

Article - Business Regulation

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§12-209.

(a) (1) Except as otherwise provided, in this subsection, a dealer's or applicant's agents, employees, management personnel, or partners include only those individuals who are directly involved in pawn transactions or the acquisition or sale of secondhand precious metals on behalf of the dealer or applicant.

(2) Subject to the hearing provisions of § 12-210 of this subtitle, the Secretary may deny a license to an applicant, reprimand a licensee, or suspend or revoke a license if the applicant or licensee or an agent, employee, manager, or partner of the applicant or licensee:

(i) fraudulently or deceptively obtains or attempts to obtain a license for the applicant or licensee or for another person;

(ii) fraudulently or deceptively uses a license;

(iii) has a similar license denied, suspended, or revoked in another jurisdiction;

(iv) under the laws of the United States or of any state, is convicted of a:

1. felony; or

2. misdemeanor that is directly related to the fitness and qualification of the applicant or licensee to be involved in a pawn transaction or the sale or acquisition of secondhand precious metals;

(v) knowingly employs or knowingly continues to employ, after being notified by the Secretary, an individual who, under the laws of the United States or of any state, is convicted of:

1. a felony; or

2. a misdemeanor that is directly related to the fitness and qualification of the employee to be involved in a pawn transaction or the sale or acquisition of secondhand precious metals;

(vi) knowingly employs or knowingly continues to employ in any capacity, after being notified by the Secretary, an individual whose precious metals dealer's license has been revoked;

(vii) willfully fails to provide or willfully misrepresents any information required to be provided under this title;

(viii) violates this title; or

(ix) violates a regulation adopted under this title.

(3) (i) Instead of or in addition to reprimanding a licensee or suspending or revoking a license under this subsection, the Secretary may impose a penalty not exceeding \$5,000 for each violation.

(ii) To determine the amount of the penalty imposed under this subsection, the Secretary shall consider:

1. the seriousness of the violation;
2. the harm caused by the violation;
3. the good faith of the licensee; and
4. any history of previous violations by the licensee.

(4) The Secretary shall pay any penalty collected under this subsection into the General Fund of the State.

(5) The Secretary shall distribute periodically to all dealers a list of individuals whose licenses have been revoked in the State.

(b) (1) If a licensee is charged with a violation of this title that could result in suspension or revocation of the license, or if the Secretary has probable cause to believe that this title has been, or will be, violated through transactions likely to occur pursuant to § 12-206 of this subtitle, the Secretary may seek from a circuit court an immediate restraining order to prohibit the licensee from:

- (i) buying or selling a secondhand precious metal object;
- (ii) disposing of a secondhand precious metal object; or
- (iii) disposing of a record about a secondhand precious metal object.

(2) The restraining order is in effect until:

- (i) the court lifts the order;
- (ii) the charges are adjudicated or dismissed; or

(iii) in the case of an event held in accordance with § 12-206 of this subtitle, arrangements are made by the licensee which will ensure compliance with the provisions of this title.

(c) The Secretary shall consider the following facts in the granting, denial, renewal, suspension, or revocation of a license or the reprimand of a licensee when an

applicant or licensee is convicted of a felony or misdemeanor described in subsection (a)(2)(iv) of this section:

- (1) the nature of the crime;
- (2) the relationship of the crime to the activities authorized by the license;
- (3) with respect to a felony, the relevance of the conviction to the fitness and qualification of the applicant or licensee to act as a pawnbroker or a secondhand precious metal object dealer;
- (4) the length of time since the conviction; and
- (5) the behavior and activities of the applicant or licensee before and after the conviction.

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