

By: Davis of Harris

H.B. No. 1157

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the hold period for the disposition of and payment for  
3 items of goods acquired by pawnbrokers.

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

5 SECTION 1. Section 371.182, Finance Code, is amended to  
6 read as follows:

7 Sec. 371.182. HOLD PERIOD FOR ACQUIRED GOODS; WITHHOLDING  
8 OF PAYMENT. (a) Subject to Subsections (b) and (c), a [~~The~~  
9 ~~commissioner may designate a reasonable hold period during which a~~  
10 pawnbroker may not modify, sell, or otherwise dispose of an item of  
11 goods acquired [~~and offered for sale or other disposition~~] by the  
12 pawnbroker for a period of at least 20 days after the date the item  
13 of goods is acquired.

14 (b) A pawnbroker may modify, sell, or otherwise dispose of  
15 an item of goods acquired by the pawnbroker for a period of less  
16 than 20 days if the municipality in which the pawnshop is located  
17 has enacted an ordinance that specifies the hold period.

18 (c) A pawnbroker and a local law enforcement agency of the  
19 municipality in which the pawnshop is located may agree to  
20 establish a reduced hold period of seven days or less if:

21 (1) the ticket information for acquired goods is  
22 exchanged electronically;

23 (2) the agreement for a reduced hold period does not  
24 conflict with an ordinance of the municipality; and

1           (3) the agreement is submitted in writing to the  
2 commissioner by the chief local law enforcement officer of the  
3 municipality.

4           (d) A pawnbroker shall hold an item of goods for the  
5 applicable hold period required by this section at the pawnshop  
6 location at which the item of goods was acquired by the pawnbroker.

7           (e) A pawnbroker shall withhold payment from the seller for  
8 each item of goods acquired by the pawnbroker until the day the  
9 applicable hold period prescribed by this section ends.

10           (f) A pawnbroker shall hold in escrow for six months any  
11 money withheld under Subsection (e) that remains unclaimed by a  
12 seller after the date the hold period for the goods expires. At the  
13 end of the six-month period, the money is presumed abandoned for the  
14 purposes of Title 6, Property Code.

15           SECTION 2. Section [371.182](#), Finance Code, as amended by  
16 this Act, applies only to a transaction involving the purchase of  
17 goods by a pawnbroker on or after the effective date of this Act. A  
18 transaction involving the purchase of goods by a pawnbroker before  
19 the effective date of this Act is governed by the law in effect  
20 immediately before the effective date of this Act, and the former  
21 law is continued in effect for that purpose.

22           SECTION 3. This Act takes effect September 1, 2017.