

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0071-01
Bill No.: SB 83
Subject: Weapons; Firearms and Fireworks; Miscellaneous Licenses
Type: Original
Date: February 24, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	(\$152,890)	(\$184,525)	(\$189,731)
Total Estimated Net Effect on General Revenue Fund	(\$152,890)	(\$184,525)	(\$189,731)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
None			
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 11 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$3,100,000 to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety – Capitol Police, Department of Conservation, Department of Natural Resources, State Auditor’s Office,** and the **Office of Secretary of State** assume the proposed legislation would have no fiscal impact on their agencies.

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 **Department of Mental Health (DMH)** assume all fiscal issues impact the county or city sheriffs. There is no direct authority to act nor responsibilities given to the DMH under this proposal. DMH assumes they would not be involved in the actions of §571.094.2(7), but that such information would come to the sheriff from the local court.

ASSUMPTION (continued)

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 **Boone County Treasurer's Office** assume the proposal would generate approximately \$75,000 to \$100,000 in new revenue, based on the sale of approximately 1,500 to 2,000 permits per year. Boone County estimates the administrative costs for handling the special fund at \$5,000 per year for salary and office expenses.

Officials from the **Greene County** responded to our request for fiscal note, but issued no fiscal impact statement.

Officials from the **Department of Corrections (DOC)** assume the proposal authorizes permits to carry concealed weapons. Penalty provisions, the component of the bill to have potential fiscal impact for DOC, is for a class A misdemeanor or 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 in operational cost either through incarceration (FY02 average of \$35.52 per inmate per day, or an annual cost of \$12,965 per inmate) or through supervision provided by the Board of Probation and Parole (FY02 average of \$3.10 per offender per day, or an annual cost of \$1,132 per offender).

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.

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ASSUMPTION (continued)

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.

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.

Officials from the **Department of Public Safety – Missouri State Highway Patrol** assume the legislation would require the Information Systems Division (ISD) to design, build, implement, and maintain a currently non-existent major 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 ISD would require 1 FTE Computer Information Tech. Specialist I (at \$41,556 per year) as a result of the legislation. The FTE would be responsible for designing, developing, modifying, and supporting the MULES/Interface, as well as designing, developing, modifying, and supporting the Concealed Firearms Permits application. The MHP estimates the salaries, fringe benefits, equipment, and expense for the FTE to be \$57,250 in FY 04; \$66,314 in FY 05; and \$87,974 in FY 06.

According to the ISD, there will be additional costs associated with the State Data Center. There is not sufficient quantifiable information from which to present other than an estimate of the dollar figure. The July to September MULES statistics were used to arrive at an estimate of fiscal impact for the State Data Center Charges. During the fiscal year 2002, the Patrol paid the following CICS Service Units and CICS transactions:

CICS transaction cost	\$628,347
CICS Service Units cost	<u>\$1,043,010</u>
Total FY2002 CICS costs	\$1,671,357

ASSUMPTION (continued)

Estimated recurring increase in transaction costs due to proposed legislation is 5%. ISD estimates the State Data Center recurring costs to be \$83,568 per year (\$1,671,357 x 5%). The MHP estimates the State Data Center transaction costs to be \$69,640 in FY 04; \$120,505 in FY 05; and \$124,120 in FY 06.

There would also be additional maintenance 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 per year. After the first year, there would be an anticipated 40% increase in permits, which would make the State Data Center charges \$43,200 per year. The MHP estimates the State Data Center maintenance costs to be \$26,000 in FY 04; \$44,990 in FY 05; and \$46,340 in FY 06.

Finally, the Patrol assumes that while there would be an increase in workload for the ISD helpdesk, it would likely not require additional FTE at this time. If there is an unexpected increase in job responsibilities as a result of this legislation, additional FTE may be required. The MHP assumes the Training Academy will not be involved in the teaching of the firearm safety courses.

The MHP's Research and Development Division (RDD) stated that even if the MHP was required to design and print the permits, there is no way at this time to estimate the fiscal impact without knowing the design elements that will be required (such as security features). Since the sheriff's offices will receive all funds generated by the permits, they should also bear the costs of printing the permits. The actual permit requirements would be determined in the future with input from sheriffs, since their departments would be involved. The MHP can provide limited design assistance at little additional cost as long as the design of the permit remains simple.

The MHP's Criminal Records and Identification Division would not be affected by the proposed legislation as written. However, if the language were changed to require sheriffs to submit fingerprint checks to the MHP, there would be a significant impact.

The MHP estimates the total cost of the proposed legislation to be \$152,890 in FY 04; \$231,809 in FY 05; and \$238,434 in FY 05.

ASSUMPTION (continued)

Oversight assumes, based on information received from the Texas Department of Public Safety, that a large majority of concealed weapons permits will be received in the first year and the number of applications received in subsequent years will increase. Therefore, the State Data Center transaction and maintenance costs have been estimated based on costs of \$83,568 and \$43,200 per year, respectively.

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

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.

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.

Officials from the **Boone County Sheriff's Office, Cole County Sheriff's Office, St. Louis County Police Department, Jackson County Sheriff's Office, Cole County Treasurer,**

St. Louis County Treasurer, and Jackson County Treasurer did not respond to our request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
GENERAL REVENUE FUND			
<u>Costs – Missouri State Highway Patrol</u>			
Personal Service (1 FTE)	(\$35,496)	(\$43,660)	(\$44,751)
Fringe Benefits	(\$17,886)	(\$22,000)	(\$22,550)
Equipment and Expense	(\$3,868)	(\$654)	(\$673)
State Data Center – Maintenance	(\$26,000)	(\$32,136)	(\$33,100)
State Data Center – Cost	(\$69,640)	(\$86,075)	(\$88,657)
<u>Total Costs – MHP</u>	<u>(\$152,890)</u>	<u>(\$184,525)</u>	<u>(\$189,731)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$152,890)</u>	<u>(\$184,525)</u>	<u>(\$189,731)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2004 (10 Mo.)	 FY 2005	 FY 2006
COUNTY SHERIFF'S REVOLVING FUND			
<u>Income - Counties and City of St. Louis</u>			
Permit Fees	\$3,100,000	Unknown	Unknown
<u>Income - Counties and City of St. Louis</u>			
Fine and Citation revenue	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Costs - Counties and City of St. Louis</u>			
Costs of issuance of permits	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON COUNTY SHERIFF'S REVOLVING FUND	<u>\$3,100,000 to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposal would allow fees to be collected from weapons licensing and be deposited into a separate interest-bearing fund known as the "County Sheriff's Revolving Fund."

The proposal would set out the requirements to apply for and obtain a permit to carry a concealed firearm. The permits would be issued by the County Sheriff and would be valid for a period of three years from the date of issuance or renewal.

The proposal would also authorize the person to carry a concealed firearm throughout the state with the exception of certain places

.
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

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

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NOT RESPONDING

Boone County Sheriff
Cole County Sheriff
St. Louis County Police Department
Jackson County Sheriff
Cole County Treasurer
St. Louis County Treasurer
Jackson County Treasurer

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 24, 2003