

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 24, 2017

TO: Honorable Phil King, Chair, House Committee on Homeland Security & Public Safety

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB1911 by White (Relating to granting authority to carry a firearm to certain unlicensed persons and to related regulatory provisions and criminal offenses.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1911, Committee Report 1st House, Substituted: a negative impact of (\$37,853,102) through the biennium ending August 31, 2019.

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:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$21,681,154)
2019	(\$16,171,948)
2020	(\$24,168,527)
2021	(\$16,155,746)
2022	(\$21,648,526)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue (Loss) from <i>Appropriated Receipts</i> 666	Probable Revenue (Loss) from <i>General Revenue Fund</i> 1
2018	\$318,846	(\$4,713,373)	(\$22,000,000)
2019	\$328,052	(\$4,849,472)	(\$16,500,000)
2020	\$336,473	(\$4,973,942)	(\$24,505,000)
2021	\$344,254	(\$5,088,840)	(\$16,500,000)
2022	\$351,474	(\$5,195,705)	(\$22,000,000)

Fiscal Analysis

The bill would amend the Penal Code to revise the offense of unlawful carrying of weapons by

making that offense inapplicable to any person meeting the criteria, as defined in the bill, for licensed handgun possession.

The bill would amend the Penal Code to remove churches and places of worship from the list of premises on which handgun possession is restricted. The bill would repeal certain sections of the Alcoholic Beverage Code and Government Code pertaining to the requirement of a location that sells alcohol to display a sign regarding the carrying of a handgun in the establishment.

The bill would add a new misdemeanor offenses for persons who trespass under various circumstances.

It is assumed any costs associated with implementing the provisions of the bill could be absorbed within existing resources.

The bill would take effect September 1, 2017.

Methodology

The Department of Public Safety (DPS) reports the per-applicant cost to administer the license to carry (LTC) program totals \$27, which accounts for background checks required by the Federal Bureau of Investigation (FBI) and the State. DPS also reports that the cost of these background checks are paid for by an applicant's LTC application fee. Of this fee amount, the agency retains \$17 per application with these amounts counted towards the agency's Appropriated Receipts and the remainder remitted to the FBI. The remaining portion of each application fee is deposited into General Revenue Fund 01.

While the bill would remove the penalties associated with the carrying of a handgun without a license for certain individuals, it would not eliminate the LTC program. This analysis assumes that the number of original and renewal LTC applications would decline by 90 percent beginning in fiscal year 2018. It is estimated that this would result in a cost savings to the agency's General Revenue Funds in the amounts of \$382,615 in fiscal year 2018 and \$393,663 in fiscal year 2019, as they relate to the cost to produce and mail LTC cards. It is also estimated that this would result in a loss in revenue to the agency's Appropriated Receipts in the amounts of \$4.7 million fiscal year 2018 and \$4.9 million in fiscal year 2019.

The Comptroller of Public Accounts estimates a revenue loss of \$22.0 million in fiscal year 2018 and \$16.5 million in fiscal year 2019 to General Revenue Fund 01.

This analysis assumes the provisions of the bill addressing felony sanctions for criminal offenses would not result in a significant impact on state correctional agencies.

This analysis assumes administrative duties and responsibilities associated with implementing the provisions of the bill could be accomplished using existing resources.

Technology

It is assumed any technology related costs associated with implementing the provisions of the bill could be absorbed within existing resources.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a

term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal implication.

A Class C misdemeanor is punishable by a fine of not more than \$500. Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact. In addition to the fine, punishment can include up to 180 days of deferred disposition.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304
Comptroller of Public Accounts, 405 Department of Public Safety, 458
Alcoholic Beverage Commission

LBB Staff: UP, JAW, FR, AI, JGA