COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0604-01
Bill No.: HB 328
Subject: County Officials; Crimes and Punishment; Firearms and Fireworks; Law Enforcement Officers and Agencies
Type: Original
Date: February 17, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue	($152,890)	($231,809)	($238,434)
Total Estimated Net Effect on General Revenue Fund	**($152,890)**	**($231,809)**	**($238,434)**

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 14 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
None			
Total Estimated Net Effect on All 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 **Office of Attorney General, Department of Public Safety – Capitol Police, – Missouri State Water Patrol, Department of Conservation, Department of Natural Resources,** and the **State Auditor's Office** 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 carrying a concealed weapon without a permit. 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 **Office of Secretary of State (SOS)** assume the proposal allows for the licensing of concealed weapons by citizens, administered by the local sheriffs. The revolving fund created to keep the permit monies is to be administered and used by the sheriffs to help provide administration of the licensing and weapons training procedures. The Missouri Gaming Commission may promulgate rules regarding entry to river boats by persons with concealed weapons. These rules will be published in the *Missouri Register* and the *Code of State Regulations*. Based on experience with other divisions, the rules, regulations, and forms issued by the Committee could require as many as 4 pages in the *Code of State Regulations* and half again as many pages in the *Missouri Register*, as cost statements, fiscal notes, and the like are not repeated in the Code. The estimated cost of a page in the *Missouri Register* is $23 and the estimated cost of a page in the *Code of State Regulations* is $27. Based on these costs, the estimated cost of the proposal is $246 in FY 04 and unknown in subsequent years. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which would require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Cole County Treasurer's Office** assume the total cost impact of the proposal is minimal since the only requirement will be to establish an account for the County Sheriff's Department. Officials assume any interest accrued by this account would cover any banking cost. Personnel costs would be routine and minimal tot he day to day operation.

ASSUMPTION (continued)

Officials from the **Greene County Sheriff's Department** did not respond to our request for fiscal impact. However, in response to a similar proposal, officials assumed they would employ an additional clerk to process the applications for permits. They assumed the fees recommended would compensate this expense.

Officials from the **Boone County Treasurer's Office** did not respond to our request for fiscal impact. However, in response to a similar proposal, officials assumed the proposal would generate approximately $60,000 in new revenue, based on the sale of approximately 1,200 permits per year. Boone County estimated the administrative costs for handling the special fund at $5,000 per year for salary and office expenses.

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.

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.

ASSUMPTION (continued)

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	$1,043,010
Total FY2002 CICS costs	$1,671,357

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.

ASSUMPTION (continued)

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, inquires, 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 my be required. The MHP assumes the Training Academy will not be involved in the teaching of the firearm safety courses.

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.

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.

ASSUMPTION (continued)

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

FISCAL IMPACT - State Government	FY 2004 (10 Mo.)	FY 2005	FY 2006
GENERAL REVENUE FUND			
Costs – Missouri State Highway Patrol			
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)	($44,990)	($46,340)
State Data Center – Cost	($69,640)	($120,505)	($124,120)
Total Costs – MHP	($152,890)	($231,809)	($238,434)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	**($152,890)**	**($231,809)**	**($238,434)**

FISCAL IMPACT - Local Government	FY 2004 (10 Mo.)	FY 2005	FY 2006
COUNTY SHERIFF'S REVOLVING FUND			
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 FUND	**$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

The proposed legislation would authorize county sheriffs to issue permits to individuals to carry concealed firearms and would create the county sheriff's revolving fund, in which the fees for these permits would be deposited. Any money in a county sheriff's revolving fund could be expended at the direction of the sheriff without prior approval of the governing board of the county.

The proposal would also amend the crime of unlawful use of weapon.

The proposal would set forth the qualifications necessary to acquire a permit and a procedure by which the permits would be granted by county sheriffs to anyone meeting the qualifications. Permits would be valid for three years.

