

REPORT HIGHLIGHTS

The Adequacy of Fees for the Pennsylvania Instant Check System

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Act 1995-17 requires the Legislative Budget and Finance Committee to review the need to increase or decrease Pennsylvania's in-state check fees for firearm purchases and transfers every five years and issue a report of its findings to the General Assembly. The LBFC is also to review pertinent program measures, including financial and statistical data, as well as to examine the financial condition of the Firearms Record Check Fund.

Highlights of PICS Operational Statistics

- ❖ There were 2,740 active Pennsylvania licensed firearm dealers who performed a total of 742,251 firearms sales and transfers in CY 2019. Of those, 421,543 were handguns and 320,708 were long guns. Additionally, there were sales and transfers of 23,953 frames/receivers.
- ❖ In CY 2019, PICS handled 982,036 phone calls and web-based requests for background checks. Of those, 97 percent were approved without further investigation. Of those, 66 percent were approved automatically, and 31 percent required operator assistance.
- ❖ Of the requests automatically approved via the phone system, the average time until approval was 0.75 minutes; for those requests automatically approved via the web system, approval times averaged 1.57 minutes.
- ❖ Of total gun check requests, 15,373, or 1.6 percent, were initially denied. Of those denials, 4,641 were challenged. Reversals were issued for 1,633 of challenges and 2,565 were issued a final denial. The 443 remaining challenges were returned to the challenger unprocessed for various reasons.

- ❖ In FY 2019-20, approximately 95 percent of the \$8.1 million in PICS expenditures were used for personnel costs.
- ❖ For the past two fiscal years, the \$5.00 fee and surcharge has generated enough revenue to cover 31 percent of PICS expenditures.
- ❖ In order to fully fund PICS with fee and surcharge revenues, the current combined \$5.00 fee would need to be raised to \$16.00.

Instant Check Systems in Other States

- ❖ Thirteen states, including Pennsylvania are full point-of-contact (POC) states, meaning that they use a state agency to conduct checks on all firearm transactions.
- ❖ Seven other states are partial POC states that use a state agency for some background checks for some firearm transactions and license to carry permits. The remainder of states rely on the federal NICS system.
- ❖ At \$5.00, Pennsylvania has the lowest total fee for background checks in all 13 full POC states. Fees range from \$10.00 in Illinois, Oregon, and Tennessee to over \$200.00 in Connecticut.

Fiscal Information and Adequacy of Fees

- ❖ PICS receives funding from three sources: a Gun Check Appropriation, the Firearm Records Check Fund, and PSP General Government Operations. In FY 2019-20, funding was \$8,081,634.
- ❖ The fees deposited into the restricted Firearm Records Check Fund include \$2.00 charged to the firearm dealer and a \$3.00 Firearms Sale Surcharge.

For a full copy of the report, email us at lbfcinfo@palbfc.us or download a copy at <http://lbfc.legis.state.pa.us/>.