

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Communications, Energy, and Public Utilities Committee

BILL: SB 1164
 INTRODUCER: Senator Storms
 SUBJECT: Radio frequency identification tags
 DATE: March 2, 2011 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Wiehle	Carter	CU	Pre-meeting
2.			CM	
3.			HR	
4.				
5.				
6.				

I. Summary:

The bill requires that a retailer that sells an item or product having a radio frequency identification tag deactivate or remove the tag upon purchase of the item or product by a consumer.

The bill creates an as yet un-numbered section of the Florida Statutes.

II. Present Situation:

Radio frequency identification tags, or RFIDs, are like improved Universal Product Code (UPC) bar codes. The UPC bar code has a few disadvantages:

- Bar code is a read-only technology, meaning that it cannot send out any information.
- To use them for inventory tracking, companies must scan each bar code on every box of a particular product.
- Going through the checkout line involves the same process of scanning each bar code on each item.

RFID technology, on the other hand, has a computer microchip with data on it (and onto which data can be input with some types of devices) and has an antenna that automatically sends that data to an RFID reader. Additionally, with some types of RFIDs, additional information can be

added to the tag.¹ Because of these characteristics, there have been some concerns that if the tags remain active after they leave the store privacy issues may arise.²

III. Effect of Proposed Changes:

The bill requires that a retailer that sells an item or product having a radio frequency identification tag deactivate or remove the tag upon purchase of the item or product by a consumer.

The bill takes effect July 1, 2011.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

¹ How RFID Works, by Kevin Bonsor and Candace Keener, howstuffworks Discovery ?Company, <http://electronics.howstuffworks.com/gadgets/high-tech-gadgets/rfid.htm>

² For example, RFID tags: Big Brother in small packages, By Declan McCullagh, cnet News <http://news.cnet.com/2010-1069-980325.html>

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
