE IS LOCATED.**

28 **(I) (1) “RECYCLABLE MATERIALS” MEANS MATERIAL THAT:**

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

1 (II) MAY BE COLLECTED, SEPARATED, OR PROCESSED AND
2 RETURNED TO THE MARKETPLACE IN THE FORM OF RAW MATERIALS OR
3 PRODUCTS.

4 (2) "RECYCLABLE MATERIALS" INCLUDES PAPER, GLASS,
5 METALS, PLASTICS, AND CARDBOARD.

6 (J) "RESIDENT AGENT" MEANS A PERSON REGISTERED IN THE STATE
7 WHO:

8 (1) SERVES AS A PRIMARY POINT OF CONTACT ~~AND~~;

9 (2) REGULARLY CONDUCTS BUSINESS FOR THE LICENSEE; AND

10 (3) MAINTAINS A PHYSICAL LOCATION IN MARYLAND WHERE THE
11 RESIDENT AGENT REGULARLY CONDUCTS BUSINESS AND AT WHICH THE
12 RESIDENT AGENT OR AN EMPLOYEE OF THE RESIDENT AGENT IS PHYSICALLY
13 PRESENT DURING NORMAL BUSINESS HOURS.

14 (K) "SELLER" MEANS A PERSON WHO SELLS OR OFFERS TO SELL
15 PERSONAL PROPERTY TO AN AUTOMATED PURCHASING MACHINE.

16 20-102.

17 (A) THIS TITLE DOES NOT APPLY TO AN AUTOMATED PURCHASING
18 MACHINE THAT IS USED EXCLUSIVELY FOR COLLECTING RECYCLABLE
19 MATERIALS IN ACCORDANCE WITH A RECYCLING PROGRAM APPROVED BY THE
20 DEPARTMENT OF THE ENVIRONMENT.

21 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
22 SUBSECTION, THIS TITLE:

23 (I) PREEMPTS THE RIGHT OF A COUNTY OR MUNICIPALITY
24 TO REGULATE AUTOMATED PURCHASING MACHINES AND OPERATORS OF
25 AUTOMATED PURCHASING MACHINES; AND

26 (II) SUPERSEDES ANY EXISTING LAW OF A COUNTY OR
27 MUNICIPALITY THAT REGULATES AUTOMATED PURCHASING MACHINES AND
28 OPERATORS OF AUTOMATED PURCHASING MACHINES.

29 (2) THIS TITLE DOES NOT LIMIT THE POWER OF A COUNTY OR
30 MUNICIPALITY TO:

1 **(I) LICENSE AUTOMATED PURCHASING MACHINES AND**
2 **OPERATORS OF AUTOMATED PURCHASING MACHINES; OR**

3 **(II) PROHIBIT THE INSTALLATION OR OPERATION OF**
4 **AUTOMATED PURCHASING MACHINES WITHIN THE COUNTY OR MUNICIPALITY.**

5 **20-103.**

6 **THE SECRETARY SHALL ADOPT REGULATIONS TO CARRY OUT AND**
7 **ENFORCE THIS TITLE.**

8 **SUBTITLE 2. DESIGNATION OF PRIMARY LAW ENFORCEMENT UNIT.**

9 **20-201.**

10 **(A) A COUNTY OR MUNICIPAL GOVERNING BODY IN THE COUNTY IN**
11 **WHICH AN AUTOMATED PURCHASING MACHINE IS LOCATED SHALL DESIGNATE**
12 **BY RESOLUTION THE PRIMARY LAW ENFORCEMENT UNIT TO RECEIVE RECORDS**
13 **IN ACCORDANCE WITH § 20-402(A)(1) OF THIS TITLE.**

14 **(B) IF A MUNICIPAL GOVERNING BODY DESIGNATES A COUNTY POLICE**
15 **DEPARTMENT OR SHERIFF AS THE PRIMARY LAW ENFORCEMENT UNIT UNDER**
16 **THIS SECTION, THE COUNTY MAY DESIGNATE THE DEPARTMENT OF STATE**
17 **POLICE AS THE PRIMARY LAW ENFORCEMENT UNIT.**

