

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 304** HLS 16RS 1013
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 8, 2016 9:29 AM	Author: MAGEE
Dept./Agy.: Public Safety Services	Analyst: Zachary Rau
Subject: Concealed Carry Permits for Veterans	

WEAPONS/FIREARMS OR DECREASE SD RV See Note Page 1 of 1
 Provides with respect to cost of concealed handgun permit for veterans

Proposed law amends present law providing relative to active duty, reserve members, and veterans of the armed forces paying 50% of the annual fee for five-year or lifetime concealed carry permits. Proposed law exempts all veterans of the armed forces from all fees associated with the five-year or lifetime concealed carry permit.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Proposed law will result in an indeterminable decrease of revenues for the statutorily dedicated Concealed Handgun Permit Fund. Veterans will no longer pay fees related to obtaining concealed carry permits. Currently veterans are assessed 50% of all fees associated with five-year and lifetime concealed carry permits. A five-year concealed carry permit carries fees of \$125 and a lifetime permit carries fees of \$500, with veterans being charged \$62.50 for a five-year permit and \$250 for a lifetime permit.

Public Safety Services (PSS) issued 4,623 concealed carry permits to veterans out of a total of 17,853 permits (26%) issued statewide in FY 15. While the exact revenue decrease is indeterminable, to the extent the same number of veterans apply for concealed handgun permits as in FY 15, the decrease in revenue would range from approximately \$290,000 (4,623 permits * \$62.50/permit) to \$1.15 M (4,623 lifetime permits * \$250/permit) based upon the entirety of permits issued being either five-year or lifetime permits.

PSS does not track data distinguishing five-year and lifetime concealed permits issued to veterans. However, based upon PSS data, 91% of all concealed carry permits issued in FY 15 were for five years with the remaining 9% being lifetime permits, so the revenue decrease would likely be on the lower end of the scale presented above. To the extent that veteran applicants for concealed carry permits mirror the entirety of permits issued in FY 15, the total revenue decrease would total approximately \$367,000 with a loss of approximately \$263,000 in revenue associated with five-year permits (4,623 permits * .91 * \$62.50) and \$104,000 associated with lifetime permits (4,623 permits *.09 * \$250).

For reference, the Concealed Handgun Permit Fund has a FY 16 appropriation of \$5.2 M with total collections to date of \$2.2 M and a current unencumbered balance of approximately \$934,000. The fund had a beginning balance of approximately \$3.4 M in FY 16. FY 15 collections for the Concealed Handgun Permit Fund totaled \$3.7 M.

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| <p><u>Senate</u> <u>Dual Referral Rules</u> <u>House</u></p> <p><input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}</p> <p><input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}</p> | <p><input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}</p> <p><input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}</p> |
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