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FISCAL IMPACT STATEMENT

LS 6403

BILL NUMBER: SB 147

NOTE PREPARED: Dec 10, 2010

BILL AMENDED:

SUBJECT: Handgun Licenses and Shooting Ranges.

FIRST AUTHOR: Sen. Steele

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that a person is not required to possess a license to: (1) carry an unloaded handgun between the person's dwelling or fixed place of business and a shooting range; or (2) possess a handgun at a shooting range.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Summary:* There may be a minimal reduction in state expenditures if fewer persons were committed to a Department of Correction (DOC) facility for carrying or possessing a handgun at a shooting range. Additionally, the Indiana State Police (ISP) may not have to process as many handgun license applications, were license applications to decline as a result of the bill.

Background Information- Carrying a Handgun Without a License- Under current law, a first-time offense for carrying or possessing a handgun without a license is a Class A misdemeanor. If a second violation occurs, the penalty is increased to a Class C felony.

A Class C felony is punishable by a prison term ranging from two to eight years. The average expenditure to house an adult offender was \$19,307 in FY 2010. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,818 annually, or \$13.20 daily, per prisoner. The estimated average cost of housing a juvenile in a state juvenile facility was \$68,260 in FY 2010.

DOC Commitments for Handgun License Violation- The following table illustrates DOC commitments in 2009 for carrying or possessing a handgun without a license.

Table A. DOC Commitments for Carrying or Possessing a Handgun Without a License (CY 2009).			
Number as a Primary Violation		Number as Secondary Violation	
Carrying	Possession	Carrying	Possession
170	1	29	33

The average sentence length for the above handgun offender commitments is approximately three years. It is unknown how many of the above persons were arrested at a shooting range. It is likely very few persons are incarcerated in a DOC facility solely for possessing or carrying a handgun at a shooting range without a license.

Explanation of State Revenues: *Summary:* Handgun Licenses- There could be a reduction in persons applying for handgun licenses in future years as a result of the bill. Technically, a person may be able to engage in target practice at an area not meeting the definition of shooting range used in the bill and would still require a license. (See *Background Information..*)

The amount of revenue reduction would depend on the number of persons that currently have a four-year license that would not renew at expiration plus first-time applicants that would not apply for a license at all. Additionally, there could be an impact from persons that possibly may not renew that currently hold an unlimited license and use it primarily to carry a handgun to and from a shooting range.

Given the above conditions, the actual number of persons that currently use their license strictly for shooting ranges is unknown.

Court Fees and Fines- Theoretically, there would be fewer arrests made due to possession of a handgun at a target range without a license. If fewer court cases occur and fewer fines are collected, revenue to both the Common School Fund and the state General Fund would decrease.

Background Information-

Criminal Penalties- The maximum fine for a Class A misdemeanor is \$5,000. The maximum fine for a Class C felony is \$10,000. Criminal fines are deposited in the Common School Fund.

If a case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$1) are deposited into the state General Fund.

Handgun Licenses- Currently, the state fee for an unlimited four-year handgun license is \$30. An unlimited

lifetime license is \$75. (It is \$60 if the applicant has a current four-year license.) A four-year limited license for target practice or hunting is \$5. A limited lifetime license is \$25. (It is \$20, if applicant has a current four-year license.) Revenue from state fees on handgun licenses is deposited into the state General Fund. The following table states the recent history on the number of licenses issued and the revenue raised.

Table B. Handgun License Statistics 2005-2009.			
Year	Licenses Issued	Revenue Collected	Average Revenue Per License Issued
2005	70,817	\$1,003,256	\$14
2006	68,196	\$1,246,536	\$18
2007	76,974	\$3,792,335	\$49
2008	76,151	\$4,032,732	\$53
2009	100,933	\$6,413,669	\$64
TOTAL	393,071	\$16,488,528	\$42

Lifetime licenses were authorized under P.L. 190-2006. The number of limited licenses currently issued is unknown.

Definition of ‘Shooting Range’- As used in the bill, a shooting range is defined as “an area designed and operated for the use of archery, rifles, shotguns, pistols, muskets, or similar firearms that are fired at silhouettes, skeet, trap, paper, stillboard, or other similar targets.” (IC 14-22-31.5-3)

Explanation of Local Expenditures: *Summary:* If fewer arrests were made and trials conducted, local trial courts could see a slight reduction in case load as a result of this provision. A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Summary-* If fewer court actions occur and guilty verdicts entered, local governments would see a small reduction in court fee revenue.

Firearm Licenses- At the time a person applies for a handgun license at a local law enforcement agency, that agency charges fees for processing the application. Local law enforcement agencies could lose an indeterminable amount of revenue if fewer persons apply for a license as a result of the bill. Revenue from processing fees is deposited into the local law enforcement firearms training account.

Court Fees- Typically, local governments receive revenue from the following court fees. The county general fund would receive 27% of the \$120 criminal costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of the criminal costs fee. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

State Agencies Affected: Department of Correction; State Police.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana Sheriffs' Association, Department of Correction, 2009 offender commitment data; Indiana State Police, *Annual Report 2005-2009*; *Indiana Handbook of Taxes, Revenues, and Appropriations*.

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