

Submitter: Mike Arnold
On Behalf Of:
Committee: House Committee On Judiciary
Measure, Appointment or Topic: HB3076

To whom it may concern,

Let's address 3076 for what it is. 3076 is a tax on already approved Federal Firearms Licensees.

After personally speaking with 10 local FFL License holders in the Willamette Valley, one fact stands out. This bill lacks common sense.

This is a partisan bill that hasn't taken in the opinions or expertise of those in the industry.

Every FFL holder I've spoken to is willing to help write common sense bills. Let that be noted.

Raising the Federal Firearms License (FFL) licensing fees in Oregon by 10 times the original fee would likely have several fiscal impacts. Here's a detailed breakdown:

Current FFL Licensing Fees:

The current FFL licensing fees in Oregon are as follows:

- Type 01 (Dealer's License): \$150 for the first 3 years, then \$90 for each subsequent 3-year period
- Type 07 (Manufacturer's License): \$150 for the first 3 years, then \$90 for each subsequent 3-year period
- Type 09 (Dealer in Destructive Devices): \$2,500 for the first 3 years, then \$2,000 for each subsequent 3-year period
- Type 10 (Manufacturer of Firearms and Firearms Dealer): \$1,000 for the first 3 years, then \$500 for each subsequent 3-year period

Proposed FFL Licensing Fees (10 times the original fee):

- Type 01 (Dealer's License): \$1,500 for the first 3 years, then \$900 for each subsequent 3-year period
- Type 07 (Manufacturer's License): \$1,500 for the first 3 years, then \$900 for each subsequent 3-year period

- Type 09 (Dealer in Destructive Devices): \$25,000 for the first 3 years, then \$20,000 for each subsequent 3-year period
- Type 10 (Manufacturer of Firearms and Firearms Dealer): \$10,000 for the first 3 years, then \$5,000 for each subsequent 3-year period

Fiscal Impacts:

1. ***Increased Revenue:*** The most immediate fiscal impact would be an increase in revenue for the state of Oregon. With the proposed fee increase, the state could generate significantly more revenue from FFL licensing fees.
2. ***Reduced Number of FFL Holders:*** A 10-fold increase in licensing fees could lead to a reduction in the number of FFL holders in Oregon. Some businesses, particularly small ones, might find it difficult to absorb the increased costs, leading to a decrease in the number of licensed firearms dealers and manufacturers.
3. ***Increased Costs for Consumers:*** With fewer FFL holders, consumers might face increased costs for firearms and related services. This could lead to a decrease in demand, which could have a ripple effect on the entire firearms industry.
4. ***Job Losses:*** A reduction in the number of FFL holders could lead to job losses in the firearms industry, particularly in rural areas where firearms dealers and manufacturers are often the primary employers.
5. ***Impact on Small Businesses:*** Small businesses, which are often the backbone of local economies, might be disproportionately affected by the increased licensing fees. This could lead to a decrease in economic activity and a loss of tax revenue for local governments.
6. ***Potential for Unintended Consequences:*** The increased licensing fees could lead to unintended consequences, such as an increase in unlicensed firearms dealers or a shift to online sales, which could make it more difficult for law enforcement to track firearms sales.

Conclusion:

Raising the FFL licensing fees in Oregon by 10 times the original fee would likely have significant fiscal impacts, including increased revenue for the state, but also potential negative consequences, such as a reduction in the number of FFL holders, increased costs for consumers, job losses, and a disproportionate impact on small businesses. It is essential to carefully consider these potential impacts before implementing such a significant fee increase.