

By: Johnson, et al.
(Turner of Dallas)

S.B. No. 1132

Substitute the following for S.B. No. 1132:

By: Rogers

C.S.S.B. No. 1132

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of crafted precious metal dealers;
authorizing the change of a fee.

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

SECTION 1. Section 1956.051, Occupations Code, is amended
by amending Subdivision (3) and adding Subdivision (5-a) to read as
follows:

(3) "Crafted precious metal" means jewelry,
silverware, an art object, or another object, made wholly or partly
from precious metal and used primarily for personal, family, or
household purchases. The term does not include:

(A) ~~[, other than]~~ a coin;

(B) ~~[,]~~ a bar;

(C) ~~[,]~~ a commemorative medallion;

(D) an item selling at 105 percent or more of ~~[, or
scrap or a broken item selling at five percent or more than]~~ the
scrap value of the item;

(E) an item made wholly or partly from precious
metal and used for a dental, pharmaceutical, or medical
application; or

(F) an item made wholly or partly from precious
metal extracted, recovered, or salvaged from an industrial
by-product or industrial waste product.

(5-a) "Jewelry store" means a retail establishment

1 that derives 75 percent or more of its annual revenue from the sale
2 to consumers of crafted precious metal or other items of personal
3 adornment, including watches, bracelets, necklaces, brooches,
4 rings, and earrings.

5 SECTION 2. Section 1956.0612(c), Occupations Code, is
6 amended to read as follows:

7 (c) The commissioner shall prescribe the processing fee in
8 an amount necessary to cover the costs of administering this
9 subchapter [~~section~~].

10 SECTION 3. Section 1956.0613, Occupations Code, is amended
11 to read as follows:

12 Sec. 1956.0613. INVESTIGATION BY COMMISSIONER. The
13 commissioner shall:

14 (1) monitor the operations of a dealer to ensure
15 compliance with this subchapter [~~chapter~~]; and

16 (2) receive and investigate complaints against a
17 dealer or a person acting as a dealer.

18 SECTION 4. Subchapter B, Chapter 1956, Occupations Code, is
19 amended by adding Section 1956.06131 to read as follows:

20 Sec. 1956.06131. EXAMINATION BY COMMISSIONER. (a) At the
21 times the commissioner considers necessary, the commissioner or the
22 commissioner's representative may:

23 (1) examine each place of business of each dealer; and

24 (2) investigate the dealer's transactions and records,
25 including books, accounts, papers, and correspondence, to the
26 extent the transactions and records pertain to the business
27 regulated under this subchapter.

1 (b) A dealer shall:

2 (1) give the commissioner or the commissioner's
3 representative free access to the dealer's office, place of
4 business, files, safes, and vaults; and

5 (2) allow the commissioner or the representative to
6 make a copy of an item that may be investigated under Subsection
7 (a)(2).

8 (c) The commissioner or the commissioner's representative
9 shall examine under Subsection (a) at least 10 dealers each
10 calendar year.

11 (d) This section does not apply with respect to a jewelry
12 store.

13 SECTION 5. Subchapter B, Chapter 1956, Occupations Code, is
14 amended by adding Section 1956.0616 to read as follows:

15 Sec. 1956.0616. NOTICE OF ENFORCEMENT ORDER. (a) As soon
16 as practicable after an enforcement order against a dealer for a
17 violation of this subchapter becomes final, including an order
18 assessing an administrative penalty or an order to pay restitution
19 under Section 14.251(b)(3), Finance Code, the commissioner shall
20 provide notice of the order to:

21 (1) the chief of police of the municipality in which
22 the violation occurred; or

23 (2) the sheriff of the county in which the violation
24 occurred, if the violation did not occur in a municipality.

25 (b) The notice must include:

26 (1) a copy of the enforcement order;

27 (2) the information on complaint procedures described

1 by Section 14.062(b), Finance Code; and

2 (3) any other information the commissioner considers
3 necessary or proper to the enforcement of this subchapter.

4 SECTION 6. Sections 1956.052, 1956.053, and 1956.054,
5 Occupations Code, are repealed.

6 SECTION 7. (a) Except as provided by Subsection (b) of this
7 section, this Act takes effect September 1, 2021.

8 (b) Section 1956.06131, Occupations Code, as added by this
9 Act, takes effect January 1, 2022.