

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5129-02
Bill No.: HCS for HB 1439
Subject: Crimes and Punishment; Elementary and Secondary Education; Federal - State Relations; Firearms and Fireworks
Type: Original
Date: February 21, 2014

Bill Summary: This proposal changes various provisions relating to firearms.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Criminal Records	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown	Unknown	Unknown

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	Minimal	Minimal	Minimal

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** and the **Department of Revenue** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** assume this legislation will require an additional background check for the purpose of POST certification for school protection officers. Based on the fact that there are 2,456 schools in the state and that the potential exists for at least two school protection officers per school, then approximately 4,912 (2,456 x 2) persons will need to obtain a background check for this purpose in the first year. Due to employee changes and the school's individual need for additional protection officers, it is anticipated that an additional 500 background checks will be conducted for this purpose every year thereafter.

The charge for each background check processed is \$44.80. Twenty dollars for the state fingerprint check, \$16.50 for the federal check, and an \$8.30 charge for the electronic fingerprint option used through a third-party vendor ($\$20 + \$16.50 + \$8.30 = \44.80). Of this amount, the state retains the \$20 fee and \$2 of the federal charge of \$16.50 for a pass-thru fee. The \$8.30 charge is paid directly to the vendor at the time of application.

Estimated Revenue FY15	
4,912 x \$36.50 (state/federal background check)	\$179,288
Estimated Expense FY15	
4,912 x \$14.50 (federal background check charge)	(\$71,224)
Estimated Revenue FY16 and beyond	
500 x \$36.50 (state/federal background check)	\$18,250
Estimated Expense FY16 and beyond	
500 x \$14.50 (federal background check charge)	(\$7,250)

MHP assumes this fiscal impact would occur in the Criminal Records Fund.

Section 160.665 of the proposal states any school district within the state **may** (emphasis added) designate one or more elementary or secondary school teachers or administrators as a school protection officer. As this language is permissive to the schools and **Oversight** has no information to discern how many new school protection officers will be required to attend POST

ASSUMPTION (continued)

training and get a background check, Oversight will assume an unknown amount of net revenue into the Criminal Records Fund for the MHP.

Oversight further assumes that POST will charge sufficient fees to cover their expenses for the training required for school protection officers.

Officials from the **Department of Corrections (DOC)** state this bill, if passed into law, modifies provisions relating to firearms.

Penalty provisions for violations, the component of the bill to have potential fiscal impact for DOC, is for a class C felony (Section 571.070). 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 direct offender cost either through incarceration (FY13 average of \$18.014 per offender, per day, or an annual cost of \$6,575 per inmate) or through supervision provided by the Board of Probation and Parole (FY13 average of \$5.07 per offender, per day or an annual cost of \$1,851 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Sixteen (16) persons would have to be incarcerated per each fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of being a school protection officer and failing to properly carry his concealed weapon at all times while on school property would be guilty of a new class B misdemeanor.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases where the right to counsel attaches.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

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ASSUMPTION (continued)

In response to the previous version of the proposal, officials from the **Attorney General's Office (AGO)** assumed that any potential costs arising from this proposal could be absorbed with existing resources. If there is significant litigation, AGO may seek additional appropriations.

In response to a similar proposal from 2013 (HB 436), officials from the **Office of Prosecution Services (OPS)** assumed the proposal would not have a fiscal impact on their agency. The creation of a new crime creates additional responsibilities for county prosecutors which may, in turn, result in additional costs which are difficult to determine.

According to officials from the **Department of Elementary and Secondary Education**, there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

In response to a similar proposal from this year (HB 1129) that lowered the concealed carry age, officials from the **Boone County Sheriff's Department** state that additional revenue will be generated by lowering the eligibility age from 21 to 19. It is unknown how many persons 19 or 20 years of age will apply for CCW permits with the passage of this legislation. An increase in costs for labor in processing more applications, materials, printing, etc. will be incurred; however, neither are expected to be significant.

Applicants for a concealed carry permit must submit a nonrefundable fee not to exceed \$100 to the Sheriff to cover various costs included in the application process. **Oversight** assumes a minimal number of new applications will result from this bill and; therefore, will reflect a 'Minimal' amount of net fee revenue for the counties.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Costs</u> - Department of Corrections			
Incarceration and/or supervision - Section 571.070 - unlawful possession of a firearm	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
CRIMINAL RECORDS FUND			
<u>Income</u> - Missouri Highway Patrol			
background check revenue for school protection officers	Unknown	Unknown	Unknown
<u>Costs</u> - Missouri Highway Patrol			
background check costs for school protection officers	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE CRIMINAL RECORDS FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
COUNTIES			
<u>Income</u> - to the Sheriffs' Revolving Funds for expanding the concealed carry permit from 21 to 19 (571.101)	Minimal	Minimal	Minimal
<u>Loss</u> - to the Sheriff's Revolving Fund - concealed carry permit fees waived for service-disabled veterans (571.101)	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
ESTIMATED NET EFFECT TO COUNTIES	<u>Minimal</u>	<u>Minimal</u>	<u>Minimal</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal establishes the Second Amendment Preservation Act and changes the laws regarding open carry ordinances, school protection officers, warrants, patient ownership of firearms, and concealed carry permits.

SCHOOL PROTECTION OFFICERS (Sections 160.665, 590.200, and 590.207)

The bill:

- (1) Authorizes any school district to designate one or more school teachers or administrators as a school protection officer, whose responsibilities and duties are voluntary and must be in addition to his or her normal responsibilities and duties. Any compensation for service as a protection officer must be funded by the local school district with no use of state funds;
- (2) Requires a school protection officer to be authorized to carry concealed firearms in any school in the district and cannot be permitted to allow any firearm out of his or her personal control while the firearm is on school property. A violation of that requirement is a class B misdemeanor and may result in immediate removal from the classroom and subject to employment termination proceedings;

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FISCAL DESCRIPTION (continued)

CONCEALED CARRY PERMITS (Sections 571.030, 571.070, 571.101, and 571.117)

(1) Lowers, from at least 21 years old to at least 19 years old, the age when a person may apply for a concealed carry endorsement;

(2) Waives any permit fees required for a concealed carry endorsement for an applicant who is a service-disabled veteran;

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

Attorney General's Office
Department of Public Safety
 Missouri Highway Patrol
Office of the State Courts Administrator
Office of the State Public Defender
Department of Corrections
Department of Revenue
Department of Elementary and Secondary Education
Boone County Sheriff's Department
Office of Prosecution Services



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