

**NOTICE OF PRECOMMENT DRAFT**  
**Pawnshop Rule Review**  
**May 14, 2026**

The Office of Consumer Credit Commissioner (OCCC) intends to present rule amendments to Title 7, Chapter 85, Subchapter A the Texas Administrative Code, resulting from the rule review for pawnshops. The OCCC intends to present the amendments for proposal at the Texas Finance Commission's June 19 meeting.

**Summary of Rule Amendments**

The amendments would revise the OCCC's rules for pawnshops at 7 Tex. Admin. Code Chapter 85, Subchapter A. The proposed rule amendments include the following:

- **Recordkeeping—electronic recordkeeping systems:** The recordkeeping rule at Section 85.402 allows paper or electronic recordkeeping. A proposed amendment at Section 85.402(b) would rearrange language to refer to electronic systems before paper systems, while still allowing either type of system.
- **Recordkeeping—information security program:** Amendments to the recordkeeping rule would specify that licensees must maintain written policies and procedures for an information security program, as required by the Federal Trade Commission's Safeguards Rule, 16 C.F.R. part 314.
- **Recordkeeping—data breach notifications:** Amendments to the recordkeeping rule would specify that licensees must maintain data breach notifications, including notifications under Texas Business & Commerce Code, §521.053.
- **Law enforcement reporting:** In the law enforcement reporting rule at Section 85.406, an amendment would remove a reference to transmitting information to law enforcement by disk, because the OCCC understands that disks are no longer commonly used.

**Submission of Informal Comments**

Informal precomments on the draft rule amendments may be submitted by email to [rule.comments@occc.texas.gov](mailto:rule.comments@occc.texas.gov), or by mail to Matthew Nance, General Counsel, Office of Consumer Credit Commissioner, 2601 North Lamar Blvd., Austin, Texas 78705.

Precomments submitted to the OCCC are generally public. Please redact all confidential information before submitting precomments to the OCCC.

***Informal precomments on the OCCC's May 14 precomment draft must be received by 5:00 p.m. on May 28, 2026.***

# OCCC Pawnshop Rule Review Amendments

5/14/2026 Precomment Draft

*Title 7, Texas Administrative Code*

*Part 5. Office of Consumer Credit Commissioner*

*Chapter 85. Pawnshops and Crafted Precious Metal Dealers*

*Subchapter A. Rules of Operation for Pawnshops*

*Division 4. Operation of Pawnshops*

*§85.402. Recordkeeping*

(a) (No change.)

(b) Record retention. Any required book, record, or instrument pertaining to a transaction, whether electronic or paper [~~or electronic~~], must be available for a minimum of two years from the date of the last recorded event. Records must be available for inspection during normal business hours by the commissioner's authorized representative. For purposes of this section, the date of the last recorded event is the date a pledged item is taken into inventory, redeemed, renewed, seized, or voided.

(c) - (h) (No change.)

(i) Information security program. A licensee must maintain the following for an information security program:

(1) written policies and procedures for an information security program to protect consumers' customer information under the Federal Trade Commission's Safeguards Rule, 16 C.F.R. part 314; and

(2) if a licensee maintains customer information concerning 5,000 or more consumers, a written incident response plan and written risk assessments under 16 C.F.R. §314.4.

(j) Data breach notifications. A licensee must maintain the following for data breach notifications:

(1) the text of any data breach notification provided to consumers, including any notification under Texas Business & Commerce Code, §521.053, for a period of four years from the date of the notification; and

(2) any data breach notification provided to a government agency, including any notification provided to the Office of the Attorney General under Texas Business & Commerce Code, §521.053, for a period of four years from the date of the notification.

*§85.406. Law Enforcement Reporting*

(a) Reporting requirements. The information on the pawn ticket must be made available to the law enforcement agency electronically or through the production of a separate copy of the pawn ticket.

(b) Suggested electronic reporting guidelines. These suggested guidelines are intended to give pawnshops considerable flexibility to fit individual needs while providing some guidance. Modifications to the guidelines may be made without the loss of protection from any liability defense. Electronic reporting is voluntary and should occur under mutually acceptable terms to the pawnbroker and the law enforcement agency. Information reported electronically should be transmitted by a method mutually acceptable to both the pawnshop and the law enforcement agency. The suggested guidelines are:

(1) the transmission be made using a [~~disk,~~] flash drive, remote access to secure websites maintained by law enforcement, or remote access to secure bulletin boards or websites;

(2) the information be provided in comma-delimited ASCII text with field titles as the first record of the transmission;

(3) the information be sent in batches no smaller than the daily activity;

(4) the information include all purchase and pawn transactions in a single transmission;  
and

(5) the law enforcement agency not be given direct access to a pawnshop's computer system.