

FISCAL NOTE

Requested by Legislative Council
02/02/2001

REVISION

Bill/Resolution No.:

Amendment to: HB 1160

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$15,000)		(\$15,000)	
Expenditures				\$25,208		\$32,728
Appropriations				\$25,208		\$31,000

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Issuance of Concealed Weapons permits is a service to citizens of the State who wish to carry a concealed weapon. The fee is being used to offset the costs of that service. As the costs for providing the service increase, the \$50,000 limit set by statute in 1995 on the amount of other funds that can be used for the program, and the \$65,000 limit established by amendment to HB1160, fall short of what is needed to operate the program. Actual expenditures for the 2001-03 biennium are expected to be \$75,208. Revenue from the \$15 portion of the \$25 fee, which goes to the Attorney General's operating fund, is expected to be \$74,250, almost matching the expected expenditures. As the number of permits increases, the operating costs increase.

As the cost of administering the program increases, the legal spending limit is not automatically adjusted upward. Removing the limit provides appropriate flexibility in using these moneys to pay the salary, benefits, and most of the actual operating costs.

In order to pay for the total costs of the concealed weapons permit program for this biennium, this office has had to reduce the law enforcement criminal issues training and related expenses from the level provided in the 1997-99 biennium. This training is essential to

providing local law enforcement with the tools needed to better perform their responsibilities. For this reason, there is no impact shown to the General Fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Estimates for the 1999-01 biennium are that 4,100 new and renewed permits will be issued, yielding \$41,000 in General Fund revenues, and \$61,500 in other funds revenues. For the 2001-03 biennium, 4,950 new and renewed permits are anticipated, resulting in \$49,500 in General Fund revenues from the \$10 share of the fee, and \$74,250 in other funds from the \$15 share of the fee. The \$74,250 in other funds revenues has been included in the executive budget.

A ten percent increase in the number of permits is estimated for the 2003-05 biennium, raising the number of new and renewed permits to 5,400. Revenues are estimated to be \$54,000 for the General Fund, and \$81,000 in other funds.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Expenditures include salary and benefits for one FTE and operating costs for mailing, laminating, telephone, data processing, and other expenses. In the 1999-01 biennium, those expenditures were estimated to be \$61,342. The other funds appropriation was limited to \$50,000. In the 2001-03 biennium, expenses are expected to increase to \$75,208, part of which is the addition of \$5,000 for a share of office space and services. Expenditures are projected to increase to \$82,728 for the 2003-05 biennium.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

The 2001-03 biennium executive budget includes utilizing the total estimated other funds concealed weapon revenues (\$74,250) which is beyond the \$50,000 limit imposed by current statute, and beyond the \$65,000 limit established by amendment to HB1160, to meet the permit program expenses.

Name:	Robert J. Helten/Kathy Roll	Agency:	Office of Attorney General
Phone Number:	701-328-5500	Date	02/09/2001

Prepared: