

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 925 (Delegate Krysiak, *et al.*)
Economic Matters

Sales at Flea Markets

This bill requires a vendor at a “flea market” to keep a record of the source of new merchandise that the vendor offers for sale. The record must include the name and address of the source of the merchandise, the date the merchandise was purchased, the price paid, and the quantity of the merchandise. The records must be kept at the location of the sale of the merchandise and must be retained for one year. To the extent possible, the promoter of the flea market must require vendors to keep such records. The records must be available for inspection by a State or local law enforcement officer during the vendor’s regular business hours and at any other reasonable time. A law enforcement officer may seize the vendor’s merchandise and hold it as evidence if the vendor does not produce the required records or take other specified actions. Vendors are also prohibited from selling specified items at flea markets unless they have written authority for the sale.

The bill provides that a vendor who violates the provisions of the bill is guilty of a misdemeanor and on conviction for a first offense is subject to a fine of up to \$500 and/or imprisonment of up to 30 days. Upon a conviction for a second or further offense, a violator is subject to a fine of between \$1,000 and \$5,000 and/or imprisonment of between 30 and 60 days.

Fiscal Summary

State Effect: Indeterminate minimal increase in revenues and expenditures as a result of the bill’s penalty provisions. Law enforcement requirements could be handled with existing resources.

Local Effect: Indeterminate minimal increase in revenues and expenditures as a result of the bill’s penalty provisions. Law enforcement requirements could be handled with existing resources.

Small Business Effect: Potential meaningful impact as discussed below.

Fiscal Analysis

State Revenues: General fund revenues could increase under the bill's monetary penalty provisions for those cases heard in the District Court, depending upon the number of convictions and fines imposed.

State Expenditures: General fund expenditures could increase as a result of the bill's incarceration penalty depending upon the number of convictions and sentences imposed. Persons serving a sentence of one year or less in Baltimore City are generally incarcerated in a Division of Correction (DOC) facility. The Baltimore City Detention Center, a State-operated facility, is used primarily for pretrial detention. In fiscal 1998 the average monthly cost per inmate at a DOC facility is estimated at \$1,500.

Local Revenues: Revenues could increase under the bill's monetary penalty provisions for a subsequent offense for those cases heard in the circuit courts, depending upon the number of convictions and fines imposed.

Local Expenditures: Expenditures could increase as a result of the bill's incarceration penalty depending upon the number of convictions and sentences imposed. Counties pay the full cost of incarceration for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$23 to \$83 per inmate in fiscal 1998.

Small Business Effect: This bill significantly increases the record keeping requirements of small businesses operating as flea market vendors. Further, the bill's limitations on what merchandise flea market vendors are allowed to sell may restrict or eliminate certain vendors in the business of selling such merchandise at flea markets. To the extent that flea market vendors violate the record keeping requirements, civil and criminal penalties may be imposed.

Information Source(s): Baltimore City, Prince George's, Washington, Worcester counties, Department of State Police

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