

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 265** HLS 13RS 887

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 22, 2013 12:45 PM	Author: IVEY
Dept./Agy.: Department of Public Safety	Analyst: Alan M. Boxberger
Subject: Provide for lifetime concealed handgun permits	

WEAPONS/HANDGUNS EG INCREASE SD EX See Note Page 1 of 1
Provides for lifetime concealed handgun permits

Present law provides for the issuance of concealed handgun permits, establishes qualifications for a permit, provides that the term of the permit is five years and that the fee for the issuance of the permit is \$25 per year for a total of \$125, or \$12.50 per year for citizens aged 65 years and older for a total of \$62.50. Proposed law provides for the issuance of a lifetime concealed gun permit to residents who meet the qualifications for a concealed handgun permit, provides that the term of the permit shall be for the life of the permit holder and that the fee for the issuance of the permit shall be \$500, or \$250 for citizens aged 65 years and older. Proposed law provides that the permit may be revoked for the same reasons existing permits may be revoked, provides that lifetime permits shall be suspended if the holder becomes a resident of another state, and provides for the reactivation of a lifetime permit upon reestablishment of residency and successful completion of a criminal history records check.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$37,500	\$0	\$0	\$0	\$0	\$37,500
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$37,500	\$0	\$0	\$0	\$0	\$37,500

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

EXPENDITURE EXPLANATION

Proposed law will require modification of the Concealed Handgun Permit System. The Department of Public Safety (DPS) estimates the cost of outsourcing system development at \$37,500 (\$150 per hour x 250 hours). System development will involve modification of database records to identify and denote concealed handgun permits that will be issued for the life of the customer, tracking of lifetime permits, security upgrades, financial collection and classification, reporting and auditing functionality.

The Department of Public Safety reports the proposed law will require 30 hours of overtime for the Information Services Section at \$32 per hour (\$32 x 30 hours = \$960) plus Medicare expenses of \$14 (\$960 x 1.45%), for a total expenditure of \$974. The legislation will require programming and database modifications performed by an IT Applications Programmer Analyst II for development and changes to the DPS Fund Collection System interface. The Legislative Fiscal Office believes that additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted requiring programming efforts, the Department may require additional resources.

For informational purposes, there are currently between 45,000 and 50,000 concealed handgun permits issued in the state.

REVENUE EXPLANATION

Proposed law establishes a lifetime concealed handgun permit. The cost for permittees under age 65 is \$500 and the cost for those over age 65 is \$250. DPS estimates there will be a short-term, initial increase in revenue collections as an unknown number of permit holders and applicants seek to upgrade to the lifetime permit. Collections after the first year are indeterminable as the number of future applicants seeking a lifetime license at the higher fee than the annual number of applicants seeking the existing 5-year permit is impossible to estimate. The permit fees are deposited into the Concealed Handgun Permit Fund.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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