

SENATE AMENDMENTS

2nd Printing

By: Solomons

H.B. No. 2490

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the regulation of certain metal dealers; providing
3 criminal penalties.

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

5 SECTION 1. Section 1956.001(8), Occupations Code, is
6 amended to read as follows:

7 (8) "Personal identification document" means:

8 (A) a valid driver's license issued by a state in
9 the United States;

10 (B) a United States military identification
11 card; ~~[or]~~

12 (C) a personal identification certificate issued
13 by the department under Section 521.101, Transportation Code, or a
14 corresponding card or certificate issued by another state;

15 (D) a passport; or

16 (E) documentation issued by the United States
17 agency responsible for citizenship and immigration that authorizes
18 the person to be in the United States.

19 SECTION 2. Section 1956.051, Occupations Code, is amended
20 by amending Subdivisions (1) and (2) and adding Subdivisions (1-a)
21 and (3-a) to read as follows:

22 (1) "Commissioner" means the consumer credit
23 commissioner.

24 (1-a) "Crafted precious metal" means jewelry,

1 silverware, an art object, or another object, made wholly or partly
2 from precious metal, other than a coin, a bar, a [~~or~~] commemorative
3 medallion, or scrap or a broken item selling at not more than five
4 percent more than the scrap value of the item [~~made in whole or in~~
5 ~~part from precious metal~~].

6 (2) "Dealer" means a person licensed to engage [~~who~~
7 ~~engages~~] in the business of purchasing and selling crafted precious
8 metal.

9 (3-a) "Finance commission" means the Finance
10 Commission of Texas.

11 SECTION 3. Subchapter B, Chapter 1956, Occupations Code, is
12 amended by adding Section 1956.0511 to read as follows:

13 Sec. 1956.0511. ADMINISTRATION BY FINANCE COMMISSION. (a)
14 Notwithstanding any other provision of this chapter, the finance
15 commission shall administer and enforce this subchapter, unless the
16 context clearly requires another state agency to perform a specific
17 duty.

18 (b) To the extent of any conflict between this subchapter
19 and other provisions of this chapter, this subchapter prevails.

20 SECTION 4. Section 1956.060, Occupations Code, is amended
21 to read as follows:

22 Sec. 1956.060. EXCEPTION: CRAFTED PRECIOUS METAL ACQUIRED
23 BY PERSON LICENSED UNDER TEXAS PAWNSHOP ACT. This subchapter does
24 not apply to crafted precious metal acquired by a person or an
25 employee of a person licensed under Chapter 371, Finance Code.

26 SECTION 5. Subchapter B, Chapter 1956, Occupations Code, is
27 amended by adding Sections 1956.0611, 1956.0612, 1956.0613,

1 1956.0614, and 1956.0615 to read as follows:

2 Sec. 1956.0611. DEALER'S LICENSE REQUIRED. A person may
3 not engage in the business of purchasing and selling crafted
4 precious metal unless the person holds a dealer's license issued
5 under this subchapter.

6 Sec. 1956.0612. ELIGIBILITY. (a) To be eligible for a
7 dealer's license, an applicant must:

8 (1) be of good moral character; and

9 (2) show that:

10 (A) the applicant will operate lawfully and
11 fairly under this subchapter; and

12 (B) the applicant or the applicant's owners and
13 managers have the financial responsibility, experience, character,
14 and general fitness to command the confidence of the public in the
15 applicant's operations.

16 (b) Subsection (a)(1) applies to each:

17 (1) operator and legal or beneficial owner, if the
18 applicant is a business entity; and

19 (2) officer, owner of at least five percent of the
20 shares outstanding, and director, if the applicant is a
21 corporation.

22 (c) The finance commission by rule may establish other
23 qualifications for a dealer's license.

24 Sec. 1956.0613. LICENSE APPLICATION; FEE. An applicant for
25 a dealer's license shall submit a license application on a form
26 prescribed by the commissioner. The finance commission shall
27 establish an application fee in an amount not to exceed \$500.

