

Department of Planning and Budget
2023 Fiscal Impact Statement
REVISED 1/25/2023

1. Bill Number: SB1167

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Petersen

3. Committee: Judiciary

4. Title: Firearm industry members; standards of responsible conduct; civil liability.

5. Summary: The proposed legislation creates the Virginia Firearm Industry Standards of Responsible Conduct. It provides that members shall establish and implement reasonable controls related to the manufacture, etc. of firearm industry products sold in the Commonwealth, and take reasonable precautions to ensure members do not sell or distribute products to other retailers that fail to establish and implement reasonable controls. Members shall not manufacture, etc. a product that is designed, sold, or marketed in a manner that (i) foreseeably promotes conversion of lawful products into unlawful products or (ii) targets persons younger than 18 years old or any other individuals who are prohibited from possessing or purchasing a firearm. Members are required to comply with the Virginia Consumer Protection Act, the Virginia Antitrust Act, and various Code sections relating to firearm safety. The bill provides that persons who suffer harm as a result of the provisions of this section are entitled to initiate an action for injunctive relief, and it allows the Attorney General to initiate civil actions to enforce the chapter.

6. Budget Amendment Necessary: Yes, Item 61.

7. Fiscal Impact Estimates: Preliminary. See Item 8 below.

8. Fiscal Implications: Upon further review by the Office of the Attorney General (OAG), the OAG's office has determined that it would need additional resources to investigate potential violations and handle causes of action against members of the firearm industry on behalf of the Commonwealth to meet the provisions of the bill. The estimated cost is \$146,127 annually for an attorney, and \$90,750 annually for a legal secretary.

The proposed legislation is not anticipated to have a fiscal impact on the Department of State Police (VSP). The fiscal impact on Courts cannot be determined at this time.

9. Specific Agency or Political Subdivisions Affected: Courts, Department of State Police, Office of the Attorney General.

10. Technical Amendment Necessary: No.

11. Other Comments: None.