

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 6** HLS 16RS 19
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 13, 2016 8:31 AM	Author: IVEY
Dept./Agy.: Public Safety and Corrections	Analyst: Zachary Rau
Subject: Concealed Firearm Permits	

WEAPONS/FIREARMS OR INCREASE GF EX See Note Page 1 of 2
 Excludes carrying a concealed handgun from the crime of illegal carrying of weapons for certain persons

Proposed law creates exception to present law prohibiting the carrying of a concealed firearm without a permit and subsequent criminal penalties if a person is a Louisiana resident 21 years of age or older and not prohibited from possessing a firearm under any state or federal law. Proposed law defines the term "handgun."

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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>	<u>\$0</u>
Annual Total						
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>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

Proposed law will eliminate revenues deposited into a statutory dedication that support significant budget authority and expenditures within the Dept. of Public Safety (DPS). To the extent that these activities continue, additional resources presumed to be state general fund would be necessary. Proposed law would allow state citizens to possess a concealed handgun without obtaining a permit. As a result of the citizenry's ability to possess concealed handguns without a permit, concealed permits would no longer be needed. Thus, the Concealed Handgun Permit Unit within DPS would not have to perform functions related to issuing handgun permits, causing expenses associated with the unit to decrease. The Concealed Handgun Permit Unit funds its expenditures via revenues deposited in the statutorily dedicated Concealed Handgun Permit Fund, which receives revenues via fees charged for concealed handgun permits. In addition, DPS uses the Concealed Handgun Permit Fund to fund expenditures for other areas within the Department. For reference, the fund had a FY 16 beginning balance of approximately \$3.35 M, with total revenues of \$2.21 M as of March 2016 and a FY 16 appropriation of \$5.18 M department-wide. Total expenditures from the fund as of March 2016 are \$4.63 M, leaving an encumbered balance of approximately \$934,000. HB 6 is the statutory companion to HB 4, which provides for a constitutional amendment to be submitted to voters at the November 8, 2016, presidential election regarding the right to carry a concealed handgun without a permit.

DPS would dissolve the Concealed Handgun Permit Unit if proposed law were enacted, realizing an expenditure reduction of approximately \$765,000 and 8 T.O. positions. For reference, the unit has a FY 16 appropriation of approximately \$827,000 and 10 T.O. positions. DPS reports that the 2 remaining T.O. positions included in the unit that perform special officer commissions would still be required and reassigned elsewhere in the department. If the proposed legislation is enacted, the department anticipates needing additional SGF resources to fund these two Criminal Records Analysts 3 positions, each carrying an estimated \$37,000 in salary and \$24,500 in related benefits, or a total annual expense of approximately \$103,000 (\$51,500 total salary and related benefits * 2). However, if both positions perform duties associated with concealed handgun permits and Special Officer Commissions, the LFO anticipates that only one position from the Concealed Handgun Permit Unit may need to be transferred elsewhere in the department to continue functions associated with Special Officer Commissions. **(Expenditure Explanation cont. on Pg. 2)**

REVENUE EXPLANATION

Proposed law will result in an indeterminable decrease in statutory dedicated revenue for the Concealed Handgun Permit Fund as a result of state citizens' right to possess a conceal handgun without obtaining a permit. Currently, the Office of State Police collects \$125 for a 5-year concealed handgun permit and \$500 for a lifetime concealed handgun permit. In FY 15, the department issued 15,729 5-year permits and 2,640 lifetime permits, which generated \$2,268,213 in revenue. To the extent the proposed law is enacted, the fund would no longer receive revenues from this source.

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|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------|
| <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)(1) >= \$100,000 SGF Fiscal Cost {H & S} | |
| <input checked="" 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} | |

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

(Expenditure Explanation cont. from Pg. 1) Funds within the Concealed Handgun Permit Fund also fund approximately \$1 M in expenditures associated with the Automated Fingerprint Identification System (AFIS), which has a total appropriation of \$3.6 M. DPS derives the remaining \$2.6 M of funding for AFIS from the statutorily dedicated Criminal Identification and Information Fund (\$1.8 M) and agency self-generated revenues from the Office of Motor Vehicles (\$0.8 M). To the extent self-generated revenues from the Office of Motor Vehicles and funds from the Criminal Identification and Information Fund cannot fully fund expenditures for AFIS, DPS will require additional resources.

The department also uses the remaining monies in the Concealed Handgun Permit Fund to fund approximately \$3.35 M in expenditures department-wide, such as expenses for the Office of Technology Management, Office of Technology Services, and procurement expenses for the LA Equipment Acquisition Fund. To the extent these expenses recur, the department will require additional SGF resources.

Senate Dual Referral Rules House

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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