1 Sec. 1956.0614. APPROVAL; ISSUANCE OF LICENSE. The
2 commissioner shall approve the application and issue a dealer's
3 license to the applicant if the commissioner determines that the
4 applicant is eligible for the license.

5 Sec. 1956.0615. RULEMAKING. (a) The finance commission
6 may adopt rules to enforce this subchapter.

7 (b) The finance commission shall establish fees under this
8 subchapter, including an annual fee to be paid by a license holder,
9 in amounts reasonable and necessary to cover the costs of
10 administering the commission's programs and activities under this
11 subchapter.

12 SECTION 6. Section 1956.062, Occupations Code, is amended
13 by amending Subsection (c) and adding Subsection (c-1) to read as
14 follows:

15 (c) The dealer shall:

16 (1) record the identification [~~proposed seller's~~
17 ~~driver's license~~] number [~~or department personal identification~~
18 ~~certificate number on physical presentation~~] of the seller's
19 personal identification document; and

20 (2) visually verify the accuracy of the seller's
21 personal identification document and make a copy of the document
22 [~~license or personal identification certificate by the seller~~].

23 (c-1) The copy of the document described by Subsection (c)
24 [~~record~~] must accompany the list.

25 SECTION 7. Section 1956.063(c), Occupations Code, is
26 amended to read as follows:

27 (c) For each transaction regulated by this subchapter, the

1 ~~[The]~~ dealer shall submit a ~~[the]~~ report on a preprinted and
2 prenumbered form prescribed by the finance commission ~~[district~~
3 ~~attorney or person performing the duties of district attorney of~~
4 ~~the county in which the transaction occurs]~~. The form must include
5 the following:

6 (1) the date of the transaction;

7 (2) a description of the crafted precious metal
8 purchased by the dealer;

9 (3) the name and physical address of the dealer;

10 (4) the name, physical description, and physical
11 address of the seller; and

12 (5) a copy of the document described by Section
13 1956.062(c).

14 SECTION 8. Subchapter B, Chapter 1956, Occupations Code, is
15 amended by adding Section 1956.0631 to read as follows:

16 Sec. 1956.0631. PAYMENT FOR CRAFTED PRECIOUS METAL
17 PURCHASED. A dealer may pay for a purchase of crafted precious
18 metal only by check. The names of the dealer and seller must be
19 printed on the check.

20 SECTION 9. Section 1956.064, Occupations Code, is amended
21 to read as follows:

22 Sec. 1956.064. REQUIRED RETENTION OF CRAFTED PRECIOUS
23 METAL. (a) A dealer may not melt, deface, alter, or dispose of
24 crafted precious metal that is the subject of a report required by
25 this subchapter before the 31st ~~[11th]~~ day after the date the report
26 is filed unless:

27 (1) the peace officer to whom the report is submitted,

1 for good cause, authorizes disposition of the metal; or

2 (2) ~~[the dealer obtains the name, address, and~~
3 ~~description of the buyer and retains a record of that information,~~
4 ~~or~~

5 ~~[(3)]~~ the dealer is a pawnbroker or an employee of a
6 pawnbroker and the disposition is the redemption of pledged
7 property by the pledgor.

8 (b) A peace officer who has reasonable suspicion to believe
9 that an item of crafted precious metal in the possession of a dealer
10 is stolen may place the item on hold by issuing to the dealer a
11 written notice that:

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

14 (2) informs the dealer of the requirements of
15 Subsection (c).

