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Office

H.B. 227
134th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Reported by House Government Oversight

Primary Sponsors: Reps. Brinkman and Jordan

Local Impact Statement Procedure Required: No

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Highlights

- There will be a loss in concealed carry license fees credited to the General Reimbursement Fund (Fund 1060) that could average approximately \$3.3 million annually. There will likely be a commensurate expenditure decrease in the related background check work performed by the state's Bureau of Criminal Investigation.
- There will be a decrease in concealed carry license fees retained by a county sheriff for crediting to the Sheriff's Concealed Handgun License Issuance Expense Fund that could average around \$4.9 million annually statewide. There will likely be a commensurate expenditure decrease in the sheriff's administrative and enforcement functions.
- The state will lose, at most, a minimal amount of court cost revenue annually that might otherwise have been collected from certain duty to notify violators pursuant to the order of the sentencing court and credited to the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020).
- County and municipal criminal justice systems generally may realize an annual savings effect, as there will likely be some reduction in the prosecution and sanctioning of individuals for concealed handgun violations. There is also likely to be an associated revenue loss in terms of court costs, fees, and fines that might otherwise have been collected. The net of the savings effect and revenue loss is likely to be minimal annually.

Detailed Analysis

The bill:

- Allows persons age 21 or older, and not otherwise under any state or federal restrictions, to carry a firearm without obtaining a concealed handgun license;

- Eliminates existing law requirement that a licensee or active duty military member carry certain documentation and related penalties;
- Provides that the penalty for carrying concealed weapons is a minor misdemeanor for persons authorized to carry a firearm;
- Modifies the existing duty to notify when stopped for a law enforcement purpose and eliminates associated penalties for failure to comply;
- Reduces the penalty for carrying a concealed weapon to a minor misdemeanor for persons who are eligible to carry a concealed handgun; and
- Modifies license application and renewal procedures administered by a sheriff, and expands use of the Sheriff's Concealed Handgun License Issuance Expense Fund.

Concealed carry license

Because of the bill, there will be a reduction, potentially significant, in the number of persons applying for a new, or a renewal of, a concealed carry license, as the enactment of the bill practically means that there is no requirement that a person obtain such a license.

Under current law, the cost of a concealed carry license is as follows: new (\$67/\$91) and renewal (\$50/\$74).¹ A license is valid for five years. The county sheriff collects the fees as part of their duties and responsibilities to administer and enforce the state's concealed carry laws. The sheriff retains a portion of the fee for crediting to the Sheriff's Concealed Handgun License Issuance Expense Fund.² The remainder is credited to the General Reimbursement Fund (Fund 1060), which the Attorney General uses, in part, to fund the cost of background checks performed by the Bureau of Criminal Investigation (BCI), as well as any checks requested from the FBI.

Between calendar years (CYs) 2016 and 2020, on average, about 83,185 new and 68,855 renewal licenses were issued each year. Over this same period, the total amount of new and renewal license fees collected annually statewide was at least \$9.0 million, plus additional revenue collected from applicants that have resided in Ohio for less than five years. From this amount, sheriffs statewide retained on average around \$5.7 million annually. The remainder, approximately \$3.3 million annually, was credited to Fund 1060. How much of this annual revenue stream will be lost as a result of the bill is uncertain. Although not required under the bill, obtaining concealed weapons licenses may still be a preference for some for purposes of reciprocity with other states. It is also likely that any revenue loss will be largely offset by an expenditure reduction, as sheriffs and BCI will have fewer concealed carry-related tasks to perform.

¹ Applicants residing in Ohio for five years or more pay a fee of \$67 for a new license or \$50 for a renewal license. Applicants residing in Ohio for less than five years pay an additional \$24 for a new or renewal license for the cost of the required FBI background check (R.C. 2923.125).

² The sheriff retains \$40 of a new license fee and \$35 of the renewal license fee for crediting to the Sheriff's Concealed Handgun License Issuance Expense Fund.

Carrying concealed weapons penalties

The bill: (1) eliminates the requirements that a concealed handgun licensee must carry a concealed handgun license in order to carry a concealed handgun, and that an active duty member of the armed forces must carry a valid military identification and documentation of successful completion of firearms training, (2) eliminates the associated penalties for failure to comply with those requirements, and (3) provides that the penalty for carrying concealed weapons is a minor misdemeanor if the offender is a concealed handgun licensee, an active duty member, or a person who is at least 21 years of age and is not prohibited under the law of the state or the United States from possessing a firearm.

