

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 306 - HB 520

February 21, 2011

SUMMARY OF BILL: Exempts handgun carry permit holders from the criminal background check requirement when purchasing a firearm if the permit was issued or renewed not more than five years prior to the transaction date.

ESTIMATED FISCAL IMPACT:

**Decrease State Revenue - \$307,000
Decrease State Expenditures – Not Significant**

Assumptions:

- Currently, the Tennessee Bureau of Investigation (TBI) is authorized to charge a fee, not to exceed \$10.00, for conducting a background check.
- According to TBI, there are 307,000 handgun carry permit holders. Approximately 54,200 renew each year. No data is available on gun purchases made by permit holders. TBI assumes approximately 10 percent (30,700) of firearm purchasers would also have a valid handgun carry permit and would no longer be subject to a background check. There will be a recurring decrease in state revenue of \$307,000 (30,700 x \$10).
- Any decrease in expenditures for TBI to perform fewer background checks is estimated to be not significant.
- The proposed bill does not require gun dealers to verify the validity of handgun carry permits with the Department of Safety (DOS). As a result, there will no fiscal impact to DOS.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White".

James W. White, Executive Director

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