

DEPARTMENT OF LABOR,
LICENSING AND REGULATION

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v.

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CASE NO. SPMG-12-0056

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LAWRENCE H. WEINBERG,

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Respondent

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CONSENT ORDER

This matter comes before the Maryland Department of Labor, Licensing and Regulation (“Department”) based on a complaint filed by the Anne Arundel County Police Department. Based on that complaint, the Department determined that administrative charges against Lawrence H. Weinberg (“Respondent”) were appropriate and that an administrative hearing on those charges should be held. This matter was scheduled for a November 1, 2012 hearing at the Office of Administrative Hearings, but the Department and the Respondent agreed to resolve the matter by Consent Order in lieu of that hearing. The Department and the Respondent consent to the entry of this Order as final resolution of Case No. SPMG-12-0056.

IT IS STIPULATED BY THE PARTIES that:

1. The Respondent is currently licensed (No. 2302) as a secondhand precious metal object dealer (“dealer”), as defined in Section 12-101(b) of the Business Regulation Article of the Maryland Annotated Code, and was licensed at all relevant times in this case.
2. The name of the company through which the Respondent acquires secondhand precious metal objects is Chain Reaction, t/a CR Jewelers.
3. On or about May 29, 2012 members of the Anne Arundel County Police Department conducted an inspection at the Respondent’s shop located inside Arundel Mills Mall, 7000 Arundel

Mills Circle, Suite 442, Hanover, Maryland.

4. Their inspection revealed that electronic reporting forms for secondhand precious metal object (“object” or “objects”) transactions were completed incorrectly and/or improperly, as follows:

A. In Transaction No. KKH784, the electronic reporting form listed an object as “14kt yellow gold pendant without the chain scorpion brushed and broken,” when the object was actually a scorpion pendant broken in four pieces. In addition, the reporting form listed a bracelet as 9.25 inches long when it was actually 9 inches long.

B. In Transaction No. NIE319, the electronic reporting form failed to note the class year of “79” on the side of a ring (item no. 10148844).

C. In Transaction No. NIE327, the electronic reporting form listed links as 17 inches long when they were actually 16 inches long (item no. 10240407); the form failed to note that item no. 10240411 was broken into 5 pieces; the form failed to note that item no. 10240410 was broken into 2 pieces; the form failed to list and describe the objects in item no. 10240413 separately; and, as to item no. 10240414, the form included incorrect weight measurements for the objects.

D. In Transaction No. KAB066, the electronic reporting form inadequately and/or incorrectly described the object for item no. 10122381, i.e., the object actually had four clear stones, with one at the top, two in the middle, and one at the bottom of the opals; and, as to item nos. 10122376, 10122377, and 10122378, the form failed to adequately describe the chains and included an incorrect driver’s license number for the seller.

E. In Transaction No. KJH228, as to item no. 10082609, the electronic reporting form incorrectly and/or inadequately described the objects, i.e., the objects actually had a three-clear stone journey pendant and one heart pendant with twenty-one clear stones, and failed to list them separately; as to item no. 10082610, the form failed to list the objects separately; and, as to item no. 10082608, the form incorrectly and/or inadequately described the objects and failed to list them separately; i.e., the objects were actually one tangled rope chain with a “spoiled brat” charm, one 18-inch twisted rope chain with a cross charm, one dolphin hoop earring, one dolphin stud earring, one engagement ring mount with a (small) stone missing, one small plain hoop, one anchor-type medium broken hoop earring, one 16-inch twisted rope chain, and one tangled fine link chain.

F. In Transaction No. KJH229, the electronic reporting form failed to correctly and/or adequately describe the objects in item no. 10087883; i.e., there were two bands, not one; each ring had three clear stones, with one in the center, one at the top of the bezel, and one at the bottom of the bezel; and the ring sizes were not given.

G. In Transaction No. KAB065, the electronic reporting form incorrectly and/or inadequately described the ring in item no. 10099466; i.e., the form failed to note that the ring was for a female and that it had engraved initials; as to item no. 10099471, the form did not indicate that the object was a men's band; and, as to item no. 10099468, the form incorrectly and/or inadequately described the object.

H. In Transaction Nos. ATT24, KKH794, KKH787, ATT44, ATT39, and ATT21, the electronic reporting forms contained numerous inadequate descriptions of objects, e.g., through misspellings or "non-words."

I. In Transaction No. NIE308, the electronic reporting form contained incorrect information concerning the seller's address and driver's license.

J. In Transaction No. NIE314, the electronic reporting form contained incorrect information concerning the seller's name and address.

5. When the Respondent applied for a dealer's license and when he renewed that license, he affirmed that he had read secondhand precious metal object laws and that he understood his responsibilities.

6. In four Consent Orders (Case Nos. SPMG-09-0019, SPMG-10-0017, SPMG-10-0108, and SPMG-11-0018), the Respondent was found to have violated secondhand precious metal object laws concerning the proper reporting of transactions and the completion of reporting forms.

7. In those Consent Orders, the Respondent agreed that he would abide by secondhand precious metal object laws and that he and/or his employees knew or should have known the requirements for the proper completion of transaction forms.

8. The Respondent knew, or should have known, of requirements concerning the proper reporting of transactions and completion of reporting forms in this case.

9. By entering this Consent Order, the Respondent expressly waives his right to any hearing or further proceedings to which he may be entitled in this matter and any rights to appeal from the Consent Order.

10. The Respondent enters this Consent Order freely, knowingly, and voluntarily, and with the advise of counsel.

11. The Respondent agrees to comply with the requirements of Section 12-101 *et seq.*, of the Business Regulation Article, Maryland Annotated Code, and the Code of Maryland Regulations 09.25.01.01 *et seq.* in future transactions.

BASED ON THESE STIPULATIONS, IT IS, THIS 24 day of October, 2012, BY THE DEPARTMENT OF LABOR, LICENSING AND REGULATION,

ORDERED that Respondent Lawrence H. Weinberg violated Maryland Annotated Code, Business Regulation Article, §§12-301(a)(1), (d)(1) and (e), 12-302(a)(3) and (4), and 12-304(c), and it is further

ORDERED that the Respondent is assessed a total civil penalty of \$5,000.00 for those violations, which amount is payable to the Department within thirty days of the date this Consent Order is executed by the Department, and it is further

ORDERED that, if payment of the civil penalty is not made within that 30-day period, the Respondent's license as a "dealer" shall be automatically suspended until that payment is made, and it is further

ORDERED that the Respondent shall submit to the Department, within 60 days of the date of this Consent Order is executed by the Department, a written training program which sets forth the Respondent's program(s) for training his employees in the requirements of, and compliance with, secondhand precious metal objects statutes and regulations, and it is further

ORDERED that the Respondent and/or his employees participate in two training programs concerning the requirements of, and compliance with, secondhand precious metal object statutes and regulations, to be provided by a representative of the Department in 2013, and it is further .

ORDERED that the Department's records and publications shall reflect the discipline imposed on the Respondent.

RESPONDENT'S SIGNATURE
APPEARS ON ORIGINAL ORDER
Lawrence H. Weinberg

INTERIM SECRETARY'S SIGNATURE
APPEARS ON ORIGINAL ORDER

Scott Jensen
Interim Secretary

DEPARTMENT OF LABOR, LICENSING &
REGULATION

10/15/12
DATE