

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0992H.02C
Bill No.: HCS for HB Nos. 548 & 898
Subject: Firearms; Business And Commerce
Type: Original
Date: April 15, 2025

Bill Summary: Modifies provisions relating to firearm suppressors.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	Could be less than \$26,212	Could be less than \$64,168	Could be less than \$87,269
Total Estimated Net Effect on General Revenue	Could be less than \$26,212	Could be less than \$64,168	Could be less than \$87,269

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government*	(Less than \$250,000)	(Less than \$250,000)	(Less than \$250,000)

* Unknown reduction in penalties and fines collected related to removal of firearm suppressor violations.

FISCAL ANALYSIS

ASSUMPTION

§§571.010, 571.020, 571.935, and 571.940 – Relating to firearm suppressors

Officials from the **Department of Corrections (DOC)** state HB 548 modifies provisions relating to firearm suppressors. Section 517.020 is modified to remove a firearm silencer from the list of weapon related items it is illegal to possess, manufacture, transport, repair or sell. These actions have the effect of removing a nonviolent class D felony offense.

As there is no way for the DOC to know how many offenses occurring under §571.020 included the use of a firearm silencer, there is little direct data on which to base an estimate, and as such, the department estimates an impact comparable to the removal of a standard nonviolent class D felony.

For each new nonviolent class D felony, the DOC estimates three people could be removed from prison and five from probation. The average sentence for a nonviolent class D felony offense is 5 years, of which 2.8 years would have been served in prison with 1.7 years to first release. The remaining 2.2 years would have been on parole. Probation sentences would have been 3 years.

The cumulative impact on the DOC is estimated to be 8 fewer offenders in prison and 22 fewer offenders on field supervision by FY 2030.

Change in prison admissions and probation openings with legislation-Class D Felony (nonviolent)

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
New Admissions										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	-3	-3	-3	-3	-3	-3	-3	-3	-3	-3
Probation										
Current Law	0	0	0	0	0	0	0	0	0	0
After Legislation	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5
Change (After Legislation - Current Law)										
Admissions	-3	-3	-3	-3	-3	-3	-3	-3	-3	-3
Probations	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5
Cumulative Populations										
Prison	-3	-6	-8	-8	-8	-8	-8	-8	-8	-8
Parole			-1	-4	-7	-7	-7	-7	-7	-7
Probation	-5	-10	-15	-15	-15	-15	-15	-15	-15	-15
Impact										
Prison Population	-3	-6	-8	-8	-8	-8	-8	-8	-8	-8
Field Population	-5	-10	-16	-19	-22	-22	-22	-22	-22	-22
Population Change	-8	-16	-24	-27	-30	-30	-30	-30	-30	-30

* If this impact statement has changed from statements submitted in previous years, it could be due to an increase/decrease in the number of offenders, a change in the cost per day for institutional offenders, and/or an increase in staff salaries.

If the projected impact of legislation is less than 1,500 offenders added to or subtracted from the department's institutional caseload, the marginal cost of incarceration will be utilized. This cost of incarceration is \$28.73 per day or an annual cost of \$10,485 per offender and includes such costs as medical, food, and operational E&E. However, if the projected impact of legislation is 1,500 or more offenders added or removed to the department's institutional caseload, the full cost of incarceration will be used, which includes fixed costs. This cost is \$100.25 per day or an annual cost of \$36,591 per offender and includes personal services, all institutional E&E, medical and mental health, fringe, and miscellaneous expenses. None of these costs include construction to increase institutional capacity.

