

# SENATE BILL 35

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(PRE-FILED)

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By: **Senator Conway**

Requested: October 19, 2015

Introduced and read first time: January 13, 2016

Assigned to: Education, Health, and Environmental Affairs

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## A BILL ENTITLED

1 AN ACT concerning

2 **Secondhand Precious Metal Object Dealers and Pawnbrokers – Required**  
3 **Records – Photograph of Precious Metal Object**

4 FOR the purpose of requiring certain records that a secondhand precious metal object  
5 dealer or pawnbroker is required to keep for certain purposes to include a photograph  
6 of each precious metal object acquired or pawned; providing that a secondhand  
7 precious metal object dealer or pawnbroker is not required to submit to certain law  
8 enforcement units a copy of a certain photograph except under certain  
9 circumstances; and generally relating to required records 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), (b)(1), and (g) and 12–301(a), (b), and (c)  
14 Annotated Code of Maryland  
15 (2015 Replacement Volume and 2015 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – Business Regulation  
18 Section 12–302 and 12–304  
19 Annotated Code of Maryland  
20 (2015 Replacement Volume and 2015 Supplement)

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

23 **Article – Business Regulation**

24 12–101.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

2 (b) (1) “Dealer” means:

3 (i) an individual who acquires commercially from the public or  
4 trades commercially with the public in secondhand precious metal objects;

5 (ii) an individual who for compensation arranges for the sale or  
6 delivery of a secondhand precious metal object on behalf of a person that does not hold a  
7 license under this title; or

8 (iii) unless otherwise provided, a pawnbroker.

9 (g) “Pawnbroker” means a person who engages in pawn transactions.

10 12–301.

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

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

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

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

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

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

23 (i) binoculars;

24 (ii) cameras;

25 (iii) firearms;

26 (iv) furs;

27 (v) household appliances;

28 (vi) musical instruments;

- 1 (vii) office machines or equipment;
- 2 (viii) radios, televisions, videodisc machines, videocassette recorders,  
3 and stereo equipment;
- 4 (ix) personal computers, tapes, and disc recorders;
- 5 (x) watches;
- 6 (xi) bicycles; and
- 7 (xii) tangible personal property pledged as collateral.

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

11 12-302.

12 (a) In addition to any other information required by the Secretary, the records of  
13 a dealer shall include:

- 14 (1) the date, place, and time of each transaction that involves the  
15 acquisition of a precious metal object;
- 16 (2) the name and address of the principal, if the transaction is by an agent;
- 17 (3) a description of the precious metal object, including:
- 18 (i) its approximate metallic composition;
- 19 (ii) any jewels, stones, or glass parts;
- 20 (iii) any mark, number, word, or other identification on the precious  
21 metal object;
- 22 (iv) its weight, if payment is based on weight;
- 23 (v) a statement whether it appears to have been altered by any  
24 means, including:
- 25 1. obscuring a serial number or identifying feature;
- 26 2. melting; or
- 27 3. recutting a gem; and

1 (vi) the amount paid or other consideration;

2 **(4) A PHOTOGRAPH OF THE PRECIOUS METAL OBJECT;**

3 **[(4)] (5)** for each individual from whom the dealer acquires a precious  
4 metal object:

5 (i) the name, date of birth, and driver's license number of the  
6 individual; or

7 (ii) identification information about the individual that:

8 1. positively identifies the individual from at least 2 forms of  
9 identification, which may include an age of majority card, military identification, or  
10 passport; and

11 2. provides a physical description of the individual, including  
12 the sex, race, any distinguishing features, and approximate age, height, and weight of the  
13 individual;

14 **[(5)] (6)** a statement indicating whether or not the person making the  
15 transaction is personally known to the dealer; and

16 **[(6)] (7)** the signature of the person from whom the precious metal object  
17 or personal property is acquired and the dealer or employee who accepted the precious  
18 metal object.

19 (b) In addition to any other information required by the Secretary, the records of  
20 a pawnbroker shall include, for each item pawned:

21 (1) the type of item;

22 (2) its manufacturer, model number, year of manufacture if known, and  
23 serial number if known; **[and]**

24 (3) its color and size; **AND**

25 **(4) IF THE ITEM IS A PRECIOUS METAL OBJECT, A PHOTOGRAPH OF**  
26 **THE ITEM.**

27 12-304.

28 (a) (1) A dealer shall submit the required information from each record to the  
29 primary law enforcement unit in accordance with subsection (b) of this section.

1           (2) If the dealer transacts business in accordance with § 12–206(b) of this  
2 title, the dealer also shall submit the required information from the records to the local law  
3 enforcement unit in accordance with subsection (b) of this section.

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

6           (b) (1) Subject to paragraph (2) of this subsection, the dealer shall submit the  
7 records by transmitting the required information from the records electronically, in a  
8 format acceptable to the receiving law enforcement unit, by noon of the next business day.

9           (2) A dealer may request an extension of up to 48 hours to submit the  
10 records required under paragraph (1) of this subsection.

11           (c) (1) Each record, submitted to the primary law enforcement unit and, if  
12 applicable, local law enforcement unit, shall include:

13           [(1)] (I) the license number of the dealer;

14           [(2)] (II) the location of each item listed in the record; and

15           [(3)] (III) **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
16 **SUBSECTION**, the information required under § 12–302 of this subtitle.

17           **(2) A DEALER SUBMITTING A RECORD TO A PRIMARY LAW**  
18 **ENFORCEMENT UNIT OR LOCAL LAW ENFORCEMENT UNIT UNDER PARAGRAPH (1)**  
19 **OF THIS SUBSECTION IS NOT REQUIRED TO SUBMIT A COPY OF THE PHOTOGRAPH OF**  
20 **A PRECIOUS METAL OBJECT TAKEN IN ACCORDANCE WITH § 12–302(A)(4) OR (B)(4)**  
21 **OF THIS SUBTITLE EXCEPT AT THE REQUEST OF THE PRIMARY LAW ENFORCEMENT**  
22 **UNIT OR LOCAL LAW ENFORCEMENT UNIT.**

23           (d) The required information from a record submitted under this section:

24           (1) shall be kept confidential;

25           (2) is not a public record; and

26           (3) is not subject to Title 4 of the General Provisions Article.

27           (e) The primary law enforcement unit shall adopt a procedure for a dealer to  
28 amend a record required to be submitted under this section.

29           (f) A law enforcement unit may cease to maintain a record submitted under this  
30 section after 1 year from the date the law enforcement unit receives the copy.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2016.