
By: Delegate C. Mitchell

Introduced and read first time: February 2, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Pawn Transactions - Handguns - Prohibition**

3 FOR the purpose of prohibiting a dealer or pawnbroker from engaging in a pawn
4 transaction involving a handgun; defining a certain term; and generally relating to
5 pawn transactions involving handguns.

6 BY repealing and reenacting, with amendments,
7 Article - Business Regulation
8 Section 12-101 and 12-301
9 Annotated Code of Maryland
10 (1992 Volume and 1995 Supplement)

11 BY adding to
12 Article - Business Regulation
13 Section 12-214
14 Annotated Code of Maryland
15 (1992 Volume and 1995 Supplement)

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

18 **Article - Business Regulation**

19 12-101.

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

21 (b) (1) "Dealer" means an individual who acquires commercially from the
22 public or trades commercially with the public in secondhand precious metal objects or,
23 unless otherwise provided, a pawnbroker.

24 (2) "Dealer" includes a retail jeweler as to transactions in which the retail
25 jeweler acquires commercially from the public or trades commercially with the public in
26 secondhand precious metal objects.

27 (c) "Employee" means an individual who is employed by a dealer or pawnbroker
28 to buy, sell, or supervise directly the buying or selling of secondhand precious metal
29 objects.

2

1 (D) "HANDGUN" HAS THE MEANING PROVIDED IN ARTICLE 27, § 36F OF THE
2 CODE.

3 [(d)] (E) "License" means a license issued by the Secretary to do business as a
4 dealer.

5 [(e)] (F) "Pawnbroker" means a person who engages in pawn transactions.

6 [(f)] (G) "Pawn transaction" means a loan of money by a dealer on deposit or
7 pledge of personal property or other valuable thing other than securities or printed
8 evidences of indebtedness, or a purchase by a dealer of personal property or other
9 valuable things on condition of selling the same back at a stipulated price.

10 [(g)] (H) "Precious metal object" means:

11 (1) a precious metal that is:

12 (i) gold;

13 (ii) iridium;

14 (iii) palladium;

15 (iv) platinum; or

16 (v) silver;

17 (2) a precious or semiprecious stone, or a pearl, that is or appears to have
18 been attached to or inlaid in a precious metal listed in paragraph (1) of this subsection or
19 any alloy of a precious metal; or

20 (3) an object that is composed of a precious metal listed in paragraph (1) of
21 this subsection or any alloy of a precious metal if:

22 (i) the market value of the metal in the object lies principally in its
23 precious metal component; or

24 (ii) at least 25% of the weight of the object is precious metal.

25 [(h)] (I) "Primary law enforcement unit" means the Department of State Police,
26 a police department, or sheriff, as designated by resolution of the county governing body
27 in the county in which the license is held.

28 12-214.

29 A DEALER OR PAWNBROKER MAY NOT ENGAGE IN ANY PAWN TRANSACTION,
30 INCLUDING THE EXCHANGE, TRADE, ACQUISITION, PURCHASE, OR SALE, OF A
31 HANDGUN.

32 12-301.

33 (a) Each dealer shall make a written record, on a form provided by the Secretary,
34 of each business transaction that involves the acquisition of a secondhand precious metal
35 object when the transaction is made.

3

1 (b) Each pawnbroker shall make a written record, on a form provided by the
2 Secretary, of each business transaction that involves:

3 (1) lending money on pledge of personal property, other than a security or
4 printed evidence of indebtedness; or

5 (2) buying personal property on condition of selling it back at a stipulated
6 price; or

7 (3) buying the following items for the purpose of resale:

8 (i) binoculars;

9 (ii) cameras;

10 [(iii) firearms;]

11 [(iv)] (III) furs;

12 [(v)] (IV) household appliances;

13 [(vi)] (V) musical instruments;

14 [(vii)] (VI) office machines or equipment;

15 [(viii)] (VII) radios, televisions, videodisc machines, videocassette
16 recorders, and stereo equipment;

17 [(ix)] (VIII) personal computers, tapes, and disc recorders;

18 [(x)] (IX) watches;

19 [(xi)] (X) bicycles; and

20 [(xii)] (XI) tangible personal property pledged as collateral.

21 (c) Each pawnbroker shall make a written record, on a form provided by the
22 Secretary, of each transaction that involves the acquisition of an item described in
23 subsection (b)(3) of this section for the purpose of resale.

24 (d) A separate record entry shall be made for each item involved in a transaction.
25 However, items in a matching set may be recorded as a set if acquired in a single
26 transaction.

27 (e) The dealer shall tag each item individually with a number that corresponds to
28 the transaction under which it was acquired. However, items acquired in a matching set
29 may be tagged as a set.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 1996.