

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 118** SLS 21RS 254

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action: **w/ HSE COMM AMD**

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 25, 2021	11:09 AM	<b>Author:</b> MORRIS, JAY
<b>Dept./Agy.:</b> Statewide and Office of Public Safety, State Police		<b>Analyst:</b> Patrice Thomas
<b>Subject:</b> Nonpermitted Concealed Handgun		

WEAPONS RE1 DECREASE SD RV See Note  
Provides relative to the concealed carrying of firearms. (8/1/21)

Present law prohibits the carrying of a concealed firearm; provides for criminal penalties; and provides for certain exceptions to the offense. Also, present law provides that Louisiana residents who meet certain eligibility requirements may apply for and be issued a concealed handgun permit and requires the person to possess a valid concealed handgun permit in order to carry a concealed handgun in the state. Proposed law creates nonpermitted concealed handgun holders, which is an exception to the present law prohibition for any person who is 21 years of age or older (Louisiana residents and nonresidents), and who is not prohibited from possessing a firearm under any federal or state law. Proposed law removes the requirement that a person must possess a permit issued by the state in order to carry a concealed handgun. Proposed law prohibits possessing a firearm while under the influence of alcohol or a controlled dangerous substance to nonpermitted legal concealed carriers. Proposed law requires State Police to create a 60-minute online education course at no cost that includes specific topics and maintain an online searchable database of firearm instructors. Proposed law effective 8/01/2021.

<b>EXPENDITURES</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

<b>REVENUES</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Ded./Other	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

Proposed law is estimated to increase state expenditures by up to \$102,102 (assumed to be SGF) in the Office of State Police within the Department of Public Safety (DPS) to develop a 60-minute education course as well as increase by an indeterminable amount to maintain a searchable database of licensed handgun and firearm instructors. While proposed law does not otherwise directly impact state or local governmental expenditures, it does eliminate Statutorily Dedicated revenues out of the Concealed Handgun Permit Fund used to support certain functions within the Department of Public Safety, Office of State Police (\$4.1 M based on actual expenditures in FY 20), Local Funds used to support public defender offices, and other various SGR and Local Funds used to support courts, crime labs, etc. The total loss of revenues to support these expenditures is indeterminable (see Revenue Explanation).

DPS indicates the proposed law may require approximately 950 hours of overtime for the Information Services Section at an average cost of \$80 per hour (\$80 x 950 = \$76,000) plus associated Medicare expenses (\$76,000 x 1.45% = \$1,102), or a total of \$77,102. The proposed law will require modifications to the State Police Concealed Handgun system. In addition, the department reports a one-time expenditure of \$25,000 for video production cost to develop the 60-minute online course.

NOTE: To the extent that the legislature continues to fund activities in State Police supported by these revenues at the same or a diminished level in subsequent fiscal years, the funding sources supporting the base expenditures must be replaced by SGF or another revenue source to supplant the loss of statutory dedication expenditures. These activities would compete for annual SGF resources along with other significant SGF supported services and activities of the state.

**REVENUE EXPLANATION**

DPS estimates that proposed law may result in a revenue decrease of up to \$4.1 M in the statutorily dedicated Concealed Handgun Permit Fund related to new or renewal of five-year permits for concealed weapons based on FY 20 permits issued. DPS reports that in FY 20, 24,000 new, renewal permits, and lifetime permits were issued. Using those numbers as a baseline, the revenue loss could be up to \$4.1 M. NOTE: Some of the permits were issued at half the standard fee because they were for people 65 and older or people with active military status. Additionally, the number of permits issued varies widely from year to year based on external factors such a political influences, world and national events, etc. In FY 20, concealed permits were down as a result of the statewide ransomware attack and COVID-19. Actual expenditures from the Concealed Handgun Permit Fund have varied between \$3 M and \$5.4 M between FY 15 and FY 20.

DPS reports that the decrease attributable to enactment of proposed law is indeterminable and may be mitigated to a partial or significant degree because some people may still apply for a concealed weapon permit for several reasons. The Louisiana permit can be used to purchase a firearm due to it being National Instant Criminal Background Check System (NICS) compliant. Also, there are reciprocity agreements with other states that allow concealed carry in those states with a Louisiana permit.

**SEE REVENUE EXPLANATION CONTINUED ON PAGE TWO**

Senate      Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*  
**Alan M. Boxberger**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**  
**REVENUE EXPLANATION CONTINUED FROM PAGE ONE**

NOTE: DPS reports that direct expenditures associated with the concealed weapon permit activity were approximately \$742,000 in FY 19 and approximately \$769,000 in FY 18. There are currently six (6) filled civilian positions, one (1) trooper, two (2) wage employees, and two (2) students. To the extent that demand for concealed carry permits were to diminish with enactment of proposed law, the workload necessitated by this activity is assumed to decrease proportionately (see discussion in Revenue Explanation). DPS reports that it would seek to reassign T.O. positions from this section to other needed duties within LSP in the event of a workload decrease.

**Louisiana Public Defender Board**

The proposed law may result in an indeterminable decrease of Local Funds revenue received by district public defender offices to handle cases associated with a failure to have a permit to carry a concealed handgun. District offices are owed a \$40 fee per application for public defense services and defendants are assessed a \$45 special court cost for every conviction or nolo contendere plea. It is unclear how many of the 300 concealed handgun related cases handled by the public defenders annually are solely the result of an illegal carrying a concealed weapon charge only, and how many are in conjunction with other charges. Therefore, the net impact on revenues is likely a decrease but indeterminable.

Other entities receive a portion of fees paid upon conviction of possession of a concealed firearm, and elimination of the requirement to carry a concealed handgun permit may result in decreased SGR and LF revenues to support courts, crime labs, etc. The total loss of revenues for the associated entities is indeterminable.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Alan M. Boxberger**  
**Staff Director**