



[SF 535](#) – Firearms Omnibus (LSB1852SV)
Staff Contact: Christin Mechler (515.250.0458) christin.mechler@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 535](#) relates to the acquisition and possession of weapons, and makes numerous changes to Iowa's existing weapons laws.

Division I

Division I provides that in order to acquire a pistol or revolver from a federally licensed firearms dealer, an unlicensed individual must either have a valid permit to acquire or valid permit to carry a weapon issued in compliance with Iowa Code chapter [724](#), or must satisfactorily complete a national instant criminal background check. The following individuals are prohibited from acquiring a pistol or revolver:

- Individuals under the age of 21, except for those who acquire a pistol or revolver when the person's duty requires.
- Persons convicted of a felony in a State or federal court.
- Individuals prohibited by court order from possessing, shipping, transporting, or receiving a firearm.

An individual who is denied a license to acquire a pistol by the issuing party may appeal the denial with administrative law judge under Iowa Code section [724.21A](#). Additionally, the Bill prohibits the transfer of a firearm to another person who does not possess a permit, if the person knows or reasonably should know that the recipient is prohibited from receiving or possessing a firearm, and that a person shall not loan or rent a firearm to another person for temporary use during lawful activities, if the person loaning the weapon knows or reasonably should know that the recipient is prohibited from receiving or possessing a firearm under State or federal law. A person who violates this provision commits a Class D felony.

Division II

Division II removes the provision that prohibits a person other than a peace officer from openly carrying a pistol or revolver in the Iowa State Capitol building, State parking lots and parking garages unless the individual displays a valid permit to carry weapons upon request of Capitol security personnel. Division II also eliminates the existing penalty for carrying a dangerous weapon, and provides that a person who goes armed with a dangerous weapon on or about the person, and uses the dangerous weapon in the commission of a crime is guilty of an aggravated misdemeanor. The Bill also allows the following individuals, among others, to carry or transport a firearm on school property:

- A person who has been specifically authorized by the school to carry or transport a firearm for a lawful purpose.
- A peace officer, including a peace officer who has not been certified and a federal officer when the officer's employment requires going armed, regardless of whether the officer is on duty.
- A member of the U.S. Armed Forces or National Guard, when the weapon is carried in connection with the member's official duties.

- A correctional officer, as part of the officer's official duties.
- A person who for any lawful purpose carries an unloaded pistol, revolver, or other firearm inside a closed and fastened container or securely wrapped package that is too large to be concealed.

Division II also allows emergency medical care providers to obtain a professional permit to carry weapons if the provider is attached to a law enforcement tactical team and undergoes training as required in the Bill. An emergency medical care provider must also apply and undergo a criminal history background check prior to receiving a professional permit to carry weapons.

Division III

Division III relates to handgun safety training. Senate File 535 requires the Department of Public Safety (DPS) to adopt rules to approve organizations that may certify an individual as an instructor eligible to offer certain handgun safety training courses. The rules also require the department to charge a fee to cover the costs necessary to maintain a list of approved organizations and certified instructors. Additionally, Division II also requires the DPS to maintain an area on the Department's website related to the certification of handgun safety training instructors.

Division IV

Division IV extends to the prohibition that bars a political subdivision from enacting an ordinance, motion, resolution, policy, or amendment regulating the ownership possession, legal transfer, lawful transportation, modification, registration, or licensing of firearms and firearm attachments, or other weapons when the ownership, possession, transfer, transportation, or modification is otherwise lawful to include carrying firearms and firearm attachments, and other weapons.

Division V

Division V relates to the possession and storage of a firearm by a tenant in the context of leasing certain property. The Division provides that if a landlord receives certain federal rental assistance payments, the rental agreement subject to the tenant's lease is prohibited from including a provision or rule that requires the tenant to agree to prohibited or restricted ownership, use, or possession of a firearm, firearm component, or ammunition with the tenant's dwelling unit.

Division V also provides that except in cases of willful, reckless, or gross negligence, a landlord is not liable in a civil action for personal injury, death, property damage, or other damages resulting from or arising out of an occurrence involving a firearm, firearm component, or ammunition. Additionally, the Bill states that the storage or possession of a firearm alone does not constitute a clear and present danger.

