

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 29, 2007

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

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

IN RE: HB954 by Farabee (Relating to extending to veterans of the armed forces the discount for concealed handgun licenses currently available to active members of the armed forces.),
Committee Report 1st House, Substituted

Estimated Two-year Net Impact to General Revenue Related Funds for HB954, Committee Report 1st House, Substituted: a negative impact of (\$337,000) through the biennium ending August 31, 2009.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	(\$167,000)
2009	(\$170,000)
2010	(\$171,000)
2011	(\$167,000)
2012	(\$181,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE FUND 1</i>	Probable Savings/(Cost) from <i>STATE HIGHWAY FUND 6</i>	Change in Number of State Employees from FY 2007
2008	(\$167,000)	(\$129,217)	2.0
2009	(\$170,000)	(\$72,259)	2.0
2010	(\$171,000)	(\$72,259)	2.0
2011	(\$167,000)	(\$72,259)	2.0
2012	(\$181,000)	(\$72,259)	2.0

Fiscal Analysis

The bill would amend the Government Code by extending to retired members or veterans of the armed forces a 50 percent discount for all fees associated with a concealed handgun license. The bill would take effect immediately if two-thirds of the House of Representatives and Senate members vote to enact the legislation. If it does not receive the vote necessary for immediate impact, the bill would take effect on September 1, 2007.

Methodology

To determine the estimated fiscal impact of waiving fees required for extending to retired members of the armed forces the discount for concealed handgun licenses currently available to active members of the armed forces, the Comptroller of Public Accounts assumed that 11.2 percent of current licenses belong to veterans.

Revenue losses in this analysis are higher than in previous similar fiscal note estimates because a reduction in license fees means the fiscal impact must recognize the increase in both original and renewal applications rates as a response to the reduction in fees from previous legislation.

The Department of Public Safety states that two full-time-equivalent positions would be needed to process the additional applications and renewals. Appropriations for the concealed handgun function within the DPS are currently made from the State Highway Fund and costs associated with the processing of additional applications and renewals are attributed to this fund.

Technology

The Department of Public Safety technology impact for fiscal year 2008 is estimated at \$51,848 and includes two computers and printers, software costs, and database program modifications. The software costs will continue through subsequent years and are estimated at \$298 per year.

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, ES, GG, LG