

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1204-04
Bill No.: Truly Agreed To and Finally Passed SCS for HCS for HB 436
Subject: Firearms and Fireworks; Federal - State Relations
Type: Original
Date: June 4, 2013

Bill Summary: This proposal modifies provisions relating to firearms.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	Minimal	Minimal	Minimal

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Attorney General's Office (AGO)** assume that any potential costs arising from this proposal could be absorbed with existing resources. If there is significant litigation, AGO may seek additional appropriations.

In response to a previous version of this proposal, officials from the **Office of Prosecution Services (OPS)** assumed the proposal would not have a fiscal impact on their agency. The creation of a new crime creates additional responsibilities for county prosecutors which may, in turn, result in additional costs which are difficult to determine.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of being a school protection officer and failing to properly carry his concealed weapon at all times while on school property - a Class A misdemeanor; disclosing individual information regarding a school protection officer - a Class B misdemeanor; publishing identifying information of those persons holding a firearm permit - a Class A misdemeanor.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

According to officials from the **Department of Elementary and Secondary Education**, there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

ASSUMPTION (continued)

Officials from the **Department of Public Safety - Missouri Highway Patrol, Department of Health and Senior Services** and the **Office of the State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Corrections (DOC)** state this bill, if passed into law, modifies provisions relating to firearms.

Penalty provisions for violations, the component of the bill to have potential fiscal impact for DOC, is for a class A misdemeanor. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost through supervision provided by the Board of Probation and Parole (FY12 average of \$4.960 per offender, per day, or an annual cost of \$1,810 per offender).

In summary, supervision by the DOC through probation would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Department of Revenue (DOR)** state Section 571.101 changes the minimum age for a concealed carry weapons endorsement from 21 to 19 years of age. Additionally, this legislation changes the minimum age requirement for a spouse of a member of the military stationed in Missouri to be eligible for concealed carry endorsement from 21 to 19 years of age.

DOR states the proposal will require the following changes:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours of overtime at a cost of \$1,206 in FY 2014; and
- DOR's website will need to be updated. This will require 10 hours of overtime at a cost of \$325 in FY 214.

In summary, DOR assumes a cost of \$1,531 (\$1,206 + \$325) in FY 2014 to implement the changes from this proposal.

ASSUMPTION (continued)

In response to previous version of the proposal, DOR also stated the change in the minimum age requirement may increase the volume of concealed carry weapon endorsement applicants, which may increase revenue for the driver license or nondriver license fees. The number of applicants is unknown, but expected to be minimal.

Oversight assumes DOR is provided with core funding to handle a certain amount of legislative activity each year. Oversight assumes DOR could absorb the costs related to this proposal within their annual budget. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

In response to a previous version of the proposal, officials from the **Boone County Sheriff's Department** stated revenues will be generated by lowering the eligibility age from 21 to 19. It is unknown how many persons 19 or 20 years of age will apply for CCW permits with the passage of this legislation. Therefore, an accurate estimation of how much revenue would be generated cannot be provided.

Applicants for a concealed carry permit must submit a nonrefundable fee not to exceed \$100 to the Sheriff to cover various costs included in the application process. **Oversight** assumes a minimal number of new applications will result from this bill and; therefore, will reflect a 'Minimal' amount of fee revenue for the counties.

§ 571.067 - Firearm Exchange Program:

In response to a similar proposal from this year (SB 352), officials from the **City of Kansas City** and the **City of Columbia** each assumed this part of the proposal would not fiscally impact their respective agencies.

Oversight assumes should any county, municipality, or governing body offer a firearms exchange program, the firearms collected would be sold or traded to any interested licensed firearm dealer with the proceeds of the sale belonging to the county, municipality, or governing body. Oversight assumes either no direct fiscal impact, or an unknown positive fiscal impact if a county, municipality, or other governing body has a firearms exchange program.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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LOCAL POLITICAL SUBDIVISIONS

<u>Income</u> - to the Sheriffs' Revolving Funds for expanding the concealed carry permit from 21 to 19	Minimal	Minimal	Minimal
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<u>Income</u> - Cities and Counties § 571.067 - sale of firearms from exchange program	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<u>Minimal</u>	<u>Minimal</u>	<u>Minimal</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

§§ 571.030 - 571.117 - changes the minimum age at which a person can be issued a concealed carry endorsement from 21 years of age to 19 years of age.

§ 571.067 - Firearm Exchange Program - prohibits a county, municipality, or other governmental body from participating in a program in which individuals are given a thing of value in exchange for surrendering a firearm unless the county, municipality or governmental body adopts an ordinance providing that any firearm received will be offered for sale or trade to a licensed firearms dealer. The proceeds from the sale must be deposited with the county, municipality, or governmental body unless the proceeds are collected by a sheriff, in which case they must be

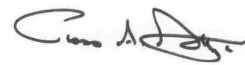
FISCAL DESCRIPTION (continued)

deposited in the County Sheriff's Revolving Fund. If the firearm is not sold or traded after being offered to at least two licensed firearms dealers, then the county, municipality, or governmental body may destroy the firearm.

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

Attorney General's Office
Department of Public Safety
Office of the State Courts Administrator
Department of Revenue
Office of the State Public Defender
Office of Prosecution Services
Department of Corrections
Department of Elementary and Secondary Education
Boone County Sheriff's Department
Kansas City
Columbia



Ross Strobe
Acting Director
June 4, 2013