Background

Current law stipulates that any person who intends to purchase a pistol or revolver is required to first obtain an annual permit unless the person is exempt from doing so. A person who acquires ownership of a pistol or revolver without a valid permit to do so, or a person who transfers ownership of a pistol or revolver to a person who does not have a valid permit is guilty of an aggravated misdemeanor.

Under current law, rules promulgated by the Department of Administrative Services require a person to display a permit to carry upon request of State Capitol security guards, if the individual chooses to carry in the Capitol building, parking garages and parking lots. Additionally, under current law, any individual who goes armed with, carries, or transports a firearm on the grounds of a school is guilty of a Class D felony.

An aggravated misdemeanor is punishable by confinement for no more than two years and a fine of at least \$855 but not more than \$8,540. A Class D felony is punishable by confinement for no more than five years and a fine of at least \$1,025 but not more than \$10,245.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends, prisoner length of stay (LOS), revocation rates, plea bargaining, and other criminal justice system policies and practices.
- A lag effect of six months is assumed from the effective date of this Bill to the date of first entry of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Data provided by the Criminal Juvenile Justice Division (CJJP) of the Department of Human Rights related to convictions under Iowa Code section [724.4](#) includes data on the crime of carrying or acquiring a firearm without a permit and going armed with a dangerous weapon. It is not possible to parse out the data for the individual conviction rate. The data provides an aggregate total of both convictions and is not duplicative.
- For estimating purposes, it is assumed under current law that the number of convictions under Iowa Code section [724.4](#) will total 600 annually beginning in FY 2022.
- For estimating purposes, it is assumed under current law that the number of convictions under Iowa Code section [724.4B](#) will total four annually beginning in FY 2022.
- It is assumed that any property and employee liability insurance claims arising out of the expansion of the group of persons allowed to carry a firearm on school grounds will likely be covered by existing school liability insurance policies.
- The DPS estimates that it will lose fee revenue from the removal of the requirement to obtain a permit to acquire or carry weapons.

Correctional Impact

Divisions I and II

Except as stated below, Divisions I and II will have a positive correctional impact. This Division decriminalizes acquiring or carrying a pistol or revolver without a permit. In FY 2019, there were 631 aggravated misdemeanor convictions under Iowa Code section 724.4. It is estimated that beginning FY 2022, there will be a reduction of 600 convictions annually. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 22, 2021, for information related to the correctional system.

Division I, Section 3: This section provides that a penalty for the transfer of ownership of a pistol or revolver to a person that the transferor knows or should reasonably know is prohibited from acquiring ownership of a pistol or revolver remains unchanged and as a result, is not estimated to have a correctional impact.

Division II, Section 9: This section may have a positive correctional impact as it expands the group of individuals allowed to carry a firearm on school grounds. In FY 2019, there were four

Class D felony convictions under Iowa Code section 724.4B. It is estimated that beginning FY 2022, there may be a reduction of four convictions annually.

Divisions III, IV, and V are not estimated to have a correctional impact.

Minority Impact

Divisions I and II

Except as stated below, Divisions I and II will have a positive minority impact. In FY 2019, of the total 631 convictions under Iowa Code section 724.4, 170 (26.9%) were African American. In FY 2019, Caucasian and African Americans comprised 90.2% and 3.6% of the total Iowa population, respectively. This indicates a conviction rate for African Americans that exceeds the population proportion of the State. The decriminalization of acquiring or carrying a pistol or revolver without a permit will lead to a decrease in the disproportionate minority impact. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 27, 2021, for information related to minorities in the criminal justice system.

Division I, Section 3: This section does not change the existing penalty for the transfer of ownership of a pistol or revolver to a person who the transferor knows or should reasonably know is prohibited from acquiring ownership of a pistol or revolver. The penalty remains unchanged and as a result, is not estimated to have a minority impact.

Division II, Section 9: This section will also have a positive minority impact. In FY 2019, of the total four convictions under Iowa Code section 724.4B, two were African American. In FY 2019, Caucasian and African Americans comprised 90.2% and 3.6% of the total Iowa population, respectively. This indicates a conviction rate for African Americans that exceeds the population proportion of the State. The expansion of the group of individuals allowed to carry a firearm on school grounds may lead to a decrease in the disproportionate minority impact.

Divisions III, IV, and V are not estimated to have a minority impact.

