COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3672-01
Bill No.: HB 1435
Subject: Crimes and Punishment; Firearms and Fireworks; Law Enforcement Officers and Agencies
Type: Original
Date: February 12, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	($80,885)	($107,916)	($110,841)
Total Estimated Net Effect on All State Funds	**($80,885)**	**($107,916)**	**($110,841)**

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	**$3,100,000 to (Unknown)**	**Unknown to (Unknown)**	**Unknown to (Unknown)**

Numbers within parentheses: ( ) indicate costs or losses.
This fiscal note contains 9 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **State Auditor's Office**, **Department of Natural Resources,** and the **Department of Conservation** assume the proposed legislation would have no fiscal impact on their agency.

In response to a similar proposal from the current session (SB 938), officials from the **Office of Attorney General** assume the proposed legislation would have no fiscal impact on their agency.

Officials from the **Office of State Courts Administrator (CTS)** assume, from the standpoint of the judiciary, two primary impacts would be: a possible small increase in criminal prosecutions for violations of the law, and any increase in small claims cases. CTS would not anticipate the increased volume of cases to significantly increase the workload of the state courts.

Officials from the **Office of Prosecution Services** assume the costs of the proposed legislation could be absorbed by prosecutors.

Officials from the **Office of State Public Defender** assume existing staff could provide representation for those cases arising where indigent persons were charged with fraudulently obtaining a permit to carry a concealable firearm via perjury. However, passage of more than one bill increasing penalties on existing crimes or creating new crimes would require the State Public Defender System to request increased appropriations to cover the cumulative cost of representing indigent persons accused in the now more serious cases or in the new additional cases.

Officials from the **Department of Mental Health (DMH)** assumed all fiscal issues impact the county sheriffs. There is no direct authority to act nor responsibilities given to the DMH under this bill. It is assumed that the DMH would not be involved in the actions of section 571.094.2(7), but that such information would come to the sheriff from the local court.

Officials from the from **Boone County Treasurer's Office** assume the proposal would generate $50,000 in new revenue, based on the sale of 1,000 gun permits in FY 2001. There would be increased costs to the Treasurer and Sheriff's Offices in the form of extra labor for clerical help to keep the records and take care of funds. Boone County estimates the increased cost to be $10,000 per year.

Officials from the **Cole County Treasurer's Office** assume the revenues would be based on how many concealed weapons permits are applied for. The funds would be under the control of the sheriff. Their cost would be the time spent establishing the checking account. The fiscal impact is minimal.

ASSUMPTION (continued)

Officials from the **Boone County Sheriff's Department** assume the revenues to their local government would be $20,000 in FY 2003 (estimate 400 permits @ $50), $10,000 in FY 2004 (estimate 200 permits @ $50), and $10,000 in FY 2005 (estimate 200 permits @ $50). The Department assumes they will need 1 FTE at $25,371.88 per year and 1 computer/printer at $2,430 to implement the proposal. The estimated cost to their local government is $27,801.88 in FY 2003, $2,636.76 in FY 2004, and $27,442.23 in FY 2005. They anticipate losses in the amounts of $7,801.88 in FY 2003, $16,386.76 in FY 2004, and $17,442.23 in FY 2005, because the revenues from permits will not equal the costs of the FTE and equipment necessary to handle the program.

In response to a similar proposal from the current session (SB 938), officials from the **Greene County Treasurer's Office** assume they will incur additional costs in the amount of $10,000 for accounting for investing and check writing.

Officials from the **Department of Corrections (DOC)** assume they 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 either through incarceration (FY 01 average of $35.78 per inmate per day, or an annual cost of $13,060 per inmate) or through supervision provided by the Board of Probation and Parole (FY 01 average of $3.34 per offender per day, or an annual cost of $1,219 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; and

- The low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence.

The DOC does not anticipate the need for capital improvements. It must be noted that the cumulative effect of various new legislation, if passed into law, could result in the need for additional capital improvements funding if the total number of new offenders exceeds current planned capacity.

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.

ASSUMPTION (continued)

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** assume, according to the Patrol's Information System Division (ISD), the proposed legislation would require the design, building, implementation, and maintaining of a currently non-existent application to house concealed firearms permit data. The estimates were based upon the types of information that would have to be entered, edited, stored and retrieved. The information would specifically be: name, address, gender, date and place of birth, etc.

