

**STORAGE NAME:** h3199s1.brc

**DATE:** February 6, 1998

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
BUSINESS REGULATION AND CONSUMER AFFAIRS  
BILL RESEARCH & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/HB 3199

**RELATING TO:** Secondhand Dealers

**SPONSOR(S):** Committee on Business Regulation and Consumer Affairs and Representatives  
Dockery and Putnam

**COMPANION BILL(S):** SB 382(c)

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) BUSINESS REGULATION AND CONSUMER AFFAIRS YEAS 4 NAYS 0
  - (2)
  - (3)
  - (4)
  - (5)
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**I. SUMMARY:**

The bill exempts from secondhand dealer bookkeeping provisions used sporting equipment that does not have permanent serial number identification. Owners of secondhand stores will still have to keep records on used golf clubs and any other used sports equipment labeled with serial numbers.

There will be no fiscal impact to the state. However, secondhand dealers will save the cost associated with keeping records on small, used sports equipment such as baseballs, bats and gloves. That amount cannot be determined.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Anyone who sells certain used or secondhand personal property is regulated by Part I, Chapter 538, Florida Statutes. Those regulations include requiring the secondhand dealer to register with the Department of Revenue; pay an annual \$6 registration fee for each business location, plus the cost of fingerprint analysis; and compile and maintain detailed records describing the used property and the person selling it to the dealer. Those records must be sent daily to law enforcement offices. Law enforcement officers periodically search secondhand dealers' inventory for stolen goods, and examine the records to assure they comply with the law.

Owners of secondhand sporting goods stores have found the record keeping requirement onerous, particularly for items such as used baseball gloves, basketballs, footballs and soccer balls. The multi-page record keeping form takes considerable time to complete causing used sporting goods store owners to complain of overregulation. Additionally, these owners report that some law enforcement officers have issued fines of \$1,000 per instance of incorrect or incomplete information appearing on the transaction form, such as omitting the color of the eyes of the person selling the property.

B. EFFECT OF PROPOSED CHANGES:

Secondhand sporting goods store owners would have to keep records only on used sports equipment having serial number identification and on golf clubs. Certain exercise equipment is an example of the type of equipment that is labeled with a serial number.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

No.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

No.

b. Does the bill require or authorize an increase in any fees?

No.

c. Does the bill reduce total taxes, both rates and revenues?

No.

d. Does the bill reduce total fees, both rates and revenues?

No.

e. Does the bill authorize any fee or tax increase by any local government?

No.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Yes. The bill reduces the amount of record keeping currently required of secondhand sporting goods store owners.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Part I, Chapter 538, Florida Statutes.

E. SECTION-BY-SECTION RESEARCH:

Section 1. Amends s. 538.03 (1) (g), F.S., to specifically include golf clubs in the definition of secondhand goods.

Section 2. Amends s. 538.04(5), F.S., to create an exemption from the record keeping requirements for all used sports equipment that is not labeled with a serial number.

Section 3. Makes the act take effect upon becoming a law.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

Owners of secondhand sporting equipment stores would save the cost associated with keeping records on most used sports equipment.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

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**B. REDUCTION OF REVENUE RAISING AUTHORITY:**

This bill does not reduce the authority that counties or municipalities have to raise revenues in the aggregate.

**C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:**

This bill does not reduce the percentage of a state tax shared with counties or municipalities

**V. COMMENTS:**

None.

**VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:**

The bill, as filed, removed from all regulation used sports equipment that was not labeled with serial numbers. Any secondhand dealer selling only used sports equipment without serial numbers would have been exempt from all regulation, including registration. The committee substitute limits the scope of the exemption to the record keeping requirements.

**VII. SIGNATURES:**

**COMMITTEE ON BUSINESS REGULATION AND CONSUMER AFFAIRS:**

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