



Legislative Fiscal Office  
83<sup>rd</sup> Oregon Legislative Assembly  
2026 Regular Session

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**Bill Title:** Relating to firearms; declaring an emergency.

**Government Unit(s) Affected:** Department of Corrections, Department of Justice, Department of Public Safety Standards and Training, Cities, Judicial Department, Public Defense Commission, Criminal Justice Commission, Counties, Oregon Youth Authority, District Attorneys, Department of State Police

**Summary of Fiscal Impact:**

| 2025-27 Biennium           | General Fund        | Lottery Funds | Other Funds | Federal Funds | Total Funds         | Positions | FTE          |
|----------------------------|---------------------|---------------|-------------|---------------|---------------------|-----------|--------------|
| Department of State Police | \$ -                | \$ -          | \$ -        | \$ -          | \$ -                | -         | -            |
| <b>Total Fiscal Impact</b> | <b>\$ -</b>         | <b>\$ -</b>   | <b>\$ -</b> | <b>\$ -</b>   | <b>\$ -</b>         | <b>-</b>  | <b>-</b>     |
| 2027-29 Biennium           | General Fund        | Lottery Funds | Other Funds | Federal Funds | Total Funds         | Positions | FTE          |
| Department of State Police | \$ 8,002,731        | \$ -          | \$ -        | \$ -          | \$ 8,002,731        | 11        | 11.00        |
| <b>Total Fiscal Impact</b> | <b>\$ 8,002,731</b> | <b>\$ -</b>   | <b>\$ -</b> | <b>\$ -</b>   | <b>\$ 8,002,731</b> | <b>11</b> | <b>11.00</b> |

**Measure Description**

The measure repeals and modifies sections of Ballot Measure 114 that was approved by voters on November 8, 2022. The measure includes modifying the process for a person to apply for a permit to purchase a firearm or unfinished frame or receiver through their local law enforcement agency, with permits valid for a five-year period. Permit applicants must show proof of completing a firearm safety course, as described by the measure. The measure outlines the process for the permit application, including the permit agency entering the applicants name through the Law Enforcement Data System (LEDS), and for the Department of State Police (OSP) to conduct a criminal background check, including fingerprint identification through state and Federal Bureau of Investigation (FBI) databases. If the application is qualified through the background check process, the permit agents have up to 60 days after receiving an application to issue the permit. The measure increases the fee a permit agency may charge for this initial application process from \$65 to \$150 and increases the fee for permit renewal from \$50 to \$110. For both new and renewal applications, the portion of the fee payable to OSP to conduct the background check may not exceed \$48.

The measure defines unfinished frame or receiver and creates a new Class A misdemeanor apart from the initial ballot measure for firearm or unfinished frame/receiver transfers that occur without a valid permit to purchase, under certain circumstances. The measure expands circumstances when a person may be charged with the crime of failing to comply with the requirements for transferring a firearm or transferring a firearm at a gun show, occurring on or after January 1, 2028, which is a Class A misdemeanor or Class B felony for prior related convictions.

In addition, the measure creates an affirmative defense for unlawful possession, use or transfer of a large-capacity magazine, if a person has permanently and voluntarily relinquished the large-capacity magazine to law

enforcement, or a specified program, prior to the commencement of prosecution. The measure authorizes OSP to develop a system, as deemed necessary, for removal of specified information upon proof of sale or transfer of a firearm and specifies circumstances when a valid permit is not required for a firearm purchase from a gun dealer for transfer to a firearm purchaser occurring on or after July 1, 2026.

Finally, the measure provides that an individual may not be prosecuted for certain crimes regarding large-capacity magazines that occur while a court of law has an injunction barring enforcement of those certain crimes in Oregon. If the injunction is overturned or vacated by a state appellate court, then the conduct related to committing certain crimes regarding large-capacity magazines does not apply to licensed gun dealers and firearms manufacturers, under certain circumstances, occurring within 180 days after the date the injunction is overturned or vacated. The measure also provides that any action challenging the legality, including the constitutionality, of this measure, must be commenced in the Circuit Court for Marion County.

**Fiscal Analysis**

The fiscal impact is anticipated to be minimal in the 2025-27 biennium and \$8 million General Fund and 11 positions (11.00 FTE) in the 2027-29 biennium.

Department of State Police

The fiscal impact to OSP is anticipated to be minimal in the 2025-27 biennium and \$8 million General Fund and 11 positions (11.00 FTE) in the 2027-29 biennium.