18 **SUBTITLE 3. LICENSING.**

19 **20-301.**

20 **EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, A PERSON SHALL HAVE**
21 **A LICENSE BEFORE THE PERSON DOES BUSINESS AS A BUYER IN THE STATE.**

22 **20-302.**

23 **(A) (1) AN APPLICANT FOR A LICENSE SHALL:**

24 **(i) SUBMIT TO THE SECRETARY AN APPLICATION ON THE**
25 **FORM THAT THE SECRETARY PROVIDES; AND**

26 **(ii) PAY TO THE SECRETARY AN APPLICATION FEE OF \$300.**

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

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

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

3 **(1) THE NAME, DATE OF BIRTH, AND RESIDENCE ADDRESS OF THE**
4 **APPLICANT;**

5 **(2) THE BUSINESS ADDRESS OF THE APPLICANT;**

6 **(3) A TELEPHONE NUMBER AT WHICH THE APPLICANT CAN BE**
7 **REACHED DURING NORMAL BUSINESS HOURS;**

8 **(4) EACH ADDRESS WHERE THE APPLICANT HAS CONDUCTED ANY**
9 **BUSINESS DURING THE 3 YEARS BEFORE APPLICATION;**

10 **(5) THE DRIVER'S LICENSE NUMBER, IF ANY, OF THE APPLICANT;**
11 **AND**

12 **(6) THE NAME AND PERMANENT ADDRESS OF THE RESIDENT**
13 **AGENT WHO WILL REPRESENT THE APPLICANT IN THE STATE.**

14 **(D) THE APPLICATION FORM SHALL CONTAIN IMMEDIATELY ABOVE THE**
15 **SIGNATURE LINE THE FOLLOWING:**

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

21 **20-303.**

22 **BEFORE AN INDIVIDUAL MAY BEGIN WORK AS A RESIDENT AGENT FOR A**
23 **BUYER:**

24 **(1) THE BUYER SHALL SUBMIT TO THE SECRETARY ON THE FORM**
25 **THAT THE SECRETARY PROVIDES THE NAME OF THE INDIVIDUAL; AND**

26 **(2) THE INDIVIDUAL SHALL APPLY FOR A NATIONAL AND STATE**
27 **CRIMINAL HISTORY RECORDS CHECK REQUIRED UNDER § 20-304(B) OF THIS**
28 **SUBTITLE.**

29 **20-304.**

1 **(A) IN THIS SECTION, "CENTRAL REPOSITORY" MEANS THE CRIMINAL**
2 **JUSTICE INFORMATION SYSTEM CENTRAL REPOSITORY OF THE DEPARTMENT**
3 **OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.**

4 **(B) APPLICANTS FOR LICENSES UNDER § 20-301 OF THIS SUBTITLE**
5 **AND INDIVIDUALS WHOSE NAMES MUST BE SUBMITTED TO THE SECRETARY**
6 **UNDER § 20-303 OF THIS SUBTITLE SHALL APPLY TO THE CENTRAL**
7 **REPOSITORY FOR A NATIONAL AND STATE CRIMINAL HISTORY RECORDS CHECK**
8 **ON A FORM APPROVED BY THE DIRECTOR OF THE CENTRAL REPOSITORY.**

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

10 **(1) THE NATIONAL AND STATE CRIMINAL HISTORY RECORDS OF**
11 **EACH INDIVIDUAL REQUIRING A CRIMINAL HISTORY RECORDS CHECK UNDER**
12 **SUBSECTION (B) OF THIS SECTION AND A PRINTED STATEMENT LISTING ANY**
13 **CONVICTIONS AND PLEAS OF GUILTY OR NOLO CONTENDERE TO ANY CRIMINAL**
14 **CHARGE;**

15 **(2) AN UPDATE OF THE INITIAL CRIMINAL HISTORY RECORDS**
16 **CHECK FOR AN INDIVIDUAL REQUIRING A CRIMINAL HISTORY RECORDS CHECK**
17 **AND A REVISED PRINTED STATEMENT LISTING ANY CONVICTIONS AND PLEAS OF**
18 **GUILTY OR NOLO CONTENDERE TO ANY CRIMINAL CHARGE OCCURRING IN THE**
19 **STATE AFTER THE DATE OF THE INITIAL CRIMINAL HISTORY RECORDS CHECK;**
20 **AND**

