

**Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2017 Regular Session**

Part I: Measure Information

Bill Request #: 1039

Bill #: HB 209

Bill Subject/Title: AN ACT relating to concealed carry deadly weapons licensing.

Sponsor: Representative Kenny C. Imes

Unit of Government: City County Urban-County
 Charter County Consolidated Local Unified Local
 Government

Office(s) Impacted: Sheriff

Requirement: Mandatory Optional

Effect on Powers & Duties: Modifies Existing Adds New Eliminates Existing

Part II: Purpose and Mechanics

HB 209 authorizes the Kentucky State Police to issue lifetime licenses to carry concealed deadly weapons to persons who have:

- Held a valid Kentucky CCDW license for a minimum of 25 years; or
- Reached the age of 65 and have previously held a valid Kentucky CCDW license.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of HB 209 on local governments would have an estimated moderate loss to sheriff offices across the state of \$581,000 in the initial year, and an estimated minimum loss to sheriff offices across the state of \$19,000 in subsequent years as each new annually qualifying group enters the target group for lifetime licenses.

Sheriff Offices currently get \$20 out of the \$60 license application fee for both initial licenses and renewals. The Department of Kentucky State Police (KSP) nor the Administrative Offices of the Court do not keep statistics specifically addressing those two scenarios. However, KSP was able to provide aggregate numbers regarding applications and renewals for 2015.

The estimates below consider each requirement separately:

Estimated effect of over-65:

Based on 2010 census projections, 15% of Kentucky’s population is over 65. Using that ratio as the basis for determining the number applicants qualifying for the lifetime CCDW license due to being over 65 and realizing this would be the maximum impact, **the estimated loss to sheriff offices across the state relative to meeting the over 65 requirement would be approximately \$229,000 in the first year and \$5,000 in subsequent years.**

Event	2015	Over 65 to Total Population	Effected Licenses	Sheriff's Portion of Fee	Maximum Annual Potential Loss - Year 1	Subsequent Annual Loss (max / 44yrs)*
Initial Applications	39,521	15%	5,928	\$20	\$ 118,563	\$ 2,695
Renewals Issued	36,940	15%	5,541	\$20	\$ 110,820	\$ 2,519
					\$ 229,383	\$ 5,214
					* 65-21 years of age = 44	

Estimated effect of having a license for 25 years:

The current age requirement in order to apply for a CCDW license is 21. Assuming 25 years of uninterrupted renewing, an applicant may apply for a lifetime license at age 46. Based on 2010 census data, 23% of Kentucky’s population falls between the ages of 45 and 64. Using that ratio as the basis for determining the number of CCDW license holders qualifying for a lifetime license under this scenario and assuming this would be the maximum impact, **the estimated loss to sheriff offices across the state relative for meeting the requirement of having had a license for 25 years would be \$352,000 in the first year and \$14,000 in subsequent years.**

Event	2015	45 - 64 age Group to Total Population *	Effected Licenses	Sheriff's Portion of Fee	Maximum Annual Potential Loss - Year 1	Subsequent Annual Loss (max / 25yrs)
Initial Applications	39,521	23%	9,090	\$20	\$ 181,797	\$ 7,272
Renewals Issued	36,940	23%	8,496	\$20	\$ 169,924	\$ 6,797
					351,721	\$ 14,069
* 46-64 age group not available						

The above computations do not take into account any overlapping between the two categories which would lower the estimate, assumes that the 25 yrs. of holding a license would be continual with no interruptions, and further assumes that the age categories of licensed CCDW holders mirrors the age breakdown for the population as a whole.

2012 data estimates that nearly 47.7% of Kentucky residents own guns. The effect of this proposal on those residents not currently licensed is not measureable but any uptick in the licensing of these individuals would lessen the overall loss detailed above since these would be new applicants. It is doubtful this would have any significant effect on the estimate.

Kentucky Sheriffs Association:

According to the Kentucky Sheriffs Association, their estimate regarding lost revenue nearly mirrors the prior estimate in total, but does not reflect the gradual increase in loss over a period of time. Applications for initial and renewed concealed carry permits provide approximately \$4.5 million in revenue that is divided between Kentucky sheriff offices, Kentucky State Police, and the Administrative Office of the Courts. Based on this estimated revenue, the Sheriffs' offices would lose approximately \$1.5 million in total, \$581,000 the first year, accumulating to nearly \$1.16 million over a period of years. The difference being those individuals under 65 years old, and those individuals who have had a permit for less than 25 years, neither qualifying for a lifetime permit and will still be required to purchase annually.

Data Source(s): LRC Staff, Department of Kentucky State Police, Kentucky Sheriff Association, United States Census Bureau

Preparer: Wendell F. Butler **Reviewer:** KHC **Date:** 2/9/17