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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/06/12

SPONSOR Anderson LAST UPDATED \_\_\_\_\_ HB 149

SHORT TITLE Locksmith Licensing Act SB \_\_\_\_\_

ANALYST Chabot

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY12	FY13	FY14		
	\$215.2	\$215.2	Recurring	Locksmith Licensing Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$234.9		\$234.9	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

### SUMMARY

#### Synopsis of Bill

House Bill 149 creates the Locksmith Licensing Act to require the licensure of locksmiths and locksmith businesses. The legislation would create a five member Locksmith Licensing Board administratively attached to the department. The bill creates requirements for licensure and creates the Locksmith Licensing Fund as a non-reverting fund. The bill has a sunset clause of July 1, 2018.

### FISCAL IMPLICATIONS

The bill does not have an appropriation or authorize FTE. While providing for a board, it does not provide for staff or initial operating expenses. RLD estimates it will cost \$234.9 thousand to set up the board, find an operating location, purchase required office equipment and pay for staff. At least three FTE will be required: Board Administrator, Compliance Officer and Licensing Clerk.

While the Locksmith Licensing Fund is administered by the board, appropriation is from the Legislature.

RLD estimates fees will generate \$215.2 thousand in FY13.

### **SIGNIFICANT ISSUES**

While it is anticipated fees from licensees will fund the operation of the board in later years, startup funding is required.

Penalties of up to \$1.0 thousand may be assessed for non-compliance with the act. These penalties are to be deposited in the current school fund which is transferred by the State Treasurer to the public school fund at the end of each month.

GAC/svb:lj