Department of Planning and Budget
2020 Fiscal Impact Statement

1. **Bill Number:** HB812ER

House of Origin	☐	Introduced	☐	Substitute	☐ Engrossed
Second House	☐	In Committee	☐	Substitute	☒ Enrolled

2. **Patron:** Ward

3. **Committee:** Passed both houses.

4. **Title:** Purchase of handguns; limitation on handgun purchases; penalty.

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, as defined in the bill; state or local correctional facilities; private security companies licensed to do business in the Commonwealth; antique firearms purchases; persons who trade in a handgun at the same time they purchase a handgun as part of the same transaction; persons who hold a valid Virginia permit to carry a concealed handgun; and persons who purchase a handgun in a private sale, as defined in the bill. . 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**: No. The Governor's Introduced Budget (HB30/SB30) includes the appropriation (Item 425) required to implement the proposed legislation.

7. **Fiscal Impact Estimates:** Final. See below.

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. This bill also would require a modification to VSP's VCheck system, which allows firearms dealers to determine the eligibility of a potential purchaser. The system would need to be modified to enable the 30-day handgun purchase restriction. The Governor's introduced budget for the 2020-2022 biennium includes $96,182 the first year, $72,902 the second year, and one position for this proposed legislation. It also includes funding to support the one-time technology cost of $23,280 to modify VCheck.

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.

There is not enough information available to reliably estimate the increase in jail population as a result of this proposal; however, any increase in jail population will increase costs to the state. The Commonwealth currently pays the 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 on a per prisoner, per day basis varies from locality to locality. According to the Compensation Board's most recent Jail Cost Report (November 2019), the estimated total state support for local jails averaged $34.07 per inmate, per day in FY 2018. 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:** None.