

**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.)

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Prepared By: The Professional Staff of the Appropriations Committee on Criminal and Civil Justice

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BILL: CS/CS/SB 1582

INTRODUCER: Appropriations Committee on Criminal and Civil Justice, Commerce and Tourism Committee, and Senator Yarborough

SUBJECT: Statewide Data Sharing of Secondhand Dealer and Pawnbroker Transactions

DATE: February 27, 2026      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Renner</u>	<u>McKay</u>	<u>CM</u>	<u>Fav/CS</u>
2.	<u>Kolich</u>	<u>Harkness</u>	<u>ACJ</u>	<u>Fav/CS</u>
3.	_____	_____	<u>FP</u>	_____

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/CS/SB 1582 provides that certain required recordkeeping and transaction information provided by secondhand dealers, secondary metals recyclers, mail-in secondhand precious metals dealers, and pawnbrokers to an appropriate law enforcement official or agency is for inclusion in the statewide data sharing system.

The bill defines the term “statewide data sharing system.”

The bill does not have a fiscal impact on state revenues or expenditures. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2027.

## 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.<sup>1</sup>

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.<sup>2</sup>

Secondhand goods are previously owned or used personal property purchased, consigned, or traded as used property.<sup>3</sup> The term also includes gift certificates and credit memos<sup>4</sup> 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.<sup>5</sup>

A secondhand dealer must annually register their business with the Department of Revenue (DOR).<sup>6</sup>

### *Secondhand Dealer Transaction Forms and Reporting Requirements*

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 of acquiring the secondhand goods.<sup>7</sup> 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;

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<sup>1</sup> 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”).

<sup>2</sup> Section 538.03(1)(h), F.S.

<sup>3</sup> Section 538.03(1)(i), F.S.

<sup>4</sup> 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.

<sup>5</sup> Section 538.03(1)(i), F.S.

<sup>6</sup> See generally s. 538.09, F.S. (providing for registration).

<sup>7</sup> 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.<sup>8</sup>

If an appropriate law enforcement official provides a secondhand dealer with appropriate software and the secondhand dealer has the capability to use it, the secondhand dealer must electronically transmit the required transaction records.<sup>9</sup> Additionally, if a secondhand dealer lacks computer capability, the appropriate law enforcement official may provide a computer and all necessary equipment to electronically transmit transactions.<sup>10</sup>

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,<sup>11</sup> gemstone, jewelry; antique furnishings, fixtures, or decorative objects; or an item of art as defined in s. 686.501, F.S.,<sup>12</sup> for 30 days after they acquire the property.<sup>13</sup> Additionally, a secondhand good must be held for 30 days if the secondhand dealer uses an automated kiosk.<sup>14</sup>

### ***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 those goods.<sup>15</sup> This prevents the secondhand dealer from selling the goods and preserves them for use as evidence in a criminal trial. Additionally, it allows the goods to be returned to their rightful owner.

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

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<sup>8</sup> *Id.*

<sup>9</sup> Section 538.04(6), F.S.

<sup>10</sup> *Id.*

<sup>11</sup> 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.

<sup>12</sup> 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.

<sup>13</sup> Section 538.06(1), F.S.

<sup>14</sup> *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.

<sup>15</sup> Section 538.06(3), F.S.

<sup>16</sup> 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.<sup>17</sup>

### **Secondary Metals Recyclers and Mail-in Secondhand Precious Metals Dealers**

A secondary metals recycler means any person who:

- Is engaged, from a fixed location, in the business of purchase transactions or gathering or obtaining ferrous or nonferrous metals that have served their original economic purpose, or is in the business of performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value; or
- Has facilities for performing the manufacturing process by which ferrous metals or nonferrous metals are converted into raw material products consisting of prepared grades and having an existing or potential economic value, other than by the exclusive use of hand tools, by methods including, without limitation, processing, sorting, cutting, classifying, cleaning, baling, wrapping, shredding, shearing, or changing the physical form or chemical content thereof.<sup>18</sup>

A mail-in secondhand precious metals dealer means any person or entity that:

