

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 17, 2021

TO: Honorable James White, Chair, House Committee on Homeland Security & Public Safety

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB52 by Reynolds (Relating to the creation of certain criminal offenses concerning firearm sales at gun shows; authorizing a fee.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB52, As Introduced: a negative impact of (\$8,728,064) through the biennium ending August 31, 2023.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$5,595,801)
2023	(\$3,132,263)
2024	(\$3,132,263)
2025	(\$3,728,145)
2026	(\$3,132,263)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$5,595,801)	19.0
2023	(\$3,132,263)	19.0
2024	(\$3,132,263)	19.0
2025	(\$3,728,145)	19.0
2026	(\$3,132,263)	19.0

Fiscal Analysis

This bill amends Section 46.01 of the Penal Code to create definitions for “Gun Show” and “Gun Show Promoter.”

This bill would amend Chapter 46 of the Penal Code regarding weapons, to add Sections 46.065 and 46.066 regarding certain criminal offenses concerning firearm sales at gun shows. Offenses under these sections would be Class A misdemeanors.

Additionally, the bill would require a gun show promoter to conduct, authorize a gun show promoter to charge a fee to conduct, or arrange for a person who is a licensed firearms dealer to conduct a criminal background check on a person purchasing a firearm and authorizes a fee to be charged for the required criminal background checks.

Methodology

This bill would require DPS' Criminal Investigation Division (CID) to investigate firearm purchases made in violation of the new code. According to the agency, these tasks would include undercover operations, gun sales paperwork analysis, historical investigations related to firearms possessed by certain individuals.

CID will need 14.0 Special Agents for these potential investigations. To fill these commissioned positions, DPS would promote from within and then need to enroll 18.0 recruits in the next recruit class to fill the vacancies created by the 14.0 promotions. Typically, 80% of recruits graduate to commissioned troopers, so starting 18.0 recruits will produce about 14.0 graduates at a cost of \$908,046 in fiscal year 2022.

DPS will also need 2.0 Crime Analysts FTEs for the Intelligence and Counterterrorism (ICT) Division and 1.0 FTE for the Crime Lab and Communications Divisions based on the additional workload created with additional commissioned staff. In addition, the agency will need 2.0 indirect support FTEs. The agency has one staff member in an indirect strategy for every eight in direct delivery strategies.

The total cost for hiring 19.0 FTEs is estimated to be \$2,472,618 in fiscal year 2022 and \$1,913,250 for each fiscal year thereafter.

According to DPS, if there is no intent for DPS to audit or enforce the requirements of this bill, there would be no significant fiscal impact.

Based on the information provided by the Office of Court Administration, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources.

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

Technology

According to DPS, the estimated cost to fund the computers and monitors for the 19.0 FTEs would be \$64,746. The total Technology Impact is estimated to be \$54,144 in fiscal year 2022, \$17,044 in fiscal year 2023, \$17,044 in fiscal year 2024, \$54,144 in fiscal year 2025, and \$17,044 in fiscal year 2026.

Local Government Impact

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

Source Agencies: 212 Office of Court Admin, 304 Comptroller of Public Accounts, 405 Department of Public Safety

LBB Staff: JMc, DKn, KFB, NA