Houston Police Department
Burglary and Theft Division
Precious Metals Unit
Public Safety and Homeland Security Committee
Meeting Presentation
January 22, 2013
Issue/Problem

- Precious Metals have increased in value over the last 10 years
  - Gold has increased 674%
  - Silver has increased close 1000%

- In a one year period, we had over 4,800 burglaries of $10,000 or more in stolen jewelry
Trends in Jewelry Crime

In 2007, there was over $21 million of jewelry stolen.

In 2011, it rose to $41 million.

That is close to 100% increase in 4 years.
The Precious Metals Unit

Goals Are:

- To conduct Inspections
- To ensure that businesses are recording, reporting and holding property per law
- To offer assistance and knowledge to others
- And to be a liaison between the business community and law enforcement

January 22, 2013
Precious Metals Unit Education

- We have educated precious metals dealers on state law, current city ordinance and proposed changes to city ordinance.
- We have trained officers and businesses on how to use Electronic Web Based Reporting System.
- We have conducted business association meetings.
- We have fostered a working relationship with Second Hand Precious Metal Dealers in the city.
Two Permits are required to buy or sell precious metals.
State Law already requires

Texas Administrative Code, Title 7, Part 5, Chapter 85, Subchapter B, Division 2, Rule 85.2001

- A dealer to prepare a transaction report
- Including the date of purchase
- The name and address of the dealer's business location
- Where the dealer purchased the precious metal
- The dealer’s registration number
- The full name of the seller, a description of the seller, his/her address and driver’s license number
- And a description of the items purchased
Example of a Bill of Sale that complies with state law

<table>
<thead>
<tr>
<th>No.</th>
<th>Purity, Color, &amp; Type of Metal</th>
<th>Total 1/oz.</th>
<th>Description of items: shape, size, weight, and color</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>14K Gold</td>
<td>2.29</td>
<td>BEAD HEART PENDANT GOLD 6.5MM</td>
<td>1</td>
<td>89.42</td>
</tr>
<tr>
<td>2</td>
<td>14K Gold</td>
<td>2.19</td>
<td>BEAD HEART PENDANT GOLD 6.5MM</td>
<td>1</td>
<td>78.52</td>
</tr>
<tr>
<td>3</td>
<td>14K Gold</td>
<td>2.29</td>
<td>BEAD HEART PENDANT GOLD 6.5MM</td>
<td>1</td>
<td>69.02</td>
</tr>
<tr>
<td>4</td>
<td>14K Gold</td>
<td>2.67</td>
<td>BAR CAMITA</td>
<td>2</td>
<td>540</td>
</tr>
<tr>
<td>5</td>
<td>14K Gold</td>
<td>1.89</td>
<td>BURLY BEZEL</td>
<td>1</td>
<td>39.62</td>
</tr>
<tr>
<td>6</td>
<td>14K Gold</td>
<td>8.29</td>
<td>B. CHAIN</td>
<td>2</td>
<td>164</td>
</tr>
<tr>
<td>7</td>
<td>14K Gold</td>
<td>3.19</td>
<td>CIRCLE PENDANT DROP 12MM GOLD</td>
<td>1</td>
<td>157.82</td>
</tr>
<tr>
<td>8</td>
<td>14K Gold</td>
<td>3.19</td>
<td>CIRCLE PENDANT DROP 12MM GOLD</td>
<td>1</td>
<td>157.82</td>
</tr>
</tbody>
</table>

Signed on Dec 26, 2011 at 3:03 PM

Total amount paid: $1,148.62
The Precious Metals Unit Recommends

- A clear photocopy or digital photograph of all items purchased by the dealer; and

- Web-based reporting using Leads on Line
Web Based Reporting System
used by scrap metal yards and pawn shops

Nice neat and readable
Allows an electronic thumb print
Also allows attaching digital photos necessary to identify stolen property
Proposed Changes to City Ordinance

- A hold period for records. Change from 2 years to 3 years to match state law.
- Time period to report to HPD. Change from no mention in ordinance to daily reporting.
- Electronic reporting. Change from reporting by mail to electronic reporting.
Proposed Changes to City Ordinance

- Expand definition of crafted precious metals. Change from Gold, Silver, or Platinum to match state law and add five other precious metals.

- Thumb print. Change from no mention in ordinance to a clear thumb print of the seller.

- Digital photograph of the jewelry. Change from no mention in ordinance to a clear digital image of the Jewelry.
Proposed Changes to City Ordinance

- Digital photograph of seller. Change from no mention in ordinance to a clear digital image of the seller.

- Temporary dealer requirements. Change from no specific mention in ordinance to out of town dealers now held at same standard of regular dealer.
Proposed Changes to City Ordinance

- License numbers on advertisements. Change from no mention in ordinance to … must provide all city and state license numbers on advertisements.
- Move Crafted Precious Metals Section. Move from Article II to its own section in Article IV.
- Add “purchase” to sections in definition, penalty, and license.

January 22, 2013
Dealer Committee Members

- Harold Reese, Owner
  - Harold Reese Jewelry

- Dominic Rodriguez, Owner
  - Gold Rush

- Jose Rodriguez
  - The Goldmine Gold, Silver, and Jewelry Buyers

- Sam Rodriguez
  - Houston Gold Merchants

- H.R. “Bob” Sandler, Owner
  - Designer Jewels inc

- Brad Schweiss, Owner
  - Houston Gold Exchange

- Steven Silver, Owner
  - Jewelry Appraisal Services

- Rex Solomon, President
  - Houston Jewelry

- Connie Stagner, Owner
  - Acori Diamonds and Design

- Billy Stagner, Owner

- Juan Tavarez, Owner
  - GSS (Gold Simple Secure)

January 22, 2013
Dealer Committee Members

- David Baker, President
  Global Stone and Metal

- Rick Crumly, Owner
  ITB

- Amelia Culwell, Owner
  Gold & Silver Buyers

- Scott Dekilder, Owner/manager
  Alpha Gold Services

- Aron Frank, Owner
  Amco Jewelry Co, inc

- Veronica Guajardo
  Aztec Gold & Silver Buyers

- Amber Gustafsa, Owner
  Ambersdesigns.com

- David Harleston
  Royal Coin

- Hal Martin, Owner
  Hal Martin's

- Bruce A. Pollak, Owner
  Houston Estate Jewelry Liquidators

January 22, 2013
Questions

- Comments or Recommendations???