

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 16, 2005

TO: Honorable John Whitmire, Chair, Senate Committee on Criminal Justice

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB1038 by Isett (Relating to certain reduced fees for a license to carry a concealed handgun.), **As Engrossed**

<p>Estimated Two-year Net Impact to General Revenue Related Funds for HB1038, As Engrossed: a negative impact of (\$3,424,000) through the biennium ending August 31, 2007.</p>
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General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$1,643,000)
2007	(\$1,781,000)
2008	(\$1,563,000)
2009	(\$1,632,000)
2010	(\$1,688,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1
2006	(\$1,643,000)
2007	(\$1,781,000)
2008	(\$1,563,000)
2009	(\$1,632,000)
2010	(\$1,688,000)

Fiscal Analysis

The bill would amend the Government Code as it relates to certain reduced fees for a license to carry a concealed handgun.

Section 1 of the bill would reduce the application and license fee for a concealed handgun from \$140 to \$100. Section 2 of the bill would reduce the renewal fee for a concealed handgun license from \$70 to \$50. Under current law, the Department of Public Safety (DPS) sets the renewal fee for a concealed handgun license. Section 3 of the bill would change the fee reduction for senior citizens age 60 or older to 30 percent from 50 percent and extend the fee reduction to renewals.

The bill would take effect September 1, 2005.

Methodology

The provisions of this bill would authorize a \$40 reduction for original licenses and a \$20 reduction for renewals. The bill would also authorize a 30 percent reduction in any fee required for the issuance of a concealed handgun license for those persons age 60 or older and would extend the reduction to renewals.

Persons age 60 or older currently pay \$70 ($\140×50 percent) for original licenses. Under the provisions of the bill, the fee would remain \$70 ($\100×70 percent). Under the provisions of the bill, the renewal fee for persons age 60 or older would be \$35 ($\50×70 percent).

The Comptroller of Public Accounts (CPA) obtained the number of new licenses and expected renewals from DPS to project the estimated revenue effect attributable to the proposed fee reduction. The decrease in the original license application fee (\$40) combined with a decrease in the renewal fee (\$20) for those applicants not age 60 or older would result in a negative effect. CPA estimated a loss of \$1,643,000 in fiscal year 2006, \$1,781,000 in fiscal year 2007, \$1,563,000 in fiscal year 2008, \$1,632,000 in fiscal year 2009, and \$1,688,000 in fiscal year 2010.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety

LBB Staff: JOB, KJG, VDS, LM, SJ