

By: Dukes

H.B. No. 1703

A BILL TO BE ENTITLED

AN ACT

relating to the disposition and identification of certain goods acquired by recycling entities and pawnbrokers; providing a civil penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1956.064(a), Occupations Code, is amended to read as follows:

(a) A dealer may not melt, deface, alter, or dispose of crafted precious metal that is the subject of a report required by this subchapter before the 14th [~~11th~~] day after the date the report is filed unless:

(1) the peace officer to whom the report is submitted, for good cause, authorizes disposition of the metal;

(2) the dealer obtains the name, address, and description of the buyer and retains a record of that information; or

(3) the dealer is a pawnbroker and the disposition is the redemption of pledged property by the pledgor.

SECTION 2. The heading to Section 371.181, Finance Code, is amended to read as follows:

Sec. 371.181. STOLEN GOODS; ELECTRONIC DATABASE.

SECTION 3. Section 371.181, Finance Code, is amended by amending Subsection (a) and adding Subsections (c), (d), (e), (f), and (g) to read as follows:

1 (a) A pawnbroker shall monitor and register goods
2 purchased, accepted in pawn, or otherwise acquired by the
3 pawnbroker in order to identify and prohibit transactions involving
4 stolen goods.

5 (c) The commissioner shall create and maintain an online
6 database to register goods purchased, accepted in pawn, or
7 otherwise acquired by pawnbrokers. The database may be accessed
8 only by law enforcement officials for law enforcement purposes.
9 The finance commission shall adopt rules necessary to implement the
10 database.

11 (d) The rules adopted by the finance commission under
12 Subsection (c) must:

13 (1) require a complete description of the goods
14 purchased, accepted in pawn, or otherwise acquired by the
15 pawnbroker, including any available model numbers and serial
16 numbers and other identifying characteristics; and

17 (2) require the name and address of and the driver's
18 license number, military identification number, or other official
19 number that identifies the person pledging or selling goods.

20 (e) A pawnbroker that fails to register an item on the
21 online database created by the commissioner under this section is
22 liable to the state for a civil penalty in an amount not to exceed
23 \$500 for each item not registered.

24 (f) The attorney general or the appropriate district or
25 county attorney may bring an action to recover a civil penalty
26 imposed under Subsection (e) in a district court in:

27 (1) Travis County; or

1 (2) a county in which any part of the violation occurs.

2 (g) A penalty collected under this section by the attorney
3 general or a district or county attorney shall be deposited in the
4 state treasury to the credit of the general revenue fund.

5 SECTION 4. Section 371.182, Finance Code, is amended to
6 read as follows:

7 Sec. 371.182. HOLD PERIOD. A ~~[The commissioner may~~
8 ~~designate a reasonable hold period during which a]~~ pawnbroker may
9 not sell or otherwise dispose of an item of goods acquired and
10 offered for sale or other disposition by the pawnbroker before the
11 14th day after the date on which the item was acquired.

12 SECTION 5. Section 371.181, Finance Code, as amended by
13 this Act, applies only to goods purchased, accepted in pawn, or
14 otherwise acquired by the pawnbroker on or after January 1, 2017.
15 Goods purchased, accepted in pawn, or otherwise acquired by the
16 pawnbroker before January 1, 2017, are governed by the law in effect
17 immediately before the effective date of this Act, and the former
18 law is continued in effect for that purpose.

19 SECTION 6. Not later than December 31, 2016, the consumer
20 credit commissioner shall establish and implement the online
21 database required by Section 371.181(c), Finance Code, as added by
22 this Act.

23 SECTION 7. This Act takes effect September 1, 2015.