16 (c) On receiving the notice, the dealer may not melt,
17 deface, alter, or dispose of the identified crafted precious metal
18 until the hold is released in writing by a peace officer of this
19 state or a court order. ~~[A dealer who retains information under~~
20 ~~Subsection (a)(2) shall make that information available for~~
21 ~~inspection by any peace officer.]~~

22 SECTION 10. Section 1956.067(a), Occupations Code, is
23 amended to read as follows:

24 (a) A dealer who conducts business at a temporary location
25 for a period of less than one year ~~[90 days]~~ may not engage in the
26 business of buying precious metal or used items made of precious
27 metal unless, within a 12-month period at least 30 days before the

1 date on which each purchase is made, the dealer [~~person~~] has filed:

2 (1) a registration statement with the department;
3 [~~and~~]

4 (2) a copy of the registration statement and a copy of
5 the dealer's license issued under this subchapter with the local
6 law enforcement agency of:

7 (A) the municipality in which the temporary
8 location is located; or

9 (B) if the temporary location is not located in a
10 municipality, the county in which the temporary location is
11 located; and

12 (3) a copy of the dealer's license issued under this
13 subchapter with the county and, if applicable, the municipality in
14 which the temporary location is located.

15 SECTION 11. Section 1956.069(a), Occupations Code, is
16 amended to read as follows:

17 (a) A person [~~dealer~~] commits an offense if the person
18 [~~dealer~~]:

19 (1) fails to make or permit inspection of a report as
20 required by Section 1956.062 or 1956.063;

21 (2) violates [~~disposes of crafted precious metal or~~
22 ~~fails to make a record available for inspection by a peace officer~~
23 ~~as required by~~] Section 1956.0611, 1956.0631, or 1956.064;

24 (3) fails to obtain or retain a statement as required
25 by Section 1956.066;

26 (4) fails to file a registration statement as required
27 by Section 1956.067; or

1 (5) purchases an object in violation of Section
2 1956.068.

3 SECTION 12. The change in law made by this Act applies only
4 to an offense committed on or after the effective date of this Act.
5 An offense committed before the effective date of this Act is
6 governed by the law in effect on the date the offense was committed,
7 and the former law is continued in effect for that purpose. For
8 purposes of this section, an offense was committed before the
9 effective date of this Act if any element of the offense occurred
10 before that date.

11 SECTION 13. Not later than December 1, 2011, the Finance
12 Commission of Texas shall adopt rules to implement Subchapter B,
13 Chapter 1956, Occupations Code, as amended by this Act.

14 SECTION 14. (a) Except as provided by Subsection (b) of
15 this section, this Act takes effect September 1, 2011.

16 (b) Section 1956.0611, Occupations Code, as added by this
17 Act, and Sections 1956.067(a) and 1956.069(a), Occupations Code, as
18 amended by this Act, take effect January 1, 2012.

ADOPTED

MAY 23 2011

Atty Gen
Secretary of the Senate

By: Carona

H.B. No. 2490

Substitute the following for H.B. No. 2490:

By: Ullmer

C.S. ___ .B. No. _____

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the regulation of crafted precious metal dealers;
3 providing criminal penalties.

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

5 SECTION 1. Section 1956.051, Occupations Code, is amended
6 to read as follows:

7 Sec. 1956.051. DEFINITIONS. In this subchapter:

8 (1) "Commission" means the Finance Commission of
9 Texas.

10 (2) "Commissioner" means the consumer credit
11 commissioner.

12 (3) "Crafted precious metal" means jewelry,
13 silverware, an art object, or another object, made wholly or partly
14 from precious metal, other than a coin, a bar, a [or] commemorative
15 medallion, or scrap or a broken item selling at five percent or more
16 than the scrap value of the item [made in whole or in part from
17 precious metal].

18 (4) [~~2~~] "Dealer" means a person licensed to engage
19 [who engages] in the business of purchasing and selling crafted
20 precious metal, including purchases or sales made through the mail.

21 (5) [~~3~~] "Department" means the Texas Department of
22 Public Safety.

23 (6) "Personal identification document" means a
24 document that contains a photograph of the seller or transferor and

1 is:

2 (A) a state driver's license;

3 (B) a state identification card;

4 (C) a passport;

5 (D) a military identification;

6 (E) a certificate of identification from the
7 Mexican Consulate, certificado de matricula consular; or

8 (F) identification issued by the agency of the
9 United States responsible for citizenship and immigration.

