

SENATE BILL 246

C2

2lr2142
CF HB 206

By: **Senator Conway**

Introduced and read first time: January 25, 2012

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable

Senate action: Adopted

Read second time: February 22, 2012

CHAPTER _____

1 AN ACT concerning

2 **Secondhand Precious Metal Object Dealers – Securing and Tagging Items –**
3 **Requirements**

4 FOR the purpose of authorizing a secondhand precious metal object dealer, during a
5 certain holding period, to place certain items into a secure container under
6 certain circumstances; requiring a dealer to tag certain items in a certain
7 manner when the dealer places certain items in the dealer's inventory; and
8 generally relating to requirements for securing and tagging items by a
9 secondhand precious metal object dealer.

10 BY repealing and reenacting, with amendments,
11 Article – Business Regulation
12 Section 12–301
13 Annotated Code of Maryland
14 (2010 Replacement Volume and 2011 Supplement)

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

17 **Article – Business Regulation**

18 12–301.

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 (a) (1) Each dealer shall make a written record, on a form provided by the
2 Secretary, of each business transaction that involves the acquisition of a secondhand
3 precious metal object when the transaction is made.

4 (2) Each dealer shall retain the original copy of the written record
5 required to be made under paragraph (1) of this subsection at the dealer's place of
6 business.

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

9 (1) lending money on pledge of personal property, other than a
10 security or printed evidence of indebtedness; [or]

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

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

14 (i) binoculars;

15 (ii) cameras;

16 (iii) firearms;

17 (iv) furs;

18 (v) household appliances;

19 (vi) musical instruments;

20 (vii) office machines or equipment;

21 (viii) radios, televisions, videodisc machines, videocassette
22 recorders, and stereo equipment;

23 (ix) personal computers, tapes, and disc recorders;

24 (x) watches;

25 (xi) bicycles; and

26 (xii) tangible personal property pledged as collateral.

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

1 (d) (1) A separate record entry shall be made for each item involved in a
2 transaction.

3 (2) Items in a matching set may be recorded as a set if acquired in a
4 single transaction.

5 (e) **DURING THE HOLDING PERIOD REQUIRED UNDER § 12-305 OF THIS**
6 **SUBTITLE, A DEALER MAY PLACE ALL OF THE ITEMS ACQUIRED IN A SINGLE**
7 **TRANSACTION IN A SECURE CONTAINER THAT HAS BEEN APPROVED BY THE**
8 **PRIMARY LAW ENFORCEMENT UNIT, IF:**

9 (1) **EACH ITEM IN THE TRANSACTION HAS A SEPARATE RECORD**
10 **ENTRY IN THE WRITTEN RECORD REQUIRED UNDER THIS SECTION; AND**

11 (2) **THE SECURE CONTAINER IS TAGGED BY THE DEALER WITH**
12 **THE NUMBER THAT CORRESPONDS TO THE TRANSACTION UNDER WHICH THE**
13 **ITEMS WERE ACQUIRED AND THE WRITTEN RECORD LISTING THE ITEMS**
14 **OBTAINED IN THE TRANSACTION.**

15 (f) (1) **[The] WHEN A DEALER PLACES ITEMS INTO THEIR**
16 **INVENTORY, THE** dealer shall tag each item individually with a number that
17 corresponds to the transaction under which it was acquired. However, items acquired
18 in a matching set may be tagged as a set.

19 (2) Each item tagged by a dealer under paragraph (1) of this
20 subsection shall remain tagged for the entire period the item is stored in the dealer's
21 inventory.

22 **[(f)] (G)** For the purposes of this subtitle, there is a presumption that an
23 object is a precious metal object if:

24 (1) it reasonably appears to be a precious metal object; and

25 (2) it was received by a dealer in the course of business or is found in
26 the place of business or storage facility of a dealer.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2012.