

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 Committee on Commerce and Tourism

BILL: SB 1582

INTRODUCER: Senator Yarborough

SUBJECT: Pawn Data Statewide System

DATE: January 27, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Renner	McKay	CM	Pre-meeting
2.			ACJ	
3.			FP	

I. Summary:

SB 1582 requires the Department of Law Enforcement (FDLE) to establish a single, secure, statewide pawn data collection database. Pawn data, as defined by the bill, includes information related to transactions of secondhand dealers and secondary metals recyclers under ch. 538, F.S., and pawn shops regulated under ch. 539, F.S.

All secondhand dealers, secondary metals recyclers, and pawn shops must submit required data through the database.

The FDLE must contract with a single vendor to provide statewide pawn data. All law enforcement agencies must have free, unrestricted access to the system for real-time sharing of pawn data.

Pawn data is the exclusive property of the state, and a vendor functions merely as a service provider and data processor, without gaining any ownership or proprietary rights over the pawn data. A vendor must comply with privacy laws.

Violations related to a vendor selling, licensing, or sublicensing, leasing, monetizing, or commercially exploiting pawn data are subject to civil penalties, with fines up to \$500,000.

The bill may have an indeterminate fiscal impact on local governments. *See* Section V. Fiscal Impact Statement.

The bill provides an effective date of July 1, 2026.

II. Present Situation:

Secondhand Dealers

Chapter 538, F.S., regulates secondhand dealers and secondary metal recyclers in the trade of secondhand goods. The purpose of such regulations is to assist law enforcement in recovering stolen property and in solving other theft-related crimes.¹

A secondhand dealer is defined as any person, corporation, or other business organization or entity that is not a secondary metals recycler and is engaged in purchasing, consigning, or trading secondhand goods. The term also includes a secondhand dealer engaged in purchasing secondhand goods through an automated kiosk.²

Secondhand goods are previously owned or used personal property purchased, consigned, or traded as used property.³ The term also includes gift certificates and credit memos⁴ that are purchased, consigned, or traded by a secondhand dealer. Secondhand goods do not include office furniture, pianos, books, clothing, organs, coins, motor vehicles, costume jewelry; gold, silver, platinum, palladium, or rhodium bullion that has been assayed and is properly marked as to its weight and fineness; cardio and strength training or conditioning equipment designed primarily for indoor use, and secondhand sports equipment that is not permanently labeled with a serial number.⁵

A secondhand dealer must annually register his or her business with the Department of Revenue (DOR).⁶

Secondhand Dealer Transaction Forms

Upon each acquisition of secondhand goods, a secondhand dealer must complete a transaction form that details the goods purchased and the seller's identity. The secondhand dealer must retain this document for at least 3 years and forward a copy to the appropriate law enforcement agency within 24 hours after the acquisition of the secondhand goods.⁷ In addition to the descriptive statements of the secondhand goods and the seller's identity, the transaction record must also include:

- A statement of the date, time, and place of the transaction;

¹ See ss. 538.04, 538.06, F.S. (identifying recordkeeping requirements and holding periods in connection with secondhand goods); see also Jarret C. Oeltjen, *Florida Pawnbroking: An Industry in Transition*, 23 FLA. ST. U. L. REV. 995, 1013 (Spring 1996) (noting that “[t]he main impetus behind [ch. 538, F.S.] was to confront the problem of property theft and drug-related crimes by facilitating recovery of stolen goods and apprehending those criminals who may turn to secondhand dealers for cash”).

² Section 538.03(1)(h), F.S.

³ Section 538.03(1)(i), F.S.

⁴ Section 501.95, F.S., defines “credit memo” as a certificate, card, stored value card, or similar instrument issued in exchange for returned merchandise when the certificate, card, or similar instrument is redeemable for merchandise, food, or services regardless of whether any cash may be paid to the owner of the certificate, card, or instrument as part of the redemption transaction.

⁵ Section 538.03(1)(i), F.S.

⁶ See generally s. 538.09, F.S. (providing for registration).

⁷ Section 538.04(1), F.S.

