



OHIO LEGISLATIVE SERVICE COMMISSION

Joseph Rogers

Fiscal Note & Local Impact Statement

Bill: H.B. 201 of the 132nd G.A.

Status: As Introduced

Sponsor: Reps. Hood and Brinkman

Local Impact Statement Procedure Required: No

Subject: Elimination of concealed handgun license requirement

State Fiscal Highlights

- A reduction in the number of offenders sent to prison for concealed carry violations will create a potential savings effect on GRF-funded incarceration costs of up to \$3.6 million per year.
- There will be a loss in concealed carry license fees deposited in the General Reimbursement Fund (Fund 1060) that could average in the range of \$2.8 million to \$5.6 million annually. There will likely be a commensurate expenditure decrease in the related background check work performed by the Bureau of Criminal Investigation.
- The state will lose, at most, a minimal amount of court cost revenue that might otherwise have been collected from certain concealed carry violators pursuant to the order of the sentencing court. State court cost revenues are credited to the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020).

Local Fiscal Highlights

- County and municipal criminal justice systems may realize an annual savings effect, as there will likely be some reduction in the prosecution and sanctioning of individuals for concealed carry 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.
- There will be a decrease in concealed carry license fees retained by a county sheriff for deposit in the Sheriff's Concealed Handgun License Issuance Expense Fund that could average \$4.5 million annually statewide. There will likely be a commensurate expenditure decrease in the sheriff's administrative and enforcement functions.

Detailed Fiscal Analysis

The bill: (1) allows persons age 21 or older, and not otherwise under any federal restrictions, to carry a concealed firearm without obtaining a concealed handgun license as prescribed under current law, and (2) eliminates the requirement that a concealed handgun licensee or qualified military member notify a law enforcement officer or employee of the motor carrier enforcement unit that the person is carrying a concealed handgun when stopped.

As a result of the bill, there will be fewer concealed carry violations that, under current law, may lead to arrest, prosecution, and sanctioning, including a possible prison term. Depending upon the circumstances of the violation, the conduct can be classified as either a misdemeanor or a felony. It is also likely to be the case that there may be a significant reduction in new and renewed concealed carry licenses issued, as individuals will no longer be required to obtain a concealed carry license.

Concealed carry violations

Department of Rehabilitation and Correction

The state may realize some savings in GRF-funded incarceration costs, as a result of a reduction in offenders sentenced to prison for felony concealed carry violations. According to commitment data from the Department of Rehabilitation and Correction (DRC), over the previous three years, on average, about 190 persons are sent to prison each year for carrying a concealed weapon. The Department's time served data also indicates that over 90% of those offenders serve less than one year. The cost savings of not incarcerating those offenders is estimated at approximately \$570,000 to \$3.6 million per year.¹ As DRC's prison system houses over 50,000 offenders and operates at around 130% of its total designed bed capacity, any savings will be absorbed to finance ongoing institutional programming, security, and maintenance needs.

County and municipal criminal justice systems

There will be a savings effect created for county and municipal criminal justice systems as a result of having fewer persons to arrest, prosecute, and sanction for concealed carry violations. There will also be a related loss in court costs, fees, and fines that might otherwise have been collected from persons convicted of a concealed carry violation. The amount of the savings and related revenue loss for any given local jurisdiction is indeterminate, but it is probably safe to say that the expenditure savings will be considerably larger than the revenue loss.

¹ The low end of the range reflects the marginal annual cost, while the high end of the range reflects the total annual cost (marginal plus fixed).

State court cost revenues

The state will lose, at most, a minimal amount of court cost revenue that might otherwise have been collected from certain concealed carry violators pursuant to the order of the sentencing court. These court cost revenues if collected, are then forwarded for deposit in the state treasury to the credit of the Indigent Defense Support Fund (Fund 5DY0) and the Victims of Crime/Reparations Fund (Fund 4020).²

Concealed carry licenses

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).³ 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 carry laws. The sheriff retains a portion of the fee for deposit in the Sheriff's Concealed Handgun License Issuance Expense Fund, which is used solely to pay for related administrative and enforcement costs. The remainder is deposited in 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.

Between 2012 and 2016, on average, about 79,523 new and 39,066 renewal licenses were issued each year. The total amount of new and renewal license fees collected annually statewide has run between \$7.3 million and \$10.1 million over the last five years. Of that range, county sheriffs statewide have retained around \$4.5 million annually. The remainder, between \$2.8 million and \$5.6 million annually, has been deposited in Fund 1060. How much of this annual revenue stream will be lost as a result of the bill is uncertain. It is also likely that any revenue loss will be largely offset by an expenditure reduction, as county sheriffs and BCI will have fewer concealed carry-related tasks to perform.

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² The court is generally required to impose state court costs totaling \$29 for a misdemeanor and \$60 for a felony. The \$29 misdemeanor amount is divided as follows: \$20 to Fund 5DY0 and \$9 to Fund 4020. The \$60 felony amount is divided as follows: \$30 to Fund 5DY0 and \$30 to Fund 4020.

³ 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).