



OHIO LEGISLATIVE SERVICE COMMISSION

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Fiscal Note & Local Impact Statement

Bill: S.B. 199 of the 131st G.A.

Date: December 7, 2016

Status: As Reported by House State Government

Sponsor: Sens. Uecker and Gardner

Local Impact Statement Procedure Required: No

Contents: Elimination of concealed handgun license requirements and purchase restrictions for active duty armed forces members

State and Local Fiscal Highlights

- There will be a negligible fiscal effect on state and local revenues and expenditures, as the bill's changes to the Concealed Handgun Law may result in a slight reduction in licenses issued and prohibition violations prosecuted.
- The effect of the bill's employment discrimination provision on the caseloads and related annual operating expenses of the Ohio Civil Rights Commission or any given court of common pleas is likely to be minimal at most.

Detailed Fiscal Analysis

Concealed carry

The bill specifies that active duty members of the U.S. armed forces: (1) do not need a concealed handgun license to carry a concealed handgun if they are carrying a valid military identification and documentation of successful completion of specified firearms training, and (2) if under the age of 21, may be sold or furnished a handgun if the member has received military or equivalent small arms training.

Concealed carry licenses

The bill may result in a very slight reduction in the number of new and renewed concealed handgun licenses issued, as active duty military members will no longer be required to obtain a concealed handgun license. The specific number of active duty military personnel that are issued a new or renewed concealed handgun license in any given year is unclear.

We do know that, in 2015, counties statewide issued 116,140 new and renewed concealed handgun licenses. This constitutes about 1% of the population of Ohio, which totals approximately 11.6 million. According to the Defense Manpower Data Center,

there were 7,218 active duty military members in Ohio as of August 2013. If 1% of the general Ohio population is issued a new or renewed concealed handgun license each year, and we assume that a similar 1% would reasonably represent the active duty military in Ohio, then we estimate that around 72 persons on active military duty are issued a new or renewed license each year. This suggests that, as a result of the bill, an estimated 72 active military duty members would no longer be required to secure a license each year.

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 fees are collected by the county sheriff as part of their duties and responsibilities to administer and enforce the state's Concealed Handgun Law. The sheriff retains a portion of the fee (\$40 of a new license and \$35 of the renewal license) for deposit into the Sheriff's Concealed Handgun License Issuance Expense Fund, which is used solely to pay for related administrative and enforcement costs. The remainder is forwarded for deposit into the state treasury to the credit of 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.

If, under the bill, around 72 active duty military members are exempted from the requirement to obtain a concealed handgun license, the estimated amount of license fee revenue lost statewide could run between \$5,000 and \$6,500 per year. The annual revenue loss to Fund 1060 and the Sheriff's Concealed Handgun License Issuance Expense Fund across the state will be minimal at most. It is also likely that any revenue loss would to some extent be offset by expenditure reductions, as county sheriffs and BCI will have fewer concealed carry-related tasks to perform.

Concealed carry violations

As a result of the bill, there may be slightly fewer arrests for concealed carry violations, and a corresponding reduction in the number of prosecutions, and sanctioning, which could include the possibility of jail or prison.

The number of active duty military members incarcerated for this type of offense is likely to be extremely small because all active duty military members are subject to the Uniform Code of Military Justice (UCMJ). Most crimes in civilian criminal codes are also included in the UCMJ, which has jurisdiction over active military personnel. If a crime committed by a person on active duty violates both the UCMJ and civilian law, that offense could be tried in both systems; however, the two systems typically coordinate how the case will be adjudicated.

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).

To the extent that county and municipal criminal justice systems defer to the jurisdiction of the military, the few cases that might occur under current law could become even fewer. There will be a very small savings effect for those local systems, as a result of having fewer persons to arrest, prosecute, and sanction for concealed carry violations. This may also entail a related negligible loss in court costs, fees, and fines that might otherwise have been collected from persons on active military duty convicted of a concealed carry violation. This potential revenue loss may be offset to some extent by a provision in the bill creating a civil penalty of up to \$500 if a member of the military is stopped by law enforcement and they are not carrying the required identification and documentation. Estimating the revenue is difficult because the civil penalty must be waived if the offender produces their military identification and training documentation within ten days of receiving the citation. Little civil penalty revenue is likely to be collected.

The annual fiscal effect on the state may be a minimal reduction in state incarceration costs and a negligible loss in locally collected state court costs.

Employment discrimination

The bill makes it unlawful for any employer to discharge without cause or otherwise discriminate against a person who holds a valid concealed handgun license with respect to any matter related to their employment because the licensee possessed a firearm within either the person's private real property or within a motor vehicle.

Ohio Civil Rights Commission

It is unclear how many new cases of alleged employment discrimination will result from the bill, but given the nature of this type of discrimination, the potential number will likely be small. Upon receipt of a complaint, the Commission will typically investigate to determine whether it is probable that an unlawful discriminatory practice occurred. The Commission would likely have sufficient state and/or federal funds to absorb such a small increase in workload.

Courts of common pleas

In general, allegations of discriminatory practices will be resolved by the filing of a complaint with the Ohio Civil Rights Commission as opposed to the filing of a civil action in the appropriate court of common pleas. Under current law however, an aggrieved individual generally has the right to file an action in the appropriate court of common pleas. Commission staff has generally indicated that the filing of a civil action is more often the exception rather than the rule, and that the Commission's findings are quite often accepted and not appealed. Assuming this were true, then the bill's effect on the caseloads and related annual operating expenses of any given court of common pleas is likely to be minimal at most.