- A summary of the goods acquired, including brand name, model number, serial number, and other unique identifiers;
- Digital photographs of the goods acquired in the report that is submitted to law enforcement; and
- A description of the person from whom the goods were acquired, including his or her right thumbprint, name and address, and a physical description.⁸

If the appropriate law enforcement official supplies a secondhand dealer with appropriate software and the secondhand dealer has computer capability, the secondhand dealer must electronically transmit the required transaction records.⁹ Additionally, if a secondhand dealer lacks computer capability, the appropriate law enforcement official may provide a computer and all of the equipment necessary to electronically transmit transactions.¹⁰

Secondhand dealers must hold all secondhand goods for at least 15 days after acquiring the property. However, secondhand dealers are required to hold a precious metal,¹¹ gemstone, jewelry; antique furnishings, fixtures, or decorative objects; or an item of art as defined in s. 686.501, F.S.,¹² for 30 days after they acquire the property.¹³ Additionally, a secondhand good must be held for 30 days if the secondhand dealer uses an automated kiosk.¹⁴

Penalties

If a law enforcement officer has probable cause to believe that the goods held by a secondhand dealer are stolen, the officer may place a 90-day written hold order on the goods.¹⁵ This prevents the secondhand dealer from selling the goods and preserves them for use as evidence in a criminal trial. Additionally, it allows for the possibility of the goods being returned to their rightful owner.

Law enforcement agencies having jurisdiction enforce compliance with registration, record keeping, holding periods, and inspection requirements.¹⁶ A person who knowingly violates the

⁸ *Id.*

⁹ Section 538.04(6), F.S.

¹⁰ *Id.*

¹¹ Section 538.03(1)(f), F.S., defines “precious metals” as any item containing any gold, silver, or platinum, or any combination thereof, excluding any chemical or any automotive, photographic, electrical, medical, or dental materials or electronic parts.

¹² Section 686.501(1), F.S., defines “art” as a painting, sculpture, drawing, work of graphic art, pottery, weaving, batik, macramé, quilt, print, photograph, or craft work executed in materials including, but not limited to, clay, textile, paper, fiber, wood, tile, metal, plastic, or glass. The term includes a rare map which is offered as a limited edition or a map 80 years old or older; or a rare document or rare print which includes, a print, engraving, etching, woodcut, lithograph, or serigraph which is offered as a limited edition, or one 80 years old or older.

¹³ Section 538.06(1), F.S.

¹⁴ *Id.* An “automated kiosk” is an interactive device that is permanently installed within a secure retail space and that has the following technological functions: remotely monitored by a live representative during all business hours; verification of a seller’s identity by government-issued photographic identification card; automated reading and recording of item serial numbers; ability to compare item serial numbers against databases of stolen items; secure storage of goods accepted by the kiosk; and capture and storage of images during the transaction. Section 538.03(1)(c), F.S.

¹⁵ Section 538.06(3), F.S.

¹⁶ Section 538.05, F.S.

requirements governing secondhand dealers in ch. 538, F.S., commits a first degree misdemeanor and is subject to a fine not to exceed \$10,000.¹⁷

Pawnbrokers

Pawnbrokers¹⁸ must apply for and obtain a license from the DACS annually.¹⁹ To be eligible for the license, each pawnshop must maintain a net worth of at least \$50,000 or file security in the form of a surety bond, letter of credit, or certificate of deposit of \$10,000 for each license.²⁰ DACS is authorized to impose penalties of up to \$5,000 for noncompliance with the law.²¹ As of October 5, 2025, there are 1,138 active pawn shop licensees statewide.²²

Pawnbroker Transaction Forms

At the time a pawnbroker enters into any pawn or purchase transaction, the pawnbroker is required to complete a pawnbroker transaction form.²³ The form must include an indication of whether the transaction is a pawn or a purchase, and the seller must also sign the form.²⁴

A pawnbroker is required to maintain a copy of each completed pawnbroker transaction form on the pawnshop premises for at least 1 year after the date of the transaction.²⁵ On or before the end of each business day, the pawnbroker must deliver the original printed pawnbroker transaction forms, or printed copies of the digital pawnbroker transaction forms, for each transaction occurring during the previous business day to the appropriate law enforcement official.²⁶ Additionally, an electronic image that is accepted for a transaction must be maintained electronically in order to meet the same recordkeeping requirements as for the original printed transaction form.²⁷

In lieu of physically delivering the original pawnbroker transaction forms, a local law enforcement agency may supply software to a pawnbroker so the pawnbroker may electronically transfer the transaction forms to the law enforcement agency. If a pawnbroker does not have a computer to use such software, the law enforcement agency may provide a computer to the pawnbroker. The law enforcement agency retains ownership of the computer unless otherwise

¹⁷ Section 538.07(1), F.S. A first degree misdemeanor is punishable by up to 1 year in county jail and a \$1,000 fine. Sections 775.082 and 775.083, F.S.

