BILL ANALYSIS

BACKGROUND AND PURPOSE

The rapid growth of electronic payments and a fundamental shift in payment methods by consumers have created a gap in the Penal Code that impedes the effective prosecution of criminal activity affecting financial institutions and their customers. The purpose of C.S.H.B. 2248 is to close that gap by expanding the definitions of forgery, debit and credit card abuse, and identity theft to encompass these new and emerging payment methods.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2248 amends Section 32.21, Penal Code to expand the definition of "forgery" to include writing that purports to be an authorization to debit an account at a financial institution when it is not. Such an offense is a state jail felony.

The bill amends Section 32.31, Penal Code to expand the definition of "debit card" to include the means of obtaining property or services by debit to an account at a financial institution. The bill expands several offenses relating to abuse of credit cards to include abuse of debit cards. Such offenses are state jail felonies.

C.S.H.B. 2248 amends Section 32.51, Penal Code to expand the definition of "identifying information" to include a financial institution account number. A person commits an offense if the person obtains, possesses, transfers, or uses a financial institution account number of another person without that person's consent and with the intent to harm or defraud another. Such an offense is a state jail felony.

The changes made by the bill apply only to an offense committed on or after the effective date of the Act.

EFFECTIVE DATE

September 1, 2003

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute adds language providing that the changes in law made by the bill apply only to offenses committed after the effective date. The substitute deletes a superfluous definition.