

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4337-07
Bill No.: Truly Agreed To and Finally Passed CCS for HCS for SB 656
Subject: Fees; Firearms and Fireworks; Law Enforcement Officers and Agencies; Military Affairs
Type: Original
Date: June 3, 2016

Bill Summary: This proposal modifies provisions related to firearms.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	Unknown	Unknown	Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol**, the **Department of Corrections**, the **Office of the State Public Defender**, the **Office of Prosecution Services**, the **Office of the State Courts Administrator**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Social Services**, the **Department of Elementary and Secondary Education**, and the **Department of Natural Resources** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Cole County Sheriff's Office** assume minimal fiscal impact for the first five years. The impact will increase afterwards. With proper management, the concealed carry funds should be readily sustainable.

In response to a previous version, officials from the **Department of Public Safety - Missouri Highway Patrol** stated over the past five years, 214,297 state and federal fingerprint based criminal background checks have been processed for CCW permits which is an average of 42,859 requests per year (214,297 / 5). The state fee is \$14 and \$2 of the federal fee (\$14.75) is retained by the Criminal Justice Information Services (CJIS) Division for a pass-thru fee.

Oversight notes that using MHP's estimate of 42,859 permits per year, if ten percent of the CCW applicants are charged an additional fee equal to their background check (\$28.75), this would equate to a loss to the county's Sheriff Revolving Fund of \$123,223 (4,286 x \$28.75). However, Oversight has no information regarding which counties may charge fees in excess of \$100 for a CCW permit; therefore, will assume a loss of CCW fee revenue to counties of "could exceed \$100,000."

Officials from the Buchanan County Sheriff's Office, the Clark County Sheriff's Office, the Cass County Sheriff's Office and the St. Louis County Police Department did not respond to **Oversight's** request for fiscal impact.

§§571.205 - 571.230 - Extended concealed carry permits:

In response to a similar proposal from this year (SB 1026), officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** stated the proposal would not fiscally impact their agency. The MHP states over the past five years, the Criminal Justice Information Services Division (CJIS) has processed an average of 41,873 state and federal fingerprint-based background checks pursuant to Section 571.101, RSMo. CJIS estimates that the number of

ASSUMPTION (continued)

criminal record checks processed pursuant to 571.205 and 571.101 combined will remain relatively unchanged. Therefore, CJIS estimates that little to no fiscal impact while accounting for the variance in fingerprinting fees associated with the fee amounts as identified in 43.530, RSMo.

Oversight notes that currently, an application for a permit to carry a concealed weapon is \$100, and a renewal (after 5 years) fee is \$50 (§571.101.11 and .12). This proposal would create a extended concealed carry permits with application fees ranging from \$200 - \$500 (as well as \$10 to replace a lost or stolen permit, \$50 to reactivate a lifetime permit, and \$10 to correct because of a change in name).

In response to a similar proposal from this year (SB 1026), officials from the **St. Louis County Police Department** stated if passed, the bill would allow Missouri residents to obtain a lifetime or extended concealed carry permit. The bill explains that as long as the applicant is over the age of 19 and meets the requirements or 18 and a member of the United States Armed Forces meeting the requirements, a lifetime concealed carry permit can be issued.

The bill proposes that if a lifetime concealed carry permit holder does something that violates a permit requirement (i.e. named in order of protection, charged with a crime involving a weapon, mental issue) the concealed carry permit will be suspended until the issue is resolved.

The St. Louis County Police Department will be responsible for conducting a check into each extended and lifetime concealed carry permit every five years. With the assistance of Lieutenant Burk, the following fiscal impact was calculated. The current cost of each record check is \$4.00. There are roughly 35,000 concealed carry permits in St. Louis County. If only 7,000 permit holders aligned during a five year check up, it would cost approximately \$30,000 that year. Over a three year period, the fiscal impact could increase to over \$90,000.

Although the application fees would be increased, the money received from these applications is placed in the revolving fund for sheriff's department that is not accessible by the St. Louis County Police Department. The new costs of permits and renewals would create revenue for the revolving fund, not the Police Department.