¹⁸ A “pawnbroker” is a person who is engaged in the business of making pawns; who makes a public display containing the term “pawn,” “pawnbroker,” or “pawnshop” or any derivative thereof; or who publicly displays a sign or symbol historically identified with pawns. Pawnbrokers may also engage in purchasing goods which includes consignment and trade. Section 539.001(1)(i), F.S. A “pawn” is any advancement of funds on the security of pledged goods on condition that the pledged goods are left in the possession of the pawnbroker for the duration of the pawn and may be redeemed by the pledgor on certain terms and conditions. Section 539.001(1)(h), F.S.

¹⁹ Section 539.001(3), F.S.

²⁰ Section 539.001(4), F.S.

²¹ Fla. Admin. Code R. 5J-13.004 (2016).

²² Florida Department of Law Enforcement, *Statewide Pawn Database Feasibility Study* (Nov. 4, 2025), p.7. On file with the Senate Commerce and Tourism Committee.

²³ Section 539.001(8)(a), F.S.

²⁴ *Id.*

²⁵ Section 539.001(9)(a), F.S.

²⁶ *Id.*

²⁷ *Id.*

agreed upon. The pawnbroker must maintain the computer in good working order, ordinary wear and tear excepted.²⁸

Penalties

A person who willfully makes a false entry on a transaction form or any other record required under chapter 539, F.S., commits a first degree misdemeanor.²⁹ Clerical or recordkeeping errors on a document or required record does not constitute a willful violation.

At the department's request, the FDLE must supply the department with any arrest and conviction records in its possession of an individual applying for or holding a license.³⁰

Any person who traffics in, or endeavors to traffic in, property that he or she knows or should know was stolen is guilty of a second degree felony.³¹

Feasibility Study

In 2025, the FDLE was directed to conduct a feasibility study to evaluate the viability of establishing a statewide pawn database.³² The study examined the feasibility of providing a free system to Florida law enforcement agencies that would allow them to access, update, and share pawn data in real time. The study recommended outsourcing pawn data collection through a single vendor, allowing the FDLE to control the system design and maintain a single database of all pawn records.³³

Procurement

Generally, state projects must be competitively procured. Part I of ch. 287, F.S., provides “a system of uniform procedures to be utilized by state agencies in managing and procuring commodities and contractual services” to protect the public by promoting “fair and open competition,” thereby reducing the appearance and opportunity for favoritism and misconduct.³⁴ These competitive procurement provisions apply to an agency, defined as “any of the various state officers, departments, board commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive boards of state government.³⁵ This definition does not include municipalities and local governments. Additionally, university and college boards of trustees, and the state universities and colleges are specifically excluded from this definition.³⁶

²⁸ Section 539.001(9)(b), F.S.

²⁹ Section 539.001(17), F.S. A first degree misdemeanor is punishable by up to 1 year in county jail and a \$1,000 fine. Sections 775.082 and 775.083, F.S.

³⁰ Section 539.001(19), F.S.

³¹ Section 812.019(1), F.S. A second degree felony is punishable by up to 15 years imprisonment and a \$10,000 fine. Sections 775.082 and 775.083, F.S.

³² Ch. 2025-43, Laws of Fla.

³³ Florida Department of Law Enforcement, *Statewide Pawn Database Feasibility Study* (Nov. 4, 2025), p.43. On file with the Senate Commerce and Tourism Committee.

³⁴ Section 287.001, F.S.

³⁵ Section 287.012(1), F.S.

³⁶ *Id.*

State agencies may use a variety of procurement methods, depending on the cost and characteristics of the needed good or service, the complexity of the procurement, and the number of available vendors. These methods include the following:

- Single source contracts,³⁷ used when an agency determines that only one vendor is available to provide a commodity or service at the time of purchase;
- Invitations to bid,³⁸ used when an agency determines that standard services or goods will meet needs, wide competition is available and the vendor's experience will not greatly influence the agency's results;
- Requests for proposals,³⁹ used when the procurement requirements allow for consideration of various solutions and the agency believes more than two or three vendors exist who can provide the required goods or services; and
- Invitations to negotiate,⁴⁰ used when negotiations are determined to be necessary to obtain the best value and involve a request for highly complex, customized, mission-critical services, by an agency dealing with a limited number of vendors.

For procurement of commodities or contractual services in excess of \$35,000, agencies must use a competitive solicitation process.⁴¹ However, specified contractual services and commodities are not subject to competitive solicitation requirements.⁴²

III. Effect of Proposed Changes:

SB 1582 requires the Department of Law Enforcement (FDLE) to establish, operate, and maintain a statewide pawn data⁴³ database that does the following:

- Accepts electronic reports from all required reporting entities statewide;
- Provides access to pawn data for law enforcement agencies in real time or near real time;
- Supports multijurisdictional investigations; and
- Meets state and federal security, privacy, and records management requirements.

