

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: H 1508 (Amended 6/29/00) **Revised**

SHORT TITLE: Gun Permit/Decrease Renewal Fee

SPONSOR(S): Representatives Mitchell; Gillespie, and Gulley

FISCAL IMPACT					
	Yes (x)	No ()	No Estimate Available ()		
	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>
REVENUES	(53,352)	(43,117)	(38,586)	(107,185)	(426,510)
EXPENDITURES	-0-	-0-	-0-	-0-	(320,830)
POSITIONS:	n/a	n/a	n/a	n/a	n/a
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Justice; State Bureau of Investigation					
EFFECTIVE DATE: July 1, 2000					

BILL SUMMARY: Effective July 1, 2001, eliminates the requirement to submit new fingerprints as part of the concealed handgun permit renewal process if original fingerprints were collected via AFIS (automated fingerprint information system). Reduces the permit renewal fee from \$80 to \$75. Reduces the portion of the renewal fee to be remitted to the Department of Justice from \$45 to \$40. This amended version of HB 1508 extends the renewal period for all handgun permit applications from four (4) to five (5) years, effective July 1, 2000. All permits issued in FY 2000-01 will be renewed in FY 2005-06.

ASSUMPTIONS AND METHODOLOGY: Estimate assumes that all applicants who received permits on or before June 30, 2000 will apply for renewal at the end of the four-year permit period. Monthly data on the number of handgun permits issued since January 1996 was used to calculate the impact on future SBI receipts. **Because HB 1508 does not grandfather in current permit holders, the fiscal impact of this amendment due to the extension of renewal period, does not occur until FY 2004-05. In FY 2004-05, only new handgun permit applications will be processed. No renewal applications will be due that year, because all new and renewed permits to be issued in FY 2000-01 will be in effect for five**

years and will not have to be renewed until FY 2005-06. The decreased revenues projected for FY 2000-01 through FY 2003-04 reflect the impact of the \$5 reduction in the renewal permit fee. The decreased revenue and expenditures in FY 2004-05 reflect the impact of the one-year permit period extension when no renewal applications will be submitted that year.

TECHNICAL CONSIDERATIONS: The Federal Bureau of Investigation (FBI) requires that fingerprints be submitted in order to conduct a national criminal background check. This requirement assures that individuals do not use aliases in an attempt to circumscribe the background investigation. If the fingerprint requirement was eliminated from the handgun permit renewal process, no national criminal background checks could be completed. Therefore, HB 1508 retains the requirement that a national background check be completed as part of the concealed handgun permit process. However, since the original handgun permit legislation was implemented in 1995, an increasing number of county law enforcement agencies have begun to collect fingerprint data using AFIS. The State Bureau of Investigation estimates that from 60 to 70 percent of fingerprints are now submitted via AFIS. Fingerprint data collected via AFIS are of generally high quality and can be retained in a manner which allows the data to be used at later time by the FBI to update an applicant's national criminal information.

The full impact of HB 1508 will be evident in upcoming years, when applicants whose original fingerprints were collected via AFIS, submit permit renewal applications. These applicants will not have to be re-fingerprinted. In the initial years of the proposed statute's implementation, the majority of applicants applying for renewal will be those whose original prints were collected using the manual method. Because of this, these applicants will have to be re-fingerprinted as part of the renewal process. However, the majority of these fingerprints are expected to be collected using the AFIS method. In the out years, only applicants who reside in counties with no AFIS available will have to resubmit fingerprints as part of the handgun permit renewal process.

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DATE: June 30, 2000



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