- Conducts business within Florida and contracts with others to buy precious metals or jewelry through an Internet website, the United States mail, or telemarketing; or
- Conducts business within Florida and regularly engages in the business of purchasing jewelry or precious metals through the mail or Internet-based transactions.<sup>19</sup>

### ***Secondary Metals Recyclers and Mail-in Secondhand Precious Metals Dealers Transaction Forms and Reporting Requirements***

A secondary metals recycler must maintain both a legible paper and electronic record of all purchase transactions to which such secondary metals recycler is a party.<sup>20</sup> The appropriate law enforcement official may provide data specifications regarding the electronic record format, but such format must be approved by the FDLE. The transaction record must include all of the following:

- The time, date, and place of the transaction.
- A complete and accurate description of the goods acquired.
- Digital photographs of the goods.
- A description of the person from whom the goods were acquired.

Any other information required by the FDLE.<sup>21</sup>

An electronic record of the purchase transaction must be transmitted to the appropriate law enforcement official no later than 10 a.m. on the business day following the transaction.<sup>22</sup>

<sup>17</sup> 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.

<sup>18</sup> Section 538.18(11), F.S.

<sup>19</sup> Section 538.31(1), F.S.

<sup>20</sup> Section 538.19(1), F.S.

<sup>21</sup> Section 538.19(2), F.S.

<sup>22</sup> Section 538.19(1), F.S.

Mail-in secondhand precious metals dealers must register with the DOR and keep a record of every transaction that includes the following:

- A complete and accurate description of the seller’s goods, including:
  - precious metal type, or the type of jewelry.
  - Any other unique identifying marks, numbers, or letters. The description must be in an electronic format agreed upon by the dealer and the appropriate law enforcement agency.
- The date that the seller’s goods were received by the mail-in secondhand precious metals dealer.<sup>23</sup>

The mail-in secondhand precious metals dealer must maintain records for 2 years, and all transaction records must be in a form that is easily retrievable upon request by a law enforcement agency.<sup>24</sup>

### ***Penalties***

A secondary metals recycler who knowingly and intentionally engages in a pattern of failing to keep records or violates provisions relating to hold notices or the right to inspect regulated metals commits a third degree felony.<sup>25</sup>

Any mail-in secondhand precious metals dealer who does not register with the DOR or fails to comply with recordkeeping requirements commits a third degree felony.<sup>26</sup> If a corporation is convicted or found guilty of, or pleads nolo contendere to, an offense, the corporation is prohibited from operating for 1 year as a mail-in secondhand precious metals dealer within the state.<sup>27</sup>

### **Pawnbrokers**

Pawnbrokers<sup>28</sup> must apply for and obtain an annual license from the Department of Agriculture and Consumer Services (DACS).<sup>29</sup> 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.<sup>30</sup> The DACS is authorized to impose penalties

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<sup>23</sup> Section 538.32(3), F.S.

<sup>24</sup> Section 538.32(5), F.S.

<sup>25</sup> Section 538.23(1), F.S. A third degree felony is punishable by up to 5 years in prison and a \$5,000 fine. Sections 775.082 and 775.083, F.S.

<sup>26</sup> Section 538.36(1), F.S. A third degree felony is punishable by up to 5 years in prison and a \$5,000 fine. Sections 775.082 and 775.083, F.S.

<sup>27</sup> Section 538.36(1), F.S.

<sup>28</sup> 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.

<sup>29</sup> Section 539.001(3), F.S.

<sup>30</sup> Section 539.001(4), F.S.

of up to \$5,000 for noncompliance with the law.<sup>31</sup> As of October 5, 2025, there are 1,138 active pawn shop licensees statewide.<sup>32</sup>

### ***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.<sup>33</sup> The form must include an indication of whether the transaction is a pawn or a purchase, and the seller must also sign the form.<sup>34</sup>

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.<sup>35</sup> 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.<sup>36</sup> Additionally, an electronic image accepted for a transaction must be maintained electronically to meet the same recordkeeping requirements as the original printed transaction form.<sup>37</sup>

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 the software, the law enforcement agency may provide one to the pawnbroker. The law enforcement agency retains ownership of the computer unless otherwise agreed upon. The pawnbroker must maintain the computer in good working order, ordinary wear and tear excepted.<sup>38</sup>

### ***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.<sup>39</sup> Clerical or recordkeeping errors on a document or required record do not constitute a willful violation.

