



NORTH CAROLINA GENERAL ASSEMBLY

2025 Session

Legislative Fiscal Note

Short Title: Military Veteran/Reduce CCW Permit Fee.
Bill Number: Senate Bill 118 (First Edition)
Sponsor(s): Sen. Michael A. Lazzara, Sen. Vickie Sawyer, and Sen. Warren Daniel

SUMMARY TABLE

This Note has been revised to correct a reference on page 3 from “dishonorably discharged” to “honorably discharged.”

FISCAL IMPACT OF S.B.118, V.1					
	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>	<u>FY 2028-29</u>	<u>FY 2029-30</u>
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	-	-	-	-	-
General Fund Impact	No Estimate Available - Refer to Fiscal Analysis section				
NET STATE IMPACT	No Estimate Available - Refer to Fiscal Analysis section				

FISCAL IMPACT SUMMARY

S.B. 118 reduces concealed carry permit fees for veterans who were separated from military service under honorable conditions. The bill exempts these individuals from the portion of concealed carry permit fees that currently remit to local Sheriff’s offices. **These changes will have no fiscal impact on the State but will likely result in reduced revenues for local Sheriff’s offices.** There is not sufficient data available to estimate the value of local revenue losses, **but Fiscal Research anticipates impacts to be insignificant to moderate.**

FISCAL ANALYSIS

This bill sets concealed carry permit fees for honorably discharged veterans equal to the fees currently charged to retired sworn law enforcement officers under G.S. 14-415.19 and requires individuals pursuing the reduced fee levels to verify that their discharge from military service occurred under honorable conditions. The fees are \$45 for an initial permit application and \$40 for a permit renewal, with the proceeds remitting to the State Bureau of Investigation (SBI).

Currently, veterans pay full price for concealed permit fees: \$80 for an initial permit and \$75 for a renewal. Of these fees, \$45 and \$40 respectively remit to the SBI and the remaining portions remit to the permittee’s local Sheriff’s office. Local Sheriff’s offices may also charge an additional \$10 fee



for fingerprinting services, as needed. The table below summarizes the current fee schedule for concealed carry permitting in North Carolina.

Fee-Receiving Entity	New Permit	Permit Renewal	Fingerprint
SBI	\$45	\$40	
Permittee Sheriff's Office*	\$35	\$35	\$10
Total	\$80	\$70	\$10
<i>*Retired sworn law enforcement officers exempt from these associated fees</i>			

Table 1 – Current concealed carry permit fees

The changes in this bill effectively exempt honorably discharged veterans from the Sheriff's office portions of the fee. As such, the SBI will not experience any fiscal impacts, but local Sheriff's offices will lose some revenue.¹

Local Revenue Impacts

In FY 2023-24, there were 59,124 new concealed carry permits and 97,953 permit renewals issued in North Carolina.² The exact value of fees collected by local Sheriffs' offices for these issuances is unknown, but Fiscal Research estimates that **this volume of issuances likely generated around \$5.5 million³ in total Sheriffs' office revenues** based on the following:

- \$35 new permit fee X 59,124 new permit issuances = \$2,069,340
- \$35 renewal fee X 97,953 renewals = \$3,428,355

If revenues were generated evenly across all 100 counties, each local Sheriff's office would have likely received around \$55,000 in fee revenues for the year. If revenues were generated proportionally across counties in alignment with their share of the state's population, local Sheriff's office revenues could have ranged from around \$605,000 in the most populous Wake County to less than \$2,000 in the least populous Tyrrell County. The table below shows possible revenues in the three most populous and three least populous counties in the State for reference.

Population Rank	County	Population	Share of State Population	Potential Revenue
1	Wake	1,194,900	11.02%	\$ 605,664
2	Mecklenburg	1,162,168	10.71%	\$ 589,073
3	Guilford	550,202	5.07%	\$ 278,883
98	Graham	7,985	0.07%	\$ 4,047
99	Hyde	4,671	0.04%	\$ 2,368
100	Tyrrell	3,480	0.03%	\$ 1,763.92

¹ Of note, Fiscal Research does not estimate impacts of behavioral changes that may result from proposed legislation. Therefore, this analysis assumes that similar levels of issuances will continue rather than estimating any potential increases from new permittees enticed by the reduced fee cost.

² FY 2023-24 issuance data provided by the SBI.

³ For context, Sheriff's offices have received an estimated \$5.8 million, on average, in annual concealed carry permit fee revenue since FY 2016-17.

Table 2 – Estimated annual revenue to local Sheriff's offices assuming revenues are proportional to population.⁴

It is not known how many issuances were to individuals who may qualify for S.B. 118's proposed fee reductions as honorably discharged veterans. However, by assuming that issuances under this proposed legislation will continue at FY 2023-24 levels and by considering multiple potential shares of issuances to veterans, it is possible to explore a range of likely local revenue losses. The following sections outline three such example scenarios.

Scenario 1

Veterans make up approximately 7.5% of North Carolina's total population. If 7.5% of issuances are to honorably discharged veterans, the value of lost Sheriff's office revenue could be (\$412,345) in total.

- 59,124 new permits X 7.5% = 4,434 veteran permits X (\$35) in reduced fees per permit = (\$155,200) total lost revenue
- 97,953 permit renewals X 7.5% = 7,347 veteran renewals X (\$35) in reduced fees per permit = (\$257,145) total lost revenue

Scenario 2

If the share of veterans receiving concealed carry permits is slightly higher than the statewide veteran population, perhaps 10% of issuances become eligible for reduced fees. If so, the value of lost Sheriff's office revenue could be (\$549,770) in total.

- 59,124 new permits X 10% = 5,912 veteran permits X (\$35) in reduced fees per permit = (\$206,934) total lost revenue
- 97,953 permit renewals X 10% = 9,795 veteran renewals X (\$35) in reduced fees per permit = (\$342,836) total lost revenue

Scenario 3

Perhaps veterans account for as many as a quarter of all concealed carry permit issuances. If 25% of issuances become eligible for reduced fees, the value of lost Sheriff's office revenue could be (\$1,111,924) in total.

- 59,124 new permits X 25% = 7,281 veteran permits X (\$35) in reduced fees per permit = (\$254,835) total lost revenue
- 97,953 permit renewals X 25% = 24,488 veteran renewals X (\$35) in reduced fees per permit = (\$857,089) total lost revenue

Under these possible scenarios, Sheriff's offices could lose between roughly \$400,000 and \$1.1 million per year in total concealed carry permit fee revenues – representing a potentially moderate impact to the current revenue stream of more than \$5.5 million. Per Sheriff's office, this translates to anywhere from \$130 to \$45,000 in the low impact scenario or around \$350 to more than \$120,000 in the higher impact scenario if impacts occur proportionately to population at the county levels.

⁴ Table uses Office of State Budget and Management (OSBM) 2023 certified county population estimates.

Conclusion

It is not known how many fewer individuals will be paying full price for concealed carry permits as a result of this proposed legislation and so **Fiscal Research cannot provide precise estimates of its fiscal impact.** However, the structure of the proposed fee exemptions means that any impacts will come in the form of reduced revenues for local Sheriff's offices but have no effect on State finances. Considering shares of permit issuances that may possibly go to honorably discharged veterans suggests that these **revenue losses are likely to be insignificant to moderate relative to the more than \$5.5 million in total Sheriff's office revenues that the current fees generate annually.**

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

NC SBI, NC Sheriff's Association, NC Financial System, OSBM

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

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