

HOUSE BILL 1043

E4

11r2780
CF SB 161

By: **Delegate Hucker**

Introduced and read first time: February 11, 2011

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Regulated Firearms – Applications for Dealer’s License – Record Keeping**
3 **and Reporting Requirements**

4 FOR the purpose of requiring the Secretary of State Police or the Secretary’s designee
5 to disapprove an application for a State–regulated firearms dealer’s license if
6 the Secretary or designee determines that the applicant intends a certain
7 person to participate or hold a certain interest in the management or operation
8 of the business for which the license is sought; requiring that the Secretary or
9 designee suspend a dealer’s license if the licensee is not in compliance with
10 certain record keeping and reporting requirements; requiring that a licensed
11 dealer keep records of all receipts, sales, and other dispositions of firearms
12 affected in connection with the licensed dealer’s business; requiring the
13 Secretary or designee to adopt certain regulations specifying certain
14 information; requiring that the records that licensed dealers maintain include
15 certain information; specifying certain record keeping requirements to be met
16 when a firearms business is discontinued; requiring that a licensee respond in a
17 certain way after receipt from the Secretary or designee for certain information;
18 authorizing the Secretary or designee to implement a system by which a certain
19 person may request certain information; requiring the Secretary or designee to
20 inspect the inventory and records of a licensed dealer under certain
21 circumstances; authorizing the Secretary or designee to conduct a certain
22 inspection during a certain time; providing certain penalties; and generally
23 relating to regulated firearms dealers and applicants for a regulated firearms
24 dealer’s license.

25 BY repealing and reenacting, without amendments,
26 Article – Public Safety
27 Section 5–101(a) and (s)
28 Annotated Code of Maryland
29 (2003 Volume and 2010 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
 2 Article – Public Safety
 3 Section 5–110(a), 5–114(a), and 5–115
 4 Annotated Code of Maryland
 5 (2003 Volume and 2010 Supplement)

6 BY adding to
 7 Article – Public Safety
 8 Section 5–144
 9 Annotated Code of Maryland
 10 (2003 Volume and 2010 Supplement)

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

13 **Article – Public Safety**

14 5–101.

15 (a) In this subtitle the following words have the meanings indicated.

16 (s) “Secretary” means the Secretary of State Police or the Secretary’s
 17 designee.

18 5–110.

19 (a) The Secretary shall disapprove an application for a dealer’s license if:

20 (1) the Secretary determines that the applicant supplied false
 21 information or made a false statement;

22 (2) the Secretary determines that the application is not properly
 23 completed; [or]

24 (3) the Secretary receives a written notification from the applicant’s
 25 licensed attending physician that the applicant suffers from a mental disorder and is a
 26 danger to the applicant or to another; **OR**

27 **(4) THE SECRETARY DETERMINES THAT THE APPLICANT INTENDS**
 28 **THAT A PERSON WHO IS NOT ELIGIBLE TO BE ISSUED A DEALER’S LICENSE OR**
 29 **WHOSE DEALER’S LICENSE HAS BEEN REVOKED OR SUSPENDED:**

30 **(I) WILL PARTICIPATE IN THE MANAGEMENT OR**
 31 **OPERATION OF THE BUSINESS FOR WHICH THE LICENSE IS SOUGHT; OR**

32 **(II) HOLDS A LEGAL OR EQUITABLE INTEREST IN THE**
 33 **BUSINESS FOR WHICH THE LICENSE IS SOUGHT.**

1 5-114.

2 (a) The Secretary shall suspend a dealer's license if the licensee:

3 (1) is under indictment for a crime of violence; [or]

4 (2) is arrested for a violation of this subtitle that prohibits the
5 purchase or possession of a regulated firearm; OR

6 **(3) IS NOT IN COMPLIANCE WITH THE RECORD KEEPING AND**
7 **REPORTING REQUIREMENTS OF § 5-144 OF THIS SUBTITLE.**

8 5-115.

9 (a) (1) A person whose dealer's license is suspended or revoked **OR WHO**
10 **IS FINED FOR A VIOLATION OF THIS SUBTITLE** and who is aggrieved by the action
11 of the Secretary may request a hearing by writing to the Secretary within 30 days
12 after the Secretary forwards notice to the applicant under § 5-114(c) of this subtitle.

13 (2) The Secretary shall grant the hearing within 15 days after
14 receiving the request.

15 (b) The hearing shall be held in accordance with Title 10, Subtitle 2 of the
16 State Government Article.