Fiscal Impact

Divisions I and II

Divisions I and II are estimated to have a positive fiscal impact on the correctional system. The Divisions will reduce the number of convictions under Iowa Code section 724.4 as it strikes the penalty associated with acquiring or carrying a firearm without a permit. **Table 1** provides the estimated range of costs for a single aggravated misdemeanor conviction. The estimates include operating costs incurred by the Judicial Branch, the State Public Defender, and the DOC for one additional conviction. The cost would be incurred across multiple fiscal years for prison and parole supervision.

Table 1 — Average State Cost Per Offense Class Type

Offense Class	Total Minimum Cost	Total Maximum Cost
Aggravated Misdemeanor	\$ 3,700	\$ 7,800

The estimated cost reduction to the Justice System associated with decriminalizing acquiring or carrying a pistol or revolver without a permit or going armed with a dangerous weapon will range from \$2.2 million to \$4.7 million annually.

The elimination of the requirement to obtain a permit to acquire or carry a firearm will lead to a reduction in permit fee revenue. In FY 2019, the DPS approved a total of 5,980 initial and renewal permits. These permits are valid for a five-year cycle. Although the exact fiscal impact

resulting from the loss of permit revenue cannot be estimated at this time, it may have a significant impact on the Department's operating budget.

Section 9 of Division II may also have a positive fiscal impact as this Section will reduce the number of convictions under Iowa Code section 724.4B as it expands the group of individuals allowed to carry a firearm on school grounds. **Table 2** provides the estimated range of costs for a single Class D felony conviction. The estimates include operating costs incurred by the Judicial Branch, the State Public Defender, and the DOC for one additional conviction. The cost would be incurred across multiple fiscal years for prison and parole supervision.

Table 2 — Average State Cost Per Offense Class Type

Offense Class	Total Minimum Cost	Total Maximum Cost
Class D Felony	\$ 7,700	\$ 13,500

The estimated positive fiscal impact of expanding the group of individuals allowed to carry a firearm on school grounds may range from \$30,800 to \$54,000 annually.

Division III

Division III requires the DPS to adopt rules to approve organizations that may certify an individual as an instructor eligible to offer certain handgun safety training courses. The rules also require the department to charge a fee to cover the costs necessary to maintain a list of approved organizations and certified instructors. Based on similar projects, the DPS estimates that startup costs for providing a database of certified handgun safety training organizations and instructors to range from \$75,000 to \$100,000 in the first year of implementation, with subsequent years incurring an estimated maintenance cost of \$25,000 annually. It is possible that fees collected by the Department from approving certified organizations and instructors may offset some of the ongoing maintenance costs; however, the fee revenue cannot be determined at this time.

Division IV

The fiscal impact of Division IV cannot be determined at this time. It is unknown if any political subdivisions will need to adjust existing regulations regarding carrying firearms and what costs may be associated with these adjustments.

Division V

Division V is not expected to have a fiscal impact.

Table 3 summarizes the correctional, minority, and fiscal impact of SF 535.

Table 3 — Impact Summary, SF 535

Division	Correctional Impact	Minority Impact	Fiscal Impact
Division I — Acquiring Pistols and Revolvers/Permits	Yes – Positive impact as estimated, reduction of 600 convictions.	Yes – Will result in a decrease in the disproportionate minority impact.	Justice System – cost reduction range of \$2.2 to \$4.7 million annually due to fewer convictions.
Division II — Possession on School Grounds	Yes – Positive impact as estimated, reduction of 4 convictions .	Yes – May lead to a decrease in the disproportionate minority impact.	DPS – loss of permit fee revenue unknown but may impact budget. Justice System – cost reduction range of \$30,800 to \$54,000 annually due to fewer convictions.
Division III — Handgun Safety Training	No.	No.	DPS – Certified handgun safety training database cost: \$75,000 to \$100,000 first year costs and annual \$25,000 thereafter. May be offset by fee revenue but extent of revenue cannot be determined at this time.
Division IV — Firearm Regulation by Political Subdivisions	No.	No.	Cannot be determined at this time.
Division V — Possession & Storage by a Tenant	No.	No.	No.

Sources

Legislative Services Agency
 Department of Corrections
 Criminal and Juvenile Justice Planning Division, Department of Human Rights
 Department of Public Safety
 Iowa State Association of Counties
 Iowa League of Cities

/s/ Holly M. Lyons

March 12, 2021

Doc ID 1216142

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.