

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2791**Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal OfficePrepared by: Tim Walker
Reviewed by: Doug Wilson
Date: 4/25/2011**Measure Description:**

Removes Department of State Police as designated state point of contact for purposes of National Instant Criminal Background Check System.

Government Unit(s) Affected:

Oregon State Police

Summary of Expenditure Impact

	2011-13 Biennium	2013-15 Biennium
General Fund		
Lottery Funds		
Other Funds	-1,581,034	-2,631,488
Federal Funds		
Total Funds	-\$1,581,034	-\$2,631,488
Positions	-18	-18
FTE	-13.50	-18.00

Summary of Revenue Impact

	2011-13 Biennium	2013-15 Biennium
General Fund		
Lottery Funds		
Other Funds	-2,541,750	-3,389,000
Federal Funds		
Total Funds	-\$2,541,750	-\$3,389,000

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis: This bill would remove the Oregon State Police (OSP) as the designated state Point of Contact for purposes of the National Instant Criminal Background Check System (NICS). OSP would still be responsible for background checks for Oregon private party (non-dealer) firearms transfers, including gun shows. These represent approximately ½ of 1% of the background checks currently conducted by OSP. OSP conducts between 310,000 to 340,000 firearm background checks per biennium.

The requirements of this bill would result in OSP eliminating 18 positions (13.50 FTE in 2011-13 since the effective date is 1/1/2012) in the Firearms Section of the Identification (ID) Services Program and a corresponding decrease in revenue. OSP would still be responsible for private party firearms transfer background checks and, by law, is required to provide these services from 8:00am to 10:00pm daily, except Thanksgiving and Christmas. OSP may be able to absorb these responsibilities through the Law Enforcement Data System. Currently, it is anticipated that the revenues from the Firearms program covers almost all of the direct costs of the Firearms program. The difference between the revenues lost if this bill passed and the estimated decrease in expenditures is due to the need to cover certain fixed costs, such as lease expenses, payments to other states for background information, DAS assessments and other overhead expenses currently paid through revenues generated from Firearms background checks. If this bill passes and the firearms revenue is not available, these fixed costs would need to be covered by the other programs in the Identification Services Program or by General Fund.