

Chapter 200

(House Bill 206)

AN ACT concerning

Secondhand Precious Metal Object Dealers – Securing and Tagging Items – Requirements

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

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

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

Article – Business Regulation

12–301.

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

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

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

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

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

- (3) buying the following items for the purpose of resale:
 - (i) binoculars;
 - (ii) cameras;
 - (iii) firearms;
 - (iv) furs;
 - (v) household appliances;
 - (vi) musical instruments;
 - (vii) office machines or equipment;
 - (viii) radios, televisions, videodisc machines, videocassette recorders, and stereo equipment;
 - (ix) personal computers, tapes, and disc recorders;
 - (x) watches;
 - (xi) bicycles; and
 - (xii) tangible personal property pledged as collateral.

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

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

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

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

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

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

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

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

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

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

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

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

Approved by the Governor, May 2, 2012.