

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: HB1788

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Filler-Corn

3. Committee: Committee Referral Pending

4. Title: Sale or transfer of firearms; microstamping-enabled firearms; penalties.

5. Summary: Provides that it is unlawful for a firearms dealer to sell, offer for sale, exchange, give, transfer, or deliver a firearm unless it has been verified as a microstamping-enabled firearm. A violation is a Class 3 misdemeanor. A second or subsequent violation is a Class 1 misdemeanor. The bill also provides that it is unlawful for anyone to modify a microstamping-enabled firearm or microstamping component with the intent to prevent the production of a microstamp; a violation is a Class 3 misdemeanor, and a second or subsequent violation is a Class 1 misdemeanor. The provisions of the bill do not apply to any firearm manufactured prior to July 1, 2025.

6. Budget Amendment Necessary: Yes, Item 404.

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

8. Fiscal Implications: The Department of State Police (VSP) oversees the Commonwealth's Firearms Transaction Program. VSP does not anticipate a fiscal impact on its operations as a result of the provisions of this bill.

The proposed legislation creates new Class 1 misdemeanors and new Class 3 misdemeanors. Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail and a fine of not more than \$2,500, either or both.

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 varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2022), the estimated total state support for local jails averaged \$40.39 per inmate, per day in FY 2021.

A Class 3 misdemeanor is punishable by a fine of up to \$500. All revenue collected from such fines is deposited into the Literary Fund. However, it is not possible to estimate either the number of convictions that may result or the amount of each fine that may be assessed under this legislation. Therefore, the impact of this bill cannot be determined.

Offenders convicted of the proposed Class 1 misdemeanor offense who accumulate three or more weapons convictions may be found guilty of a Class 6 felony pursuant to § 18.2-311.2. According to Circuit Court Case Management System (CMS) data from the Virginia Criminal Sentencing Commission for fiscal years 2017 to 2022, three offenders were convicted of a felony under § 18.2-311.2. This was the most serious offense for one of these offenders, who received a state-responsible (prison) sentence of 1.3 years.

By expanding the applicability of an existing Class 6 felony, the proposal may increase the future state-responsible (prison) bed space needs of the Commonwealth. Available data do not provide sufficient detail to estimate the number of new felony convictions that may result from the proposal; therefore, the magnitude of the impact on prison bed space needs cannot be determined.

Due to the lack of data, the Virginia Criminal Sentencing Commission has concluded, pursuant to §30-19.1:4 of the Code of Virginia, that the impact of the proposed legislation on state-responsible (prison) bed space cannot be determined. In such cases, Chapter 2, 2022 Acts of Assembly, Special Session I, requires that a minimum impact of \$50,000 be assigned to the bill.

- 9. Specific Agency or Political Subdivisions Affected:** Courts, law enforcement agencies, Commonwealth's Attorneys, Public Defenders' Office, Department of State Police, Department of Corrections, Local and regional jails.

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** None.