

Legislative Council Staff

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Fiscal Note

Drafting Number:LLS 24-0282Date:February 28, 2024Prime Sponsors:Rep. Hernandez; EppsBill Status:House Judiciary

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Bill Topic:	PROHIBIT CERTAIN WEAPONS USED IN MASS SHOOTINGS			
Summary of Fiscal Impact:	☑ State Revenue☑ State Expenditure	☐ State Transfer ☑ TABOR Refund	□ Local Government □ Statutory Public Entity	
	The bill prohibits the manufacture, import, purchase, or sale assault weapons and rapid-fire trigger activators. Starting in FY 2024-25, the bill increases state and local workload, and state revenue on an ongoing basis.			
Appropriation Summary:	No appropriation is required.			
Fiscal Note Status:	The fiscal note reflects the introduced bill.			

Table 1 State Fiscal Impacts Under HB 24-1292

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue	General Fund	\$250,000	\$250,000
Expenditures		-	-
Transfers		-	-
Other Budget Impacts	TABOR Refund	\$250,000	\$250,000

Summary of Legislation

The bill prohibits the manufacture, import, purchase, or sale of assault weapons, as defined by the bill, and the possession or sale of rapid-fire trigger activators. Persons attempting to sell an assault weapon or rapid-fire trigger activator after July 1, 2024, are liable for a civil penalty of \$250,000 for the first item, and \$500,000 for each subsequent item. Exceptions are provided for the sale of remaining inventory after August 1, 2024, to nonresidents, and for military and peace officers, lawful transfers for maintenance, and forensic laboratories, among others.

Finally, the bill adds assault weapons to the list of firearms it is unlawful to provide to juveniles without parental or guardian consent.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

Prior conviction data. This bill creates new civil penalties in the criminal code and a new factual basis for an existing offense, as outlined below.

- Unlawful manufacture, import, purchase, or sale of assault weapons. This bill creates a new civil penalty for unlawful manufacture, import, purchase, or sale of assault weapons. To form an estimate on the prevalence of this new penalty, the fiscal note analyzed the existing offense of unlawful transfer of a firearm by a licensed dealer, a class 1 misdemeanor. From FY 2020-21 to FY 2022-23, two white females were convicted and sentenced for this offense.
- Unlawful possession of a rapid-fire trigger activator. This bill creates a new civil penalty for unlawful possession of a rapid-fire trigger activator. To form an estimate on the prevalence of this new penalty, the fiscal note analyzed the existing offense of unlawful possession of a large-capacity magazine, a class 2 misdemeanor. From FY 2020-21 to FY 2022-23, 129 persons were convicted and sentenced for this offense. Of the persons convicted, 127 were male and 2 were female. Demographically, 67 were White, 52 were Black/African American, 4 were Hispanic, 4 were Asian, 1 was American Indian, and 1 was classified as "Other."
- Unlawfully providing a firearm to a juvenile. This bill creates a new factual basis for the
 existing offense of unlawfully providing a juvenile a firearm other than a handgun, a class 1
 misdemeanor, by including assault weapons. From FY 2020-21 to FY 2022-23, five persons
 were sentenced and convicted for this offense. Of the persons convicted, two were male and
 three were female. Demographically, three were White, one was Black/African American, and
 one was Hispanic.

Assumptions. Based on the above data, the fiscal note makes the following assumptions on the prevalence of the new penalties and crimes.

- Assault weapons and rapid-fire trigger activators. Given the high penalty for violations, the low prevalence of the comparable crime, the fact that the civil penalty only applies to persons attempting sell these items rather than simply possessing them, and an assumption that most dealers will follow the law, this fiscal note assumes that there will be at least one civil penalty assessed for one of these prohibitions per year.
- Unlawfully providing a firearm to a juvenile. Based on the low average annual convictions for the comparable crime, this fiscal note assumes there will be minimal or no additional case filings for this existing offense.

Visit <u>leg.colorado.gov/fiscalnotes</u> for more information about criminal justice costs in fiscal notes.

State Revenue

Based on the assumptions above, the bill increases revenue to the General Fund by \$250,000 in FY 2024-25, and may increase revenue in FY 2025-26 and beyond. Revenue is from civil penalties under the bill. This fiscal note assumes that, similar to other civil penalties allowed by statute, civil penalties collected under the bill will be credited to the General Fund.

State Expenditures

The bill increases trial court workload in the Judicial Department. Depending on how cases are filed, the impact may vary. Overall, any increase in case filings is expected to be minimal. To the extent the Attorney General prosecutes any cases under the bill, workload will increase in the Department of Law. No change in appropriations is required for any agency.

Other Budget Impacts

TABOR refunds. The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the December 2023 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2025-26. Because TABOR refunds are paid from the General Fund, increased General Fund revenue will increase the TABOR refund obligation, but result in no net change to the amount of General Fund available to spend or save.

Local Government

Similar to the state, the bill increases workload and costs for district attorneys to the extent they file cases enforcing the new civil penalty under the bill. District attorney offices are funded by counties, with each county in a judicial district contributing based on its population.

Technical Note

The bill establishes a civil penalty for violations of the bill. Although the penalty is a civil penalty, the bill is adding it to the criminal code; therefore, this fiscal note assumes that district attorneys will bring enforcement actions under the bill.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

District Attorneys Judicial Law
Natural Resources

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.