10 (7) [~~4~~] "Precious metal" means gold, silver,
11 platinum, palladium, iridium, rhodium, osmium, ruthenium, or an
12 alloy of those metals.

13 SECTION 2. Subchapter B, Chapter 1956, Occupations Code, is
14 amended by adding Section 1956.0511 to read as follows:

15 Sec. 1956.0511. ADMINISTRATION BY COMMISSION. (a)
16 Notwithstanding any other provision of this chapter, the commission
17 shall administer and enforce this subchapter, unless the context
18 clearly requires another state agency to perform a specific duty.

19 (b) To the extent of any conflict between this subchapter
20 and other provisions of this chapter, this subchapter prevails.

21 SECTION 3. Section 1956.060, Occupations Code, is amended
22 to read as follows:

23 Sec. 1956.060. EXCEPTION: CRAFTED PRECIOUS METAL ACQUIRED
24 BY PERSON LICENSED UNDER TEXAS PAWNSHOP ACT. This subchapter does
25 not apply to crafted precious metal acquired by:

26 (1) a person licensed under Chapter 371, Finance Code;

27 or

1 (2) an entity affiliated with a person licensed under
2 Chapter 371, Finance Code, if the entity's recordkeeping practices
3 satisfy the requirements of that chapter.

4 SECTION 4. Subchapter B, Chapter 1956, Occupations Code, is
5 amended by adding Sections 1956.0611, 1956.0612, 1956.0613,
6 1956.0614, 1956.0615, 1956.0616, 1956.0617, and 1956.0618 to read
7 as follows:

8 Sec. 1956.0611. RULEMAKING. The commission may adopt rules
9 necessary to implement and enforce this subchapter.

10 Sec. 1956.0612. LICENSE REQUIRED. A person may not engage
11 in the business of purchasing and selling crafted precious metal
12 unless the person holds a license issued under this subchapter.

13 Sec. 1956.0613. ELIGIBILITY. (a) To be eligible for a
14 license, an applicant must:

15 (1) be of good moral character; and

16 (2) show that:

17 (A) the applicant will operate lawfully and
18 fairly under this subchapter; and

19 (B) the applicant or the applicant's owners and
20 managers have the financial responsibility, experience, character,
21 and general fitness to command the confidence of the public in the
22 applicant's operations.

23 (b) Subsection (a)(1) applies to each:

24 (1) operator and legal or beneficial owner, if the
25 applicant is a business entity; and

26 (2) officer, owner of at least five percent of the
27 shares outstanding, and director, if the applicant is a

1 corporation.

2 (c) The commission by rule may establish other
3 qualifications for a license.

4 Sec. 1956.0614. LICENSE APPLICATION; FEES. (a) An
5 applicant for a license shall submit a license application on a form
6 prescribed by the commissioner. The commission shall establish a
7 nonrefundable application fee in an amount not to exceed \$500.

8 (b) The commission shall establish fees under this
9 subchapter, including an annual fee to be paid by a license holder,
10 in amounts reasonable and necessary to cover the costs of
11 administering the commission's programs and activities under this
12 subchapter.

13 Sec. 1956.0615. LICENSE TERM; RENEWAL. A license expires
14 on the first anniversary of the date of issuance and may be renewed
15 annually on payment of the required annual license fee.

16 Sec. 1956.0616. INVESTIGATION; NOTICE OF APPLICATION. (a)
17 On receipt of an application and the required fees, the
18 commissioner shall:

19 (1) conduct an investigation to determine whether to
20 issue the license; and

21 (2) give notice of the application to:

22 (A) the department; and

23 (B) each local law enforcement agency in the
24 county in which the dealer is to conduct business.

25 (b) The notice under Subsection (a) must state the name and
26 address of each person described by Section 1956.0613(b).

27 (c) The commissioner shall give the department and local law

1 enforcement agencies a reasonable period to respond to the notice
2 with information concerning each listed person or any other
3 relevant information.

