

TESTIMONY OF THE CRITICAL ISSUES FORUM: ADVOCACY FOR SOCIAL JUSTICE OF MONTGOMERY COUNTY, MARYLAND ON FEBRUARY 14, 2024, BEFORE THE SENATE BUDGET AND TAXATION COMMITTEE IN SUPPORT OF SENATE BILL 784, REGARDING THE COMPREHENSIVE COMMUNITY SAFETY FUNDING ACT

Honorable Chair Guy Guzzone, Vice-Chair Jim Rosapepe, and Members of the Committee:

The Critical Issues Forum: Advocacy for Social Justice (CIF) provides this testimony in support of SB 784, which would impose a tax on dealer receipts from the sale of firearms, firearms accessories, and ammunition in order to address costs associated with the use of these products.

This funding mechanism is a fair and logical approach to partially address the high financial toll that firearms exact on injured individuals, on our health care system, and on entities seeking to prevent and address gun violence. The bill directly allocates the money raised to established state programs that fund these critical needs.

CIF is a coalition of three synagogues, Temple Beth Ami, Kol Shalom, and Adat Shalom, that include over 1,750 households and three denominations of Judaism: Reform, Conservative, and Reconstructionist. CIF serves as a vehicle for our congregations to speak out on policy issues, such as gun violence prevention, that relate to our shared values, including the Jewish traditions that emphasize the sanctity and primary value of human life.

The severity of Maryland's gun violence problem is undeniable. According to the most recent statistics compiled by Everytown for Gun Safety, Maryland suffers an average of 796 firearm fatalities each year and the rate of gun deaths rose over 50% from 2012 to 2022.¹ Perhaps the most disturbing element of this crisis is its effect on our children. Firearms are the leading cause of death in children and youth ages 1 to 21 in Maryland and the United States, surpassing injuries and death from motor vehicle crashes.²

¹ https://www.everytown.org/state/maryland/

² CDC Wisqars On-line Causes of Injury-Related Death Data Base, Violence-related Firearm Deaths; Both Sexes; Age Range: 1 – 21; All Races and Ethnicity; US and Maryland; 2021.

In addition, each year, an average of 1362 people are reported wounded by firearms in the state.³ The cost of this carnage is not only human suffering. The estimated cost of medical care associated with gun violence averages approximately \$30,000 per person in the first year following the injury.⁴ An Urban Institute study of firearm injuries in six states found that in each state, more than sixty percent of the hospital costs were incurred by people either without insurance or with public insurance and that, on average, the government offsets about sixty-five percent of medical providers 'uncompensated care.⁵ Using these figures, the cost to the government of treating injured gunshot victims in Maryland is over \$16,000,000.

Of course, the financial burden of gun violence extends far beyond the cost of treating the injured. The police must respond, the courts must adjudicate, community and social services must attempt to curb and address this issue, and individuals and their families suffer significant financial setbacks. One assessment of the total annual cost of gun violence in the state of Maryland put the average cost per resident at \$1,731 per year.⁶

Economists have a term for "social costs that are not taken into account by private decision makers" – "negative externalities."⁷ The most common example of a negative externality is pollution, a problem our governments actively address in a variety of ways. Importantly, government action that shifts at least some of the cost of negative externalities to the private decision-makers who cause them increases economic efficiency because "by imposing costs on others, negative externalities encourage inefficient behavior."⁸

The use of an excise tax to address the costs associated with firearms sales is not new. Since 1919, the federal government has had a similar excise tax in place on guns and ammunition.⁹ Revenues from this 11% excise tax go to the Wildlife Restoration Fund administered by the Fish & Wildlife Service, which distributes grants to states for wildlife conservation and programs to teach safe hunting practices.¹⁰

More recently, in 2023, the California legislature passed AB 28, which creates an 11% state excise tax on all guns, ammunition, and gun parts sold by licensed gun dealers in the state. The California law, as is true of the SB 784, is carefully targeted to address the costs of gun

https://firearmslaw.duke.edu/2023/10/californias-new-excise-tax-on-guns-ammunition

³ https://www.everytown.org/state/maryland/

⁴ Marylanders to Prevent Gun Violence Fact Sheet. https://mdpgv.org/resources/

⁵ Brunson, Samuel D., "Paying for Gun Violence" (2019). Minnesota Law Review. 3239. <u>https://scholarship.law.umn.edu/mlr/3239</u>, p 610 (Brunson)

⁶ https://www.everytown.org/state/maryland/

⁷ Brunson at 612-13.

⁸ Ibid at 613.

⁹ 26 USC Section 4181(a), see Duke Center for Firearms Law,

ownership. It includes a Gun Violence Prevention and School Safety Fund, funding for firearms relinquishment, and victims' compensation.¹¹

The excise tax on firearms and ammunition sales contained in SB 784 is also carefully targeted to shift a small amount of the costs of gun ownership from those harmed by it to the firearms industry. Specifically, section 2-4B-02 provides that, after money is allocated to pay for the administration of the tax, it would be apportioned to already existing state entities and funds that directly address gun violence – the Maryland Trauma Physician Services Fund, the Shock Trauma Center at the University of Maryland, the Violence Intervention and Prevention Program Fund, the Survivors of Homicide Victims Grant Program, and the Center for Firearms Violence Prevention and Intervention.

By allocating excise tax money to priorities that the state has already identified to deal with the specific costs associated with gun violence, this bill shifts a small amount of the huge cost of gun violence from taxpayers who have been paying the government's share and to victims who have been uncompensated to the firearms industry. The bill also dovetails with Governor Moore's effort to coordinate the state's efforts to combat gun violence by creating a Center for Firearms Violence Prevention, pending as SB 475. CIF also supports that legislation.

The crisis of gun violence in our state must be addressed in a variety of ways, including keeping firearms out of the hands of dangerous individuals, promoting safe practices, preventing violence at the community and individual level, and treating and compensating the injured. The firearms industry must be part of this effort, and SB 784 provides one small measure in that direction.

For these reasons, CIF recommends a favorable report on SB 784.