

HOUSE BILL 1578

C2

8lr3050

By: **Delegates S. Howard, Aumann, Carey, Cassilly, Chang, Clark, Hornberger, Lisanti, Malone, McConkey, and McKay**
Introduced and read first time: February 9, 2018
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Secondhand Precious Metal Objects – Holding Period and Objects Containing**
3 **Silver**

4 FOR the purpose of altering the definition of “precious metal object” to exclude silver for
5 purposes of certain provisions of law regulating secondhand precious metal object
6 dealers; altering the holding period for certain secondhand precious metal objects;
7 altering the holding period for certain secondhand precious metal objects in Prince
8 George’s County; specifying that the holding period does not apply to a secondhand
9 precious metal object that an individual seeks to redeem by presenting an original
10 ticket; and generally relating to the holding period for secondhand precious metal
11 objects.

12 BY repealing and reenacting, without amendments,
13 Article – Business Regulation
14 Section 12–101(a)
15 Annotated Code of Maryland
16 (2015 Replacement Volume and 2017 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Business Regulation
19 Section 12–101(i) and 12–305
20 Annotated Code of Maryland
21 (2015 Replacement Volume and 2017 Supplement)

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

24 **Article – Business Regulation**

25 12–101.

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 (i) “Precious metal object” means:

3 (1) a precious metal that is:

4 (i) gold;

5 (ii) iridium;

6 (iii) palladium; **OR**

7 (iv) platinum[; or

8 (v) silver];

9 (2) a precious or semiprecious stone, or a pearl, that is or appears to have
10 been attached to or inlaid in a precious metal listed in item (1) of this subsection or any
11 alloy of a precious metal; or

12 (3) an object that is composed of a precious metal listed in item (1) of this
13 subsection or any alloy of a precious metal if:

14 (i) the market value of the metal in the object lies principally in its
15 precious metal component; or

16 (ii) at least 25% of the weight of the object is precious metal.

17 12–305.

18 (a) (1) (i) [1.] Except as otherwise provided in this section, a dealer who
19 acquires a precious metal object shall keep it in the county where the dealer holds a license
20 from the time of acquisition until at least [18] **10** days after submitting a copy of a record
21 of its acquisition under § 12–304 of this subtitle.

22 [2. Notwithstanding subparagraph (ii) of this paragraph, the
23 18–day holding period established under this subparagraph applies to a precious metal
24 object that:

25 A. a dealer licensed in Prince George’s County acquired in a
26 pawn transaction; and

27 B. an individual seeks to redeem by presenting the original
28 ticket issued as part of the pawn transaction.]

1 (ii) A dealer who holds a license in Prince George's County and who
2 acquires a precious metal object, other than a pawned precious metal object described in
3 subparagraph [(i)2] **(III)** of this paragraph, shall keep it in Prince George's County from
4 the time of acquisition until at least 30 days after submitting a copy of a record of its
5 acquisition under § 12-304 of this subtitle.

6 **(III) THE 10-DAY HOLDING PERIOD ESTABLISHED UNDER**
7 **SUBPARAGRAPH (I) OF THIS PARAGRAPH DOES NOT APPLY TO A PRECIOUS METAL**
8 **OBJECT THAT AN INDIVIDUAL SEEKS TO REDEEM BY PRESENTING THE ORIGINAL**
9 **TICKET ISSUED AS PART OF THE PAWN TRANSACTION.**

10 (2) A dealer who acquires a precious metal object at an event which takes
11 place at a location other than the dealer's fixed business address shall place the object and
12 a record of its acquisition at a location in accordance with subsection (d)(1) or (2) of this
13 section by the next business day after acquiring the object.

14 (3) In partial compliance with the [18-day] **10-DAY** holding requirement
15 under this subsection, a dealer may maintain an object and the record of its acquisition at
16 a location other than the dealer's fixed business address, if the local law enforcement unit
17 in the jurisdiction where the item was acquired provides written approval.

18 (b) (1) A dealer may submit to the primary law enforcement unit a written
19 request for a shorter holding period for a specific precious metal object.

20 (2) Within 48 hours after the primary law enforcement unit receives a
21 request, the primary law enforcement unit shall approve or deny the request.

22 (3) After inspecting the precious metal object, the primary law enforcement
23 unit may authorize in writing a shorter holding period.

24 (4) If the primary law enforcement unit denies the request, the primary
25 law enforcement unit shall state the reasons in writing.

26 (c) (1) Except as provided in paragraph (2) of this subsection, a dealer may not
27 alter a precious metal object before or during the holding period.

28 (2) During the holding period, a dealer may chemically test a precious
29 metal object to determine its metal content or value if the dealer does not alter the precious
30 metal object so as to affect its identification or value.

31 (d) During the holding period for a precious metal object, a dealer shall keep the
32 precious metal object and the record of its acquisition in:

33 (1) the place of business of the dealer; or

34 (2) a storage facility specified in the license application of the dealer.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2018.