

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 1177 (First Edition)

SHORT TITLE: Locksmith Licensure

SPONSOR(S): Representative Ellis, et al.

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES					
Special Fund	\$75,000	\$18,000	\$19,500	\$96,000	\$28,500
EXPENDITURES					
Special Fund			Not Yet Determined		
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: North Carolina Locksmith Licensing Board					
EFFECTIVE DATE: This act is effective when it becomes law.					

BILL SUMMARY:

The bill establishes the Locksmith Licensing Act. Locksmiths would be required to obtain a license, renewable every three years.

BACKGROUND:

The Legislative Committee on New Licensing Boards recommended the licensing of locksmiths in its report published on June 21, 1999. According to the Associated Locksmiths of America (ALOA), the following states license locksmiths: California, Nevada, Nebraska, Illinois, Louisiana, and New Jersey.

ASSUMPTIONS AND METHODOLOGY:

The North Carolina Locksmith Association (NCLA) has approximately 250 members and purports to represent one-third of the locksmiths in the state. If correct, then approximately 750 locksmiths will be subject to licensure in FY 1999-00 when HB 1177 is enacted. The NCLA believes the number of new locksmiths in the state will increase 8% to 10% each year over the next five years. This fiscal note will assume the lower growth rate of 8% for licensees as follows:

	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
Licensees	750	810	875	945	1,020

New licensees will be taking an examination created by the North Carolina Locksmith Licensing Board and pay a \$200 exam fee. Current and future locksmiths will pay a \$100 license fee every three years. The following chart shows the projected revenue from the fees in this bill.

	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
Current/Renewal	\$75,000			\$75,000	\$6,000
New License		\$6,000	\$6,500	\$7,000	\$7,500
Exam		<u>\$12,000</u>	<u>\$13,000</u>	<u>\$14,000</u>	<u>\$15,000</u>
Total	\$75,000	\$18,000	\$19,500	\$96,000	\$28,500

FISCAL RESEARCH DIVISION: 733-4910

PREPARED BY: Richard Bostic

APPROVED BY: Tom Covington

DATE: Tuesday, June 29, 1999



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