In the 2025 session, OSP was appropriated \$1.8 million General Fund and was authorized seven permanent full-time positions (0.91 FTE) for initial implementation of Ballot Measure 114 (2022) and SB 243. Given the uncertainty surrounding BM 114 and any potential implementation timelines, a special purpose appropriation of \$12.2 million was also established to the Emergency Board for OSP. The Department may request funding from the Emergency Board for additional costs related to implementation of BM 114, should that be ruled constitutional.

Under Ballot Measure 114 (2022) and SB 243, OSP resourcing from the 2025-27 biennium will need to continue into the 2027-29 biennium. Next biennium, the Department anticipates needing additional staff resources to complete background checks for the application for the permit in addition to completing a background check every time a permit holder purchases a firearm, which is the work currently done today when an individual purchases a firearm. The cost of the additional staff, which are priced beginning on July 1, 2027, is based on the effective date of the measure:

- Four permanent full-time Public Service Representative 4 positions (4.00 FTE in 2027-29) to process the background investigations required for a PTP and two limited duration Public Service Representative 4 positions (2.00 FTE in 2025-27) to process the initial surge of PTP applications.
- Two limited duration Office Specialist 2 positions (2.00 FTE in 2027-29) to assist with administrative support functions.

In addition, OSP anticipates that the Automated Biometric Identification System unit, an existing unit, will need three additional permanent full-time Fingerprint Technician positions (3.00 FTE in 2027-29) to perform the increased volume of fingerprint-based checks that are required under this measure.

The PTP program would require changes and updates to existing information technology systems and the creation of a new information technology system to track the PTP applications and determinations, and the firearms the permit holder has had transferred to OSP. Additionally, OSP estimates \$4.5 million of anticipated expenses related to the required database. OSP reports that the majority of the database costs are one-time in 2027-29 the biennium, with an estimated \$3.5 million biennial costs for ongoing maintenance and hosting.

The estimated costs of these positions, including standard position-related services and supplies costs and one-time costs, is \$8 million General Fund in the 2027-29 biennium. While the measure will allow for OSP to retain a portion of fees starting on January 1, 2028, the initial amount received by OSP will be insufficient to support the program until potentially the 2029-31 biennium, thus requiring one-time General Fund support for the 2027-29 biennium. During the 2029-31 biennium, the positions, and associated program costs, will become funded by Other Funds from fee revenue, if fee revenue proves sufficient to support program activities.

#### Cities and Counties

The fiscal impact for cities and counties is indeterminate, including the current law under the ballot measure. With the requirement of local law enforcement and county sheriff's acting as the permit agency, depending on the volume of applicants in the respective city or county, those entities may need to develop and implement a permit application program which would require additional staffing and resources that would be paid for with the permit application and renewal fees received.

#### District Attorneys

The fiscal impact to the District Attorneys (DA) is indeterminate, including the current law under the ballot measure, but anticipated to be minimal. The new crime created by the measure may result in additional charges being pursued and filed by prosecution.

#### Oregon Judicial Department

The fiscal impact for the Oregon Judicial Department (OJD) is indeterminate, including the current law under the ballot measure. With the requirement for an individual to apply for a PTP before acquiring a firearm, OJD anticipates an increase in court filings for petitions of those who had their application or renewal denied or revoked. These petitions must be filed within 30 days of the receipt of the notice of denial or revocation and the court must hear and dispose the petitions within 15 judicial days of filing. Additionally, the new crime created by the measure may result in higher court costs. These additional court filings will be dependent, and variable, based on county enforcement of the new requirements. OJD is unable to estimate the impact of the measure at this time, but the measure is anticipated to increase costs once actual caseloads are identified.

#### Public Defense Commission

The fiscal impact to the Public Defense Commission (PDC) is indeterminate, including the current law under the ballot measure. The new crime created by the measure, as well as those defendants determined to be financially eligible for court-appointed counsel, may result in higher public defense costs. While PDC estimates the impact of the measure to be minimal, the actual number of eligible cases that do occur will be factored into future caseload forecasts by the Department of Administrative Services - Office of Economic Analysis.

#### Other entities

There is a minimal fiscal impact to the Department of Corrections and the Department of Justice and there is no fiscal impact to the Criminal Justice Commission, and the Oregon Youth Authority.

#### **Relevant Dates**

The measure declares an emergency and takes effect on passage.