

LEGISLATIVE FISCAL ESTIMATE

[Third Reprint]

ASSEMBLY, No. 2761

STATE OF NEW JERSEY 218th LEGISLATURE

DATED: MAY 31, 2018

SUMMARY

- Synopsis:** Reduces maximum capacity of ammunition magazines to 10 rounds.
- Type of Impact:** Annual State and Local Government Expenditure Increases.
Annual State and Local Government Revenue Increase.
- Agencies Affected:** Department of Law and Public Safety. Administrative Office of the Courts. Office of the Public Defender. Department of Corrections. County and Municipal Governments.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>
Annual Increase in State Costs and Revenue		Indeterminate	
Annual Increase in Local Costs and Revenues		Indeterminate	

- The Office of Legislative Services (OLS) anticipates that State, county, and municipal government law enforcement agencies, prosecutor's offices, courts, and penal institutions will incur indeterminate additional annual operating expenses from enforcing, prosecuting, and trying the criminal offenses established by the bill, and incarcerating any offenders.
- The State and local governments may receive indeterminate additional annual revenue from any fines and penalties imposed on and collected from individuals convicted of the offenses established by this bill.
- The OLS lacks sufficient information to quantify the bill's fiscal impacts. It is unclear how many persons will be prosecuted, tried, and sentenced annually for the unlawful possession of a firearm or magazine holding more than 10 rounds of ammunition following enactment.

BILL DESCRIPTION

This bill bans firearm magazines that hold more than 10 rounds of ammunition. Currently, magazines capable of holding up to 15 rounds of ammunition are legal in New Jersey.

Under the bill, a person who legally owns a firearm with either a fixed magazine capacity holding up to 15 rounds which is incapable of being modified to accommodate less rounds, or a firearm which only accepts a detachable magazine with a capacity of up to 15 rounds, and the firearm was purchased on or prior to the bill's effective date would be allowed to retain possession of that firearm provided it is registered with a law enforcement agency. In order to register the firearm, a person would be required to produce a valid firearms purchaser identification card, permit to carry a handgun, or permit to purchase a handgun.

If the owner of the firearm or magazine holding more than 10 rounds of ammunition chooses not to register, the bill allows for a 180-day grace period to transfer, voluntarily surrender, permanently modify, or make inoperable a semi-automatic rifle or magazine that will be unlawful under the bill. An heir or estate of an owner of a registered firearm would have 90 days after the owner's death to dispose of the firearm.

Certain exceptions are made for authorized retire police officers, firearms used in motion pictures, as well as exceptions made based on the type of firearm.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS anticipates that State, county, and municipal government law enforcement agencies, prosecutor's offices, courts, and penal institutions will incur indeterminate additional annual operating expenses from enforcing, prosecuting, and trying the criminal offense established by the bill, and incarcerating any offenders. Additionally, State and local governments may receive indeterminate additional annual revenue any fines and penalties imposed on and collected from individuals convicted of the offenses established by this bill.

Expenditure Increases: The OLS estimates that the bill will produce indeterminate annual expenditure increases to the State, counties, and municipalities.

The bill allows legal owners of firearms with fixed magazine capacities, or which only accept detachable magazines, of up to 15 rounds, and which cannot be modified to accommodate 10 rounds or less, to register those firearms with either the State Police Superintendent or the municipal law enforcement agency in which the applicant resides within one year. This may result in an increase workload by the Division of State Police or municipal law enforcement agencies.

The bill's establishment of a new crime of the fourth degree will increase the workload of the Division of Criminal Justice in the Department of Law and Public Safety, county prosecutor's offices, the Administrative Office of the Courts, the Office of the Public Defender, and municipal courts, as additional defendants will be prosecuted and tried. After initial arraignment, crimes of the fourth degree are adjudicated by the Superior Court. Given the lack of information regarding the number of future convictions of the new fourth degree crime established by the bill, the OLS cannot project the annual amount of related penalty assessments and collections.

A presumption of non-incarceration applies to first-time offenders of crimes of the fourth degree. Repeat offenders, however, could be incarcerated. The OLS notes that to the extent that

the bill will result in additional incarcerations, the Department of Corrections has indicated that the average estimated per capita cost to house an inmate in a State prison facility in FY 2016 totaled \$45,000. Department data also indicate that the marginal cost for food, wages and clothing for an additional prison inmate in its facilities totaled \$7.15 per day, or \$2,610 annually.

The OLS, however, cannot project the number of future prosecutions, trials, and incarcerations related to the crime established by the bill.

Revenue Gains: The OLS estimates that the bill will produce indeterminate annual revenue increases to the State and municipalities from any fines and penalties imposed on and collected from individuals convicted of the offenses established by this bill.

In revising the definition of an assault firearm to include semi-automatic rifles with a fixed magazine capacity exceeding 10 rather than 15 rounds, the possession of such firearms, if unlicensed or unregistered, is a second degree crime. Since a crime of the second degree is punishable by five to 10 years imprisonment, a fine of up to \$150,000, or both, the bill may cause indeterminate additional revenue from court-imposed fines.

In revising the definition of large capacity ammunition magazines as containers capable of holding more than 10 rather than 15 rounds, the bill makes possession of the magazines, if unregistered, a crime of the fourth degree. Fourth degree crimes are punishable by up to 18 months imprisonment, a fine of up to \$10,000, or both. Accordingly, the bill may cause State or local revenues from fine collections to increase by indeterminate amounts.

Section: Law and Public Safety

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This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).