

## Department of Planning and Budget 2012 Fiscal Impact Statement

**1. Bill Number:** HB237

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Cosgrove

**3. Committee:** Militia, Police and Public Safety

**4. Title:** Criminal history record information checks upon handgun purchases; dissemination of information.

**5. Summary:** Provides that certain criminal history record information including juvenile records and protective order registry information, shall be made available to the Attorney General of the United States for the purposes of a National Instant Criminal Background check to determine a person's eligibility to possess or purchase a firearm under state or federal law. The bill also limits the requirement for a Virginia-specific criminal history record information check to the purchase of handguns only. Under current law, the Virginia-specific criminal history record information check applies to all purchases of any firearm in the Commonwealth.

**6. Budget Amendment Necessary:** Yes. Item 416.

**7. Fiscal Impact Estimates:** Preliminary; See item 8 below.

**8. Fiscal Implications:** According to the Department of State Police, the proposed legislation would have a fiscal impact, the size of which cannot be fully determined. Although the department cannot distinguish between handgun and rifle and shotgun background checks for residents, it can determine the number of non-resident rifle and shotgun background checks (7,844 non-resident transactions in 2011). Also, the department identifies the need for \$61,249 the first year and \$59,649 the second year to support a position to review 2,400 juvenile records (1,900 felony and 500 misdemeanor convictions) each year for disqualification of possession of a firearm. Since each non-resident transaction is \$5 (\$5 x 7,844 transactions = \$39,220), the department is able to identify a minimum fiscal impact to the agency of \$100,469 the first year and \$98,869 the second year.

If the proposal passes, it can be assumed that a significant percentage of the revenue generated by resident background checks will be reduced since the proposal eliminates background checks for rifles and shotguns. The State Police relies on the background check fees to fund the background check activity. The department reports that the annual revenue from the fee is about \$565,682 each year. Any significant reduction in this revenue will negatively impact the department's ability to perform timely background checks since fewer

staff will be supported. In order to continue the current level of operations additional general fund will have to be provided. If such funding is not provided, the turnaround of background checks will be delayed.

**9. Specific Agency or Political Subdivisions Affected:** Department of State Police

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** January 31, 2012

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