

HOUSE BILL 422

C2
HB 333/07 – ECM

8lr1887

By: **Delegates Kirk, Conway, DeBoy, Haddaway, Harrison, Haynes, Impallaria, Jameson, King, Krysiak, Lafferty, Levy, Love, Malone, Manno, Mathias, Minnick, Niemann, Stifler, Taylor, and Wood**

Introduced and read first time: January 28, 2008

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 15, 2008

CHAPTER _____

1 AN ACT concerning

2 **Secondhand Precious Metal Object Dealers and Pawnbrokers – Definition of**
3 **Dealer**

4 FOR the purpose of altering the definition of dealer to mean an individual who
5 arranges for the sale or delivery of a secondhand precious metal object on behalf
6 of a person who does not hold a license to do business as a dealer; altering the
7 definitions of “fixed business address” and “local law enforcement unit”, as they
8 relate to the regulation of secondhand precious metal object dealers, to clarify
9 their scope; and generally relating to the regulation of secondhand precious
10 metal object dealers and pawnbrokers.

11 BY repealing and reenacting, without amendments,
12 Article – Business Regulation
13 Section 12–101(a), (e), and (i) and 12–201
14 Annotated Code of Maryland
15 (2004 Replacement Volume and 2007 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Business Regulation
18 Section 12–101(b), (d), and (f)
19 Annotated Code of Maryland
20 (2004 Replacement Volume and 2007 Supplement)

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

3 **Article – Business Regulation**

4 12–101.

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

6 (b) (1) “Dealer” means:

7 (I) an individual who acquires commercially from the public or
8 trades commercially with the public in secondhand precious metal objects;

9 (II) **AN INDIVIDUAL WHO FOR COMPENSATION ARRANGES**
10 **FOR THE SALE OR DELIVERY OF A SECONDHAND PRECIOUS METAL OBJECT ON**
11 **BEHALF OF A PERSON THAT DOES NOT HOLD A LICENSE UNDER THIS TITLE;** or

12 (III) [.] unless otherwise provided, a pawnbroker.

13 (2) “Dealer” includes a retail jeweler as to transactions in which the
14 retail jeweler acquires commercially from the public or trades commercially with the
15 public in secondhand precious metal objects.

16 (d) “Fixed business address” means a single physical location IN MARYLAND
17 where a licensee regularly conducts business and at which the licensee or an employee
18 of the licensee is physically present:

19 (1) during normal business hours; or

20 (2) other hours as provided in the application for the license which are
21 sufficient to provide an authorized law enforcement officer or agent access to the
22 licensee’s place of business as provided in § 12–306 of this title.

23 (e) “License” means a license issued by the Secretary to do business as a
24 dealer.

25 (f) “Local law enforcement unit” means the MARYLAND Department of
26 State Police, a MARYLAND police department, or MARYLAND sheriff, as designated
27 by resolution of the county or municipal governing body, with jurisdiction over any
28 place where a dealer transacts business other than the dealer’s fixed business address.

29 (i) “Precious metal object” means:

30 (1) a precious metal that is:

31 (i) gold;

1 (ii) iridium;

2 (iii) palladium;

3 (iv) platinum; or

4 (v) silver;

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

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

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

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

13 12-201.

14 (a) Except as otherwise provided in this title, an individual shall have a
15 license before the individual does business as a dealer in the State.

16 (b) Except those pawnbrokers who are exempt from State licensing under §
17 12-102(c) of this title, all pawnbrokers must be licensed as dealers.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 2008.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.