DOC's cost of probation or parole is determined by the number of P&P Officer II positions that are needed to cover its caseload. The DOC average district caseload across the state is 51 offender cases per officer. An increase/decrease of 51 cases would result in a cost/cost avoidance equal to the salary, fringe, and equipment and expenses of one P&P Officer II. Increases/decreases smaller than 51 offender cases are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

	# to prison	Cost per year	Total Savings for prison	Change in probation & parole officers	Total cost for probation and parole	# to probation & parole	Grand Total - Prison and Probation (includes 2% inflation)
Year 1	(3)	(\$10,485)	\$26,212	0	\$0	(5)	\$26,212
Year 2	(6)	(\$10,485)	\$64,168	0	\$0	(10)	\$64,168
Year 3	(8)	(\$10,485)	\$87,269	0	\$0	(16)	\$87,269
Year 4	(8)	(\$10,485)	\$89,014	0	\$0	(19)	\$89,014
Year 5	(8)	(\$10,485)	\$90,794	0	\$0	(22)	\$90,794
Year 6	(8)	(\$10,485)	\$92,610	0	\$0	(22)	\$92,610
Year 7	(8)	(\$10,485)	\$94,462	0	\$0	(22)	\$94,462
Year 8	(8)	(\$10,485)	\$96,352	0	\$0	(22)	\$96,352
Year 9	(8)	(\$10,485)	\$98,279	0	\$0	(22)	\$98,279
Year 10	(8)	(\$10,485)	\$100,244	0	\$0	(22)	\$100,244

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by the DOC.

Officials from the **Office of Administration - Budget and Planning (B&P)** state this bill removes restrictions from §571.020 restricting the possession, manufacture, transportation, repair, or sale of firearm silencers. Article IX, Section 7 of the Missouri Constitution requires

that penalties, forfeitures, and fines collected for violations of state law be distributed to the schools. To the extent any such revenues are currently deposited into the state treasury, TSR may decrease.

Oversight assumes the proposal would result in a decrease in court fees and fine revenues paid to local governments. Oversight also assumes the reduction in court fees and associated fine revenues distributed to schools would be less than \$250,000 and not significantly impact school districts or counties. Oversight will present a negative loss of court fees and fine revenues to local governments for fiscal note purposes.

Officials from the **Office of the State Courts Administrator (OSCA)** state the House Committee Substitute for HB 548 may have some impact but there is no way to quantify that amount currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Officials from the **Office of Administration - Administrative Hearing Commission**, the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety (DPS)**, **Divisions of: Alcohol and Tobacco Control, Capitol Police, Fire Safety, Director's Office, Missouri Gaming Commission, Missouri Highway Patrol, Missouri Veterans Commission** and the **State Emergency Management Agency** the **Department of Social Services**, the **Office of the Governor**, the **Missouri Department of Agriculture**, the **Missouri Department of Conservation**, the **Missouri Ethics Commission**, the **Missouri Department of Transportation**, the **Missouri National Guard**, the **MoDOT & Patrol Employees' Retirement System**, the **Office of Administration**, the **Petroleum Storage Tank Insurance Fund**, the **Office of the State Treasurer**, the **University of Missouri System**, the **City of Kansas City**, the **City of Osceola**, the **Jackson County Board of Election Commissioners**, the **Kansas City Election Board**, the **Platte County Board of Elections**, the **St. Louis County Board of Elections**, the **Newton County Health Department**, the **Clay County Auditor**, the **Phelps County Sheriff**, the **County Employees Retirement Fund**, the **Kansas City Civilian Police Employees' Retirement**, the **Kansas City Police Retirement System**, the **Kansas City Public School Retirement System**, the **Public Education Employees' Retirement System**, the **Rock Community Fire Department Retirement Plan**,

the **Metropolitan St. Louis Sewer District**, the **Osceola Water/Wastewater District**, the **South River Drainage District**, the **St. Charles County Public Water Supply District #2**, the **Wayne County Public Water Supply District #2**, the **University of Central Missouri**, the **Office of the Lieutenant Governor**, the **Office of the State Auditor**, the **Missouri House of Representatives**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Public Employee Retirement**, **Legislative Research**, the **Oversight Division**, the **Missouri Senate**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Missouri Office of Prosecution Services**, the **Missouri State Employee's Retirement System** and the **State Tax Commission** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Office of the Secretary of State (SOS)** note 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 \$5,000. 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 its core budget. Therefore, the SOS reserves the right to request funding 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.

In response to the previous version of this proposal, officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

In response to the previous version of this proposal, officials from the **Office of the State Public Defender**, the **St. Louis City Board of Elections**, the **Lincoln County Assessor**, the **Sheriff's Retirement System**, the **Morgan County Public Water Supply District #2**, **Northwest Missouri State University**, the **Joint Committee on Education**, the **Mid-Continent Public Library** and the **Rolling Hills Consolidated Library** each assumed the proposal will have no fiscal impact on their respective organizations.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, local election authorities, various county officials, local public health agencies, nursing homes, sheriffs and police departments, fire protection districts, ambulance & EMS, retirement, schools, utilities, hospitals, colleges and universities, electric companies and coops, solid waste management districts and public libraries were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Savings</u> – DOC – (§517.020) - reduction in incarceration and probation/parole costs p.4	\$26,212	\$64,168	\$87,269
<u>Costs</u> – OSCA – (§517.020) - unknown costs relating to the removal of restrictions on firearm suppressors p.5	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>Could be less than \$26,212</u>	<u>Could be less than \$64,168</u>	<u>Could be less than \$87,269</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL GOVERNMENTS			
<u>Loss</u> – Reduction in fine revenues distributed to school districts (§571.020) p. 5	(Less than \$250,000)	(Less than \$250,000)	(Less than \$250,000)
<u>Loss</u> – Reduction in court fees paid to counties for violations (§571.020) p. 5	(Less than \$250,000)	(Less than \$250,000)	(Less than \$250,000)
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>(Less than \$250,000)</u>	<u>(Less than \$250,000)</u>	<u>(Less than \$250,000)</u>

FISCAL IMPACT – Small Business

This proposal would positively impact small businesses to the extent they engage in the trade of suppressors as commercial economic opportunities could increase. (§571.020)

FISCAL DESCRIPTION

Beginning August 28, 2025, possession, manufacture, transportation, repair, or sale of a firearm suppressor will no longer be a criminal offense. If a criminal action for this offense is still pending on August 28, 2025, the action must be dismissed on that date. Final convictions for this offense that existed prior to August 28, 2025, will not be affected. Beginning August 28, 2025, a

firearm suppressor that is manufactured in Missouri and remains in Missouri will not be subject to federal law or regulation, including registration, under the US Congress's authority to regulate interstate commerce.

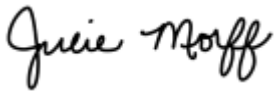
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office
Office of Administration –
 Administrative Hearing Commission
 Budget and Planning
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety –
 Alcohol and Tobacco Control
 Capitol Police
 Fire Safety
 Director's Office
 Missouri Gaming Commission
 Missouri Highway Patrol
 Missouri Veterans Commission
 State Emergency Management Agency
Department of Social Services
Office of the Governor
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Ethics Commission
Missouri Department of Transportation
Missouri National Guard
MoDOT & Patrol Employees' Retirement System
Office of Administration
Petroleum Storage Tank Insurance Fund
Office of the Secretary of State
Office of the State Public Defender

Office of the State Treasurer
University of Missouri System
City of Kansas City
City of Osceola
Jackson County Board of Election Commissioners
Kansas City Election Board
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Elections
Newton County Health Department
Lincoln County Assessor
Clay County Auditor
Phelps County Sheriff
County Employees Retirement Fund
Kansas City Civilian Police Employees' Retirement
Kansas City Police Retirement System
Kansas City Public School Retirement System
Public Education Employees' Retirement Systems
Rock Community Fire Department Retirement Plan
Sheriff's Retirement System
Metropolitan St. Louis Sewer District
Osceola Water/Wastewater District
Morgan County Public Water Supply District #2
South River Drainage District
St. Charles County Public Water Supply District #2
Wayne County Public Water Supply District #2
Northwest Missouri State University
University of Central Missouri
Office of the Lieutenant Governor
Office of the State Auditor
Missouri House of Representatives
Joint Committee on Administrative Rules
Joint Committee on Education
Joint Committee on Public Employee Retirement
Legislative Research
Oversight Division
Missouri Senate
Missouri Lottery Commission
Missouri Consolidated Health Care Plan
Missouri Office of Prosecution Services
Missouri State Employee's Retirement System

Office of the State Courts Administrator
State Tax Commission
Mid-Continent Public Library
Rolling Hills Consolidated Library



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