Upon request, the FDLE must supply the agency with any arrest and conviction records in its possession of an individual applying for or holding a license.<sup>40</sup>

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<sup>31</sup> Fla. Admin. Code R. 5J-13.004 (2016).

<sup>32</sup> Florida Department of Law Enforcement, *Statewide Pawn Database Feasibility Study* (Nov. 4, 2025), p.7. On file with the Senate Commerce and Tourism Committee.

<sup>33</sup> Section 539.001(8)(a), F.S.

<sup>34</sup> *Id.*

<sup>35</sup> Section 539.001(9)(a), F.S.

<sup>36</sup> *Id.*

<sup>37</sup> *Id.*

<sup>38</sup> Section 539.001(9)(b), F.S.

<sup>39</sup> 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.

<sup>40</sup> Section 539.001(19), F.S.

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.<sup>41</sup>

### **Feasibility Study**

In 2025, the FDLE was directed to conduct a feasibility study to evaluate the viability of establishing a statewide pawn database.<sup>42</sup> 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.<sup>43</sup>

### **III. Effect of Proposed Changes:**

**Section 1** amends s. 538.03, F.S., to define “statewide data sharing system” to mean the system available to all law enforcement agencies in this state, exclusively accessible through agreements with such law enforcement agencies, for the purpose of conducting queries of shared pawn data at no cost to the user.

All pawn data shared with the statewide data sharing system must comply with s. 790.335, F.S., relating to the prohibition of registration of firearms and electronic records.

**Section 2** amends s. 538.04, F.S., to provide that the purpose of secondhand dealers electronically transmitting required transaction information to an appropriate law enforcement official is for inclusion in the statewide data sharing system.

**Section 3** amends s. 538.19, F.S., to provide that the purpose of secondary metals recyclers electronically transmitting required transaction information to an appropriate law enforcement official is for inclusion in the statewide data sharing system.

**Section 4** amends s. 538.32, F.S., to provide that the purpose of secondhand precious metals dealers providing required transaction information to an appropriate law enforcement agency is for inclusion in the statewide data sharing system.

The bill also provides that the purpose of mail-in secondhand precious metal dealers electronically providing an appropriate law enforcement agency with specified information regarding the person the dealer purchased or acquired the precious metal or jewelry from is for inclusion in the statewide data sharing system.

**Section 5** amends s. 539.001, F.S., to provide that the purpose of pawnbrokers providing required transaction information to an appropriate law enforcement official is for inclusion in the statewide data sharing system.

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<sup>41</sup> 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.

<sup>42</sup> Ch. 2025-43, Laws of Fla.

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

**Section 6** provides that the bill takes effect on July 1, 2027.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

**V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill amends substantially amends the following sections of the Florida Statutes: 538.04, 538.19, 538.32, and 539.001.

**IX. Additional Information:**

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

**CS by Appropriations Committee on Criminal and Civil Justice on February 25, 2026:**

The amendment removes the requirement that secondhand dealers, secondary metals recyclers, mail-in secondhand precious metals dealers, and pawnbrokers provide certain recordkeeping, transaction information, and notifications to the Florida Department of Law Enforcement. The amendment also removes or revises the purpose for transmitting the required information to an appropriate law enforcement official or agency. The effective date of the bill is changed to July 1, 2027.

**CS by Commerce and Tourism Committee on January 28, 2026:**

The amendment removes the obligation for the FDLE to create a statewide database for collecting pawn data from secondhand dealers, secondary metals recyclers, and pawnbrokers. Instead, the amendment requires these entities, which are already required to provide specific information to local law enforcement agencies, to also share that data with the FDLE for statewide data sharing.

- B. **Amendments:**

None.