21 **(3) AN ACKNOWLEDGED RECEIPT OF THE APPLICATION FOR A**
22 **CRIMINAL HISTORY RECORDS CHECK BY AN INDIVIDUAL REQUIRING A**
23 **CRIMINAL HISTORY RECORDS CHECK.**

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

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

31 **(1) THE MANDATORY PROCESSING FEE REQUIRED BY THE**
32 **FEDERAL BUREAU OF INVESTIGATION FOR A NATIONAL CRIMINAL HISTORY**
33 **RECORDS CHECK; AND**

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

4 **(F) A BUYER OR AN APPLICANT MAY PAY FOR THE COSTS INCURRED BY**
5 **THE RESIDENT AGENT OR OTHER INDIVIDUAL REQUIRING A CRIMINAL HISTORY**
6 **RECORDS CHECK UNDER SUBSECTION (B) OF THIS SECTION.**

7 **(G) (1) INFORMATION OBTAINED BY THE SECRETARY FROM THE**
8 **CENTRAL REPOSITORY UNDER THIS TITLE SHALL BE CONFIDENTIAL AND MAY**
9 **BE DISSEMINATED ONLY TO THE INDIVIDUAL WHO IS THE SUBJECT OF THE**
10 **CRIMINAL HISTORY RECORDS CHECK.**

11 **(2) NOTHING IN PARAGRAPH (1) OF THIS SUBSECTION SHALL**
12 **PRECLUDE THE SECRETARY FROM NOTIFYING A BUYER OR AN APPLICANT OF**
13 **THE APPROVAL OR DISQUALIFICATION OF THE RESIDENT AGENT FOR**
14 **EMPLOYMENT BASED ON INFORMATION OBTAINED BY THE SECRETARY UNDER**
15 **THIS SECTION.**

16 **(H) THE SECRETARY SHALL VERIFY PERIODICALLY THE CONTINUED**
17 **EMPLOYMENT OR LICENSURE OF INDIVIDUALS REQUIRING CRIMINAL HISTORY**
18 **RECORDS CHECKS IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE**
19 **SECRETARY OF PUBLIC SAFETY AND CORRECTIONAL SERVICES.**

20 **20-305.**

21 **(A) ON RECEIPT OF A COMPLETE NATIONAL AND STATE CRIMINAL**
22 **RECORD REPORT FROM THE CENTRAL REPOSITORY IN ACCORDANCE WITH §**
23 **20-304 OF THIS SUBTITLE, THE SECRETARY SHALL ISSUE A LICENSE TO EACH**
24 **APPLICANT WHO MEETS THE REQUIREMENTS OF THIS SUBTITLE.**

25 **(B) THE SECRETARY MAY NOT ISSUE A LICENSE FOR AN ADDRESS THAT**
26 **IS:**

27 **(1) A HOTEL OR MOTEL ROOM;**

28 **(2) A MOTOR VEHICLE; OR**

29 **(3) A POST OFFICE BOX.**

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

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

1 **(E) WHENEVER A LICENSE IS SUSPENDED OR REVOKED, ANOTHER**
2 **LICENSE MAY NOT BE ISSUED TO A BUYER FOR THE SAME BUSINESS LOCATION.**

3 **(F) A LICENSE AUTHORIZES THE LICENSEE TO DO BUSINESS AS A**
4 **BUYER ONLY AT THE ADDRESS FOR WHICH THE LICENSE IS ISSUED.**

5 **20-306.**

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

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

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

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

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

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

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

16 **(II) THE DATE BY WHICH THE SECRETARY MUST RECEIVE**
17 **THE RENEWAL APPLICATION FOR THE RENEWAL TO BE ISSUED AND MAILED**
18 **BEFORE THE LICENSE EXPIRES; AND**

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

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

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

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

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

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

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

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

6 **(II) HAS NOT BEEN CONVICTED OF AN OFFENSE SPECIFIED**
7 **IN § 20–307 OF THIS SUBTITLE; AND**

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

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

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

12 **(D) THE SECRETARY MAY REQUIRE A LICENSEE TO SUBMIT A NATIONAL**
13 **AND STATE CRIMINAL HISTORY RECORDS CHECK WITH THE RENEWAL**
14 **APPLICATION.**

