

BILL ANALYSIS

S.B. 957
By: Eltife
Environmental Regulation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In order to ensure improvement in the functioning of the crafted precious metal industry, as well as communication between the industry and local law enforcement, and to more comprehensively regulate the industry, interested parties cite certain needed changes in the current regulation of the industry and note the benefit of granting additional related authority to the consumer credit commissioner. S.B. 957 seeks to make changes relating to the regulation of this industry by amending the applicable law.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 957 amends the Occupations Code to redefine "crafted precious metal" as jewelry, silverware, an art object, or another object, made wholly or partly from precious metal, that is selling at less than 105 percent of the scrap value of the object, other than a coin, a bar, or a commemorative medallion.

S.B. 957 authorizes the consumer credit commissioner or the commissioner's authorized representative, if the commissioner receives a written complaint regarding a violation of provisions regulating the sale of crafted precious metal to dealers or has reasonable cause to believe that a person is violating such provisions, to inspect any record, account, paper, book, or correspondence of the person, regardless of whether the person is registered as a crafted precious metal dealer and to take statements under oath in an investigation of such a matter.

S.B. 957 establishes that the list describing all of a person's crafted precious metal to be accepted by the dealer, which is required to be filed before crafted precious metal is offered for sale or exchange, may be submitted in satisfaction of the required transaction report to a municipality's chief of police or a county's sheriff, as applicable, if the list contains the date of transaction, a description of the purchased precious metal, the dealer's name and physical address, and the seller's or transferor's name, physical description, and physical address. The bill changes the date until which the dealer is required to retain a copy of the report for the chief of police or sheriff from the third anniversary of the date the report is filed to the later of that date or the second anniversary of the date the dealer sells or otherwise disposes of the crafted precious metal purchased by the dealer.

S.B. 957 authorizes a peace officer who has reasonable suspicion to believe that an item of crafted precious metal in the possession of another person on behalf of a dealer is stolen to place the item on hold for a period not to exceed 60 days by issuing a written notice to the person that specifically identifies the item alleged to be stolen and subject to the hold and informs the person of the prohibition against melting, defacing, altering, or disposing of the identified crafted precious metal until the hold is released in writing by a peace officer of the state or a court order.

S.B. 957 amends the Finance Code to extend the applicability of the consumer credit commissioner's investigative and enforcement authority to Occupations Code provisions relating to the sale of crafted precious metal to dealers.

EFFECTIVE DATE

September 1, 2015.