Oversight does not know how many of the current or future concealed carry permit holders would opt to get an extended permit. Oversight assumes those who currently have a permit that would choose to get an extended permit at their next renewal, would pay from \$200 to \$500 in application fees instead of the current \$50 renewal fee. In this scenario, the sheriff's department would temporarily see additional moneys coming into their Revolving Fund. However, if the

ASSUMPTION (continued)

applicant would have paid \$50 to renew their license many times going forward (without passage of this bill), the sheriff's office now would not receive the \$50 every five years, and eventually, their Revolving Fund would lose proceeds. Therefore, within the scope of this fiscal note (3 years), Oversight will reflect an unknown amount of additional permit fees being paid into the counties' Sheriff Revolving Funds for those who opt to obtain an extended concealed permit (\$200 - \$500) instead of the current five year permit (\$100) or the current five year renewal (\$50).

Oversight notes that subsection 571.205.12 allows for the following extended CCW permit fees:

- \$200 for a 10 year permit (with \$50 for a renewal);
- \$250 for a 25 year permit (with \$50 for a renewal); and
- \$500 for a lifetime permit

Oversight will assume this proposal also may eventually have an impact on the Missouri Highway Patrol for processing fewer background checks, but that too would be outside the scope of this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
COUNTIES			
<u>Income</u> - Sheriffs' Revolving Funds - processing an unknown number of extended CCW permit applications (\$200 for 10 years, \$250 for 25 years, or \$500 for lifetime) instead of current CCW applications (\$100) and/or renewals (\$50) - for 5 years §571.205.12	Unknown	Unknown	Unknown
<u>Loss</u> - County Sheriffs' Revolving Funds - CCW permit fees not allowed to exceed \$100 §571.101.11	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)	(Could exceed <u>\$100,000</u>)
ESTIMATED NET EFFECT TO COUNTIES	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Under current law, an applicant for a concealed carry permit may be charged a fee that does not exceed \$100. This act specifies that no additional fee may be charged, including any fee for fingerprinting or criminal background checks.

In addition, this act provides that if a concealed carry permit expires while the permit holder is on active duty in the Armed Forces, active state duty, full-time national guard duty, or active duty with the National Guard, or the permit holder is incapacitated due to an injury incurred while in military service, the permit may be renewed within two months of the permit holder's return to Missouri after discharge from duty or recovery from the incapacitation. Once the two-month period has expired, the provisions governing late renewals apply except the penalties begin to accrue upon the expiration of the two-month period rather than on the permit's expiration date.

Part of this proposal has an emergency clause.

FISCAL DESCRIPTION (continued)

§§571.205 - 571.230 - Under current law, concealed carry permits must be renewed once every five years. This act allows a Missouri resident who meets the requirements for a concealed carry permit specified under the act and pays a \$500 fee to receive a concealed carry permit that is valid for the duration of the person's life. This act also allows Missouri residents who meet the requirements for a permit to pay \$200 to receive a Missouri extended concealed carry permit that is valid for 10 years or \$250 for an extended permit that is valid for 25 years. To renew an extended permit, the permit holder must pay \$50. The lifetime and extended permits are only valid throughout the state of Missouri.

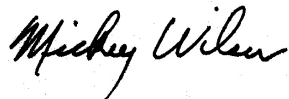
The lifetime and extended permits are still subject to the same suspension and revocation provisions that apply to permits that expire every five years. The sheriff must conduct a name-based criminal background check on extended and lifetime permit holders once every five years. The lifetime and extended concealed carry permits must include a statement that the permit is valid only throughout the state of Missouri.

If the holder of a lifetime or extended concealed carry permit becomes a resident of another state, the permit is suspended. It may be reactivated if the permit holder reestablishes Missouri residency, meets the requirements for a concealed carry permit, and passes a name-based criminal background check.

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
Department of Insurance, Financial Institutions and Professional Registration
Department of Social Services
Office of the State Courts Administrator
Department of Elementary and Secondary Education
Department of Natural Resources
Department of Revenue
Office of Administration
Office of Prosecution Services
Department of Corrections
Department of Higher Education
Cole County Sheriff's Office
Boone County Sheriff's Office
Platte County Sheriff's Office



Mickey Wilson, CPA
Director
June 3, 2016

Ross Strobe
Assistant Director
June 3, 2016