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

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

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

21 **(I) SUBMITS TO THE SECRETARY AN APPLICATION TO**
22 **TRANSFER THE LICENSE TO A NEW BUSINESS LOCATION ON A FORM THAT THE**
23 **SECRETARY PROVIDES; AND**

24 **(II) RECEIVES THE WRITTEN APPROVAL OF THE**
25 **SECRETARY.**

26 **(2) WITHIN 45 DAYS AFTER THE APPLICATION IS FILED WITH THE**
27 **SECRETARY, THE SECRETARY SHALL APPROVE OR DISAPPROVE THE**
28 **APPLICATION AND NOTIFY THE LICENSEE OF THE APPROVAL OR DISAPPROVAL**
29 **IN WRITING.**

1 **(3) IF THE SECRETARY APPROVES A PROPOSED CHANGE OF**
2 **PLACE OF BUSINESS, THE LICENSEE SHALL ATTACH THE WRITTEN APPROVAL**
3 **OF THE SECRETARY TO THE LICENSE UNTIL AN AMENDED LICENSE IS RECEIVED**
4 **BY THE LICENSEE.**

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

7 **20-307.**

8 **(A) (1) IN THIS SUBSECTION, A BUYER'S OR AN APPLICANT'S AGENTS,**
9 **EMPLOYEES, MANAGEMENT PERSONNEL, OR PARTNERS INCLUDE ONLY THOSE**
10 **INDIVIDUALS WHO ARE DIRECTLY INVOLVED IN TRANSACTIONS ON BEHALF OF**
11 **THE BUYER OR APPLICANT.**

12 **(2) SUBJECT TO THE HEARING PROVISIONS OF § 20-308 OF THIS**
13 **SUBTITLE, THE SECRETARY MAY DENY A LICENSE TO AN APPLICANT,**
14 **REPRIMAND A LICENSEE, OR SUSPEND OR REVOKE A LICENSE IF THE**
15 **APPLICANT OR LICENSEE OR AN AGENT, AN EMPLOYEE, A MANAGER, OR A**
16 **PARTNER OF THE APPLICANT OR LICENSEE:**

17 **(I) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR**
18 **ATTEMPTS TO OBTAIN A LICENSE FOR THE APPLICANT OR LICENSEE OR FOR**
19 **ANOTHER PERSON;**

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

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

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

25 **1. A FELONY; OR**

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

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

32 **1. A FELONY; OR**

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

4 **(VI) WILLFULLY FAILS TO PROVIDE OR WILLFULLY**
5 **MISREPRESENTS ANY INFORMATION REQUIRED TO BE PROVIDED UNDER THIS**
6 **TITLE;**

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

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

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

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

- 15 1. THE SERIOUSNESS OF THE VIOLATION;
- 16 2. THE HARM CAUSED BY THE VIOLATION;
- 17 3. THE GOOD FAITH OF THE LICENSEE; AND
- 18 4. ANY HISTORY OF PREVIOUS VIOLATIONS BY THE
- 19 **LICENSEE.**

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

22 **(5) THE SECRETARY SHALL DISTRIBUTE PERIODICALLY TO ALL**
23 **BUYERS A LIST OF INDIVIDUALS WHOSE LICENSES HAVE BEEN REVOKED IN THE**
24 **STATE.**

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

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

- 1 **(II) DISPOSING OF PERSONAL PROPERTY; OR**
- 2 **(III) DISPOSING OF A RECORD ABOUT PERSONAL PROPERTY.**
- 3 **(2) THE RESTRAINING ORDER IS IN EFFECT UNTIL:**
- 4 **(I) THE COURT LIFTS THE ORDER; OR**
- 5 **(II) THE CHARGES ARE ADJUDICATED OR DISMISSED.**

6 **(C) THE SECRETARY SHALL CONSIDER THE FOLLOWING FACTS IN THE**
7 **GRANTING, DENIAL, RENEWAL, SUSPENSION, OR REVOCATION OF A LICENSE OR**
8 **THE REPRIMAND OF A LICENSEE WHEN AN APPLICANT OR A LICENSEE IS**
9 **CONVICTED OF A FELONY OR MISDEMEANOR DESCRIBED IN SUBSECTION (A)(2)**
10 **OF THIS SECTION:**

