

Department of Legislative Services
 Maryland General Assembly
 2012 Session

FISCAL AND POLICY NOTE

House Bill 1135 (Delegate Vitale)
 Judiciary

Public Safety - Handgun Permits - Qualifications

This bill establishes 45 days as the timeframe within which the Secretary of State Police must issue a handgun permit to an applicant, instead of within a “reasonable time.” The bill also expands the circumstances under which a handgun permit must be issued by including a person who (1) is not prohibited from possessing a regulated firearm; (2) is not an illegal alien; (3) has not been dishonorably discharged from the armed services; (4) does not have a pending criminal charge for which an imprisonment sentence of more than one year may be imposed; and (5) has, unless exempted, completed a certified firearms safety training course that meets the standards set by the Police Training Commission.

The bill repeals one current law finding that must be made by the Secretary of State Police for the issuance of a handgun permit, *i.e.*, that the applicant has a good and substantial reason to wear, carry, or transport a handgun, such as a finding that the permit is necessary as a reasonable precaution against apprehended danger.

Fiscal Summary

State Effect: General fund revenues increase by \$101,300 in FY 2013 and general fund expenditures increase by \$1.1 million. Future years reflect annualization, inflation, renewal automobile purchases, and the licensure issuance and renewal cycle.

(in dollars)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
GF Revenue	\$101,300	\$135,000	\$202,500	\$225,000	\$225,000
GF Expenditure	\$1,116,700	\$1,010,500	\$1,077,300	\$1,304,700	\$1,176,400
Net Effect	(\$1,015,500)	(\$875,500)	(\$874,800)	(\$1,079,700)	(\$951,400)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Meaningful. It is assumed that the bill would lead to increased handgun sales in the State.

Analysis

Current Law: To be issued a permit to carry a handgun by the Secretary of State Police, an applicant (1) must be 18 or older; (2) must not have been convicted of a felony or misdemeanor for which a sentence of imprisonment for more than one year has been imposed or, if convicted, must have been pardoned or been granted relief under federal law; (3) if the person is younger than 30, must not have been committed to a facility for juveniles for longer than one year or adjudicated delinquent for a crime of violence, a felony, or misdemeanor that carries a statutory penalty of more than two years; (4) must not have been convicted of a controlled dangerous substance violation and must not presently be an addict, a habitual user of a controlled dangerous substance, or an alcoholic; (5) must not exhibit a propensity for violence or instability which may reasonably render possession of a handgun a danger to the applicant or another; and (6) must have a good and substantial reason to wear, carry, or transport a handgun. “Good and substantial reason” includes a finding that the permit is necessary as a reasonable precaution against apprehended danger.

A handgun permit application costs \$75; two years after the initial permit, a \$50 renewal fee is due and every three years thereafter. In addition, the applicant must pay for fingerprint-based federal and State criminal history background checks for initial applications and renewals.

Among other requirements that apply to an applicant to purchase, rent, or receive a regulated firearm (after January 1, 2002), the individual must have completed a certified firearms safety training course that the Police Training Commission conducts without charge or that meets the standards of the Police Training Commission. An individual is not required to complete a certified firearms training course if such a training course has already been completed or if the individual:

- has already completed a certified firearms safety training course;
- is a law enforcement officer of the State or any local law enforcement agency in the State;
- is a member, retired member, or honorably discharged member of the armed forces of the United States or the National Guard;
- is a member of an organization that is required by federal law governing its specific business or activity to maintain handguns and applicable ammunition; or
- holds a permit to carry a handgun.

Background: There are about 14,000 active handgun permits in Maryland. The Maryland State Police (MSP) has denied on average 214 applications each year since 2009 on the basis of a finding that the person did not have a good and substantial reason to wear, carry, or transport a handgun. Maryland's Criminal Justice Information System Central Repository must collect the fee from the applicant, or other payer, and reimburse the Federal Bureau of Investigation (FBI) through that agency's monthly billing.

Since 2009, MSP received an average of 1,786 initial applications and 2,082 renewal applications per year. Renewal applications from retired law enforcement personnel are included in those totals. It currently takes on average less than two days to receive the results of a national criminal history records check from the FBI.

