

BEFORE THE MARYLAND DEPARTMENT OF LABOR

MARYLAND
DEPARTMENT OF LABOR,

v.

CASE NO. : SPMG-18-0020

FAUSTO ARGUETA

Respondent

* * * * *

CONSENT ORDER AND SETTLEMENT AGREEMENT

This matter comes before the Maryland Department of Labor ("Department") as a result of a complaint filed by the Harford County Police Department. Upon review of the complaint, the Department determined that administrative charges against Fausto Argueta d/b/a F&L Jewelers, ("Respondent") should be filed and an administrative hearing should be held. Prior to hearing in SPMG-18-0020, the Respondent and the Department agreed to enter into this Consent Order as final settlement of the case.

THE PARTIES AGREE AND STIPULATE:

1. The Respondent holds a secondhand precious metal object dealers and pawnbrokers license with the Department (Reg. No. 2298), which is currently due to expire on April 16, 2021

2. At all times relevant to the matters set forth in this Consent Order, the Department had jurisdiction over the subject matter and the Respondent.

3. On or about May 25, 2018, a Pawn Unit Assistant from the Harford County Police Department contacted Respondent's shop to place some suspected stolen items on hold.

4. The requested items included jewelry, silverware, coins and other secondhand precious metals objects.

5. The items, recorded as Transaction No. 5413, were reported electronically through the Regional Automated Property Information Database (RAPID) on May 8, 2019, making May 26, 2018, the last day of the required 18 day holding period.

6. The Pawn Unit Administrator was informed that the transaction had taken place on May 5, 2018, but was not reported until May 8, 2018, and that the items were sold or melted.

7. On or about May 30, 2018, a Detective from the Harford County Police Department went to Respondent's shop and spoke to an Assistant Manager who had conducted the transaction.

8. The Assistant Manager admitted that the transaction was submitted late.

9. The Detective then pulled electronic reporting records from the beginning of January, 2018 through May 30, 2018 and discovered 91 transactions that had been reported anywhere from 1 to 3 days late.

10. The Harford County Police Department's review of Respondent's actions detailed above constitute violations of Business Regulation Article §§ 12-304(a)-(c) and 12-305(a)(1)(i)(1).

11. Based on the aforementioned facts, the Respondent acknowledges that he has violated the noted statutes, which provide in pertinent part:

§12-304 Copies to primary law enforcement agencies

(a) In general. --

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

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

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

(b) Delivering copies in general; Howard County provision. --

(1) 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.

(c) Contents. -- Each record, submitted to the primary law enforcement unit and, if applicable, local law enforcement unit, shall include:

(1) the license number of the dealer;

(2) the location of each item listed in the record; and

(3) the information required under § 12-302 of this subtitle.

§12-305 Holding period precious metals objects

(a) Duration- In general - (1)(i)(1). Except as otherwise provided in this section, a dealer who acquires a precious metal object shall keep it in the county where the dealer holds a license from the time of acquisition until at least 18

days after the submitting a copy of a record of its acquisition under § 12-304 of this subtitle.

12. Based on the aforementioned violations, the Respondent agrees to pay to the Department a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) upon the Respondent's execution of this Consent Order.

13. The Respondent agrees within sixty (60) days of the execution of this Consent Order, he shall surrender his license to the Department and may not thereafter renew said license and/or apply for a new license.

14. The Respondent further agrees that he shall abide by all provisions of the Maryland Secondhand Precious Metal Object Dealers and Pawnbrokers Act, BR §12-101 *et. seq.*, and COMAR 09.25.01, *et. seq.* with regard to all relevant future activities.

17. The Respondent, by entering into this Consent Order, expressly waives the right to an administrative hearing on the charges and the making of Findings of Fact and Conclusions of Law, and any and all further proceedings before the Department to which the Respondent may be entitled in this matter, and any rights to appeal from this Order.

18. The Respondent enters into this Consent Order freely, knowingly and voluntarily, and with the opportunity to seek advice of counsel.

19. The Respondent agrees and acknowledges that this Consent Order shall constitute a Final Decision and Order of the Department and shall be enforceable as such.

Based on these stipulations, it is this 30 day of July, 2019, by the Department of Labor, Licensing and Regulation:

ORDERED, that the Respondent has violated Business Regulation Article §§ 12-304(a)-(c) and 12-305(a)(1)(i)(1) Annotated Code of Maryland, and it is further

ORDERED, that the Respondent's license to conduct secondhand precious metal transactions (Reg. No. 2298) shall be surrendered by Respondent, and thereby revoked, no later than sixty (60) days from the date of execution of this Consent Order, and he shall not thereafter be permitted to renew said license and/or apply for a new license; and it is further

ORDERED, that the Respondent be assessed a civil penalty of Two Thousand Five Hundred Dollars (\$2,500) for the violations, which amount is payable to the Department upon the Respondent's execution of this Consent Order and Settlement Agreement, and it is further

ORDERED, that if the Respondent fails to make the required payment and/or fails to surrender his license in accordance with the terms of this Consent Order, the Respondent's license to act as a secondhand precious metal object dealer and pawnbroker shall be immediately and automatically suspended; and it is further

ORDERED, that this matter shall be resolved in accordance with the terms of this Consent Order, and that the same shall be reflected among the records of the Department; and it is further

ORDERED, that this Consent Order shall constitute a Final Decision and Order of the Secretary of the Maryland Department of Labor.

Signature on File

FAUSTO ARGUETA

7-10-19

Date

Signature on File

JAMES E. RZEPKOWSKI
Acting Secretary
Maryland Department of Labor

7-30-19

Date