DESCRIPTION (continued)

QUALIFICATIONS FOR OBTAINING A CONCEALED CARRY PERMIT

To qualify for a concealed carry permit, individuals would: (1) Be at least 21 years of age; (2) Be a citizen of the United States; (3) Have resided in Missouri for at least six months; (4) Not have been found guilty of a felony; (5) Not have been found guilty, in the five years preceding the application, of a misdemeanor involving a crime of violence, or two misdemeanors involving either alcohol-related driving offenses or possession of a controlled substance; (6) Not be a fugitive from justice; (7) Not be currently charged with a felony; (8) Not be dishonorably discharged from the armed forces; (9) Not be known to be habitually in an intoxicated or drugged condition; (10) Not have been adjudged mentally incompetent or released from a mental health facility for five years prior to the application; (11) Clear a background check conducted by the Federal Bureau of Investigation using the National Instant Check System; and (12) Comply with training requirements set forth in the bill.

TRAINING REQUIREMENTS

Applicants for a concealed carry endorsement would complete a firearms safety course provided by an instructor certified by a state or federal law enforcement agency or the National Rifle Association. The proposal would specify the required curriculum which would include classroom work and live firing exercises. The proposal would set forth the training required for the certification of a firearms safety instructor. Instructors would be required to keep their course records available for at least four years. Instructors who provide false information about the performance of an applicant in the training program would be guilty of a class C misdemeanor.

ADMINISTRATIVE PROVISIONS

Sheriffs would be required to approve or deny applications within 30 days. If the applicant is approved, the sheriff would issue the permit within seven working days. The sheriff could deny an application if there is reason to believe the applicant lied on the application. Denials would be communicated in writing, state the grounds for denial, and inform the applicant of the right to appeal for a 30-day period. The proposal would set forth an appeal form and a process by which appeals may be made through the Small Claims Court. Sheriffs would keep records of all applications and report the issuance of all permits to the Missouri Uniform Law Enforcement System (MULES). Application fees could not exceed $50, and renewal fees could not exceed $10. The application would contain a conspicuous warning that false statements would constitute perjury, a class D felony. Any person attempting to transfer, alter, or use the permit of

another person or otherwise obtain a permit through false representation would be guilty of a class A misdemeanor. Permits issued to anyone who later fails to meet any of the requirements

DESCRIPTION (continued)

for a permit would be suspended or revoked. When an order of protection is issued against a permit holder, the permit holder would surrender the permit until the order of protection is terminated. Permit holders who have their permit revoked could petition the Small Claims Court for reinstatement.

LIMITATIONS ON WHERE CONCEALED FIREARMS MAY BE CARRIED

Permits to carry a concealed weapon would not be valid in many places, including: police stations; polling places on election day; correctional facilities; courthouses; airports; bars; schools; child care facilities; hospitals; stadiums; amusement parks; gambling facilities; churches; any place where the carrying of a firearm is prohibited by federal law; the meeting place of any elected officials (except for the elected officials themselves who have permits); or any privately owned property where the owner has posted that the premises is off-limits to concealed firearms. The proposal would also allow governmental units to limit concealed firearms in their public buildings. Violating prohibitions on carrying concealed firearms in certain locations would be grounds for being denied access to or being removed from the premises. Frequent violators would be subject to monetary penalties and permit suspensions.

The proposal would also change the crime of "unlawful use of a weapon" by: (1) Removing the prohibition on the carrying of a firearm into any public gathering; (2) Allowing a person to discharge a firearm at a building, habitable structure, or motor vehicle when the person is on private property with the property owner's permission; and (3) Increasing the penalty for possessing a firearm while intoxicated. Under current law it is class B misdemeanor. The proposal would make it a class A misdemeanor if the gun is not loaded and a class D felony when it is loaded.

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

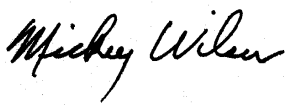
SOURCES OF INFORMATION

Office of Attorney General
Office of State Courts Administrator
Department of Mental Health
Department of Natural Resources
Department of Public Safety
- Missouri State Water Patrol
- 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
Cole County Treasurer's Office

NOT RESPONDING

Greene County Sheriff's Office
Boone County Sheriff's Office
Cole County Sheriff's Office
St. Louis County Police Department
Jackson County Sheriff's Office
Greene County Treasurer's Office
Boone County Treasurer's Office
St. Louis County Treasurer's Office
Jackson County Treasurer's Office



BLG:LR:OD (12/02)

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Director
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