



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

December 4, 2017

H.R. 38 **Concealed Carry Reciprocity Act of 2017**

As ordered reported by the House Committee on the Judiciary on November 29, 2017

H.R. 38 would allow persons who are licensed to carry concealed firearms in their state of residence to carry concealed handguns in other states if those states have a permitting process for individuals seeking to carry a concealed firearm. CBO estimates that implementing the bill would have no significant cost to the federal government.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 38 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 38 would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by preempting some state laws that limit the ability of nonresidents to carry concealed weapons. Laws allowing individuals to carry concealed weapons vary from state to state and range from allowing nonresidents to carry concealed weapons without a permit to requiring residents to complete training and meet other conditions before obtaining a permit, or even prohibiting nonresidents from carrying concealed weapons altogether. Some states recognize permits issued by other states and some do not. If enacted, the bill would require states that currently do not recognize other state permits for nonresidents to do so. The costs for states to comply with that mandate would include the cost to change protocols and train law enforcement officers.

The bill also could result in the loss of revenue for some states. Currently, some states issue permits to nonresidents and charge fees ranging from \$20 to \$300 for those permits. If this bill is enacted and individuals have a permit to carry concealed weapons from their resident state, they would no longer need to purchase nonresident permits in other states they visit.

CBO estimates the total costs for states to comply with the preemption, including the training costs for law enforcement and the lost revenue from the nonresident permit fees, would not exceed the threshold established in UMRA (\$78 million in 2017, adjusted annually for inflation).

H.R. 38 contains no private-sector mandates as defined in UMRA.

The CBO staff contacts for this estimate are Mark Grabowicz (for federal costs) and Rachel Austin (mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.