

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**May 24, 2005**

**TO:** Honorable Tom Craddick, Speaker of the House, House of Representatives

**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 Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1038, As Passed 2nd House: a negative impact of (\$700,000) through the biennium ending August 31, 2007.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2006	(\$335,000)
2007	(\$365,000)
2008	(\$296,000)
2009	(\$253,000)
2010	(\$255,000)

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1</b>
2006	(\$335,000)
2007	(\$365,000)
2008	(\$296,000)
2009	(\$253,000)
2010	(\$255,000)

**Fiscal Analysis**

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

Section 1 of the bill would amend the Government Code to require the Department of Public Safety (DPS) to reduce by 50 percent any fee required for the renewal of a concealed handgun license for anyone who is 60 years of age or older. The bill would take effect immediately if a two-thirds majority vote in both houses of the Legislature is received. Otherwise, the bill would take effect on September 1, 2005.

## **Methodology**

The provisions of the bill would authorize a 50 percent reduction in any fees required for the issuance of a renewed concealed handgun license. Under current law, the fee for the renewal of a concealed handgun license is \$70. Thus, this fee would be reduced to \$35 ( $\$70 \times 50$  percent).

The Comptroller of Public Accounts (CPA) obtained the number of expected renewals by individuals aged 60 or older from DPS and adjusted the data to account for the estimated increase in the renewal rate triggered by the fee reduction. CPA estimated the loss in revenue at \$335,000 in fiscal year 2006, \$365,000 in fiscal year 2007, \$296,000 in fiscal year 2008, \$253,000 in fiscal year 2009, and \$255,000 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, SD, KJG, VDS, SJ, LM