



OFFICE OF MANAGEMENT AND BUDGET

115 S. Andrews Avenue, Room 404 • Fort Lauderdale, Florida 33301 • 954-357-6345 • FAX 954-357-6364

MEMORANDUM

September 9, 2020

TO: Board of County Commissioners

FROM: Norman Foster, Director *Norman Foster*
Office of Management and Budget

SUBJECT: Fiscal Impact Statement Re: Subject: Fiscal Impact Statement Re: Proposed Ordinance Creating Division 8 of Article VII, Chapter 20 of the Broward County Code of Ordinances, Locksmiths and Locksmith Businesses

Summary

The proposal amends Chapter 20 of the Broward County Code of County Ordinances by establishing Division 8, relating to Locksmiths and Locksmith Businesses. This section defines locksmiths and locksmith businesses and establishes requirements for a program of locksmith regulation and licensing in Broward County. The ordinance requires the Environmental and Consumer Protection Division to provide annual licensing or registration for Locksmith Businesses, Locksmiths, and Locksmith Apprentices. Further, to implement the regulation, the Division will be required to conduct field inspections, complete investigations, and undertake enforcement.

Fiscal Impact

Under the proposed ordinance the cost of the program is to be offset by fees assessed under the program. Administrative program requirements will include licensing an estimated 520 entities (130 Locksmith Businesses, 130 Locksmiths, and 260 Apprentice Locksmiths), collecting licensing fees, ensuring accurate application information, maintaining accurate application information, reviewing background checks against disqualifying offenses, and verifying maintenance of insurance. Field inspection program requirements will include inspecting locksmith businesses for proper recordkeeping; compliance with customer cost estimates, quotations, and invoice requirements; complying with prohibited practices; maintaining employee records; maintaining proper signage; and responding to customer complaints. Enforcement activities will include issuance of warnings and citations, and enforcement hearings.

Costs to implement these measures are estimated to be salary and benefits for
 one Consumer Regulatory Inspector (\$80,000),
 operating costs* (\$4,900), and
 program overhead (\$6,600)

Startup costs include
 a vehicle and computer (\$28,900) and
 configuration of the licensing and inspection database system (\$11,500).

*Note: Operating costs includes office space; database maintenance and technical support; responding to public records requests; attorney support for license suspensions and revocations, recalcitrant licensees, and legal opinions on regulatory decisions; and Division and Department Management

Accordingly, total costs are estimated at \$91,500 recurring annual and one-time costs at \$40,400. Assuming the 130/130/260 ratio above, a fee structure of \$505/\$120/\$40 for Business/Locksmith/Apprentice annual fees (respectively), would generate \$91,650 and offset the \$91,500 in recurring costs.

NF:mc