

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 462** SLS 20RS 861

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: May 11, 2020	4:39 PM	Author: REESE
Dept./Agy.: Office of Motor Vehicles		Analyst: Patrice Thomas
Subject: Eliminate Concealed Handgun Permit Fee for Military Member		

WEAPONS OR -\$30,713 SG RV See Note Page 1 of 1
Provides for issuance of statewide handgun permits to veterans. (8/1/20)

Under present law, veterans of U.S. armed forces are exempt from concealed handgun permit fees. Also, in present law, active duty or reserve members of the U.S. armed forces pays only \$12.50 or 1/2 half of the annual \$25 fee for a five-year concealed handgun permit (\$62.50 for five-years instead of \$125); or if applying for a lifetime permit, active duty or reserve members pays only \$250 or 1/2 half of the \$500 fee. Proposed law expands the definition of a veteran to include active duty or reserve members of the U.S. armed forces that achieved veteran status as indicated on a form DD214; thereby exempts the active duty or reserve member from all fees associated with a five-year or lifetime concealed handgun permit.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
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>	<u>\$0</u>
Annual Total						
REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	(\$30,713)	(\$30,713)	(\$30,713)	(\$30,713)	(\$30,713)	(\$153,565)
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>	<u>\$0</u>
Annual Total	(\$30,713)	(\$30,713)	(\$30,713)	(\$30,713)	(\$30,713)	(\$153,565)

EXPENDITURE EXPLANATION

Proposed law may create a minimal expenditure impact to the Department of Public Safety (DPS), Office of State Police (OSP) in order to remove all Concealed Handgun Permit fees for active duty or reserve members of the US Armed Forces. DPS estimates the one-time SGF cost of the proposed law at \$2,435 to make coding changes to the Concealed Handguns Application System. The department estimates 30 hours of overtime by an IT Management Consultant Developer to make coding changes (30 hours x \$80 per hour = \$2,400 x 1.45% Medicare tax = \$35; Total of \$2,435). The Legislative Fiscal Office believes that any additional IT work associated with this measure will be incremental in nature and the department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the department may require additional resources.

REVENUE EXPLANATION

Proposed law will result in a decrease in SGR revenues for the Department of Public Safety (DPS), Office of State Police (OSP), estimated at approximately \$30,713, as a result of eliminating concealed carry permit fees for active duty and reserve members of the US Armed Forces. The estimate provided in this fiscal note is based on 2019 data, when department reports it issued 145 five-year permits and 48 lifetime permits issued to active duty or reserve members of the Armed Forces (145 5-year permits x \$62.50 = \$9,063 and 48 lifetime permits x \$250 = \$12,000; total of \$21,063). Also, a \$50 out of state fee is charged to first-time applicants who do not have 15 years of residency in Louisiana. Usually, the majority of first-time applicants do not have 15 years of residency due to their active duty status. Therefore, an additional decrease of \$9,650 (193 permits x \$50 out of state fee) is anticipated; resulting in a total estimated SGR revenue reduction of \$30,713.

NOTE: The number of permits sought and issued will vary from year to year, causing fluctuations in revenue that may be greater or lesser than the estimate provided in this fiscal note.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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