The Information System Division would require two (2) Computer Information Tech. Specialists (CITS) I (each at $41,556 annually). One CITS I would be responsible for designing, developing, modifying, and supporting the MULES/Interface. The other CITS I would be responsible for designing, developing, modifying, and supporting the Concealed Firearms Permits application. The MHP estimates the salaries, fringe benefits, equipment, and expense for the CITS I positions to be $109,770 in FY 03, $126,839 in FY 04, and $130,018 in FY 05.

There would also be additional costs for the State Data Center. ISD assumes there would be 60,000 permits. Based upon empirical experiences, virtually every permit would have at least an entry, an inquiry, and a modification. All of this data was used to estimate the increased costs at the State Data Center for storage, file backups, and the processing of the entries, inquiries, revocations, and modifications. Based on these estimates, the recurring State Data Center costs for the maintenance of the system would be $31, 200. After the first year, there would be an anticipated 40% increase in permits, which would make the State Data Center charges $43,200. Finally, the MHP assumes that while there would be an increase in workload for the ISD help desk, it would likely not require additional FTE at this time. The MHP estimates the State Data Center Charges to be $26,000 in FY 03, $44,496 in FY 04, and $45,831 in FY 05.

The MHP estimates the total cost of the proposed legislation to be $135,770 in FY 03, $171,335 in FY 04, and $175,849 in FY 05.

Oversight assumes the sheriffs are required to report to the Missouri uniform law enforcement system if a concealed handgun permit is issued, suspended, revoked, or changed because of a change of address or a change of name. Oversight assumes the MHP would need one FTE to design, implement and maintain the new permit system as well as the interface of the MULES system.

The State of Texas passed concealed firearms legislation which went into effect January 1, 1996. At that time, Texas had an estimated population of 18,000,000. The **Texas Department of Public Safety (Texas DPS)** received approximately 200,000 applications in the first year. Texas DPS received a cumulative total of 260,500 applications for a permit from the law's inception through 2001. A large majority of concealed weapons permits were received in the first year, and the number of applications subsequent to that has decreased. Missouri has a

population of approximately 5,600,000; therefore, applying the same ratio, **Oversight** assumed in similar proposals that Missouri would have 62,000 applications in the first year resulting in $3.1 ASSUMPTION (continued)

million (62,000 x $50 application fee) in revenue for the various Sheriff's revolving funds. After the initial rush, Oversight assumed the number of new applications would drop substantially.

The **Texas Department of Public Safety's** website reports there were 218,661 active licenses as of December 3, 2001. In response to a similar proposal from the 2001 session (HB 853), **Oversight** officials spoke with a Public Information Officer (PIO) from the Texas Department of Public Safety regarding their concealed firearms legislation. The PIO stated that initially there was a glut of applications which resulted in some backlogs. Officials from the Texas DPS expect that their concealed firearm program will fund itself.

In response to a similar proposal from the 2001 session (HCS for HBs 853 & 258), officials from the **Cole County Sheriff's Office** estimate an income to Cole County of $50,000 in the first year (1,000 permits issued). They also estimate that each licence will cost the county $55 in total to issue, resulting in a per license loss of $5. The Sheriff's Office also assumes the renewal process will cost their office the same amount per license to issue, but will only generate $10 per license in revenue, resulting in a $45 per license loss for renewals.

Oversight assumes that local law enforcement agencies could streamline the concealed firearms permitting process by following those procedures used to issue a permit to own a handgun in Missouri. Because the anticipated 62,000 applications in Missouri would be distributed over the entire state, Oversight assumes that most third and fourth class county law enforcement agencies would be able to handle additional duties resulting from this proposal with existing staff. However, with a $50 permit fee, Oversight assumes the cost of issuance of a permit could exceed the revenue generated by the county sheriffs, and therefore, has shown the net fiscal impact to the county sheriffs for issuance of these permits as possibly unknown net revenues or net losses.

Oversight assumes that there would be long-term impact to the local law enforcement agencies as the new concealed firearm permit applications diminished and those permitted individuals renewed their permit every three years. Renewed permit fees would be $10 and would go to the county treasuries and the City of St. Louis as outlined in this proposal. Ongoing costs to the local law enforcement agencies to process permit applications and renewals would probably exceed revenues generated from new permit applications and renewals.