4 Sec. 1956.0617. NOTICE OF DENIAL; HEARING. (a) If the
5 commissioner determines not to issue a license, the commissioner
6 shall deliver to the applicant at the address provided in the
7 application a written notice by personal delivery or certified
8 mail, return receipt requested. The notice must include the
9 reasons for denying the license.

10 (b) Not later than the 30th day after the date of receipt of
11 a notice under Subsection (a), an applicant may request a hearing on
12 the application denial. The commissioner shall set the hearing not
13 later than the 60th day after the date of the request. A hearing
14 under this section is a contested case under Chapter 2001,
15 Government Code.

16 Sec. 1956.0618. CONTENTS AND DISPLAY OF LICENSE. (a) A
17 license must state:

- 18 (1) the name of the dealer;
19 (2) the address of the dealer's principal place of
20 business; and
21 (3) that the dealer is authorized to deal in crafted
22 precious metals.

23 (b) A dealer shall display the license in a conspicuous
24 location at the dealer's principal place of business.

25 SECTION 5. The heading to Section 1956.062, Occupations
26 Code, is amended to read as follows:

27 Sec. 1956.062. REPORT OF PURCHASE OR EXCHANGE REQUIRED.

1 SECTION 6. Section 1956.062, Occupations Code, is amended
2 by amending Subsections (b), (c), and (d) and adding Subsections
3 (c-1), (c-2), and (e) to read as follows:

4 (b) Before [~~crafted precious metal is offered for sale or~~
5 ~~exchange,~~] a dealer [~~must notify each person intending to sell or~~
6 ~~exchange the metal that, before the dealer]~~ may purchase or
7 exchange crafted precious metal [~~accept any of the person's~~
8 ~~property]~~, the dealer [~~person~~] must compile [~~file with the dealer]~~
9 a list describing all of the [~~person's~~] crafted precious metal to be
10 accepted by the dealer. The list must contain:

11 (1) the proposed seller's name, sex, height, date of
12 birth, eye color, and address;

13 (2) the date and time of the purchase or exchange;

14 (3) a complete and accurate description of the crafted
15 precious metal that includes:

16 (A) the serial number of each item and the year
17 each item was produced or manufactured, if available;

18 (B) the approximate value of each item; and

19 (C) the size, weight, material, length, number of
20 items, capacity, or other identifying characteristics; and

21 (4) [~~3~~] the proposed seller's signed certification
22 that the information is true and complete.

23 (c) The dealer shall:

24 (1) record the identification [~~proposed seller's~~
25 ~~driver's license]~~ number [~~or department personal identification~~
26 ~~certificate number on physical presentation]~~ of the seller's
27 personal identification document;

1 (2) visually verify the accuracy of the seller's
2 personal identification document and make a copy of the document;
3 and

4 (3) obtain a digital or video photograph that
5 accurately depicts each item of crafted precious metal purchased
6 [license or personal identification certificate by the seller].

7 (c-1) The copy of the document and photograph described by
8 Subsection (c) [~~record~~] must accompany the list.

9 (c-2) All lists and records required by this section must be
10 legible.

11 (d) The dealer shall:

12 (1) provide to a peace officer or the commissioner, on
13 demand, the list required by Subsection (b); and

14 (2) mail or deliver a complete copy of the list to the
15 chief of police or the sheriff as provided by Section 1956.063 not
16 later than 48 hours after the list is filed with the dealer.

17 (e) In this section, "seller" includes a transferor who
18 exchanges, or offers to exchange, crafted precious metal with a
19 dealer.

20 SECTION 7. Section 1956.063(c), Occupations Code, is
21 amended to read as follows:

22 (c) For each transaction regulated by this subchapter, the
23 [The] dealer shall submit a [the] report on a preprinted and
24 prenumbered form prescribed by the commissioner [~~district attorney~~
25 or person performing the duties of district attorney of the county
26 in which the transaction occurs]. The form must include the
27 following:

- 1 (1) the date of the transaction;
2 (2) a description of the crafted precious metal
3 purchased by the dealer;
4 (3) the name and physical address of the dealer;
5 (4) the name, physical description, and physical
6 address of the seller or transferor; and
7 (5) a copy of the document described by Section
8 1956.062(c).

