

By: Longoria

H.B. No. 517

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of crafted precious metal dealers.

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

SECTION 1. Section 1956.051(3), Occupations Code, is amended to read as follows:

(3) "Crafted precious metal" means jewelry, silverware, an art object, or another object, made wholly or partly from precious metal, that is selling at less than 105 percent of the scrap value of the object, other than a coin, a bar, or a commemorative medallion~~[, or scrap or a broken item selling at five percent or more than the scrap value of the item]~~.

SECTION 2. Section 1956.0613, Occupations Code, is amended to read as follows:

Sec. 1956.0613. INVESTIGATION BY COMMISSIONER; INSPECTION OF RECORDS. (a) The commissioner shall:

(1) monitor the operations of a dealer to ensure compliance with this subchapter ~~[chapter]~~; and

(2) receive and investigate complaints against a dealer or a person acting as a dealer.

(b) If the commissioner receives a written complaint regarding a violation of this subchapter by a person, or has reasonable cause to believe that a person is violating this subchapter, the commissioner or the commissioner's authorized representative may inspect any record, account, paper, book, or

1 correspondence of the person, regardless of whether the person is  
2 registered as a dealer.

3 (c) The commissioner or the commissioner's authorized  
4 representative may take statements under oath in an investigation  
5 of a matter under this subchapter.

6 SECTION 3. Section 1956.063, Occupations Code, is amended  
7 by amending Subsections (c) and (d) and adding Subsection (c-1) to  
8 read as follows:

9 (c) For each transaction regulated by this subchapter, the  
10 dealer shall submit a report on a preprinted and prenumbered form  
11 prescribed by the commissioner or in the manner described by  
12 Subsection (c-1). The form must include the following:

- 13 (1) the date of the transaction;  
14 (2) a description of the crafted precious metal  
15 purchased by the dealer;  
16 (3) the name and physical address of the dealer; and  
17 (4) the name, physical description, and physical  
18 address of the seller or transferor.

19 (c-1) A dealer may submit a list required by Section  
20 1956.062(b) in satisfaction of the reporting requirement of this  
21 section if the list contains the information described by  
22 Subsection (c).

23 (d) The dealer shall retain a copy of the report until the  
24 later of:

- 25 (1) the second anniversary of the date the dealer  
26 sells or otherwise disposes of the crafted precious metal purchased  
27 by the dealer; or

1           (2) the third anniversary of the date the report is  
2 filed.

3           SECTION 4. Sections 1956.064(b) and (c), Occupations Code,  
4 are amended to read as follows:

5           (b) A peace officer who has reasonable suspicion to believe  
6 that an item of crafted precious metal in the possession of a  
7 dealer, or in the possession of another person on behalf of the  
8 dealer, is stolen may place the item on hold for a period not to  
9 exceed 60 days by issuing to the dealer or other person a written  
10 notice that:

11           (1) specifically identifies the item alleged to be  
12 stolen and subject to the hold; and

13           (2) informs the dealer or other person of the  
14 requirements of Subsection (c).

15           (c) On receiving the notice, the dealer or other person may  
16 not melt, deface, alter, or dispose of the identified crafted  
17 precious metal until the hold is released in writing by a peace  
18 officer of this state or a court order.

19           SECTION 5. Section 14.201, Finance Code, is amended to read  
20 as follows:

21           Sec. 14.201. INVESTIGATION AND ENFORCEMENT AUTHORITY.  
22 Investigative and enforcement authority under this subchapter  
23 applies only to:

24           (1) Section 339.001;

25           (2) [7] this chapter;

26           (3) [7] Subtitles B and C, ~~of~~ Title 4;

27           (4) [7] Chapter 393 with respect to a credit access

1 business;

2 (5) [~~and~~] Chapter 394; and

3 (6) Subchapter B, Chapter 1956, Occupations Code.

4 SECTION 6. Section 1956.063(d), Occupations Code, as  
5 amended by this Act, applies to a report filed under Section  
6 1956.063, Occupations Code, on or after the effective date of this  
7 Act.

8 SECTION 7. This Act takes effect September 1, 2017.