

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0751S.01I
Bill No.: SB 15
Subject: Crimes and Punishment, Firearms, Licenses-Miscellaneous, Weapons, Business
and Commerce
Type: Original
Date: February 1, 2021

Bill Summary: This proposal provides that all sales of firearms be processed through a
licensed firearm dealer.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0 or Unknown to (Unknown)	\$0 or Unknown to (Unknown)	\$0 or Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§§571.200 and 571.202 – Sale of firearms

Officials from the **Office of Attorney General (AGO)** assume any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

For the purpose of the proposed legislation, and as a result of excessive caseloads, the **Missouri State Public Defender (SPD)** cannot assume existing staff will be able to provide competent, effective representation for any new cases where indigent persons are charged with the proposed new crime(s) concerning firearms under Sections 571.200 RSMo. The Missouri State Public Defender System is currently providing legal representation in caseloads in excess of recognized standards. While the number of new cases may be too few or uncertain to request additional funding for this specific bill, the Missouri State Public Defender will continue to request sufficient appropriations to provide competent and effective representation in all cases where the right to counsel attaches.

Oversight assumes the SPD will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the SPD for fiscal note purposes.

Officials from the **Missouri Office of Prosecution Services (MOPS)** assume the proposal will have no measurable fiscal impact on MOPS. The enactment of a new crime (571.202.7) creates additional responsibilities for county prosecutors which may, in turn, result in additional costs, which are difficult to determine.

Officials from the **Department of Corrections**, the **Department of Natural Resources**, the **Department of Public Safety – (Capitol Police, Missouri National Guard, and Missouri Highway Patrol)**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Office of the State Courts Administrator**, the **Crestwood Police Department**, the **Ellisville Police Department**, and the **Kansas City Police Department** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **St. Louis County Police Department** state the proposed legislation creates new firearms offenses that would have to be investigated. The exact increase is unknown. If a significant increase occurs (at least two additional investigative hours a week), an additional General Assignment Detective position in the Department of Criminal Investigation would be needed at an approximate cost of \$99,610. This position would investigate all felony thefts, credit card frauds, computer crimes and bad checks. In addition, detectives teach fraud and theft prevention seminars to business and neighborhood groups.

Oversight notes this cost is only for the St. Louis County Police Department. Oversight is unable to project a statewide cost; therefore, the impact to local governments will be presented as \$0 or (Unknown).

Oversight notes that violations of §571.202 could result in fines or penalties. Oversight also notes per Article IX Section 7 of the Missouri Constitution fines and penalties collected by counties are distributed to school districts. Fine varies widely from year to year and are distributed to the school district where the violation occurred. Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other police and sheriff's departments were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT –</u> <u>State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
LOCAL GOVERNMENT – POLICE DEPARTMENTS			
<u>Revenue – Schools districts (§571.202) Fines from violations</u>	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs – Police Departments (§571.202) Increase in investigations</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>	<u>\$0 or (Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT - POLICE DEPARTMENTS	<u>\$0 or Unknown to (Unknown)</u>	<u>\$0 or Unknown to (Unknown)</u>	<u>\$0 or Unknown to (Unknown)</u>

FISCAL IMPACT – Small Business

Certain small businesses that sell firearms could be impacted by this proposal.

FISCAL DESCRIPTION

This act shall be known as the "Violent History Checks Act". This act provides that a person shall not sell or transfer a firearm unless the person is a firearms dealer, selling or transferring to a firearms dealer, or, if neither party is a firearms dealer, the parties to the transaction complete the sale or transfer through a licensed firearms dealer.

If the transaction is completed through a firearms dealer, the dealer shall process the sale or transfer as if he or she were the seller or transferor, conduct a violent history check on the purchaser or transferee according to federal law, and deliver the firearm after the legal requirements are met. The dealer may require the purchaser or transferee to pay a fee covering administrative costs and other applicable fees.

If a firearm is to be transferred through a trust, the transfer shall be completed through a firearms dealer. If the heir or devisee is deemed ineligible to receive the firearm, the heir or devisee may authorize the transfer to a specific individual to whom transfer is not prohibited, or the dealer may be authorized to sell the firearm and have the proceeds given to the heir or devisee.

This act provides that neither the state nor any political subdivision shall require a firearms dealer to supply a list of transactions conducted.

A firearms dealer shall not be required for transactions involving law enforcement officers or corrections officers in the scope of their duty; for U.S. Marshals, members of the Armed Forces, National Guard, or federal officials within the scope of their duties; for gunsmiths performing service or repairs; persons engaged in the business of transportation or storage, to the extent the receipt of the firearm is in the ordinary course of business; persons loaned a firearm solely for target shooting at a properly licensed target facility; and persons loaned a firearm for lawful hunting or sporting purposes so long as the owner of the firearm is accompanying the person loaned the firearm.

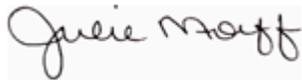
Any person violating any of the provisions relating to firearms dealers shall be guilty of a misdemeanor, punishable by a fine of not more than \$1,000, or imprisonment for a period not exceeding six months, or both. A person guilty of such an offense shall be guilty of a separate offense for each and every day during any portion of which a violation of this provision is committed or continued.

The Attorney General shall report any violation of the provisions relating to firearms dealers by any licensed firearm dealer to the Bureau of Alcohol, Tobacco, Firearms and Explosives within the United States Department of Justice.

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 Corrections
Department of Natural Resources
Department of Public Safety
Department of Social Services
Missouri Department of Conservation
Missouri Office of Prosecution Services
Office of the State Courts Administrator
Office of the State Public Defender
Crestwood Police Department
Ellisville Police Department
Kansas City Police Department
St. Louis County Police Department



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February 1, 2021



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