

By: King of Parker

H.B. No. 942

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of crafted precious metal dealers;
providing a criminal penalty.

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

SECTION 1. Section 1956.051(3), Occupations Code, is amended to read as follows:

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

SECTION 2. Section 1956.062, Occupations Code, is amended to read as follows:

Sec. 1956.062. RECORD [~~REPORT~~] OF PURCHASE OR EXCHANGE REQUIRED. (a) A dealer shall maintain an accurate record of [~~, as required by Section 1956.063, report~~] all identifiable crafted precious metal that the dealer purchases, takes in trade, accepts for sale on consignment, or accepts for auction.

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

- 1 (1) the date of the transaction;
- 2 (2) the name and physical address of the dealer;
- 3 (3) the [~~proposed~~] seller's name as listed on the
4 seller's personal identification document;
- 5 (4) the identifying number of the seller's personal
6 identification document;
- 7 (5) the physical [~~and~~] address at which the seller is
8 residing at the time of the transaction;
- 9 (6) the seller's sex, height, date of birth, and eye
10 color;
- 11 (7) [~~(2)~~] a complete and accurate description of the
12 crafted precious metal that includes:
 - 13 (A) the number of items accepted;
 - 14 (B) for each item accepted, the size, weight, and
15 length of the item, and the material from which the item is made;
 - 16 (C) for each item accepted that contains a
17 precious metal, the color, weight, purity, and type of each
18 precious metal;
 - 19 (D) the color, number, size, and approximate
20 weight of any stone included in the items accepted; and
 - 21 (E) other identifying characteristics of the
22 items accepted;
- 23 (8) the total amount paid by the dealer to the seller,
24 including the amounts attributable to each type of precious metal
25 accepted;
- 26 (9) a digital or video photograph that accurately
27 depicts each item accepted; and

1 (10) [~~(3)~~] the [~~proposed~~] seller's certification
2 that:

3 (A) the information in the record is true and
4 complete; and

5 (B) the seller is the legal owner of or is
6 lawfully entitled to transfer the crafted precious metal.

7 (c) [~~The dealer shall record the proposed seller's driver's~~
8 ~~license number or department personal identification certificate~~
9 ~~number on physical presentation of the license or personal~~
10 ~~identification certificate by the seller. The record must~~
11 ~~accompany the list.~~

12 [~~(d)~~] The dealer shall:

13 (1) provide to a peace officer, on demand, the record
14 [~~list~~] required by this section [~~Subsection (b)~~]; and

15 (2) except as provided by Subsection (d), mail or
16 deliver a complete copy of the record [~~list~~] to the chief of police
17 or the sheriff as provided by Section 1956.063 not later than 48
18 hours after the time the transaction occurs [~~list is filed with the~~
19 ~~dealer~~].

20 (d) The chief of police or the sheriff may provide for
21 electronic submission of a record under Subsection (c)(2).

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

25 SECTION 3. Section 1956.063(c), Occupations Code, is
26 amended to read as follows:

27 (c) For each transaction for which the dealer is required by

1 Section 1956.062 to maintain a record [~~regulated by this~~
2 ~~subchapter~~], the dealer shall submit a report on a preprinted and
3 prenumbered form prescribed by the commissioner. The form must
4 include the information required to be included in the record
5 [~~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; and~~

10 [~~(4) the name, physical description, and physical~~
11 ~~address of the seller or transferor~~].

12 SECTION 4. Section 1956.064(a), Occupations Code, is
13 amended to read as follows:

14 (a) A dealer may not melt, deface, alter, or dispose of
15 crafted precious metal that is the subject of a report required by
16 this subchapter before the 21st [~~11th~~] day after the date the report
17 is filed unless:

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

20 (2) [~~the dealer obtains the name, address, and~~
21 ~~description of the buyer and retains a record of that information;~~

22 ~~or~~

23 [~~(3)~~] the dealer is a pawnbroker and the disposition
24 is the redemption of pledged property by the pledgor.

25 SECTION 5. Section 1956.066, Occupations Code, is amended
26 to read as follows:

27 Sec. 1956.066. PURCHASE FROM MINOR PROHIBITED. [~~(a)~~] A

1 dealer may not purchase crafted precious metal from a person
2 younger than 18 years of age [~~unless the seller delivers to the~~
3 ~~dealer before the purchase a written statement from the seller's~~
4 ~~parent or legal guardian consenting to the transaction~~].

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

8 [~~(1) the date the item is sold; or~~

9 [~~(2) the first anniversary of the date the dealer~~
10 ~~purchased the item.~~]

11 SECTION 6. Subchapter B, Chapter 1956, Occupations Code, is
12 amended by adding Section 1956.0681 to read as follows:

13 Sec. 1956.0681. PURCHASE OF DEFACED, ALTERED, OR BROKEN
14 ITEMS. A dealer, in the course of business, may not purchase from a
15 person other than a manufacturer of or a regular dealer in crafted
16 precious metal an object that has been defaced, altered, or broken
17 to the extent that the object cannot be used for its original
18 purpose without substantial repair.

19 SECTION 7. Section 1956.069, Occupations Code, is amended
20 to read as follows:

21 Sec. 1956.069. CRIMINAL PENALTY. (a) A person commits an
22 offense if the person:

23 (1) [~~fails to make or permit inspection of a report as~~
24 ~~required by Section 1956.062 or 1956.063,~~

25 [~~(2)~~] violates Section 1956.0612, 1956.062, 1956.063,
26 or 1956.064;

27 (2) [~~(3) fails to obtain or retain a statement as~~

1 ~~required by Section 1956.066;~~

2 ~~[(4)]~~ fails to file a registration statement as
3 required by Section 1956.067; or

4 (3) ~~[(5)]~~ purchases an object in violation of Section
5 1956.066, 1956.068, or 1956.0681.

6 (b) An offense under Subsection (a)(1) or (2) ~~[this section]~~
7 is a Class B misdemeanor, except that:

8 (1) the offense is a Class A misdemeanor if it is shown
9 on the trial of the offense that the defendant has been previously
10 convicted of an offense under this section; and

11 (2) the offense is a state jail felony if it is shown
12 on the trial of the offense that the defendant has previously been
13 convicted two or more times of an offense under this section.

14 (c) An offense under Subsection (a)(3) is a Class A
15 misdemeanor, unless it is shown on the trial of the offense that the
16 defendant has been previously convicted of an offense under that
17 subsection, in which event the offense is a state jail felony.

18 SECTION 8. The change in law made by this Act applies only
19 to an offense committed on or after the effective date of this Act.
20 An offense committed before the effective date of this Act is
21 governed by the law in effect on the date the offense was committed,
22 and the former law is continued in effect for that purpose. For
23 purposes of this section, an offense was committed before the
24 effective date of this Act if any element of the offense occurred
25 before that date.

26 SECTION 9. Not later than November 1, 2013, the consumer
27 credit commissioner shall prescribe the form required by Section

1 1956.063, Occupations Code, as amended by this Act.

2 SECTION 10. (a) Except as provided by Subsection (b) of
3 this section, this Act takes effect September 1, 2013.

4 (b) Sections 1956.063(c) and 1956.069, Occupations Code, as
5 amended by this Act, take effect December 1, 2013.