By: Hinojosa S.B. No. 1905

A BILL TO BE ENTITLED

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- 2 relating to the regulation of and information regarding property in
- 3 the custody of a pawnbroker.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 371.177, Finance Code, is amended to
- 6 read as follows:
- 7 Sec. 371.177. PURCHASE OF USED PERSONAL PROPERTY. (a) A
- 8 pawnbroker may not purchase used personal property from a person
- 9 other than another pawnbroker unless a record is established that
- 10 contains:
- 11 (1) the seller's name, address, and physical
- 12 description and a driver's license number, military identification
- 13 number, identification certificate number, or other official
- 14 number that can identify the seller;
- 15 (2) a complete description of the property, including
- 16 the serial number, if reasonably available, or other identifying
- 17 characteristics; [and]
- 18 (3) the seller's signed statement that the seller has
- 19 the right to sell the property; and
- 20 (4) an electronic photograph of the property.
- 21 (b) The Finance Commission of Texas shall adopt rules to
- 22 establish procedures to address the record provided under
- 23 Subsection (a).
- SECTION 2. Section 371.182, Finance Code, is amended to

1 read as follows: 2 Sec. 371.182. HOLD PERIOD. (a) The commissioner may 3 designate a reasonable hold period of not less than 120 days during which a pawnbroker may not sell or otherwise dispose of an item of 4 5 goods acquired and offered for sale or other disposition by the pawnbroker. 6 7 (b) Jewelry or coins containing precious metals may not be 8 melted before the 34th day after the item was placed on an Internet website as described by Section 371.353. SECTION 3. Chapter 371, Finance Code, is amended by adding 10 Subchapter H to read as follows: 11 12 SUBCHAPTER H. PROVIDING DATA TO LAW ENFORCEMENT AGENCIES AND THE PUBLIC BY ELECTRONIC MEANS 13 Sec. 371.351. DEFINITIONS. In this subchapter: 14 15 (1) "Law enforcement agency" means the department of 16 the chief law enforcement officer. 17 (2) "Transaction data" means information from a transaction in which a pawnshop customer pledges or sells personal 18 19 property. The term: 20 (A) includes: 21 (i) the name and address of the pawnshop; 22 (ii) the date of the transaction; (iii) an identification and complete 23 24 description of the goods pledged or sold, including any available model numbers and serial numbers, and other identifying 25 26 characteristics; 27 (iv) the name, address, and physical

- 1 description of the person pledging or selling goods;
- 2 (v) an electronic photograph of the
- 3 property; and
- 4 (vi) the pawn or purchase ticket number
- 5 related to the transaction; and
- 6 (B) does not include financial information
- 7 regarding terms of the transaction.
- 8 Sec. 371.352. REFERENCE TO CHIEF LAW ENFORCEMENT OFFICER.
- 9 For purposes of this subchapter, a reference to a "chief law
- 10 enforcement officer" means:
- 11 (1) the sheriff of the county in which the pawnshop is
- 12 located or an officer of the sheriff's department designated by the
- 13 sheriff, if the pawnshop is not located in a municipality that
- 14 maintains a police department; or
- 15 (2) the police chief of the municipality in which the
- 16 pawnshop is located or a police officer designated by the police
- 17 chief, if the pawnshop is located in a municipality that maintains a
- 18 police department.
- 19 Sec. 371.353. ELECTRONIC REPORTING TO INTERNET WEBSITE.
- 20 (a) A pawnbroker shall transmit all transaction data to an Internet
- 21 website that:
- (1) compiles transaction data provided by pawnbrokers
- 23 who must be licensed under this chapter;
- 24 (2) provides local law enforcement agencies real-time
- 25 access to all transaction data; and
- 26 (3) provides authorized members of the public access
- 27 to only electronic photographs of all personal property pledged or

- 1 sold to a pawnshop.
- 2 (b) A pawnbroker who reports information under this
- 3 subchapter shall transmit the data pertaining to a transaction not
- 4 later than the day after the date of the transaction.
- 5 Sec. 371.354. CONFIDENTIALITY. Except as provided by
- 6 Section 371.355, the data on the Internet website described by
- 7 Section 371.353 is confidential and may be released or disclosed
- 8 only to a law enforcement agency for the investigation of a crime or
- 9 to the commissioner for administrative purposes.
- 10 Sec. 371.355. AUTHORIZED LIMITED PUBLIC ACCESS TO
- 11 TRANSACTION WEBSITE. (a) On request by a person who files a police
- 12 report for lost or stolen property, the person shall:
- 13 (1) be provided seven days of temporary access to an
- 14 Internet website described by Section 371.353; and
- 15 (2) be provided a seven-day access extension to the
- 16 website after the date the person's previous access expires.
- 17 (b) The Finance Commission of Texas shall adopt rules to
- 18 implement this section.
- 19 Sec. 371.356. COMPUTER-RELATED MALFUNCTIONS AND ERRORS.
- 20 (a) A pawnbroker who electronically reports information under this
- 21 subchapter may not be held responsible for a delay in submitting
- 22 data that results from a computer-related malfunction or error
- 23 caused by the pawnbroker's equipment or software, if:
- 24 (1) the pawnbroker makes a bona fide effort to repair
- 25 the malfunction or correct the error; and
- 26 (2) the pawnbroker and the chief law enforcement
- 27 officer arrange a mutually acceptable alternative method by which

- 1 the pawnbroker provides the data to the law enforcement agency.
- 2 (b) A pawnbroker who electronically reports information
- 3 under this subchapter may not be held responsible for a delay in
- 4 submitting data that results from a computer-related malfunction or
- 5 error that is the responsibility of an Internet website described
- 6 in Section 371.353. A pawnbroker and a chief law enforcement
- 7 officer shall arrange a mutually acceptable alternative method by
- 8 which the pawnbroker provides the data to the Internet website
- 9 until the malfunction or error is corrected.
- 10 (c) The Finance Commission of Texas shall adopt rules to
- 11 establish procedures to address computer-related malfunctions and
- 12 errors under this subchapter.
- 13 SECTION 4. The Finance Commission of Texas shall adopt the
- 14 rules required by Section 371.177, Finance Code, as amended by this
- 15 Act, and Sections 371.355 and 371.356, Finance Code, as added by
- 16 this Act, not later than October 1, 2009.
- 17 SECTION 5. This Act takes effect September 1, 2009.