9 SECTION 8. Subchapter B, Chapter 1956, Occupations Code, is
10 amended by adding Section 1956.0631 to read as follows:

11 Sec. 1956.0631. PAYMENT FOR CRAFTED PRECIOUS METAL
12 PURCHASED. A dealer may pay for a purchase of crafted precious
13 metal only by check or prepaid debit card. If payment is by check,
14 the names of the dealer and seller or transferor must be printed on
15 the check. If payment is by prepaid debit card, the seller or
16 transferor may not be liable for any fees charged by the issuer of
17 the card.

18 SECTION 9. Section 1956.064, Occupations Code, is amended
19 to read as follows:

20 Sec. 1956.064. REQUIRED RETENTION OF CRAFTED PRECIOUS
21 METAL. (a) A dealer may not melt, deface, alter, or dispose of
22 crafted precious metal that is the subject of a report required by
23 this subchapter before the 21st [~~11th~~] day after the date the report
24 is filed unless:

25 (1) the peace officer to whom the report is submitted,
26 for good cause, authorizes disposition of the metal; or

27 (2) [~~the dealer obtains the name, address, and~~

1 ~~description of the buyer and retains a record of that information,~~
2 ~~or~~

3 ~~[(3)]~~ the dealer is a pawnbroker or an employee of a
4 pawnbroker and the disposition is the redemption of pledged
5 property by the pledgor.

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

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

12 (2) informs the dealer of the requirements of
13 Subsection (c).

14 (c) On receiving the notice, the dealer may not melt,
15 deface, alter, or dispose of the identified crafted precious metal
16 until the hold is released in writing by a peace officer of this
17 state or a court order. [A dealer who retains information under
18 Subsection (a)(2) shall make that information available for
19 inspection by any peace officer.]

20 SECTION 10. The heading to Section 1956.065, Occupations
21 Code, is amended to read as follows:

22 Sec. 1956.065. INSPECTION OF CRAFTED PRECIOUS METAL [~~BY~~
23 ~~PEACE OFFICER~~].

24 SECTION 11. Section 1956.065(a), Occupations Code, is
25 amended to read as follows:

26 (a) A dealer shall make crafted precious metal purchased or
27 exchanged by the dealer available for inspection by a peace officer

1 or the commissioner during regular business hours while in the
2 dealer's possession.

3 SECTION 12. Section 1956.066, Occupations Code, is amended
4 to read as follows:

5 Sec. 1956.066. PURCHASE FROM MINOR PROHIBITED. [~~(a)~~] A
6 dealer may not purchase crafted precious metal from a person
7 younger than 18 years of age [~~unless the seller delivers to the~~
8 ~~dealer before the purchase a written statement from the seller's~~
9 ~~parent or legal guardian consenting to the transaction~~].

10 [~~(b) The dealer shall retain the statement with the records~~
11 ~~required to be kept under this subchapter. The dealer may destroy~~
12 ~~the statement after the later of:~~

13 [~~(1) the date the item is sold, or~~

14 [~~(2) the first anniversary of the date the dealer~~
15 ~~purchased the item.~~]

16 SECTION 13. Section 1956.067(a), Occupations Code, is
17 amended to read as follows:

18 (a) A dealer who conducts business at a temporary location
19 for a period of less than one year [~~90 days~~] may not engage in the
20 business of buying precious metal or used items made of precious
21 metal unless, within a 12-month period at least 30 days before the
22 date on which each purchase is made, the dealer [~~person~~] has filed:

23 (1) a registration statement with the department;
24 [~~and~~]

25 (2) a copy of the registration statement and a copy of
26 the dealer's license issued under this subchapter with the local
27 law enforcement agency of:

1 (A) the municipality in which the temporary
2 location is located; or

3 (B) if the temporary location is not located in a
4 municipality, the county in which the temporary location is
5 located; and

6 (3) a copy of the dealer's license issued under this
7 subchapter with the county and, if applicable, the municipality in
8 which the temporary location is located.

