

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

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

**March 25, 2005**

**TO:** Honorable Joe Driver, Chair, House Committee on Law Enforcement

**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.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1038, Committee Report 1st House, Substituted: a negative impact of (\$3,424,000) through the biennium ending August 31, 2007.

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

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
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:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from GENERAL REVENUE FUND 1</b>
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 ( $\$140 \times 50$  percent) for original licenses. Under the provisions of the bill, the fee would remain \$70 ( $\$100 \times 70$  percent). Under the provisions of the bill, the renewal fee for persons age 60 or older would be \$35 ( $\$50 \times 70$  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