

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5410-01
Bill No.: HB 1910
Subject: Education, Higher; Firearms
Type: Original
Date: January 27, 2016

Bill Summary: This proposal removes the current ban on carrying concealed firearms in higher education institutions, but allows institutions to ban concealed firearms under certain conditions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
College and University Funds	(Could exceed \$991,444,485)	(Could exceed \$940,909,615)	(Could exceed \$950,318,711)
Total Estimated Net Effect on <u>Other</u> State Funds	(Could exceed \$991,444,485)	(Could exceed \$940,909,615)	(Could exceed \$950,318,711)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 12 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight notes that currently in §571.107.1(10) firearms are prohibited from being carried at higher education institutions including those who have conceal and carry permits. This proposal would grant those with conceal and carry permits the right to carry firearms at higher education institutions unless the college or university submits for an exemption with Department of Public Safety. The exemption would prohibit the firearms even for those with conceal and carry as long as the higher education institution placed security personnel at each entrance with electronic weapons screening devices. The institutions would be required to screen each person entering the building and provide a safe place for firearms to be held while the person is in the building.

Oversight, in Table 1 on page 10 of this fiscal note, has provided a summary of the information provided by the institutions.

Officials at the **Department of Higher Education** assume there would be no fiscal impact on the department; however the institutions could have a large fiscal impact.

In response to similar legislation filed this year, SB 761, officials at the **Missouri Highway Patrol** assumed there is no fiscal impact from this proposal.

Officials at the **University of Missouri (UM)** assume this would result in a one-time initial equipment cost of \$55 million and \$575 million in annual operating costs. UM has:

Building Counts: 764 Buildings

567 Buildings/2,785 Doors operating 16 hours/day - six days/week

197 Buildings/544 Doors operating 24 hours/day - seven days/week

(Healthcare and Residential Life are included)

To meet the standards outlined in the proposal, UM would need to hire armed personnel and purchase the required equipment to include not only electronic screening devices but also adequate signage and secure weapons storage. All doors not equipped with electronic screening devices would require alarm systems to sound when the doors are opened, since code requires the doors to be operable from the interior for occupants to exit the building in the event of an emergency. Cameras would also be required at most doors. Access points would be designated as the entrance/exit for each building. The screening devices would be located at these entrances/exits. All users of the building would be required to use this entrance/exit to enter and depart from the building in routine operation. All other point of access would need to be alarmed at all times and monitored for breach, electronically and by on-site security personnel.

ASSUMPTION (continued)

FTE Estimate for Manned Entrances:

Benefit time	Hours/shift	Replacement hours/year
17 vacation days	x 8 hours/day	= 136 hours
8 holidays & given days	x 8 hours/day	= 64 hours
4 personal days	X 8 hours/day	= 32 hours
12 sick days	x 8 hours/day	= 96 hours
2 training days	X 8 hours/day	= 16 hours
	Total	= 344 hours to replace/year
	Annual Hours	344/2080=.165

Each FTE: $2080/1.165 = 1785$ hours per year. The estimated cost for each FTE is \$55,000 per year. This covers salary and benefits.

FTE Calculations, 16 hour/day buildings

Number of Doors	Hours/door/day	Number of days per week	Total Hours per Door per Year	FTE/Door	Total FTEs	Total FTE Cost
2,785	16	6	4,992	2.8	7,798	\$428,890,000

FTE Calculations, 24 hour/day buildings

Number of Doors	Hours/door/day	Number of days per week	Total Hours per Door per Year	FTE/Door	Total FTEs	Total FTE Cost
544	24	7	8,760	4.9	2,666	\$146,630,000

Total FTEs: 10,464

Total FTE Cost: \$575,520,000

Equipment Cost Estimate for Exterior Doors:

Equipment needed to meet the standard in the proposed legislation would require walk through style metal detectors, one handheld metal detectors and a multi-unit handgun storage locker at each door of the above doors.

ASSUMPTION (continued)

Equipment costs are based on the following estimates:

Walk through Metal Detector	\$4,000 per unit
Hand held Metal Detector	\$300 per unit
5 locker Handgun storage unit	<u>\$300 per unit</u>
Total	\$4,600 per unit

The total equipment cost for the 3,329 manned doors @ \$4,600 of \$15,313,400.

Doors not indicated to be manned as entrances, but are required for emergency exit will require alarms. 3,104 doors will require alarms at \$3,000 per door for a total cost of \$9,312,000.

All doors will require cameras: 6,022 doors @ \$5,000/door for a total cost of \$30,110,000.

Required signage is not included in the estimate.

Total Estimated Equipment Cost: \$54,735,400

Officials at the **University of Central Missouri (UCM)** assume this proposal would have a significant fiscal impact on UCM in the form of increased costs to maintain the current gun-free environment in its buildings through the measures mandated in this proposal, including an estimated \$554,400 in one-time equipment cost, and \$35,189,000 in annual personnel expense.

For 37 non-residential buildings on the main campus:

\$296,000 for 74 walk-through metal detectors @ \$4,000 per unit
\$ 33,300 for 111 handheld metal detectors @ \$300 per unit
\$ 11,100 for 37 multi-unit handgun lockers @ \$300 per unit

For 20 residence halls on the main campus:

\$160,000 for 40 walk-through metal detectors @ \$4,000 per unit
\$ 18,000 for 60 handheld metal detectors @ \$300 per unit
\$ 6,000 for 20 multi-unit handgun lockers @ \$300 per unit

\$30,000 to post premises regarding firearms restriction (114 locations on campus)

\$554,400 Total One-time Cost for Equipment

ASSUMPTION (continued)

Personnel - annual expenses

\$19,129,000 armed security personnel- non res. bldgs (9.4 FTE x 37 bldgs @\$55,000 per FTE)

\$16,060,000 armed security personnel - residence halls (14.6 FTE x 20 bldgs. @ \$55,000 per FTE)

\$35,189,000 Total Annual Personnel Expense

Officials at the **Metropolitan Community College (MCC)** assume they have 303 entry points that would require security. Based on our number of entry points and estimated manpower and equipment, as well as unknown additional costs that would result from this proposal, the approximate fiscal impact is \$113,082,591 - unknown.

Manpower:

2 Officers per entry point per each 8 hour shift (2 per day) = 4 officers per day

4 officers per day x each 8 hour shift = 32 work hours per day.

32 work hours per day x 6 days per week x 50.5 weeks per year (MCC is closed for 1.5 weeks at Christmas) = 9,696 man hours per entry point.

9,696 man hours per entry point x 303 entry points = 2,937,888 man hours

2,937,888 man hours / 2080 = 1,413 FTE

1,413 FTE (officers) at an annual cost of \$67,545 (Salary + Benefits) = \$95,441,085

To maintain necessary supervisory levels, an additional Sergeant position is needed per each 10 new officer positions.

1413 new officers / 10 = 142 (141.3)

142 FTE (sergeants) at an annual salary cost of \$73,233 (Salary + Benefits) = \$10,399,086

Total Salary + Benefits for 1,555 New Fte = \$105,840,171

Uniforms, Equipment and Training:

Uniform, equipment and training costs for a new officer = \$4,032

\$4,032 x 1,555 new FTE = \$6,269,760

Total Training Costs for 1,555 New Fte: \$6,269,760

Technology:

1 walk-through metal detector at each entry point = \$1,895 x 303 = \$574,185

Security wands (including rechargeable batteries) – 2 per entry point = \$165 x 2 x 303 = \$99,990

Gun lockers for each entry point (for temporary storage) = \$138 per locker x 303 = \$41,814

Installation of metal detector and gun lockers = \$300 x 303 = \$90,900

Total Equipment/technology: \$806,889

ASSUMPTION (continued)

Human Resources:

3 additional FTE in the Human Resources Department would be needed due to the substantial increase in employees as a result of SB 731. Currently, 3 FTE are responsible for processing payroll and 2 FTE are responsible for employee benefits for approximately 1,074 FTE. An increase of 1,555 FTE would result in the need for additional staff to process payroll and work with employee benefits. It is anticipated that an additional 2 FTE would be needed to process payroll and 1 FTE would be needed to handle insurance benefits.

2 Payroll Processing Specialists at an annual cost of \$55,257 (Salary + Benefits) = \$110,514

1 Benefit Specialist at an annual cost of \$55,257 (Salary + Benefits) = \$55,257

Total Human Resources: \$165,771

Additional Costs:

There would potentially be other overhead costs that we are unable to calculate at this time. For this reason, our range for this fiscal note will be \$113,082,591 - Unknown.

Total Estimated Costs to Apply for Waiver under SB 731: \$113,082,591 - Unknown

Officials at the **Missouri State University** assume this proposal would have a negative impact of more than \$45 million in ongoing expenses annually and approximately \$1 million in one-time expenses.

In response to similar legislation filed this year, SB 731, officials at the **Mineral Area College** assume they have four buildings on the main campus. In addition there are outreach centers located in Fredericktown, and Perryville, MO. The main consideration would be for the college to go to single entry points for each building. Managing multiple entry points would be fiscally impossible.

Based upon a Monday through Friday operation, with day and evening classes, we would have an additional staffing of:

Six buildings x two officers x two shifts per day totaling= 24 officers.

Six buildings x one officer x two shifts for patrol of non-entry doors =12 officers.

Base salary and benefits for an officer - \$39,760X 36 officers = \$1,431,360

Six walk-through metal detectors at \$4,200 = \$25,200

Twelve hand held metal detectors at \$198 = \$2,376

Six Multi-unit handgun lockers at \$300 = \$1,800

Uniforms and equipment - \$73,000

Total = \$1,533,736

ASSUMPTION (continued)

It should be noted that these are strictly salary and equipment costs. Additional considerations are extra personnel to cover sick time and vacations, maintenance and repair fees, uniform and equipment costs, and training. Campus housing has not been included in this equation due to the style of housing with separate outside entrances to each apartment. The campus housing office could be made single entry, but was also left out of the calculations.

In response to similar legislation filed this year, SB 731, officials at the **Missouri Western State University** assume the following costs for campus buildings:

Personnel-

Armed Building Officers 9.4 FTE (@\$48,965 per FTE) x 17 buildings = \$7,824,607

Equipment- 17 Campus Buildings

Equipment Costs are based on the following Quotes:

1. Walk through Metal Detectors @ \$3,624.99 each + Installation
2. Hand Held Metal Detectors @ \$199.00 each
3. Multi-Unit Handgun Storage Lockers @ \$767.65 each + Installation

Campus Buildings:

34 Walk Through Metal Detectors @ \$3,624.99 each = \$123,249.66

34 Installations of Metal Detectors @ \$1,500.00 each = \$51,000.00

34 Handheld Metal Detectors @ \$199.00 each = \$6,766.00

17 Multi-Unit Handgun Lockers @ \$767.65 each = \$13,050.05

17 Installations of Handgun Lockers @ 250.00 each = \$4,250.00

Total Equipment Cost for Campus Buildings: \$198,315.71

Total Cost for Campus Buildings: \$8,022,922.71

The following costs are for their residential Buildings:

Personnel-

Armed Building Officers.6 FTE (@48,965 per FTE) X 5 buildings= \$3,574,445

Equipment- 8 Residential Buildings

Equipment Costs are based on the following Quotes:

4. Walk through Metal Detectors @ \$3,624.99 each + Installation
5. Hand Held Metal Detectors @ \$199.00 each
6. Multi-Unit Handgun Storage Lockers @ \$767.65 each + Installation

Residential Buildings:

16 Walk Through Metal Detectors @ \$3,624.99 each = \$57,999.84

16 Installations of Metal Detectors @ \$1,500.00 each = \$24,000.00

16 Handheld Metal Detectors @ \$199.00 each = \$3,184.00

8 Multi-Unit Handgun Lockers @ \$767.65 each = \$6,141.20

ASSUMPTION (continued)

8 Installations of Handgun Lockers @ 250.00 each = \$2,000.00
Total Equipment Cost for Residential Buildings: \$93,325.04
Total Cost for Residential Buildings: \$3,667,770.04

Total Cost for Missouri Western State University St. Joseph Campus: \$11,690,692.

