

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: March 12, 1998 Revised: _____

Subject: Secondhand Goods

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Johnson</u>	<u>Deffenbaugh</u>	<u>BI</u>	<u>Favorable/CS</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

The committee substitute revises the definition of secondhand goods to specifically include golf clubs and exempts secondhand dealers from recordkeeping requirements only for sports equipment that does not have a serial number. The committee substitute maintains the application of the remaining regulatory provisions of part I of chapter 538, F.S., to those secondhand dealers. Golf clubs and other sports equipment with a serial number would be subject to all of the provisions of part I, chapter 538, Florida Statutes, including the recordkeeping requirements.

This bill substantially amends the following sections of the Florida Statutes: 538.03 and 538.04.

II. Present Situation:

Anyone who sells certain used or secondhand personal property is regulated under part I, ch. 538, Florida Statutes. Section 538.03, F.S., defines a secondhand dealer to mean any person, corporation, or other business organization or entity which is not a secondary metals recycler subject to part II of chapter 538, F.S., and which is engaged in the business of purchasing, consigning, or pawning secondhand goods or entering into title loan transactions.

Secondhand dealers are required to register with the Department of Revenue and pay to the department an annual \$6 registration fee for each business location and the cost of fingerprint analysis and to compile and maintain detailed records describing the used property and the person selling it to the dealer. Pursuant to s. 538.04, F.S., a secondhand dealer is required to submit documentation to the police department of the municipality where the goods were purchased or, if the goods were purchased outside of the municipality, to the sheriff's department of the county where the goods were purchased a record of the transaction within 24 hours of the acquisition of

goods. Secondhand dealers are subject to inspection of their records and premises by local law enforcement officers periodically to assure they comply with the law.

Owners of secondhand sporting goods stores have found the recordkeeping requirement onerous, particularly for items such as used baseball gloves, basketballs, footballs and soccer balls. The multi-page recordkeeping form takes considerable time to complete. Additionally, these owners are subject to fines for not reporting and maintaining accurate inventory information.

III. Effect of Proposed Changes:

Section 1. Amends s. 538.03, F.S., to revise the definition of secondhand goods to specifically include golf clubs.

Section 2. Amends s. 538.04(5), F.S., to create an exemption from the recordkeeping requirements for all transactions involving used sports equipment that is not permanently labeled with a serial number. This exemption would not apply to golf clubs, whether they have a serial number or not.

Section 3. The act shall take effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Any secondhand dealer selling used sports equipment that is not permanently labeled with serial numbers would be exempt from the recordkeeping provisions of part I of chapter 538,

F.S. This exemption will reduce recordkeeping costs associated with many used sports equipment transactions.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