17 **5-144.**

18 **(A) (1) A LICENSED DEALER SHALL KEEP RECORDS OF ALL**
19 **RECEIPTS, SALES, AND OTHER DISPOSITIONS OF FIREARMS AFFECTED IN**
20 **CONNECTION WITH THE LICENSED DEALER'S BUSINESS.**

21 **(2) THE SECRETARY SHALL ADOPT REGULATIONS SPECIFYING:**

22 **(I) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**
23 **INFORMATION THAT THE RECORDS SHALL CONTAIN;**

24 **(II) THE TIME PERIOD FOR WHICH THE RECORDS ARE TO BE**
25 **KEPT; AND**

26 **(III) THE FORM IN WHICH THE RECORDS ARE TO BE KEPT.**

27 **(3) THE RECORDS SHALL INCLUDE:**

1 (I) THE NAME AND ADDRESS OF EACH PERSON FROM WHOM
2 THE DEALER ACQUIRES A FIREARM AND TO WHOM THE DEALER SELLS OR
3 OTHERWISE DISPOSES OF A FIREARM;

4 (II) A PRECISE DESCRIPTION, INCLUDING MAKE, MODEL,
5 CALIBER, AND SERIAL NUMBER, OF EACH FIREARM ACQUIRED, SOLD, OR
6 OTHERWISE DISPOSED OF; AND

7 (III) THE DATE OF EACH ACQUISITION, SALE, OR OTHER
8 DISPOSITION.

9 (4) THE SECRETARY MAY PROVIDE THAT RECORDS MAINTAINED
10 UNDER 18 U.S.C. § 923(G)(1)(A) MAY BE USED TO SATISFY THE REQUIREMENTS
11 OF THIS SECTION.

12 (B) (1) WHEN REQUIRED BY A LETTER ISSUED BY THE SECRETARY, A
13 LICENSEE SHALL SUBMIT TO THE SECRETARY THE INFORMATION REQUIRED TO
14 BE KEPT UNDER SUBSECTION (A) OF THIS SECTION FOR THE TIME PERIODS
15 SPECIFIED BY THE SECRETARY.

16 (2) THE SECRETARY SHALL DETERMINE THE FORM AND METHOD
17 BY WHICH THE RECORDS SHALL BE MAINTAINED.

18 (C) (1) WHEN A FIREARMS BUSINESS IS DISCONTINUED AND
19 SUCCEEDED BY A NEW LICENSEE, THE RECORDS REQUIRED TO BE KEPT UNDER
20 THIS SECTION SHALL REFLECT THE BUSINESS DISCONTINUANCE AND
21 SUCCESSION AND SHALL BE DELIVERED TO THE SUCCESSOR LICENSEE.

22 (2) WHEN A FIREARMS BUSINESS IS DISCONTINUED ABSOLUTELY,
23 THE RECORDS REQUIRED TO BE KEPT UNDER THIS SECTION SHALL REFLECT
24 THE BUSINESS DISCONTINUANCE AND SHALL BE DELIVERED TO THE
25 SECRETARY WITHIN 30 DAYS AFTER THE BUSINESS DISCONTINUANCE.

26 (D) (1) A LICENSEE SHALL RESPOND WITHIN 24 HOURS AFTER
27 RECEIPT OF A REQUEST FROM THE SECRETARY FOR INFORMATION CONTAINED
28 IN THE RECORDS REQUIRED TO BE KEPT UNDER THIS SECTION WHEN THE
29 INFORMATION IS REQUESTED IN CONNECTION WITH A BONA FIDE CRIMINAL
30 INVESTIGATION.

31 (2) THE INFORMATION REQUESTED UNDER THIS SUBSECTION
32 SHALL BE PROVIDED ORALLY OR IN WRITING, AS REQUIRED BY THE
33 SECRETARY.

1 **(3) THE SECRETARY MAY IMPLEMENT A SYSTEM BY WHICH A**
2 **LICENSEE CAN POSITIVELY ESTABLISH THAT A PERSON REQUESTING**
3 **INFORMATION BY TELEPHONE IS AUTHORIZED BY THE SECRETARY TO REQUEST**
4 **THE INFORMATION.**

5 **(E) THE SECRETARY MAY MAKE AVAILABLE TO A FEDERAL, STATE, OR**
6 **LOCAL LAW ENFORCEMENT AGENCY ANY INFORMATION THAT THE SECRETARY**
7 **OBTAINS UNDER THIS SECTION RELATING TO THE IDENTITIES OF PERSONS WHO**
8 **HAVE UNLAWFULLY PURCHASED OR RECEIVED FIREARMS.**

9 **(F) THE SECRETARY:**

10 **(1) SHALL INSPECT THE INVENTORY AND RECORDS OF A**
11 **LICENSED DEALER AT LEAST ONCE EVERY 2 YEARS; AND**

12 **(2) MAY INSPECT THE INVENTORY AND RECORDS AT ANY TIME**
13 **DURING THE NORMAL BUSINESS HOURS OF THE LICENSED DEALER'S BUSINESS.**

14 **(G) (1) A PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO A**
15 **CIVIL PENALTY NOT EXCEEDING \$1,000 IMPOSED BY THE SECRETARY.**

16 **(2) FOR A SECOND OR SUBSEQUENT OFFENSE, A PERSON WHO**
17 **KNOWINGLY VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND IS**
18 **SUBJECT TO IMPRISONMENT NOT EXCEEDING 3 YEARS OR A FINE NOT**
19 **EXCEEDING \$10,000 OR BOTH.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2011.