

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6190**

**BILL NUMBER:** HB 1016

**NOTE PREPARED:** Nov 13, 2002

**BILL AMENDED:**

**SUBJECT:** Handgun Permits and Transfers.

**FIRST AUTHOR:** Rep. Smith V

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** The bill prohibits the issuance of a license to carry a handgun to a person less than 21 years of age (instead of 18 years of age). It also prohibits a person from transferring the ownership or possession of a handgun or an assault weapon to a person less than 21 years of age (instead of 18 years of age).

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** Under current law, issuing a handgun license to a person prohibited from having a license is a Class B misdemeanor, and a person under 18 years old is prohibited from having a license. Under the bill, a person under 21 years old would be prohibited from having a handgun license. Also, under current law, transfer or sale of a handgun to a person under 18 years old is a Class C felony. Under the bill, the age restriction would be raised to 21 years old. In CY 2000, there were 2,861 licenses issued to people between 18 and 21 years old, and in CY 2001, there were 2,231 licenses issued to people in this age group.

A Class C felony is punishable by a prison term ranging from two to eight years depending upon mitigating and aggravating circumstances. The average expenditure to house an adult offender was \$25,087 in FY 2001. Individual facility expenditures ranged from \$18,520 to \$54,465. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the average cost for medical care, food, and clothing is approximately \$1,825 annually, or \$5 daily, per prisoner. The average length of stay in DOC facilities for all Class C felony offenders is approximately two years.

**Explanation of State Revenues:** If additional court cases occur and fines are collected for the Class C felony or Class B misdemeanor, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class C felony is \$10,000 and it is \$1,000 for a Class B misdemeanor. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Additionally, by raising the legal age of handgun licensing from 18 to 21 years old, approximately 2,500 fewer permits would be issued annually. This would result in an annual revenue loss to the state General Fund of approximately \$37,500. (The State Police charge a fee of \$15 for an unlimited handgun license.)

**Explanation of Local Expenditures:** A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

**Explanation of Local Revenues:** If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:** Department of Correction.

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Indiana Sheriffs Association; Department of Correction; Les Miller, Special Council, Indiana State Police, 317-232-8317.

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