



DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington St., S.W., Suite 1-156
Atlanta, Georgia 30334-8400

Greg S. Griffin
STATE AUDITOR
(404) 656-2174

February 23, 2017

Honorable Alan Powell
Chairman, Public Safety and Homeland Security
613-B Coverdell Legislative Office Building
Atlanta, Georgia 30334

SUBJECT: Fiscal Note
House Bill 156 (LC 28 8226)

Dear Chairman Powell:

This bill would remove the requirement for individuals with a concealed weapon to have a valid weapons carry license if they are not prohibited by law from possessing a weapon or long gun. Individuals may still choose to obtain a weapons carry license if they intend to travel to other states that require a license and have a reciprocity agreement with Georgia.

It is not possible to determine the number of individuals who would no longer apply for a weapons carry license under the bill; however, staff at the Georgia Bureau of Investigations (GBI) stated the drop in applicants would likely be significant. As shown in Exhibit 1 and described below, a 25% to 90% reduction in applications would result in a loss of between \$1.3 million and \$4.7 million in fees collected by the state, most of which support GBI operations.

The majority of the fees remitted to the state (\$27.75 per application) fund the operations of GBI's Georgia Criminal Information Center (GCIC). An additional \$2 per application is remitted to the state treasury. As shown on Exhibit 1, fees from approximately 178,000 applications generated nearly \$5.3 million for the state in FY 2016. The loss of revenue to GBI and the state treasury depends on the number of individuals that forgo obtaining a weapons carry license in the future.

The statutorily required duties of the GCIC are partially funded by the weapons carry license fee. Therefore, state appropriations may be required to replace the reduced fees. Based on revenue from the past three fiscal years, it appears that GBI would be able to maintain its current budget level without additional state funds, unless weapons carry license fee revenues drop below \$3.3

million, which was the lowest amount collected since FY 2014. A 33% reduction in applicants from the 2016 level would result in fee revenue of \$3.3 million.

Exhibit 1. GBI & State Treasury Fiscal Impact

	FY 16	25% Reduction	50% Reduction	75% Reduction	90% Reduction
Number of Applicants	177,802	133,352	88,901	44,451	17,780
GBI Revenue (\$27.75/application)	\$4,933,861	\$3,700,504	\$2,467,003	\$1,233,501	\$493,401
GBI Loss		\$1,233,357	\$2,466,858	\$3,700,360	\$4,440,460
State Treasury (\$2/application)	\$355,604	\$266,703	\$177,802	\$88,901	\$35,560
State Treasury Loss		\$88,901	\$177,802	\$266,703	\$320,044
Total State Revenue	\$5,289,465	\$3,967,207	\$2,644,805	\$1,322,402	\$528,961
Total Loss		\$1,322,258	\$2,644,660	\$3,967,063	\$4,760,504

Sincerely,

Greg S. Griffin
State Auditor

Teresa A. MacCartney, Director
Office of Planning and Budget