- 11 **(1) THE NATURE OF THE CRIME;**
- 12 **(2) THE RELATIONSHIP OF THE CRIME TO THE ACTIVITIES**
13 **AUTHORIZED BY THE LICENSE;**
- 14 **(3) WITH RESPECT TO A FELONY, THE RELEVANCE OF THE**
15 **CONVICTION TO THE FITNESS AND QUALIFICATION OF THE APPLICANT OR**
16 **LICENSEE TO ACT AS A BUYER;**
- 17 **(4) THE LENGTH OF TIME SINCE THE CONVICTION; AND**
- 18 **(5) THE BEHAVIOR AND ACTIVITIES OF THE APPLICANT OR**
19 **LICENSEE BEFORE AND AFTER THE CONVICTION.**

20 **20-308.**

21 **(A) EXCEPT AS OTHERWISE PROVIDED IN § 10-226 OF THE STATE**
22 **GOVERNMENT ARTICLE, BEFORE THE SECRETARY TAKES ANY FINAL ACTION**
23 **UNDER § 20-307 OF THIS SUBTITLE, THE SECRETARY SHALL GIVE THE**
24 **INDIVIDUAL AGAINST WHOM THE ACTION IS CONTEMPLATED AN OPPORTUNITY**
25 **FOR A HEARING BEFORE THE SECRETARY.**

26 **(B) THE SECRETARY SHALL GIVE NOTICE AND HOLD THE HEARING IN**
27 **ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT**
28 **ARTICLE.**

29 **(C) THE SECRETARY MAY ADMINISTER OATHS IN A PROCEEDING**
30 **UNDER THIS SECTION.**

1 (D) IF, AFTER DUE NOTICE, THE INDIVIDUAL AGAINST WHOM THE
2 ACTION IS CONTEMPLATED DOES NOT APPEAR, NEVERTHELESS THE
3 SECRETARY MAY HEAR AND DETERMINE THE MATTER.

4 **20-309.**

5 A PARTY TO A PROCEEDING UNDER THIS TITLE WHO IS AGGRIEVED BY A
6 FINAL DECISION OF THE SECRETARY IN A CONTESTED CASE, AS DEFINED IN §
7 10-202 OF THE STATE GOVERNMENT ARTICLE, MAY TAKE AN APPEAL AS
8 ALLOWED IN §§ 10-222 AND 10-223 OF THE STATE GOVERNMENT ARTICLE.

9 **20-310.**

10 THE SECRETARY SHALL INFORM EACH PRIMARY LAW ENFORCEMENT
11 UNIT OF EACH LICENSE THAT IS ISSUED, RENEWED, CHANGED TO A NEW
12 BUSINESS LOCATION, DENIED, SUSPENDED, OR REVOKED.

13 **SUBTITLE 4. AUTOMATED PURCHASING MACHINE TRANSACTIONS.**

14 **20-401.**

15 (A) A BUYER SHALL ENSURE THAT EACH AUTOMATED PURCHASING
16 MACHINE THAT THE BUYER OWNS OR OPERATES IN THE STATE MEETS THE
17 REQUIREMENTS OF THIS SECTION.

18 (B) (1) BEFORE THE COMPLETION OF A TRANSACTION IN WHICH AN
19 AUTOMATED PURCHASING MACHINE BUYS PERSONAL PROPERTY, THE
20 AUTOMATED PURCHASING MACHINE SHALL REQUIRE A SELLER TO PROVIDE
21 THE FOLLOWING INFORMATION:

22 (I) THE FULL NAME OF THE SELLER;

23 (II) THE DATE OF BIRTH OF THE SELLER;

24 (III) THE COMPLETE HOME ADDRESS OF THE SELLER; AND

25 (IV) A CONTACT TELEPHONE NUMBER FOR THE SELLER.

