

HOUSE BILL 518

E1
HB 401/09 – JUD

0lr1765

By: **Delegates Simmons, Barkley, Dumais, Frank, Kelly, Kramer, Krebs,
Montgomery, Shank, and Smigiel**

Introduced and read first time: February 1, 2010

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Criminal Law – Proceeds from Drug Crimes – Misdemeanor**

3 FOR the purpose of establishing that a person is guilty of a misdemeanor if the person
4 violates the law prohibiting a person, with the intent to promote a drug crime or
5 with the intent to conceal or disguise the nature, location, source, ownership, or
6 control of proceeds of a drug crime, from taking certain actions with respect to
7 the proceeds derived from a drug crime in circumstances in which the proceeds
8 that are derived from the drug crime are less than a certain amount; providing
9 penalties for a violation of this Act; and generally relating to proceeds from drug
10 crimes.

11 BY repealing and reenacting, with amendments,
12 Article – Criminal Law
13 Section 5–623
14 Annotated Code of Maryland
15 (2002 Volume and 2009 Supplement)

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

18 **Article – Criminal Law**

19 5–623.

20 (a) (1) In this section the following words have the meanings indicated.

21 (2) “Drug crime” means:

22 (i) a crime under this title; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) a crime committed in another jurisdiction that would be a
2 crime under this title if committed in this State.

3 (3) “Financial transaction” means:

4 (i) a payment;

5 (ii) a purchase;

6 (iii) a sale;

7 (iv) a loan;

8 (v) a pledge;

9 (vi) a transfer;

10 (vii) a delivery;

11 (viii) a deposit;

12 (ix) a withdrawal; or

13 (x) an extension of credit or exchange of a monetary instrument
14 or equivalent property, including precious metals, stones or jewelry, airline tickets,
15 stamps, or credit in a financial institution as defined in § 1–101 of the Financial
16 Institutions Article.

17 (4) “Monetary instrument” means:

18 (i) coin or currency of the United States or any other country;

19 (ii) a bank check;

20 (iii) a travelers’ check;

21 (iv) a money order;

22 (v) an investment security; or

23 (vi) a negotiable instrument.

24 (5) “Proceeds” means money or any other property [with a value
25 exceeding \$10,000].

26 (b) Except for a financial transaction necessary to preserve a person’s right
27 to representation as guaranteed by the 6th Amendment to the United States

1 Constitution and Article 21 of the Maryland Declaration of Rights, a person may not,
2 with the intent to promote a drug crime or with the intent to conceal or disguise the
3 nature, location, source, ownership, or control of proceeds of a drug crime:

4 (1) receive or acquire proceeds knowing that the proceeds are derived
5 from a drug crime;

6 (2) engage in a financial transaction involving proceeds knowing that
7 the proceeds are derived from a drug crime;

8 (3) give, sell, transfer, trade, invest, conceal, transport, or maintain an
9 interest in proceeds knowing that the proceeds are derived from a drug crime;

10 (4) direct, promote, plan, organize, initiate, finance, manage,
11 supervise, or facilitate the transportation or transfer of proceeds knowing that the
12 proceeds are derived from a drug crime; or

13 (5) conduct a financial transaction involving proceeds knowing that
14 the proceeds are derived from a drug crime.

15 **(C) A PERSON WHO VIOLATES THIS SECTION IN CIRCUMSTANCES IN**
16 **WHICH THE PROCEEDS THAT ARE DERIVED FROM THE DRUG CRIME ARE LESS**
17 **THAN \$10,000 IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT**
18 **TO IMPRISONMENT NOT EXCEEDING 3 YEARS OR A FINE NOT EXCEEDING**
19 **\$20,000 OR BOTH.**

20 **[(c)] (D)** A person who violates this section **IN CIRCUMSTANCES IN WHICH**
21 **THE PROCEEDS THAT ARE DERIVED FROM THE DRUG CRIME ARE EQUAL TO OR**
22 **MORE THAN \$10,000** is guilty of a felony and on conviction is subject to:

23 (1) for a first violation:

24 (i) imprisonment not exceeding 5 years;

25 (ii) a fine not exceeding the greater of \$250,000 or twice the
26 value of the proceeds involved in the financial transaction; or

27 (iii) both; or

28 (2) for each subsequent violation:

29 (i) imprisonment not exceeding 10 years;

30 (ii) a fine not exceeding the greater of \$500,000 or 5 times the
31 value of the proceeds involved in the financial transaction; or

1 (iii) both.

2 **[(d) (E)]** Notwithstanding any other provision of law, for purposes of this
3 section each financial transaction is a separate violation.

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