

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 276

(Senator Klausmeier, *et al.*)

Judicial Proceedings

Judiciary

Public Safety - Handgun Permits - Expiration

This bill authorizes the Secretary of State Police to establish an alternative expiration date for a permit to carry, wear, or transport a handgun to coincide with the expiration of the holder's handgun qualification license (HQL), if the permit holder has been issued a specified license, registration, or commission as a private detective, a security guard, or a special police officer.

Fiscal Summary

State Effect: The bill allows for the alignment of the term for a handgun permit with the term of an HQL also issued by the Department of State Police (DSP). *Under one set of assumptions*, general fund revenues from handgun permit renewal fees decrease by up to \$61,450 in both FY 2020 and 2021 due to the change in the term of the initial permit.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law:

Handgun Qualification License

Chapter 427 of 2013 (the Firearm Safety Act of 2013) created a new licensing scheme for handguns under the licensing authority of DSP. An HQL authorizes a person to purchase, rent, or receive a handgun. A licensed firearms manufacturer, a specified active or retired law enforcement officer, a member or retired member of the U.S. Armed Forces or the

National Guard, and a person purchasing, renting, or receiving an antique, curio, or relic firearm (as defined under federal law) are exempt from the requirements of the licensing provisions.

The Secretary of State Police must apply for a State and national criminal history records check for each applicant. As part of the application for a criminal history records check, the Secretary must submit one complete set of fingerprints of the applicant.

The application fee for an HQL is to cover administrative costs and may be up to \$50. (DSP has set the fee at \$50.) The term of the license is 10 years. License renewal fees are set at up to \$20. (DSP has set the renewal fee at \$20.) Generally, the Secretary of State Police must issue an HQL to a person who (1) is at least age 21; (2) is a State resident; (3) has completed a firearms safety training course; and (4) is not prohibited by federal or State law from purchasing or possessing a handgun.

The Secretary may issue an HQL without an additional application or fee to a person who meets the requirements for the issuance of a handgun permit who does not already have an HQL.

Wear, Carry, and Transport Permit

Generally, with certain exceptions, to be issued a permit to carry, wear, or transport 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) 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; (4) must not exhibit a propensity for violence or instability which may reasonably render possession of a handgun a danger to the applicant or another; (5) must have successfully completed, prior to application and each renewal, a specified firearms training course approved by the Secretary; (6) if 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; and (7) 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. The Secretary may limit the geographic area; circumstances; or times of day, week, month, or year in which a permit is effective.

A handgun permit expires on the last day of the holder’s birth month following two years from the date of issuance. A handgun permit application costs \$75; two years after the initial permit and every three years thereafter, a \$50 renewal fee is due. In addition, the

applicant must pay for fingerprint-based federal and State criminal history background checks for initial applications and renewals.

The Secretary may not charge a fee to (1) a State, county, or municipal public safety employee who is required to carry, wear, or transport a handgun as a condition of governmental employment or (2) a retired law enforcement officer of the State or a county or a municipal corporation of the State.

Each individual subject to a criminal history records check (CHRC) is required to pay \$52.75 for a State and national CHRC, which includes a \$20 fingerprinting fee, a \$14.75 FBI fee, an \$18 fee to the Criminal Justice Information System (CJIS) Central Repository within the Department of Public Safety and Correctional Services (DPSCS). CJIS collects, manages, and disseminates Maryland Criminal History Record Information for criminal justice and noncriminal justice (*e.g.*, employment and licensing) purposes. CJIS is a fingerprint-supported system for positive identification.

Private Detective: Under the Maryland Private Detectives Act, the Secretary of State Police is responsible for the licensing of private detective agencies and the certification of individuals who provide private detective services in the State. Agency license terms are staggered. Agency license renewals may occur every three years, at a cost of \$200 if the applicant is an individual, and \$400 if the applicant is a firm.

Security Guard: The Secretary of State Police is also responsible for the licensing of security guard agencies and the certification of individual security guards. Agency license terms are staggered. Agency license renewals may occur every three years, at a cost of \$200 if the applicant is an individual, and \$400 if the applicant is a firm.

Special Police Officer: A special police officer holds a commission granted by the Governor. The Secretary of State Police must investigate the character, reputation, and qualifications of each applicant for a special police officer commission. The employer of an applicant for a commission must submit the application form, a complete set of the applicant's legible fingerprints, a fee to cover the cost of the fingerprint record, and an application fee of \$100, to cover the cost of the investigation. Application fees for special police commissions may not be charged to a unit of the State. An initial commission expires two years after the date of issuance and is renewable for a three-year term under specified conditions.

State Revenues: Because the Secretary may issue an HQL without an additional application or fee to a person who meets the requirements for the issuance of a handgun permit who does not already have an HQL, this analysis assumes that all private detectives, security guards, and special police officers that have been issued handgun permits also have been issued HQLs. The bill gives the Secretary the authority to modify the *initial* term of a handgun permit to be 10 years instead of the current 2-year term set in statute.

However, the bill does not modify the statutory fee cap (the initial permit fee is set at the statutory maximum of \$75); thus, the Secretary is not able to make a proportionate increase in the fee for an initial handgun permit. The bill also does not modify the term of the *subsequent* handgun permit renewals to align with the HQL renewal schedule – the subsequent handgun permit renewal schedule remains at 3 years. In any event, to the extent the *initial* term for a handgun permit is changed, general fund fee revenues are affected, but the timing of any such impact is unknown.

For illustrative purposes, this analysis assumes that the Secretary exercises the authority to make the initial handgun permit term the same as the HQL term (10 years) for individuals certified as security guards, licensed as private detective agencies, or commissioned as special police officers. According to DSP, in 2014, 1,000 security guards, 29 private detectives, and 200 special police officers applied for an initial handgun permit. Assuming that these numbers are relatively constant each year, the impact of the bill is delayed receipt of \$61,450 in renewal permit fees: \$50,000 for security guards (1,000 security guards x \$50 renewal fee), \$10,000 for special police officers (200 x \$50 renewal fee), and \$1,450 for private detectives (29 private detectives x \$50 renewal fee).

HQLs were first issued in fiscal 2014; thus, the first HQLs will not be renewed until fiscal 2024. To the extent the Secretary exercises the bill's authority to align initial handgun permit renewals to coincide with the expiration of permit holders' HQLs, general fund revenues decrease due to permit holders having up to eight additional years in their initial term without any proportionate increase in that initial permit fee. If, because of the bill's October 1, 2016 effective date, this change were delayed for implementation until fiscal 2018, there would not be an impact until fiscal 2020 because revenues would be collected as they normally are for initial permits in fiscal 2017, 2018, and 2019. Individuals issued initial handgun permits in fiscal 2018 would not pay for their renewal permits until fiscal 2024 at the earliest (assuming those individuals received their HQLs in 2014). Thus, during the five-year period covered by this fiscal and policy note, general fund revenues could decrease by up to \$61,450 annually in fiscal 2020 and 2021.

Additional Information: The bill may allow an *initial* handgun permit applicant to hold a handgun permit well beyond the term of his or her certification as a security guard, license as a private detective, or commission as a special police officer.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of State Police, Department of Legislative Services

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