

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5330-01
Bill No.: Perfected HB 1539
Subject: Firearms and Fireworks
Type: Original
Date: April 9, 2014

Bill Summary: This proposal modifies provisions related to public safety.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue*	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue Fund*	\$0	\$0	\$0

* Oversight assumes the Department of Public Safety will charge fees to cover the anticipated annual expenditures of approximately \$55,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other State Funds</u>	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
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 2015	FY 2016	FY 2017
Local Government*	\$0	\$0	\$0

* Losses and Savings that should net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol** assume the proposal would not fiscally impact their agency.

Officials from the Buchanan County Sheriff's Department, Jackson County Sheriff's Department, and the St. Louis County Department of Police did not respond to our request for fiscal impact.

Oversight assumes the proposal would not create a fiscal impact for the state or local political subdivisions.

House Amendment 1 - defense of property if not the owner:

In response to a similar proposal from this year (HB 2126), officials from the **Department of Public Safety - Missouri Highway Patrol, Office of the State Public Defender, Office of the State Courts Administrator, Office of Prosecution Services, and the Department of Corrections** each assumed the proposal would not fiscally impact their respective agencies.

House Amendment 2 - Department of Public Safety licenses corporate security advisors:

In response to a similar proposal from this year (HB 1596), officials from the **Department of Public Safety - Office of the Director (DPS)** stated this requires DPS to regulate and license all corporate Security Advisors. DPS will have to promulgate rules to implement the provisions of the law and shall oversee the licensing of Security Advisors. The addition of the program will necessitate the hiring of a Program Representative II. DPS assumes the total cost for this additional FTE to be approximately \$55,000 per year.

Officials from the St. Louis Metropolitan Police Department and the Kansas City Police Department did not respond to our request for fiscal impact.

Oversight assumes DPS will be able to charge fees for the licensing and renewal of licenses for corporate security advisors. Oversight does not know the number of corporate security advisors that are licensed each year by the St. Louis Metropolitan Police Department and the Kansas City Police Department. In the Code of State Regulations (17 CSR 10-2.040), the Board of Police

ASSUMPTION (continued)

Commissioners of Kansas City, Missouri has established the following fee schedule:

Annual Company License	\$300
Class A - Armed License	\$145
Class A - Armed License Renewal	\$ 90
Replacement of Lost/Stolen License	\$ 65
Rescheduling Fee	\$ 85

Oversight doesn't know how many licenses DPS will need to issue, or what fees DPS will charge; therefore, we will reflect an unknown amount of revenue into the General Revenue Fund for these fees. However, Oversight assumes DPS will charge fees sufficient to cover their costs of administering this license.

Oversight will also reflect a loss of fees to the local political subdivisions as well as a savings for not having to administer the licensing. Oversight will assume the two will offset.

This part of the proposal has an emergency clause.

House Amendment 3 - public school students:

In response to a similar proposal from this year (HB 2242), officials from the **Department of Elementary and Secondary Education, Department of Social Services, Office of the State Courts Administrator** and **Kansas City Public Schools** each assumed the proposal would not fiscally impact their respective agencies.

In response to a similar proposal from this year (HB 2242), officials from the **Fulton School Districts** assumed the proposal would cost approximately \$35,000 - \$40,000 the first year for legal staff to advise administrations and work through conflicts with this legislation and the Safe Schools Act.

Oversight assumes this amendment would not fiscally impact school districts.

House Amendment 4 - possession of a firearm while also illegally in possession of a controlled substances:

In response to a similar proposal from this year (HB 1562), officials from the **Department of Corrections (DOC)** stated penalty provisions, the component of the bill to have potential fiscal

ASSUMPTION (continued)

impact for DOC, is for up to a class D felony. 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 of direct offender costs either through incarceration (FY13 average of \$18.014 per offender, per day, or an annual cost of \$6,575 per inmate) or through supervision provided by the Board of Probation and Parole (FY13 average of \$5.07 per offender, per day, or an annual cost of \$1,851 per offender).

The following factors contribute to DOC's minimal assumption:

- DOC assumes the narrow scope of the crime will not encompass a large number of offenders;
- The low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence;
- The probability exists that offenders would be charged with a similar but more serious offense or that sentences may run concurrent to one another

In summary, supervision by the DOC through probation or incarceration 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.

In response to a similar proposal from 2013 (HB 390), officials from the **Office of Prosecution Services** 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.

In response to a similar proposal from this year (HB 1562), officials at the **Office of State Public Defender** could not assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the enhanced penalties for possession of a firearm while also in possession of a controlled substance.

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.

ASSUMPTION (continued)

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

In response to a similar proposal from this year (HB 1562), officials from the **Office of the State Courts Administrator** and the **Department of Public Safety - Missouri Highway Patrol** each assumed the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2015	FY 2016	FY 2017
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GENERAL REVENUE FUND

<u>Income</u> - DPS - licensing fees, renewal fees, and other fees for corporate security officers (House Amendment 2)	At least \$61,510	At least \$55,316	At least \$55,878
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Cost - DPS

Personal Service (1 FTE)	(\$35,844)	(\$36,202)	(\$36,564)
Fringe Benefits	(\$18,282)	(\$18,465)	(\$18,649)
Expense and Equipment	<u>(\$7,384)</u>	<u>(\$649)</u>	<u>(\$665)</u>
<u>Total Costs - DPS (House Amendment 2)</u>	<u>(\$61,510)</u>	<u>(\$55,316)</u>	<u>(\$55,878)</u>

ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change for General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2015	FY 2016	FY 2017
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings</u> - Kansas City and St. Louis Police Departments - no longer regulating corporate security advisors (HA 2)	Unknown	Unknown	Unknown
<u>Loss</u> - Kansas City and St. Louis Police Departments - no longer collecting fees for regulating corporate security advisors (HA 2)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	<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.

FISCAL DESCRIPTION

House Amendment 2 moves the authority to regulate corporate security advisors from the Board of Police Commissioners to the Department of Public Safety.

House Amendment 2 contains an emergency clause.

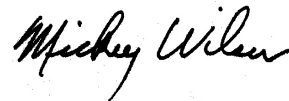
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety
 Office of the Director
 Missouri Highway Patrol
Office of the State Public Defender
Office of Prosecution Services
Office of the State Courts Administrator
Department of Corrections
Department of Elementary and Secondary Education
Department of Social Services
Office of the State Courts Administrator
Kansas City Public Schools
Fulton Public Schools

Not Responding:

Buchanan County Sheriff's Department
Jackson County Sheriff's Department
St. Louis County Department of Police
St. Louis Metropolitan Police Department
Kansas City Police Department



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