

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7246

BILL NUMBER: SB 487

NOTE PREPARED: Mar 4, 2003

BILL AMENDED: Feb 27, 2003

SUBJECT: Handgun Background Checks.

FIRST AUTHOR: Sen. Bray

FIRST SPONSOR: Rep. L. Lawson

BILL STATUS: As Passed - Senate

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: (Amended) The bill provides that a person may not receive a handgun license if the person is prohibited from owning a firearm under state or federal law. It also specifies that a dealer may not immediately sell a handgun to a prospective purchaser if a state police background investigation is pending. (The introduced version of this bill was prepared by the Criminal Law Study Commission).

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues: (Revised) By stating that a person may receive a handgun if otherwise eligible to possess a firearm under state or federal law, this bill conforms Indiana statute to federal law. The provision could potentially lead to fewer handgun licenses sold due to the more stringent federal law. According to current state law, the fee for a qualified handgun license for hunting and target practice is \$5 and for an unlimited handgun license for the protection of life and property is \$15. Distribution of the revenue is to the state General Fund. In CY 2001, there were 210 qualified licenses and 80,121 unlimited handgun permits issued.

There are no data available to indicate how many of these licenses have already been issued to people who would be subject to the more stringent federal law. Those who are, would be subject to having their licenses revoked or suspended.

According to the Indiana State Police Department, the state's handgun law must conform to the federal government's law if the Department wishes to remain a point-of-contact for the federal government's

National Instant Check System. According to the State Police, if the state does not comply with federal law, the Department will lose its point-of-contact status and the federal government will then administer the state's handgun check system.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana State Police Department.

Local Agencies Affected:

Information Sources: Tony Sommer, State Police Department, (317) 232-8226.

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