All secondhand dealers and secondary metals recyclers must submit required data through the database. Local or regional law enforcement agencies are prohibited from requiring or maintaining a separate contract for pawn data that duplicates the statewide system.

The FDLE is required to competitively procure and contract with a single vendor to provide pawn data collection services. The contract may be multiyear and may include renewal options, performance benchmarks, transition periods, and termination provisions consistent with state

³⁷ Section 287.057(3)(c), F.S.

³⁸ Section 287.057(1)(a), F.S.

³⁹ Section 287.057(1)(b), F.S.

⁴⁰ Section 287.057(1)(c), F.S.

⁴¹ Section 287.057(1), F.S.

⁴² Section 287.057(3)(e), F.S.

⁴³ The bill defines "pawn data" as information related to the transactions of secondhand dealers and secondary metals recyclers, including pawn shops, which is required by chapters 538 and 539, F.S., to be reported electronically to law enforcement officials. Data includes, but is not limited to, descriptions of property, seller information, transaction dates, and any other data related to the exchange of goods.

procurement regulations. The FDLE is prohibited from delegating ownership, governance authority, or law enforcement access control to a vendor.

Pursuant to the contractual requirements, a vendor must:

- Maintain and support integrations with commonly used point-of-sale systems and web-based reporting tools.
- Provide compliance monitoring and technical assistance to reporting businesses.
- Transmit all pawn data to the FDLE in real time or near real time.
- Provide full and continuous access to current and historical pawn data to the FDLE.
- Transfer all pawn data, including metadata and historical records, to the FDLE immediately upon request or upon contract expiration or termination, without additional cost.
- Provide an FDLE-approved transition plan to prevent law enforcement operation disruptions.
- Comply with all state cybersecurity, public records, and data retention requirements.

The bill prohibits law enforcement agencies from being charged a fee to access pawn data through the database.

The bill provides that all pawn data is owned solely by the state, and that a vendor functions merely as a service provider and data processor, without gaining any ownership or proprietary rights over the pawn data.

Pawn data may only be used for official law enforcement, regulatory, or public safety purposes. Knowingly misusing, disclosing, or accessing pawn data for purposes not authorized by law is prohibited. A vendor is prohibited from selling, licensing, leasing, sublicensing, monetizing, or otherwise commercially exploiting pawn data. Penalties for violating these provisions or the terms of a contract include:

- Civil penalties of up to \$500,000 for each violation.
- Contract termination.
- Disqualification from future state contracts.

A person who knowingly and willfully violates the prohibited acts listed in the bill is guilty of a third degree felony.⁴⁴

The bill authorizes the FDLE to adopt rules.

The bill provides an effective date of July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

⁴⁴ A third degree felony is punishable by up to 5 years imprisonment and a \$5,000 fine. Sections 775.082 and 775.083, F.S.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The FDLE will have to bear the cost of establishing and operating a statewide system to collect pawn data.

Law enforcement agencies that currently pay to access a vendor's pawn data database could see cost savings under the bill's requirement that they cannot be charged a fee to access pawn data through the statewide system.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill may immediately affect vendors that currently hold substantial amounts of pawn transaction data under existing contracts with local law enforcement agencies.

Access to Pawn Data

The bill requires that the database provide law enforcement agencies with access to pawn data in real time or near real time. However, chapters 538 and 539, F.S., require transactions to be reported within the following timeframes:

- Secondhand dealers -within 24 hours of acquisition.

- Secondary metals recyclers – by 10 a.m. of the business day following the date of the purchase transaction.
- Pawnbrokers – by the end of the following business day.

The bill is inconsistent with these requirements. These statutes would need to be revised in order to comply with the bill's reporting requirements.

Delivery of Transaction Forms

The bill requires all secondhand dealers and secondary metal recyclers to submit certain data through a statewide database and prohibits local law enforcement agencies from requiring or maintaining a separate contract for pawn data that duplicates the statewide system. However, ss. 538.04(6), and 539.001(9)(b), F.S., requires these entities to submit the data to local law enforcement agencies.

The bill is inconsistent with these requirements. These statutes would need to be revised in order to comply with the bill's mandatory participation requirements.

Similarly, these sections allow law enforcement agencies to provide computers to pawnbrokers or secondhand dealers who lack the ability to process transactions electronically. The bill does not clarify whether this arrangement would be ongoing.

VIII. Statutes Affected:

This bill creates section 539.004 of the Florida Statutes.

IX. Additional Information:

- A. **Committee Substitute – Statement of Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

- B. **Amendments:**

None.