26 (2) AN AUTOMATED PURCHASING MACHINE RECEIVING
27 PERSONAL PROPERTY FROM A SELLER SHALL VERIFY THE INFORMATION
28 PROVIDED BY THE SELLER UNDER PARAGRAPH (1) OF THIS SUBSECTION BY
29 REQUIRING THE SELLER TO SUBMIT:

1 **(I) THE SELLER'S GOVERNMENT-ISSUED IDENTIFICATION**
2 **CARD; OR**

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

5 ~~**(B)**~~ **(C) (1) ON COMPLETION OF A TRANSACTION IN WHICH AN**
6 **AUTOMATED PURCHASING MACHINE BUYS PERSONAL PROPERTY, THE**
7 **AUTOMATED PURCHASING MACHINE SHALL MAKE A RECORD OF THE**
8 **TRANSACTION THAT INCLUDES:**

9 **(I) THE INFORMATION OBTAINED FROM THE SELLER**
10 **UNDER SUBSECTION ~~(A)(1)~~ (B)(1) OF THIS SECTION;**

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

12 **(III) AN ELECTRONIC COPY OR A PHOTOCOPY OF THE**
13 **IDENTIFYING INFORMATION SUBMITTED UNDER SUBSECTION ~~(A)(2)~~ (B)(2) OF**
14 **THIS SECTION;**

15 **(IV) THE DATE, TIME, AND LOCATION OF THE TRANSACTION;**
16 **AND**

17 **(V) A DESCRIPTION OF THE PERSONAL PROPERTY,**
18 **INCLUDING A STATEMENT WHETHER THE PERSONAL PROPERTY APPEARS TO**
19 **HAVE BEEN ALTERED.**

20 **(2) (I) IN ADDITION TO THE INFORMATION REQUIRED UNDER**
21 **PARAGRAPH (1) OF THIS SUBSECTION, IF THE PERSONAL PROPERTY BOUGHT BY**
22 **AN AUTOMATED PURCHASING MACHINE IS AN ELECTRONIC DEVICE, THE**
23 **AUTOMATED PURCHASING MACHINE SHALL MAKE A RECORD OF:**

24 **1. THE MAKE AND MODEL OF THE ELECTRONIC**
25 **DEVICE; AND**

26 **2. THE SERIAL NUMBER OF THE ELECTRONIC**
27 **DEVICE IF IT CAN BE DETERMINED AT THE TIME OF PURCHASE.**

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

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

1 20-402.

2 (A) (1) (I) ~~A~~ SUBJECT TO SUBPARAGRAPH (III) OF THIS
3 PARAGRAPH, A BUYER SHALL SUBMIT A COPY OF THE RECORDS REQUIRED
4 UNDER ~~§ 20-401(B)~~ § 20-401(C) OF THIS SUBTITLE TO THE PRIMARY LAW
5 ENFORCEMENT UNIT WITHIN 48 HOURS AFTER A TRANSACTION IN A PAPER OR
6 ELECTRONIC FORMAT ACCEPTABLE TO THE PRIMARY LAW ENFORCEMENT UNIT.

7 (II) IF A SERIAL NUMBER CANNOT BE DETERMINED AT THE
8 TIME OF THE TRANSACTION, A BUYER SHALL SUBMIT TO THE PRIMARY LAW
9 ENFORCEMENT UNIT:

10 1. A PRELIMINARY REPORT CONTAINING THE
11 INFORMATION REQUIRED UNDER ~~§ 20-401(B)~~ § 20-401(C) OF THIS SUBTITLE,
12 EXCEPT THE SERIAL NUMBER, WITHIN 48 HOURS AFTER THE TRANSACTION;
13 AND

14 2. A FINAL REPORT CONTAINING THE INFORMATION
15 REQUIRED UNDER ~~§ 20-401(B)~~ § 20-401(C) OF THIS SUBTITLE, INCLUDING THE
16 SERIAL NUMBER, WITHIN ~~14~~ 17 DAYS AFTER THE TRANSACTION.

17 (III) THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS
18 PARAGRAPH MAY NOT BE CONSTRUED TO REQUIRE A BUYER TO INCUR A
19 SUBSTANTIAL FINANCIAL BURDEN TO COMPLY WITH THE REQUIREMENTS OF
20 THIS PARAGRAPH.

21 (2) A BUYER SHALL KEEP THE RECORDS REQUIRED UNDER §
22 ~~20-401(B)~~ § 20-401(C) OF THIS SUBTITLE FOR AT LEAST 1 YEAR AFTER THE
23 DATE OF THE TRANSACTION.

