

OFFICE OF FISCAL ANALYSIS

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sHB-5540

AN ACT CONCERNING GHOST GUNS. AMENDMENT

LCO No.: 4692

File Copy No.: 591

House Calendar No.: 392

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Elections Enforcement Commission	Citizens' Election Fund - Transfer from	See Below	See Below
Various State Agencies	Various - Transfer to	See Below	See Below

Note: Various=Various

Municipal Impact: None

Explanation

The amendment strikes the underlying bill and its associated fiscal impact. It also eliminates the Citizens' Election Program (CEP), transfers funds for the Citizens' Election Fund (CEF) to both the General Fund (GF) and various other accounts, and establishes a school resource officer grant program.

Currently, the CEF has an approximate balance of \$23.5 million and anticipates an approximate escheat deposit of \$11.5 million in FY 19, bringing the total CEF balance to approximately \$35 million in FY 19. The escheat deposits occur and are adjusted annually in accordance with any change to the consumer price index (CPI).

Section 1 requires the annual CEF escheat deposit to be reallocated to various other funds and accounts beginning on January 1, 2019. As

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this provision occurs after the November 2018 elections, transfers to certain accounts will not occur until FY 20 as the FY 19 escheat deposit is anticipated to be expended.¹

The amendment requires an annual reallocation of \$2 million from the CEF escheats deposit to the Department of Emergency Services and Public Protection (DESPP) in order to support the statewide firearms trafficking task force.

The remainder of the escheat deposit is distributed to the State Department of Education (SDE), as outlined in **Section 25**, in order to fund certain grants to towns. This could result in a cost of up to \$11 million associated with SDE providing grants to towns, not to exceed the cost of one school resource officer, which a local or regional board of education employs as a new employee on or after January 1, 2019. It is estimated the average school resource officer salary is approximately \$65,000, annually. If all 169 towns applied for a grant, SDE could be responsible for distributing approximately \$11 million. The amendment distributes approximately \$9.5 million from the CEF to SDE for purposes of the grant program. The grant program is within available appropriations, if full funding to eligible towns is not available, SDE will prorate the grants to stay within the appropriation.

Section 24 requires all current funds in the CEF be transferred to the General Fund in FY 19. As this provision does not go into effect until after the November 2018 election grants have been expended, no remaining funds are anticipated to be in the CEF available for transfer.

Sections 2-23 and Section 26 have no additional fiscal impact.

¹ The FY 19 escheat deposit was intended to support the November 2020 elections. However, the CEP may use this deposit for the November 2018 elections if needed. Based on historical statewide elections which have incurred expenses of approximately \$33 - \$34 million, the CEF's current balance and the FY 19 deposit are anticipated to be required to fund the November 2018 election cycle grants.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.