Under current law, concealed carry penalties are as follows:

- If the person is not able to promptly produce a concealed handgun license and not in an unauthorized place, a violation, depending upon other circumstances present, is either a minor misdemeanor or an unclassified misdemeanor carrying a \$500 fine.
- If the person is an active duty military member that is not able to promptly produce identification and documentation and not in an unauthorized place, a violation, depending upon other circumstances present, carries a civil penalty of not more than \$500.
- If the person is carrying a concealed handgun, knowingly on premises owned or leased by any public institution of higher education, and not authorized to carry a handgun on those premises, depending upon other circumstances present, a violation is either a minor misdemeanor, fourth degree misdemeanor, third degree misdemeanor, or second degree misdemeanor.

The bill's above-described carrying concealed weapons provisions will have two effects on arrests. First, the number of persons arrested will be reduced, as certain conduct will no longer be prohibited and punishable. Second, the severity of the punishment for certain conduct is reduced, including the possibility that a law enforcement officer may issue a citation rather than immediately arrest a person. The effect on county and municipal criminal justice systems generally will be a potential savings in annual operating costs and related loss in revenues (fines, and court costs and fees), the net of which is likely to be minimal.

Duty to notify

The bill eliminates the existing penalties associated with failure to comply with the duty to notify promptly when stopped for a law enforcement purpose that the person is carrying a concealed handgun, or possesses or has a loaded firearm. Under current law, a violation of this requirement to notify is generally a first degree misdemeanor – punishable by not more than 180 days in jail, a fine of up to \$1,000, or both – and the appropriate sheriff is required to suspend the person's concealed handgun license for one year.

From CYs 2015 through 2019, an average of 19 charges for failure to notify a law enforcement officer were filed annually with the Franklin County Municipal Court. This suggests that a corresponding statewide average would likely be fewer than 200 charges annually under current law – a number likely to decline under the bill. The number of incidents of violations of failure to notify a law enforcement officer as reported by law enforcement agencies to the Ohio

Incident-Based Reporting System (OIBRS) was 97 in CY 2019 and 39 in CY 2020, further suggesting a relatively low number of offenses generally.³

The elimination of penalties related to the requirement to notify is likely to create a savings effect for county and municipal criminal justice systems generally because of having fewer persons to arrest, prosecute, and sanction (including license suspensions) for concealed carry violations. There will also be a related loss in fines, and court costs and fees that might otherwise have been collected from persons convicted of a concealed carry violation. The net annual fiscal effect of the expenditure savings and related revenue loss for any given local jurisdiction is likely to be minimal.

State court costs

Because of the bill's penalty changes, the state will lose, at most, a minimal amount of court cost revenue annually that might otherwise have been collected from certain concealed carry violators pursuant to the order of the sentencing court. The state court costs for a misdemeanor total \$29, divided as follows: \$20 to the Indigent Defense Support Fund (Fund 5DY0) and \$9 to the Victims of Crime/Reparations Fund (Fund 4020).

Sheriffs

License application and renewal procedures

The bill: (1) allows an applicant for a concealed handgun license (new or renewal) to file with the sheriff or any county, rather than only to the sheriff of the applicant's county of residence or an adjacent county, and (2) permits the sheriff, under certain specified circumstances, to provide additional hours (outside of the 15 hours currently required) to accept applications and provide information. These provisions will have a minimal at most effect on a sheriff's annual operating costs and fees from the issuance of concealed handgun licenses.

Sheriff's Concealed Handgun License Issuance Expense Fund

Current law permits a sheriff, with the approval of the board of county commissioners, to expend the concealed handgun license fees credited to the Sheriff's Concealed Handgun License Issuance Expense Fund for: (1) any costs incurred in connection with performing any administrative functions related to the issuance of concealed handgun licenses, (2) ammunition and firearms, and (3) any costs incurred in constructing, maintaining, or renovating a shooting range. The bill expands use of the fund to include costs incurred: (1) for nonlethal weapons, supplies, and related training, and (2) for a sheriff's employee to attend a basic peace officer training academy or a basic correction officer academy approved by the Ohio Peace Officer Training Commission. Any resulting expenditure increase would depend upon a fund's available cash balance.

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³ These statistics are based upon information voluntarily reported to OIBRS by participating law enforcement agencies as of March 2, 2021, and may not reflect all violations statewide, since not all Ohio law enforcement agencies' data are available through OIBRS.