24 (3) A COPY OF A RECORD SUBMITTED UNDER ~~§ 20-401(B)~~ §
25 20-401(C) OF THIS SUBTITLE:

26 (I) SHALL BE KEPT CONFIDENTIAL;

27 (II) IS NOT A PUBLIC RECORD; AND

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

30 (B) (1) A BUYER SHALL KEEP ALL PERSONAL PROPERTY BOUGHT
31 FOR AT LEAST 30 DAYS AFTER THE BUYER SUBMITS THE INFORMATION

1 REQUIRED UNDER ~~§ 20-401(B)~~ § 20-401(C) OF THIS SUBTITLE TO THE PRIMARY
2 LAW ENFORCEMENT UNIT.

3 (2) ON THE REQUEST OF THE PRIMARY LAW ENFORCEMENT UNIT,
4 A BUYER SHALL PROVIDE TO THE PRIMARY LAW ENFORCEMENT UNIT ANY
5 PERSONAL PROPERTY PURCHASED BY AN AUTOMATED PURCHASING MACHINE
6 AT THE COST OF THE BUYER.

7 (C) A BUYER SHALL MAKE ALL PERSONAL PROPERTY PURCHASED BY
8 AN AUTOMATED PURCHASING MACHINE AVAILABLE FOR INSPECTION BY THE
9 PRIMARY LAW ENFORCEMENT UNIT AT ANY TIME.

10 (D) (1) A BUYER SHALL REMOVE ALL ITEMS OF PERSONAL PROPERTY
11 FROM AN AUTOMATED PURCHASING MACHINE IN INTERVALS OF NO LESS THAN
12 10 DAYS.

13 (2) A BUYER SHALL NOTIFY THE PRIMARY LAW ENFORCEMENT
14 UNIT OF THE DATE AND TIME THE BUYER WILL REMOVE PERSONAL PROPERTY
15 FROM AN AUTOMATED PURCHASING MACHINE AT LEAST 72 HOURS BEFORE
16 REMOVING THE PERSONAL PROPERTY.

17 (3) THE PRIMARY LAW ENFORCEMENT UNIT MAY INSPECT THE
18 PERSONAL PROPERTY BEING REMOVED FROM AN AUTOMATED PURCHASING
19 MACHINE AT THE TIME OF THE REMOVAL.

20 **20-403.**

21 **(A) (1) (i) A BUYER SHALL USE AN INDIVIDUAL TO SCREEN EACH**
22 **TRANSACTION IN WHICH AN AUTOMATIC PURCHASING MACHINE BUYS**
23 **PERSONAL PROPERTY.**

24 **(ii) AN INDIVIDUAL WHO SCREENS A TRANSACTION MAY**
25 **SCREEN THE TRANSACTION REMOTELY.**

26 **(2) A BUYER SHALL KEEP A RECORD OF THE SCREENER**
27 **ASSIGNED TO SCREEN EACH TRANSACTION.**

28 **(B) IF A BUYER DETERMINES THAT PERSONAL PROPERTY SOLD TO AN**
29 **AUTOMATED PURCHASING MACHINE IS STOLEN, THE BUYER SHALL:**

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

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

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

4 **20-501.**

5 **(A) A BUYER MAY NOT BUY OR OFFER TO BUY PERSONAL PROPERTY**
 6 **FROM A MINOR.**

7 **(B) IF AN AUTOMATED PURCHASING MACHINE CANNOT DETERMINE**
 8 **THE SERIAL NUMBER OF AN ELECTRONIC DEVICE AND THE DEVICE IS VALUED**
 9 **AT \$25 OR MORE, THE BUYER MAY NOT PURCHASE THE ELECTRONIC DEVICE.**

10 **20-502.**

11 **(A) A PERSON WHO KNOWINGLY OR WILLFULLY VIOLATES THIS TITLE IS**
 12 **GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:**

13 **(1) FOR A FIRST OFFENSE, A FINE NOT EXCEEDING ~~\$500;~~ \$1,000;**
 14 **AND**

15 **(2) FOR A SECOND OR SUBSEQUENT OFFENSE, A FINE NOT**
 16 **EXCEEDING ~~\$1,000.~~ \$5,000.**

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

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 19 October 1, 2014.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.