

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 0585-01
Bill No.: SB 157
Subject: Law Enforcement: Firearms
Type: Updated#
Date: February 22, 2005

#Updated to reflect information received subsequent to the issuance of the original fiscal note.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue#	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue Fund#	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of Attorney General** assume any potential cost associated with certifying Sheriff's costs that are not otherwise offset by the application fee can be absorbed with existing resources.

Officials of the **Office of Administration** stated that there may be no impact to the Office of Administration, however, OA is charged with reimbursing County Sheriffs for expenses related to the concealed weapons legislation if there are not sufficient funds in the County Sheriff's Revolving fund. OA officials assume the following:

Assuming there is an appropriation, and assuming that equipment and related expenses exceed the fee amounts collected, there is a potential for escalating costs to OA.

Assumption 1: An appropriation is made for this purpose.

Assumption 1B: The Attorney General's Office will certify additional expenses.

Assumption 2: Most reasonable and necessary expenses will be covered by the County Sheriff's Revolving Fund.

ASSUMPTION (continued)

Assumption 3: Staff time is the largest component of expense related to the permits.

Assumption 4: Additional equipment could be costly - law enforcement software, fingerprinting, tracking. Office supplies, postage, phone calls, computers, and storage will be needed.

Assumption 5: An average staff salary is \$30,000 annually.

Assumption 6: Three metropolitan counties will average 800 permits per county; 111 other counties will average 150 permits per county.

Assumption 7: County hours per permit in staff time (at \$15 per hour); additional computers, law enforcement software, and equipment could be required at \$5,000.

Per rural county: \$15 per hour x 5 hours per permit x 150 (# of permits) = \$11,250

Computers/software/office supplies/equipment = \$5,000

Total: \$16,250 expenses; revenue = \$15,000

Per county, additional expenses over revenue: \$1,250 @ 111 counties

Potential additional costs to the state: \$138,750

Oversight assumes that if revenues in the Sheriff's Revolving Fund and the revenues **generated by the maximum fee allowed by law (571.101) are not sufficient to cover cost of conducting the conceal and carry law, the Sheriff could request state assistance** from the Office of Administration. **Oversight will show annual fiscal impact to the Office of Administration (General Revenue Fund), as \$0 to \$138,750.**

Officials from the **Office of Administration (COA)** provided a revised response that included the following assumptions:

Assumption 1: An appropriation is made for this purpose.

Assumption 2: All counties will charge the maximum fee allowable.

Assumption 3: The Attorney General's Office will certify additional expenses.

Assumption 4: Most reasonable and necessary expenses will be covered by the County Sheriff's Revolving Fund.

Assumption 5: Staff time is the largest component of expense related to the permits.

Assumption 6: Additional equipment could be costly – law enforcement software, fingerprinting, tracking. Office supplies, postage, phone calls, computers, and storage will be needed.

ASSUMPTION (continued)

- Assumption 7: inflation of 3% is calculated.
- Assumption 8: An average staff salary is \$30,000 annually.
- Assumption 9: Three metropolitan counties will average 800 permits per county; 111 other counties will average 100 permits per county.
- Assumption 10: County staff hours include: processing background checks, fingerprinting, filing, follow-ups, communication with permit-seekers and other law enforcement agencies, receipt/deposit of fees, reconciliation of annual and follow-up fees per permit-holder: four hours per permit in staff time (at \$15 per hour); additional computers, law enforcement software, and equipment could be required at \$5,000.

Per rural county: \$15 per hour x 4 hours per permit x 100 (# of permits)= \$6,000

Computers/software/office supplies/equipment = \$5,000

Total: \$11,000 expenses; revenue = \$10,000

Per county, additional expenses over revenue: \$1,000 @ 111 counties

Potential additional costs to the state: \$111,000

Oversight assumes this proposal allows County Sheriffs to use monies in the Sheriff's Revolving Fund for expenses related to the conceal and carry law. Oversight assumes this provision would have no fiscal impact in that it does not create additional monies nor does it mandate an expenditure of funds. This provision provides for another use of existing revenues.

Officials of the **Boone County Sheriff's Office** assumes there would be revenue generated and cost, and assume there would be no savings or losses. Officials assume no fiscal impact.

Officials of the **Jackson County Sheriff's Office** made a statement, however, issued no fiscal impact statement.

Officials from the **Clark County Sheriff's Office** stated they have issued 30 concealed carry permits to date. The time it takes them to issue the permits is approximately 1 hour. If you figure the cost of the permits, the 1 hour rate is around \$50.00 and the \$38.00 for the records check the Missouri State Highway Patrol charge, the average cost for a permit is \$88.00 for the Clark County Sheriff's Office.

ASSUMPTION (continued)

Officials from the **Johnson County Sheriff's Office** stated they have processed 232 concealed carry permits. The average time spent by a clerk per application is 30 minutes. A clerk's hourly pay rate is \$10.24. The average labor cost per permit is \$5.12. Officials incur the following costs to process concealed carry permits:

Labor (\$5.12/permit x 232 permits)	\$1,187.84
Software	\$2,200.00
Electric Typewriter	<u>\$185.00</u>
Total costs	\$3,572.84
Maximum permit fee (\$100/permit x 232)	\$23,200.00
Fingerprint charge (\$38/permit x 232)	<u>\$8,816.00</u>
Total revenues	\$14,384.00
Total revenues	\$14,384.00
Total costs	<u>\$3,572.84</u>
Net revenues if charging max fee	\$10,811.16

Officials from the **Cole County Sheriff's Office** stated it takes them approximately 1 hour to complete a concealed carry application. This includes assisting applicants in completing the forms, fingerprinting the applicant, and data entry. No special equipment was needed to process these applications. Postage and fingerprint supplies are required.

Oversight assumes, based on the information received from county sheriff's offices, the \$100 maximum fee should be sufficient to cover the cost of processing concealed carry applications. Therefore, Oversight assumes the counties will have no unreimbursed expenses. Oversight assumes no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND#			
Cost to Office of Administration reimbursing counties for conceal and carry expenses.#	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND#	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
COUNTY SHERIFF REVOLVING FUND#			
Income to Sheriff Revolving Fund from office of administration reimbursement#	\$0	\$0	\$0
Cost to Sheriff Revolving Fund unreimbursed cost associated with conceal and carry law.#	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO LOCAL GOVERNMENT	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act authorizes the Sheriff of every county to pay costs and expenses for activities related to the issuing of concealed carry endorsements from the Sheriff's Revolving Fund.

The application and renewal fees shall be based on the Sheriff's estimate of the actual costs and expenses incurred. If the maximum fee is inadequate to cover the actual expenses in a year and there are insufficient funds in the revolving fund, a Sheriff may present specific and verified evidence of the un-reimbursed expenses to the Office of Administration which, upon certification by the Attorney General, shall reimburse such Sheriff for those expenses.

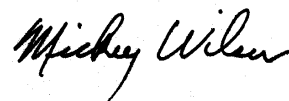
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Office of Administration
Jackson County Sheriff
Boone County Sheriff
Clark County Sheriff's Office
Johnson County Sheriff's Office
Cole County Sheriff's Office

NOT RESPONDING

Greene County Sheriff
St. Louis County Sheriff
St. Louis City Sheriff



Mickey Wilson, CPA
Director
February 22, 2005