

Fiscal Estimate Narratives

DOT 5/31/2011

LRB Number 11-1590/1	Introduction Number AB-0116	Estimate Type Original
Description Creating a microstamping requirement for certain handguns, certification of compliance with the microstamping requirement, requiring the exercise of rule-making authority, and providing penalties		

Assumptions Used in Arriving at Fiscal Estimate

Beginning January 1, 2013, this bill prohibits the manufacture of semiautomatic handguns that do not produce a microstamp on each expended cartridge. The bill also prohibits the transfer (sale) of semiautomatic handguns manufactured on or after January 1, 2013 that do not produce a microstamp.

State Patrol:

State Patrol has approximately 600 semiautomatic handguns in service. The statutory change proposed by this bill would become relevant at such time that the State Patrol replaced its service handguns with new handguns subject to this law. There are no precise numbers for the cost of modifying a handgun to produce a microstamp. The technology owner cites a cost as low as \$0.50 per handgun, and as high as \$10 per handgun, depending on the volume of handguns to be modified.

For our purposes, we will assume the highest cost quoted by the technology owner: \$10 per handgun. Were State Patrol to replace its 600 service handguns at once, compliance with this law would cost State Patrol \$6,000 beyond the base cost of the handguns. However, the cost must ultimately be deemed indeterminate because there are no fixed costs associated with the technology. Furthermore, it is possible that State Patrol could offset the cost of this required modification by selecting a less expensive handgun in the first instance.

Local law enforcement:

It is unknown how many semiautomatic handguns are in service throughout the state. It can be assumed that local law enforcement agencies will incur as much as a \$10 increase in the cost of purchasing new handguns, if this law is in effect. As with State Patrol, this cost is indeterminate, and could well be offset depending on the handgun selected for modification.

Unlike State Patrol, local law enforcement agencies would also be impacted by the investigatory requirements of the proposed law. It is unknown how many resources are currently expended on conducting the ballistics analysis that microstamping is designed to obviate. In all but the largest municipalities, that work is typically handled by the State Crime Lab. For agencies that do conduct their own ballistics analysis, there would be an expected cost savings as a result of the microstamping requirement, as the technology is meant to streamline the process of handgun tracing.

Long-Range Fiscal Implications

None.

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 11-1590/1		Introduction Number AB-0116	
Description Creating a microstamping requirement for certain handguns, certification of compliance with the microstamping requirement, requiring the exercise of rule-making authority, and providing penalties			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Assuming the highest cost quoted by the technology owner (\$10 per handgun), compliance with this law would cost State Patrol an additional \$6,000 each time it replaced its 600 semiautomatic handguns. This is, of course, not a true one-time cost, but it does not occur annually either.			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By			
DOT/ Zachary Wyatt (608) 266-0403		Authorized Signature	
		Stephanie LaSage (608) 267-3703	
Date			
5/31/2011			