FISCAL IMPACT - State Government	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
Costs - Missouri Highway Patrol			
Personal Service (1 FTE)	($35,496)	($43,660)	($44,752)
Fringe Benefits	($15,533)	($19,106)	($19,584)
Expense and Equipment	($3,856)	($654)	($674)
Total Costs - MHP	($54,885)	($63,420)	($65,010)
Costs - State Data Center Charges	($26,000)	($44,496)	($45,831)
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	**($80,885)**	**($107,916)**	**($110,841)**

FISCAL IMPACT - Local Government	FY 2002 (10 Mo.)	FY 2003	FY 2004
COUNTY SHERIFF'S REVOLVING			
Income - Counties and City of St. Louis Permit Fees	$3,100,000	Unknown	Unknown
Income - Counties and City of St. Louis Fine and Citation revenue	$0 to Unknown	$0 to Unknown	$0 to Unknown
Costs - Counties and City of St. Louis Costs of issuance of permits	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON COUNTY SHERIFF'S REVOLVING	**$3,100,000 to (Unknown)**	**Unknown to (Unknown)**	**Unknown to (Unknown)**

FISCAL IMPACT - Small Business

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

DESCRIPTION

To qualify for a permit, individuals must be at least 21 years of age, not have pled or been found guilty of a crime that is punishable by a prison sentence of more than one year, not be a fugitive, not have been adjudged mentally incompetent, and comply with training requirements. The

permit application must include affirmations of the requirements for obtaining a permit, a
DESCRIPTION (continued)

warning that individuals who make false statements will be prosecuted for perjury, and a statement of compliance with training requirements.

LIMITATIONS ON WHERE CONCEALED WEAPONS MAY BE CARRIED

The proposal would allow governmental units, businesses, and other organizations to limit the ability to carry concealed weapons into areas of public buildings that they lease, own, or control, including courthouses; meeting places of governing bodies or the General Assembly; polling places on election day; adult or juvenile detention facilities and other correctional institutions; airports; bars; schools; hospitals; stadiums; amusement parks; gambling facilities; and churches. Judges or officers of the court who have permits may carry concealed weapons into courthouses, and members of governing bodies who have permits may carry concealed weapons into meetings of the governing body. Violating prohibitions on carrying concealed weapons in certain locations is grounds for being denied access to or being removed from the premises. Frequent violators are subject to monetary penalties and permit suspensions.

TRAINING REQUIREMENTS

Applicants for a permit must complete a firearms safety course provided by law enforcement agencies, qualified firearms safety instructors, or the military. The proposal would specify the required curriculum, including classroom work, live firing exercises, and examinations. Certification and training required for qualified firearms safety instructors are also specified. Instructors must keep their course records available for at least 4 years. Instructors who provide false information about the performance of an applicant in the training program are guilty of a class C misdemeanor.

ADMINISTRATIVE PROVISIONS

The proposal would require sheriffs to approve or deny a permit application within 30 days of receipt. The permit must be issued within 7 days after approval. Sheriffs would be required to keep records of permit applications and report all permits issued to the Missouri Uniform Law Enforcement System. Permit application fees could not exceed $50, and renewal fees could not exceed $10. Fees would be deposited in the county sheriff's revolving fund.

Alteration or transfer of a permit would be a class A misdemeanor. Permits of persons who have had orders of protection issued against them would be suspended. Permit holders would be required to notify the sheriff within specified time limits of changes in permanent residence or if a permit is lost or destroyed.

DESCRIPTION (continued)

The proposal also contains an appeals process for aggrieved applicants and allows public officials to file for revocation against permit holders if they have knowledge that the permittee is ineligible.

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

SOURCES OF INFORMATION

Office of State Courts Administrator
Office of Prosecution Services
Office of State Public Defender
State Auditor's Office
Missouri Department of Conservation
Department of Mental Health
Department of Natural Resources
Department of Mental Health
Office of Attorney General
Department of Corrections
Department of Public Safety
– State Highway Patrol
Boone County Sheriff's Office
Boone County Treasurer's Office
Cole County Treasurer's Office
Cole County Sheriff's Office
State of Texas Department of Public Safety

NOT RESPONDING: **Office of Attorney General, Greene County Sheriff, St. Louis County Sheriff, Jackson County Sheriff, Cole County Sheriff, Greene County Treasurer, St. Louis County Treasurer, Jackson County Treasurer**

Mickey Wilson, CPA

Acting Director

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