



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 875** HLS 24RS 2152
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 12, 2024 4:16 PM **Author:** GADBERRY
Dept./Agy.: Public Safety, State Fire Marshal **Analyst:** John McKay
Subject: Increase in fees relative to licensing and permits.

FIRE PROTECT/FIRE MARSHAL OR +\$180,550 RV See Note Page 1 of 1
 Provides for changes in fees relative to the state fire marshal

Proposed legislation increases licensing fees for technical endorsements of locksmiths. The measure increases initial fees from \$250 to \$300 and renewal fees from \$50 to \$100. Proposed legislation increases permit fees for retailers to sell fireworks from \$100 to \$250.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$175,200	\$175,200	\$175,200	\$175,200	\$175,200	\$876,000
Ded./Other	\$5,350	\$5,350	\$5,350	\$5,350	\$5,350	\$26,750
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$180,550	\$180,550	\$180,550	\$180,550	\$180,550	\$902,750

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION


Proposed legislation will increase revenues generated from various increases in fees in the Department of Public Safety (DPS), Office of Fire Marshal. This measure increases the initial licensing fee on firms for technical endorsements of locksmiths from \$250 to \$300 as well as renewal fees from \$50 to \$100. This measure also increases retail permit fees for applicants engaging in the sale of fireworks from \$100 to \$250. DPS reports an estimated three (3) initial licenses and 104 renewals annually for technical endorsements of locksmiths. Also, DPS estimates that 1,168 applicants for retail permits to engage in the sale of fireworks are received and processed each year. The table below reports the revenue impact for FY 25.

Fee Type	Current Fee	Proposed Fee	Fee Increase	Average Annual Applicants	Additional Revenue Generated
Endorsements/Locksmiths - Initial	\$250	\$300	\$50	3	\$150
Endorsements/Locksmiths - Renewal	\$50	\$100	\$50	104	\$5,200
Fireworks Retail - Permit	\$100	\$250	\$150	1,168	<u>\$175,200</u>
Total					\$180,550

To the extent that a change in fees may change industry behavior and operating decisions, the potential additional revenue may be impacted accordingly.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer