

BILL ANALYSIS

Senate Research Center
78R9013 EMT-F

H.B. 2248
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Criminal Justice
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Engrossed

DIGEST AND PURPOSE

The rapid growth of electronic payments and a fundamental shift in payment methods by consumers have created a gap in the Penal Code that impedes the effective prosecution of criminal activity affecting financial institutions and their customers. H.B. 2248 expands the definition of debit card and identifying information, and amends appropriate sections of the Penal Code to provide that a person commits an offense if the person uses a debit card with the intent to obtain a benefit fraudulently.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 32.21(d), Penal Code, to provide that an offense under this section is a state jail felony if the writing is or purports to be a will, codicil, deed, deed of trust, mortgage, security instrument, security agreement, credit card, check, authorization to debit an account at a financial institution, or similar sight order for payment of money, contract, release, or other commercial instrument.

SECTION 2. Amends Section 32.31(a)(4), Penal Code, to redefine "debit card."

SECTION 3. Amends Section 32.31(b), Penal Code, to provide that a person commits an offense if the person takes certain actions including: the person uses or induces the cardholder to use the cardholder's credit card or debit card to obtain property or service for the actor's benefit for which the cardholder is financially unable to pay; being authorized by an issuer to furnish goods or services on presentation of a credit card or debit card, he, with intent to defraud the issuer or the cardholder, furnishes goods or services on presentation of a credit card or debit card obtained or retained in violation of this section or a credit card or debit card that is forged, expired, or revoked; or being authorized by an issuer to furnish goods or services on presentation of a credit card or debit card, he, with intent to defraud the issuer or a cardholder, fails to furnish goods or services that he represents in writing to the issuer that he has furnished.

SECTION 4. Amends Section 32.51(a)(1), Penal Code, to redefine "identifying information."

SECTION 5. (a) Effective date: September 1, 2003.

(b) Makes application of this Act prospective.