



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:	
SB0454 - Generally revise laws pertaining to private security (Small, Jason D)	
Status:	As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$3,025)	(\$3,025)	(\$3,025)	(\$3,025)
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	(\$19,860)	(\$19,860)	(\$19,860)	(\$19,860)
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: SB 454 repeals the Board of Private Security and transfers the administrative authority to the Department of Labor & Industry (DLI). Additionally, it eliminates licensure requirements for alarm response runners, branch offices of private security companies, and resident managers of private security companies. With these changes, there is a reduction in direct board costs, as well as a reduction in revenue for license types being eliminated.

FISCAL ANALYSIS

Assumptions:

1. There will be a reduction in revenue from the three license types that will be eliminated in SB 454. Based on a five-year average, the average annual revenue generated by alarm response runners is \$20, the average annual revenue for branch offices of private security is \$980, and the average annual revenue for resident managers of private security companies is \$18,860. The total reduction of state special revenue is estimated to be \$19,860 per year.

Fiscal Note Request – As Introduced

(continued)

2. Based on a five-year average, the Board of Private Security had an average annual expense of \$1,480 in board per diem, and \$1,545 in travel costs. These costs will no longer be incurred with the elimination of the board.
3. There will be some technology costs to cease activity for the board, including website and form updates. These tasks can be performed by existing department staff.
4. There will be rulemaking to transfer the oversight of all remaining licenses under the board of private security to DLI and to repeal current rules for private security. Costs for rulemaking can be covered by DLI's current budget authority.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	(\$1,480)	(\$1,480)	(\$1,480)	(\$1,480)
Operating Expenses	(\$1,545)	(\$1,545)	(\$1,545)	(\$1,545)
TOTAL Expenditures	<u>(\$3,025)</u>	<u>(\$3,025)</u>	<u>(\$3,025)</u>	<u>(\$3,025)</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$3,025)	(\$3,025)	(\$3,025)	(\$3,025)
TOTAL Funding of Exp.	<u>(\$3,025)</u>	<u>(\$3,025)</u>	<u>(\$3,025)</u>	<u>(\$3,025)</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$19,860)	(\$19,860)	(\$19,860)	(\$19,860)
TOTAL Revenues	<u>(\$19,860)</u>	<u>(\$19,860)</u>	<u>(\$19,860)</u>	<u>(\$19,860)</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$16,835)	(\$16,835)	(\$16,835)	(\$16,835)

NO SPONSOR SIGNATURE

2/28/23

RO

2-27-23

Sponsor's Initials

Date

Budget Director's Initials

Date