State Revenues: Legislative Services assumes that this bill will double initial applications annually, and also provide an operational difficulty for the State Police to meet the 45 day deadline for the issuance of handgun permits. The bill specifies five additional qualifiers for the issuance of a permit. According to the State Police, it now takes about 135 days to process, investigate, and issue a permit.

Accordingly, assuming an increase of about 1,800 permit applications per year beginning in fiscal 2013, general fund revenues attributable to MSP for handgun permits will increase by \$101,250 in fiscal 2013, accounting for the bill's October 1, 2012 effective date (1,350 permits). In fiscal 2014, the increase will be \$135,000 due to annualization. In fiscal 2015, the additional revenue will be \$202,500, reflecting 1,800 initial applications and 1,350 renewal applications. After fiscal 2015, the additional annual permit application revenue (including renewals) will be \$225,000.

The State Police have estimated that the bill would increase initial applications to at least 15,000 in fiscal 2013 and by an annual average increase of 10,000 initial applications and renewals annually, thereafter. However, MSP has not provided a credible explanation for such a sizable increase. Legislative Services advises that, since 2008, MSP has overestimated the potential increase in applications resulting from the bill.

State Expenditures: General fund expenditures increase by an estimated \$1.1 million in fiscal 2013, which accounts for the bill's October 1, 2012 effective date. This estimate is primarily based on the need to speed up all permit issuances to occur with a 45-day window, rather than the estimated current 135 day (reasonable time) issuance. It reflects the cost to hire six full-time troopers and three administrative officer/investigators to process and issue the additional handgun permit applications, review and issue renewal permits, and prepare information relating to hearings. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	9
Salaries and Fringe Benefits	\$691,767
Motor Vehicle Purchases and Operations	359,805
Additional Police and Civilian Equipment	40,365
Other Operating Expenses	<u>24,785</u>
Total FY 2013 State Police Expenditures	\$1,116,722

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses and automobile replacement costs in fiscal 2016.

Legislative Services assumes that the bill's new qualifiers for a handgun permit could reasonably be handled expeditiously by the State Police through the fingerprint-based Criminal Justice Information System (CJIS) data derived from a report of arrest (RAP) sheet for an individual, which contains a chronological history of an individual's arrests, convictions, and sentences.

It is also assumed that verification that an applicant is not an illegal alien would be handled in a manner similar to the Motor Vehicle Administration's methods under requirements of the federal Real ID Act and State law. This would mean that all handgun permit applicants would be required to establish their lawful presence in the United States by producing one of the following identity documents: valid U.S. passport, certified copy of a birth certificate, Consular Report of Birth Abroad issued by the U.S. Department of State, Permanent Resident Card issued by the Department of Homeland Security (DHS), employment authorization document issued by DHS, foreign passport with valid U.S. visa affixed, Certificate of Naturalization, Certificate of Citizenship issued by DHS, or such other documents as DHS may designate.

A similar approach could be used to establish military discharge status by requiring the handgun applicant to include discharge papers, if applicable, with an application.

The Police Training Commission advises that completion of a certified firearms safety training course is already required for a person to purchase a handgun. However, in circumstances where the handgun permit applicant is not the purchaser of the weapon – such as when the purchaser is an employer of the applicant and the handgun is necessary for the job – the permit applicant may not have completed such a course. In such cases, it is assumed that knowledge of the safety course requirement may delay the permit application itself. It is not an absolute bar to a person making the permit application.

MSP has advised that the bill will result in 15,000 additional handgun permit applications in fiscal 2013, and 10,000 new and renewal applications annually, thereafter. Based on those numbers, MSP believes the bill will necessitate the hiring of 2 sergeants, 8 administrative officers, 6 civilian office clerks, and 24 first class troopers assigned by region (at a total cost, including equipment and overtime, of about \$6.2 million in fiscal 2013). Legislative Services advises that such an increase of new handgun permit applications in year one from current levels of about 1,800 per year to 15,000 is unlikely.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of State Police, Department of Public Safety and Correctional Services, Department of Legislative Services

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