

CHAPTER 562

(Senate Bill 597)

AN ACT concerning

Secondhand Precious Metal Object Dealers and Pawnbrokers – Electronic Reporting

FOR the purpose of requiring certain secondhand precious metal object dealers and pawnbrokers to submit certain information and certain records to certain law enforcement units in a certain manner and at a certain time; ~~exempting certain antique dealers from the reporting requirement; repealing a certain exemption to a requirement to submit certain records in a certain manner and at a certain time; authorizing the Governor's Office of Crime Control and Prevention to authorize certain law enforcement units to require or receive certain records in certain formats under certain circumstances;~~ providing for the construction of this Act; providing for a certain report to certain committees of the General Assembly on or before a certain date; and generally relating to the records of secondhand precious metal object dealers and pawnbrokers.

BY repealing and reenacting, with amendments,
Article – Business Regulation
Section 12–304
Annotated Code of Maryland
(2004 Replacement Volume and 2008 Supplement)

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

Article – Business Regulation

12–304.

(a) (1) A dealer shall submit ~~a copy of~~ **THE REQUIRED INFORMATION FROM** each record to the primary law enforcement unit in accordance with subsection (b) of this section.

(2) If the dealer transacts business in accordance with § 12–206(b) of this title, the dealer also shall submit ~~a copy of~~ **THE REQUIRED INFORMATION FROM** the records to the local law enforcement unit in accordance with subsection (b) of this section.

(3) On the request of a dealer, the Secretary shall provide to the dealer a list of local law enforcement units.

[(4) The Secretary shall encourage dealers and local law enforcement units to develop a system for transmitting records electronically.]

(b) ~~(1)~~ [Except as provided in paragraph (2) of this subsection, the] **THE** dealer shall submit the records [by one of the following methods:

(i) by delivering or mailing a copy of the records by the end of the next business day after the day on which the item was acquired; or

(ii)] by transmitting ~~a copy of~~ **THE REQUIRED INFORMATION** **FROM** the records electronically, in a format acceptable to the receiving law enforcement unit, by ~~the end of each~~ **NOON OF THE NEXT** business day.

~~(2) [(i) A dealer who holds a license for a place of business in Howard County shall submit the records to the law enforcement unit by transmitting a copy of the records electronically in accordance with paragraph (1)(ii) of this subsection.~~

~~(ii) Subparagraph (i) of this paragraph] **PARAGRAPH (1) OF THIS SUBSECTION** does not apply to an antique dealer that:~~

~~[1.] (I) does not engage in pawn transactions; and~~

~~[2.] (II) holds a valid trader's license or dealer's license under State law.~~

(c) Each ~~copy of a~~ record, submitted to the primary law enforcement unit and, if applicable, local law enforcement unit, shall include:

- (1) the license number of the dealer;
- (2) the location of each item listed in the record; and
- (3) the information required under § 12-302 of this subtitle.

(d) ~~A copy of~~ **THE REQUIRED INFORMATION FROM** a record submitted under this section:

- (1) shall be kept confidential;
- (2) is not a public record; and
- (3) is not subject to Title 10, Subtitle 6 of the State Government Article.

(e) A law enforcement unit may ~~destroy the copy of~~ **CEASE TO MAINTAIN** a record submitted under this section after 1 year from the date the law enforcement unit receives the copy.

SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any provision of Section 1 of this Act, for a primary law enforcement unit that does not have an electronic reporting system in place on or before October 1, 2009, the Governor's Office of Crime Control and Prevention, during the 1-year period beginning October 1, 2009, through the end of September 30, 2010, may authorize:

(1) the primary law enforcement unit to require paper reporting from the entities covered under this Act; or

(2) a local law enforcement unit within a county to receive records electronically until the primary law enforcement unit has an electronic reporting system in place.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act may not be construed to require a pawnbroker or secondhand precious metal objects dealer to obtain additional computer software at the pawnbroker's or dealer's expense or to pay a transaction fee to submit an electronic report as required by this Act.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That:

(a) On or before December 1, 2009, the ~~Department of State Police and Governor's Office of Crime Control and Prevention, in consultation with the Department of Labor, Licensing, and Regulation jointly~~ and local law enforcement units, shall report to the House Economic Matters Committee and the Senate Education, Health, and Environmental Affairs Committee, in accordance with § 2-1246 of the State Government Article, regarding the licensing and reporting requirements for the sale of secondhand items in the State.

(b) To prepare the report, the departments shall:

(1) list by county the name, address, and category of each business that is engaged in the sale of secondhand items;

~~(1)~~ (2) evaluate any gaps in the current licensing and reporting requirements for the sale of secondhand items in the State;

~~(2)~~ (3) determine the estimated impact of any gaps in the current law on the ability of law enforcement to recover stolen items, as well as any other enforcement issues, including limitations on enforcement related to sales conducted over the Internet; and

~~(3)~~ (4) develop recommendations for legislation regarding the appropriate scope of licensing and reporting requirements for the sale of secondhand items by all participants in the secondhand industry, including electronic sales.

(c) In developing the report, the departments shall solicit public comments from the affected stakeholders, including antique dealers, pawnbrokers, secondhand precious metal objects dealers, secondhand retail shops, and businesses that arrange sales of secondhand items predominantly by electronic commerce.

SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2009.

Approved by the Governor, May 19, 2009.