

BILL ANALYSIS

C.S.H.B. 982
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, as stated in Penal Code 32.51 (b) a person commits an offense if the person obtains, possesses, transfers or uses identifying information of another person without the other person's consent and with intent to harm or defraud another.

Patrons of some restaurants and bars in North Texas have fallen victim to illegal credit card skimming, whereby some restaurant or bar wait staff swipe patrons' credit cards into electronic devices and then sell the credit card numbers to individuals who transfer the stolen card information to create counterfeited cards.

Although credit card skimming is against the law with a penalty of up to 2 years in jail, some wait staff may still not be aware of the penalty.

C.S.H.B.982 would require restaurants and bars to post a sign warning restaurant and bar employees against fraudulent use or possession of identifying information; providing a criminal penalty.

RULEMAKING AUTHORITY

This bill does not expressly delegate any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B.982 amends the Penal code to require a warning sign about identity theft for restaurant and bar employees be displayed in a prominent place on the premises of the restaurant or bar. Sign would be displayed in English and in another language spoken by a substantial portion of the employees of the restaurant and bar.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

C.S.H.B.982 modifies the original version by adding bars to the establishments required to display a warning sign about identity theft in a prominent place on the premise.