

## **Chapter 404**

**(House Bill 318)**

AN ACT concerning

### **Business Regulation – Secondhand Precious Metal Object Dealers**

FOR the purpose of repealing a certain provision of law authorizing a secondhand precious metal object dealer to transact business for a certain period of time at a certain event; providing that a license to do business as a dealer may be used only to benefit the licensee; authorizing only licensed dealers to make certain advertisements; requiring a certain advertisement to include certain information; requiring dealers to retain the original copy of a certain record at a certain location; authorizing a dealer to request a certain extension; requiring the Secretary of Labor, Licensing, and Regulation to distribute certain information to licensed dealers or post the information on the Department of Labor, Licensing, and Regulation website; and generally relating to regulation of secondhand precious metal object dealers.

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 12–206, 12–207(f), 12–208, 12–301(a), and 12–304(b)

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, without amendments,

Article – Business Regulation

Section 12–303

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

BY adding to

Article – Business Regulation

Section 12–401(g)

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

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

### **Article – Business Regulation**

12–206.

(a) A license authorizes the licensee to do business as a dealer only at the address for which the license is issued.

(b) Notwithstanding subsection (a) of this section, [and except as provided in subsection (c) of this section,] a dealer who holds a license under this subtitle may:

(1) [transact business as a dealer for up to 7 consecutive days at an event that takes place at a location other than the fixed business address at which a transaction may occur after giving written notice at least 7 days in advance of the event to the primary law enforcement unit and to the local law enforcement unit with jurisdiction over the place where the event will be held;

(2)] make purchases at an estate and judicial sale; and

[(3)] (2) transact business at the residence of the owner of a precious metal object or a place where the owner keeps a precious metal object:

(i) on request of the owner; and

(ii) after giving written notice of the proposed transaction and its location to the local law enforcement unit with jurisdiction over that location.

[(c) A dealer is not required to comply with subsection (b)(1) of this section unless the dealer, or the dealer's employee or agent, has acquired space at a location other than the fixed business address at which a transaction may occur or has published notice of or advertised the event by any means.]

12-207.

(f) A license is not transferable **AND MAY BE USED ONLY TO BENEFIT THE LICENSEE.**

12-208.

**(A)** Each licensee shall display the license conspicuously in the place of business of the licensee.

**(B) (1) ONLY A LICENSED DEALER MAY ADVERTISE FOR THE COMMERCIAL TRADING WITH THE PUBLIC OR ACQUIRING FROM THE PUBLIC IN SECONDHAND PRECIOUS METAL OBJECTS.**

**(2) AN ADVERTISEMENT FOR THE COMMERCIAL TRADING WITH THE PUBLIC OR ACQUIRING FROM THE PUBLIC IN SECONDHAND PRECIOUS METAL OBJECTS AT A LOCATION OTHER THAN THE LICENSEE'S FIXED BUSINESS ADDRESS SHALL INCLUDE THE NAME AND LICENSE NUMBER OF THE LICENSEE,**

**IN COMPLIANCE WITH APPLICABLE REGULATIONS ADOPTED BY THE DEPARTMENT.**

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.**

12-303.

Unless otherwise authorized by the Secretary, a dealer shall keep the records required by this subtitle, at a location within the State, for 3 years after the date of the transaction.

12-304.

(b) **(1)** [The] **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE** dealer shall submit the records by transmitting the required information from the records electronically, in a format acceptable to the receiving law enforcement unit, by noon of the next business day.

**(2) A DEALER MAY REQUEST AN EXTENSION OF UP TO 48 HOURS TO SUBMIT THE RECORDS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION.**

12-401.

**(G) THE SECRETARY SHALL DISTRIBUTE TO LICENSED DEALERS OR POST ON THE DEPARTMENT'S WEBSITE THE NAME OF THE PRIMARY LAW ENFORCEMENT UNIT RESPONSIBLE FOR ENFORCING THIS TITLE IN EACH JURISDICTION, INCLUDING MUNICIPALITIES.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010.

**Approved by the Governor, May 4, 2010.**