

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**March 28, 2011**

**TO:** Honorable John Carona, Chair, Senate Committee on Business & Commerce

**FROM:** John S O'Brien, Director, Legislative Budget Board

**IN RE: SB1450** by Zaffirini (Relating to the regulation of crafted precious metal dealers; providing a criminal penalty.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Local Government Code to authorize a Type A General Law municipality to license, tax, suppress, prevent, or otherwise regulate a cash-for-gold establishment.

The bill would amend the Occupations Code to require a crafted precious metal dealer to conduct a criminal background check on an applicant for employment with the dealer and to not employ a person convicted of a felony offense or theft. A dealer who violates this section would commit a Class B misdemeanor. A dealer also would be required to wait 22 days after filing a report on purchased crafted precious metals before the dealer can melt, deface, alter, or dispose of the crafted precious metal.

A Class B misdemeanor is punishable by a fine of not more than \$2,000, confinement in jail for a term not to exceed 180 days, or both.

**Local Government Impact**

Costs associated with enforcement, prosecution, and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication. No significant fiscal implication to units of local government is anticipated.

**Source Agencies:**

**LBB Staff:** JOB, AG, TP