9 SECTION 14. Subchapter B, Chapter 1956, Occupations Code,
10 is amended by adding Sections 1956.0685 and 1956.0686 to read as
11 follows:

12 Sec. 1956.0685. GROUNDS FOR DENIAL, REVOCATION, OR
13 SUSPENSION OF LICENSE. The commissioner may deny, revoke, or
14 suspend a license issued under this subchapter if the person:

15 (1) violates this subchapter or a rule adopted or an
16 order issued under this subchapter;

17 (2) provides false information on a license
18 application; or

19 (3) is convicted of an offense under Section 31.03,
20 37.09, or 37.10, Penal Code.

21 Sec. 1956.0686. NOTICE OF HEARING. (a) The commissioner
22 shall send written notice to the dealer of a license revocation or
23 suspension hearing that includes the cause or allegations of the
24 revocation or suspension hearing.

25 (b) A hearing under this section is a contested case under
26 Chapter 2001, Government Code.

27 SECTION 15. Section 1956.069(a), Occupations Code, is

1 amended to read as follows:

2 (a) A person [~~dealer~~] commits an offense if the person
3 [~~dealer~~]:

4 (1) fails to make or permit inspection of a report as
5 required by Section 1956.062 or 1956.063;

6 (2) violates [~~disposes of crafted precious metal or~~
7 ~~fails to make a record available for inspection by a peace officer~~
8 ~~as required by~~] Section 1956.0612, 1956.0631, or 1956.064;

9 (3) fails to obtain or retain a statement as required
10 by Section 1956.066;

11 (4) fails to file a registration statement as required
12 by Section 1956.067; or

13 (5) purchases an object in violation of Section
14 1956.068.

15 SECTION 16. The change in law made by this Act applies only
16 to an offense committed on or after the effective date of this Act.
17 An offense committed before the effective date of this Act is
18 governed by the law in effect on the date the offense was committed,
19 and the former law is continued in effect for that purpose. For
20 purposes of this section, an offense was committed before the
21 effective date of this Act if any element of the offense occurred
22 before that date.

23 SECTION 17. Not later than December 1, 2011, the Finance
24 Commission of Texas shall adopt rules to implement Subchapter B,
25 Chapter 1956, Occupations Code, as amended by this Act.

26 SECTION 18. (a) Except as provided by Subsection (b) of
27 this section, this Act takes effect September 1, 2011.

1 (b) Section 1956.0612, Occupations Code, as added by this
2 Act, and Sections 1956.067(a) and 1956.069(a), Occupations Code, as
3 amended by this Act, take effect January 1, 2012.

ADOPTED

FLOOR AMENDMENT NO. 1

MAY 23 2011

BY:

Carron

1 Amend C.S.H.B. No. ²⁴⁹⁶ Secretary of the Senate (senate committee report), by
2 striking all below the enacting clause and substituting the
3 following:

4 SECTION 1. Section 1956.051, Occupations Code, is amended
5 by amending Subdivision (1) and adding Subdivision (1-a) to read
6 as follows:

7 (1) "Commissioner" means the consumer credit commissioner.

8 (1-a) "Crafted precious metal" means jewelry, silverware,
9 an art object, or another object, other than a coin or
10 commemorative medallion, made in whole or in part from precious
11 metal.

12 SECTION 2. Subchapter B, Chapter 1956, Occupations Code,
13 is amended by adding Sections 1956.0611 through 1956.0615 to
14 read as follows:

15 Sec. 1956.0611. REGISTRATION AS DEALER. (a) A person may
16 not engage in the business of purchasing and selling crafted
17 precious metal unless the person is registered with the
18 commissioner as a dealer under this section.

