

Department of Planning and Budget 2019 Special Session I Fiscal Impact Statement

1. **Bill Number:** HB4004

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

2. **Patron:** Ward

3. **Committee:** Committee Referral Pending

4. **Title:** Limitation on handgun purchases

5. **Summary:** Prohibits any person who is not a licensed firearms dealer from purchasing more than one handgun within any 30-day period. A violation would be punishable as a Class 1 misdemeanor. The bill exempts from this provision persons who have been issued a certificate issued by the Department of State Police and undergone an enhanced background check. Such a certificate shall be valid for seven days from the date of issue, and shall be surrendered to the dealer prior to the consummation of the sale. Also exempt are law enforcement agencies; agencies that are duly authorized to perform law enforcement duties; law enforcement officers; state or local correctional facilities; private security companies licensed to do business in the Commonwealth; antique firearms purchases; and persons who trade in a handgun at the same time they purchase a handgun as part of the same transaction. A person whose handgun is stolen or irretrievably lost is also exempt if he deems it essential that the handgun be replaced immediately. Such a person may purchase another handgun within a 30-day period provided that (i) he provides a police report about the lost or stolen handgun; (ii) the report contains the owner's name and address, a description of the handgun, the location and date of the loss or theft, and the date the loss or theft was reported to law enforcement, and (iii) the date of the loss or theft occurred within 30 days of the person's attempt to replace the handgun. The bill requires the Superintendent of State Police to promulgate regulations for the implementation of an application process for purchases of handguns above the limit.

6. **Budget Amendment Necessary:** Yes. Item 419.

7. **Fiscal Impact Estimates:** Preliminary. See Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2019	\$0		
2020	\$71,881		General
2021	\$72,902		
2022	\$72,902		
2023	\$72,902		
2024	\$72,902		
2025	\$72,902		

- 8. Fiscal Implications:** The Department of State Police (VSP) oversees firearms transactions in the Commonwealth. This includes providing background check information to determine eligibility and investigating potential violations. This bill would require VSP to receive and process special applications for enhanced criminal history record information checks to determine the eligibility of applicants wishing to purchase more than one handgun in a 30-day period. This check will involve a search of all available criminal history record information and requires that VSP make inquiries of local law enforcement agencies with jurisdiction in the applicant's or transferee's place of residence to determine if factors exist that would make the purchase illegal. VSP estimates it will need one position to assist with processing these applications. The duties would include performing clerical tasks, responding to telephone and e-mail inquiries regarding application status checks, and performing requested searches of the handgun calendar file. The employee also will handle discrepancies or problems arising from transactions. The salary and benefits cost for this position, prorated for eight months in FY2020, is \$48,501. The ongoing full-year cost for this position is estimated at \$72,902.

This bill also would require a modification to VSP's VCheck system, which firearms dealers access to determine the eligibility of a potential purchaser. The system would need to be modified to enable the 30-day handgun purchase restriction. The estimated one-time technology cost is \$23,280.

The bill also creates a Class 1 misdemeanor for anyone who attempts to unlawfully purchase more than one handgun in a 30-day period. Therefore, this bill may increase the number of people sentenced to serve jail terms. Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail. According to the Virginia Criminal Sentencing Commission, not enough information is available to estimate reliably how many additional inmates in jail could result from this proposal. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, any increase in jail population will increase costs to the state. The Commonwealth presently pays localities \$4.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail. It also funds a large portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs varies from locality to locality. According to the Compensation Board's most recent Jail Cost Report (November 2018), the estimated total state support for local jails averaged \$33.83 per inmate, per day in FY 2017. There is no anticipated fiscal impact on the Department of Corrections. The fiscal impact on the Department of Juvenile Justice could not be determined.

- 9. Specific Agency or Political Subdivisions Affected:** Department of State Police, Local law enforcement agencies, Local and regional jails, and Courts,

- 10. Technical Amendment Necessary:** No.

11. Other Comments: The proposed legislation contains an Enactment Clause appropriating \$71,881 from the balance of the general fund in fiscal year 2020 to be appropriated among the agencies and programs impacted by its provisions.