Officials at the **Northwest Missouri State University** assume the cost of 24.5 additional FTE and equipment and expenses costs. Salary and benefits of the FTE would be \$32,321,564 and equipment costs of \$1,740,000 for a total of \$34,061,564.

Officials at the **St. Charles Community College** assume an impact of \$5.3 million. The estimate is based on staffing 21 doors between the hours of 6 am and 10 pm, excluding Sundays and most holidays.

Officials at the **St. Louis Community College** assume that compliance with the requirements outlined will require hiring, equipping, and training 1,243 police officers and supervisors as well as the purchase, installation and maintenance of \$822,887 in technology.

The \$822,887 in technology would include the one time purchase and installation of permanent scanner technology and firearms storage capacity. It would require maintenance of this technology estimated to be \$48,694 in FY 2017 and \$51,129 in FY 2018.

The personnel costs include salary and benefits of \$113,084,000 annually.

Officials at the **State Technical College of Missouri** assume the impact is unknown.

Officials at the **Joint Committee on Administrative Rules** assume there is no fiscal impact from this proposal.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding

ASSUMPTION (continued)

for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Table 1 - Summary of Higher Education Institution Expenses

	One Time Equipment Expenses	On-going FTE expenses
University of Missouri	\$54,735,400	\$575,520,000
University of Central Missouri	\$554,400	\$35,189,000
Metropolitan Community College	\$806,889	\$112,275,702
Missouri State University	\$1,000,000	\$45,000,000
Mineral Area Community College	\$29,376	\$1,504,360
Missouri Western State University	\$113,161	\$11,399,052
Northwest Missouri State University	\$1,740,000	\$32,321,564
St. Charles Community College	not delineated	\$5,300,000
St. Louis Community College	\$871,581	\$113,084,000
TOTAL	\$59,850,807	\$931,593,678

Oversight notes that several colleges and universities did not provide an estimate of expenses to Oversight. Oversight will show the impact as Could exceed the estimate provided by those that responded.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Moberly Area Community College, Missouri Southern State University, Southeast Missouri State University, State Fair Community College, Three Rivers Community College and the Truman State University did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
COLLEGE & UNIVERSITY FUNDS			
<u>Cost</u> - one-time equipment expenses	(Could exceed \$59,850,807)	\$0	\$0
<u>Cost</u> - on-going personnel expenses	(Could exceed \$931,593,678)	(Could exceed \$940,909,615)	(Could exceed \$950,318,711)
ESTIMATED NET EFFECT ON COLLEGE & UNIVERSITY FUNDS	(Could exceed <u>\$991,444,485</u>)	(Could exceed <u>\$940,909,615</u>)	(Could exceed <u>\$950,318,711</u>)

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Currently, a concealed carry permit does not allow a person to carry concealed firearms into any higher education institution without the consent of the governing body of the institution or a school official.

This bill removes the prohibition on the carrying of concealed firearms into higher education institutions and instead provides a process for such institutions to apply to the Department of Public Safety for an exemption to the rule that concealed firearms may be carried on their property. If a higher education institution has received an exemption from the Public Safety Department and has posted the premises as being off-limits to concealed firearms as required by this act, then a person with a concealed carry permit is prohibited from carrying a concealed firearm on the property of the institution.

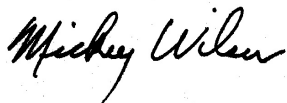
FISCAL DESCRIPTION (continued)

The bill requires the Department of Public Safety to grant an exemption for a higher education institution if the institution can demonstrate the permanent placement of security personnel and electronic weapons screening devices at each entrance to any building on the property, a requirement that security personnel screen each person entering the building for weapons, and a requirement that any weapons found be held by security personnel while the person is in the building.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education
Joint Committee on Administrative Rules
Metropolitan Community College
Mineral Area College
Missouri Highway Patrol
Missouri State University
Missouri Western State University
Northwest Missouri State University
Office of the Secretary of State
State Technical College of Missouri
St. Charles Community College
St. Louis Community College
University of Central Missouri
University of Missouri



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