

*Colorado Legislative Council Staff*

**STATE and LOCAL  
FISCAL IMPACT**

**Drafting Number:** LLS 03-0278

**Date:** January 7, 2003

**Prime Sponsor(s):** Sen. Lamborn  
Rep. Schultheis

**Bill Status:** Senate SVMA

**Fiscal Analyst:** Teresa Wilson (303-866-4976)

**TITLE:** CONCERNING PERMITS THAT AUTHORIZE CARRYING OF CONCEALED HANDGUNS ISSUED TO PERSONS WHO PASS BACKGROUND CHECKS TO ENSURE SUCH PERSONS ARE NOT A DANGER, AND, IN CONNECTION THEREWITH, IDENTIFYING THE ISSUANCE OF PERMITS THAT AUTHORIZE CARRYING OF CONCEALED HANDGUNS AS AN ISSUE OF STATEWIDE CONCERN AND MAKING AN APPROPRIATION.

<b>Fiscal Impact Summary</b>	<b>FY 2003/2004</b>	<b>FY 2004/2005</b>
<b>State Revenues</b>		
Cash Fund	\$279,500	\$279,500
<b>State Expenditures</b>		
Cash Fund	\$278,421	\$262,295
<b>FTE Position Change</b>	4.4 FTE	4.4 FTE
<b>Other State Impact:</b> Tabor Impact		
<b>Effective Date:</b> July 1, 2003		
<b>Appropriation Summary for FY 2003/2004:</b> \$278,421 Cash Funds; 4.4 FTE - Department of Public Safety		
<b>Local Government Impact:</b> 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 assigns the sole authority for issuing permits to county sheriffs or their equivalent in any city and county. This bill requires county sheriffs to issue permits to qualified applicants within 15 days after receipt of application materials and verification from the National Instant Background Check System and the Colorado Integrated Criminal Justice Information System. In addition, the bill:

- establishes qualifications to receive a permit, the format and use of permit, required submittal documents, and penalties for failure to carry a permit or carry a gun under the influence of alcohol;
- grants civil immunity to sheriffs and Colorado Bureau of Investigation (CBI) personnel for the good faith implementation of this act;

- requires sheriffs to request the CBI conduct a criminal history check to determine the applicant's eligibility to possess a handgun pursuant to state and federal law;
- prohibits the CBI from maintaining a data base on applications for concealed carry permits;
- directs sheriffs to establish the amount of the new and renewal permit fees based upon sheriff's actual costs of issuing and renewing the permits and sets a cap;
- prohibits sheriffs from: 1) imposing any criteria or requirements beyond those contained in the bill, 2) requesting any information about other weapons owned by the applicants, and 3) sharing information for the purpose of creating or maintaining a statewide or regional database of permit holders;
- provides that permits issued prior to July 1, 2003, shall expire on the date specified in the permit;
- permits judicial review of any permit application that is denied in accordance with the Colorado rule of civil procedure; and
- recognizes as valid in this state any permit issued by another state that recognizes the validity of Colorado permits.

### **State Revenues**

This fiscal note assumes the state will receive revenues from the sheriffs for criminal history checks at the established CBI fee of \$13. The CBI estimates that one-half of one percent of the Colorado population will apply for a permit. This equates to cash fund revenues of \$279,500 based upon 21,500 checks in FY 2003-04.

### **State Expenditures**

This fiscal note is predicated upon the established CBI fee of \$13 and assumes the \$6 fee stated in the bill to be a technical omission. 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. To accommodate this increase in workload an additional 0.5 FTE data specialist is required to handle incoming mail, determine and update criminal history, and deposit cash receipts. 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.

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 data base maintenance costs; leased space; and first-year purchase of additional office furniture and computer software.

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 Judicial 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.

**Table 1 - Criminal History Record Check Costs**

<b>Costs</b>	<b>FY 2003-04</b>	<b>FY 2004-05</b>
Total Personal Services	\$152,874	\$152,874
Operating Costs	\$107,487	\$91,361
CCIC Operating Costs \$.84 x 21,500	\$18,060	\$18,060
<b>Total Cash Fund Costs</b>	<b>\$278,421</b>	<b>\$262,295</b>
<b>FTE</b>	<b>4.4</b>	<b>4.4</b>
<b>Bill Total - State Costs</b>	<b>\$278,421</b>	<b>\$248,857</b>

### **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 \$50 for new permits and \$25 for renewals. This fiscal note assumes the maximum fees to be \$60 and \$30 due to the technical defect in the CBI fee. Assuming 21,500 applications in the first year, up to \$1,290,000 could be collected statewide resulting in net revenue of 1,010,500 to local governments after the \$13 CBI fee is 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 \$278,421 cash funds, and 4.4 FTE to the Department of Public Safety would be required for FY 2003-04.

### **Departments Contacted**

Judicial            Public Safety

**Omissions and Technical or Mechanical Defects**

The fee for the Insta Checks is currently \$13.00 per the Department of Public Safety. Section 18-12-205 (2) of the bill provides that sheriffs shall transmit to the Bureau six dollars from the permit fee should be changed to reflect the correct cost. In the same section the maximum new application fee should be \$60 and in Section 18-12-209 the maximum fee for renewal should be \$30 to accommodate the technical change in the Insta Check fee.