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Budget and Taxation Committee

Subcommittees

Capital Budget

Pensions

Chair, Public Safety,
Transportation, and Environment

Joint Committee on the Chesapeake and
Atlantic Coastal Bays Critical Area

Chair, Joint Subcommittee on
Program Open Space/Agricultural
Land Preservation

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 14, 2024

**Testimony in Favor of SB 784
Comprehensive Community Safety Funding Act**

Chairman Guzzone, Vice-Chair Rosapepe, and members of the Budget and Taxation Committee,

I respectfully request a favorable report of Senate Bill 784 which will establish an excise tax on dealers of guns and ammunition, the revenue from which will fund Maryland's world-class Trauma Centers, violence intervention programs, and gun violence research.

Throughout 2023, I served as the Senate representative on the Commission to Study Trauma Funding. Alongside my House counterpart Delegate Emily Shetty, I partnered with trauma physicians from across Maryland to examine the current funding formula which provides funding to Trauma Centers, identify gaps and needs, and craft a report for the General Assembly with recommended updates. As a result of these discussions, we learned that Trauma Centers are facing a significant funding deficit in the coming years, requiring an adjustment to the Fund to ensure continuity of services.

Currently, the Fund generates revenue by receiving a portion of vehicle registration fees. At the time of the establishment of the Fund formula in 2014, vehicular accidents were overwhelmingly the leading cause of trauma services in Maryland. In the 10 years since the formula was established, the University of Maryland Medical System Shock Trauma Center reports that the number of patients they treat with gunshot wounds has doubled, rising from 4.9% in 2013 to 10% in 2023. Research indicates that these numbers statewide may be even greater; Everytown reported that the rate of gun deaths in Maryland increased 54% from 2012 to 2021 compared to the national increase rate of 39%¹. On average, someone is killed with a gun every 12 hours in Maryland, averaging 12.4 gun deaths per 100,000 residents and making Maryland the 30th highest gun death rate in the nation²

Maryland is enduring an epidemic of gun violence, and Marylanders are footing the bill. A 2018 study by the Giffords Law Center found that gun violence in Maryland results in a direct measurable cost of over \$1.3 billion per

¹ <https://everystat.org/wp-content/uploads/2019/10/Gun-Violence-in-Maryland-2.pdf>

² <https://giffords.org/lawcenter/gun-violence-statistics/>

year, \$294 million of which is funded entirely by taxpayer dollars. When indirect costs impacting communities is considered, Maryland sees an estimated loss of \$3.6 billion per year due to gun violence³.

These costs are further exacerbated in Trauma Centers because the complex nature of treating gunshot wounds requires multiple medical specialties needed immediately to treat patients. Throughout the Commission's meetings, physicians explained that Trauma Centers must have doctors and specialists on standby in the hospital in order to act quickly in treating emergent patients. This means that this team of doctors must be paid to be on site at Trauma Centers, a cost greater than on-call physicians which are off campus, but prepared to come to the hospital on short notice. Gunshot victims do not have the luxury of time to wait for a medical team to arrive at the hospital, and as a result, Trauma Centers experience higher standby costs than typical hospitals.

With the rise in gun-related crime comes an increased need for proactive solutions. Governor Moore recently established the Maryland Center for Firearm Prevention and Intervention, the only such center in any state nationwide. Maryland's Violence Intervention and Prevention Program provides proactive, community-centered programming to stop gun violence before it starts. The Survivors of Homicide Victims Grant Program offers financial support to the families of victims of homicide as they navigate the unexpected and endure the unbearable. As incidents of gun violence increase, these programs become in higher demand and encounter capacity and funding challenges that impede on their ability to serve the influx of Marylanders in need of support.

Senate Bill 784, the Comprehensive Community Safety Funding Act, will ensure that the proactive and responsive solutions to gun violence are paid for by the gun and ammunition industry. SB 784 establishes an excise tax of 11% on the gross profits of gun and ammunition dealers. To be clear - this is not a sales tax on Marylanders purchasing guns and ammunition. It does not inhibit or prohibit Marylanders from purchasing guns and ammunition.

The language of SB 784 very intentionally puts the responsibility of this tax squarely on the shoulders of gun and ammunition dealers, whose profits are not constitutionally protected. Maryland taxpayers have been carrying the burden of paying for the gun violence epidemic themselves, and it is long overdue for the industry itself to contribute to the solution.

The Fiscal Note for SB 784 indicates that this excise tax will generate \$18.7 million in annual revenue in FY26, increasing to \$24.3 million annually by FY29, all of which will be directed toward proactive and responsive solutions to gun violence in Maryland. SB 784 establishes a waterfall structure for funding, with programs funded at specific percentages of the total revenue amount in order by priority. Beneficiaries of this funding include:

- 44% to the Maryland Trauma Physicians Services Fund.
- 29% to the R Adams Cowley Shock Trauma Center at the University of Maryland Medical System.
- 23% to the Violence Intervention and Prevention Program within the Governor's Office of Crime Control and Prevention.
- 2% to the Survivors of Homicide Victims Grant Program within the Governor's Office of Crime and Prevention and Policy.
- 2% to the proposed Center for Firearm Violence Prevention and Intervention, which would operate within the state Department of Health.

The largest portion of funding goes toward trauma centers to support the life-saving care they provide to victims of gun violence in the immediate aftermath. Each of the subsequent programs provide critical services to Maryland communities as they take action to prevent gun violence and heal in the aftermath of experiencing this violence. Collectively, this group of recipients represent Maryland's holistic approach to combating gun violence, ensuring

³ <https://giffords.org/press-release/2018/02/md-gv/>

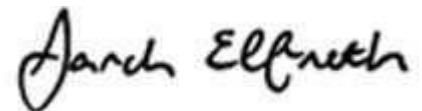
immediate and comprehensive support to Marylanders on the worst days while simultaneously taking action within communities to prevent incidents of gun violence from occurring.

You will no doubt hear arguments today that responsible gun owners should not have to pay for the prevention or the aftermath of gun violence. But I humbly ask you to consider our original mechanism for funding both the University of Maryland Medical System Shock Trauma Center and the Trauma Physicians Fund. Not every driver will cause or be the victim of a traffic accident. But every driver is at risk of doing so - and, thankfully, every driver has a greater chance of surviving that accident because of Maryland's life-saving trauma system that their registration fees helped to fund.

My neighbors and constituents in District 30 have experienced the horrors of gun violence far too frequently, from the mass murder of journalists at the Capital Gazette to the sound of shots fired down the block from their homes on a near weekly basis. As their representative, it is my duty to ensure that we as a State are doing everything in our power to protect and support constituents from this ever growing danger. SB 784 is Maryland's opportunity to take decisive action by holding the gun and ammunition industry accountable for their role in this epidemic and ensuring a fair share of their profits meaningfully address the violence caused by their products.

I urge a favorable report on Senate Bill 784.

Sincerely,

A handwritten signature in black ink that reads "Sarah Elfreth". The signature is written in a cursive, flowing style.

Senator Sarah Elfreth
District 30