19 (b) To register as a dealer, a person must provide to the
20 commissioner, on or before December 31 preceding each calendar
21 year in which the person seeks to act as a dealer:

22 (1) a list of each location in this state at which
23 the person will conduct business as a dealer; and

24 (2) a processing fee for each location included on
25 the list furnished under Subdivision (1).

26 (c) The commissioner shall prescribe the processing fee in
27 an amount necessary to cover the costs of administering this
28 section.

29 (d) After the December 31 deadline, a dealer may amend the

1 registration required under Subsection (a) to reflect any change
2 in the information provided by the registration.

3 (e) The commissioner shall make available to the public a
4 list of dealers registered under this section.

5 (f) The commissioner may prescribe the registration form.

6 (g) A reference to a registration in another subchapter of
7 this chapter does not apply to a person to the extent the person
8 is registered under this subchapter.

9 Sec. 1956.0612. INVESTIGATION BY COMMISSIONER. The
10 commissioner shall:

11 (1) monitor the operations of a dealer to ensure
12 compliance with this chapter; and

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

15 Sec. 1956.0613. REVOCATION OF REGISTRATION. (a) The
16 commissioner may revoke the registration of a dealer if the
17 commissioner concludes that the dealer has violated this
18 chapter. The commissioner shall recite the basis of the
19 decision in an order revoking the registration.

20 (b) If the commissioner proposes to revoke a registration,
21 the dealer is entitled to a hearing before the commissioner or a
22 hearings officer, who shall propose a decision to the
23 commissioner. The commissioner or hearings officer shall
24 prescribe the time and place of the hearing. The hearing is
25 governed by Chapter 2001, Government Code.

26 (c) A dealer aggrieved by a ruling, order, or decision of
27 the commissioner is entitled to appeal to a district court in
28 the county in which the hearing was held. An appeal under this
29 subsection is governed by Chapter 2001, Government Code.

30 Sec. 1956.0615. ADMINISTRATIVE PENALTY. The commissioner
31 may assess an administrative penalty not to exceed \$500 against

1 a person for each knowing and willful violation of this chapter.

2 SECTION 3. Not later than November 1, 2011, the consumer
3 credit commission shall prescribe the forms and fees necessary
4 to implement Subchapter B, Chapter 1956, Occupations Code, as
5 amended by this Act.

6 SECTION 4. (a) Except as provided by Subsection (b) of
7 this section, this Act takes effect September 1, 2011.

8 (b) Section 1956.0611, Occupations Code, as added by this
9 Act, takes effect December 1, 2011.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 24, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB2490 by Solomons (Relating to the regulation of crafted precious metal dealers; providing criminal penalties.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 466 Office of Consumer Credit Commissioner, 450 Department of Savings and Mortgage Lending, 451 Department of Banking

LBB Staff: JOB, SD, RAN, AG, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 19, 2011

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

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

IN RE: HB2490 by Solomons (Relating to the regulation of crafted precious metal dealers; providing criminal penalties.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 466 Office of Consumer Credit Commissioner

LBB Staff: JOB, RAN, AG, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 13, 2011

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

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

IN RE: HB2490 by Solomons (Relating to the regulation of certain metal dealers; providing criminal penalties.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 466 Office of Consumer Credit Commissioner

LBB Staff: JOB, AG, RAN, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 20, 2011

TO: Honorable Wayne Smith, Chair, House Committee on Environmental Regulation

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

IN RE: HB2490 by Solomons (Relating to the regulation of certain metal dealers; providing criminal penalties.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 466 Office of Consumer Credit Commissioner

LBB Staff: JOB, RAN, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 12, 2011

TO: Honorable Wayne Smith, Chair, House Committee on Environmental Regulation

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

IN RE: HB2490 by Solomons (Relating to the regulation of certain metal dealers; providing criminal penalties.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 450 Department of Savings and Mortgage Lending, 451 Department of Banking, 466
Office of Consumer Credit Commissioner

LBB Staff: JOB, SZ, RAN