

Colorado Legislative Council Staff
**STATE AND LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 03-0275
Prime Sponsor(s): Sen. Chlouber
 Rep. White

Date: January 13, 2003
Bill Status: Senate SVMA
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TITLE: CONCERNING PERMITS THAT AUTHORIZE PERSONS WHO DEMONSTRATE COMPETENCE WITH HANDGUNS TO CARRY CONCEALED HANDGUNS IN ALL STATUTORILY AUTHORIZED AREAS OF THE STATE, AND, IN CONNECTION THEREWITH, IDENTIFYING THE CARRYING OF CONCEALED HANDGUNS AS AN ISSUE OF STATEWIDE CONCERN, CREATING STATEWIDE STANDARDS FOR ISSUANCE OF PERMITS TO CARRY CONCEALED HANDGUNS, AND MAKING AN APPROPRIATION.

Fiscal Impact Summary	FY 2003/2004	FY 2004/2005
State Revenues		
Cash Fund	\$524,570	\$524,570
Cash Fund Exempt	\$385,110	\$385,110
State Expenditures		
Cash Fund	\$523,696	\$511,126
Cash Fund Exempt	\$385,110	\$385,110
FTE Position Change	5.6 FTE	5.6 FTE
Other State Impact: Tabor Impact		
Effective Date: 60 days after passage.		
Appropriation Summary for FY 2003/2004: \$523,696 Cash Fund; \$385,110 Cash Fund Exempt; 5.6 FTE - Department of Public Safety		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill states that the issuance of permits to carry concealed handguns is a matter of statewide concern and prohibits local governments from adopting or enforcing ordinances in conflict with this act. This bill requires county sheriffs to issue permits to qualified applicants within 90 days after receipt of application materials. A fingerprint criminal history check is required with verification from the National Instant Background Check System and the Colorado Integrated Criminal Justice Information System. The bill specifically:

- establishes qualifications to receive a permit, the format and use of the permit, documents that must be submitted to sheriffs, and penalties for failure to carry a permit or falsify documents;
- requires the CBI to destroy the fingerprints after the criminal history check;
- requires sheriffs to: 1) submit to the General Assembly an annual report containing the number of permits issued, 2) share permit information to law enforcement for criminal investigations;
- directs the sheriff to establish the amount of the new and renewal permit fees based upon the sheriff's actual costs of issuing and renewing the permits, and sets a cap;
- permits judicial review of any denied permit application and specifies that sheriffs bear the burden of proving that he or she appropriately, denied or revoked the permit;
- establishes procedures for a sheriff to issue an emergency permit;
- provides that permits issued prior to the effective date of this act, shall expire on the date specified in the permit or June 30, 2005 whichever comes first;
- identifies conditions when a handgun is not considered concealed and where a handgun is not allowed;
- provides exemptions from the permit requirement;
- recognizes as valid in this state any permit issued by another state that recognizes the validity of Colorado permits; and
- grants civil immunity to persons who provide information regarding an applicant, local law enforcement, and Colorado Bureau of Investigation (CBI) personnel for the good faith implementation of this act.

State Revenues

This bill will generate state revenue for the costs of criminal history checks. Current costs of a fingerprint-based criminal history check are \$14 to the Colorado Bureau of Investigation (CBI) and \$22 to the Federal Bureau of Investigation (FBI). The cost of the Insta Check is \$13. Each applicant would pay \$49 for his or her criminal history check. The total state revenue is estimated at \$909,680 for both FY 2003-04 and FY 2004-05. This includes \$524,570 cash funds included in the Tabor limits, and \$385,110 cash funds exempt transferred to the FBI.

State Expenditures

Department of Public Safety — This bill will result in an estimated 21,500 additional criminal record checks for the CBI Instant Criminal Background Check System (Insta Check) and 387 appeals of the Insta Check results. Based upon current productivity, an operator can process three checks per hour. This bill will require an additional 6,325 hours to process the checks thereby requiring 3.4 FTE data specialists to complete these transactions. Each appeal takes 2.5 hours and will require 968 hours or 0.5 FTE.

The bill also results in an estimated 17,505 additional fingerprint checks. Based upon current productivity of 21,100 fingerprints per technician per year, an additional 0.8 FTE is needed. The FBI charges the CBI \$22 per record for accessing their fingerprint data base. To accommodate this

increase in workload, Insta Check and Fingerprint checks each require additional data specialist hours (0.5 and 0.4 FTE respectively) to handle incoming mail, determine and update criminal history, and deposit cash receipts.

In order for the new staff to perform the criminal history checks, additional equipment is needed and operating costs will be incurred. Operating costs include: telephone; copy and mail service; training fees; Insta Check and Identification data base maintenance costs; leased space; and first-year purchase of office furniture and computer software. Lease of equipment for fingerprint analysis including maintenance is needed.

The criminal history check requires access to the Colorado Crime Information Center (CCIC) which stores all criminal history in Colorado and access to the FBI data base. Access to the CCIC costs \$0.84 per check. Costs are based upon a maintenance and license fee with Oracle Corporation.

The expenditures do not include inflation costs for FY 2004-05. Inflationary costs will be established in the budget request for that year. The costs are outlined in Table 1.

Judicial Department — The department is unable at this time to quantify the number of judicial review cases that may be filed in response to sheriffs' decisions on permit issuance, renewal, and revocation. These decisions will vary per jurisdiction. The cases resulting from failure to produce a permit (petty offense) and knowingly providing false information (perjury) are anticipated to be infrequent and can be absorbed within existing budgets.

Table 1 - Criminal History Record Check Costs

Costs	FY 2003-04	FY 2004-05
Total Personal Services	\$199,855	\$199,855
Operating Costs Insta Check & Identification	\$199,000	\$186,430
Lease/Lease Purchase Equipment	\$92,077	\$92,077
CCIC Operating Costs \$.84 x 21,500	\$32,764	\$32,764
Total Cash Fund Costs FTE	\$523,696 5.6	\$511,126 5.6
Total Cash Fund Exempt Costs FBI costs at \$22.00 x 17,505	\$385,110	\$385,110
Bill Total - State Costs	\$908,806	\$896,236

Local Government Impact

The bill directs sheriffs to establish new and renewal permit fee amounts based on the actual costs of issuing and renewing the permits, not to exceed \$100 for new and \$50 for renewals. Assuming 21,500 applications in the first year, up to \$2,150,000 could be collected statewide resulting in net revenue of \$1,240,320 to local governments after the CBI and FBI fees are paid. The costs of local government permit issuance will vary by agency and is unknown at this time.

State Appropriations

The fiscal note indicates that an appropriation of \$523,696 cash funds, \$385,110 cash funds exempt, and 5.6 FTE to the Department of Public Safety would be required for FY 2003-04.

Departments Contacted

Judicial Public Safety