

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 91 (Senator Haines)
Judicial Proceedings

Handguns - Wearing, Carrying, or Transporting - Permits

This bill eliminates the requirement that a person have a “good and substantial reason” for getting a handgun permit.

Fiscal Summary

State Effect: Indeterminate but potentially significant increase in general fund revenues and expenditures.

Local Effect: None.

Fiscal Analysis

Background: Under current law, a handgun permit application costs \$75; a \$50 renewal is required every two years. There are 18,192 people in Maryland licensed to carry a handgun. In 1995 the State Police issued 2,870 initial handgun permits.

State Effect: Based on information from the Department of State Police, the Department of Fiscal Services estimates that it costs \$189 to process a handgun permit application and issue a license. As the fee for a handgun permit is \$75, it costs the State Police an estimated \$114 per application. This includes salaries, fringe benefits, equipment, and administrative costs. The renewal application fee of \$50 equals the cost.

The State Police estimate that elimination of the requirement that a person have a “good and substantial reason” for carrying a firearm will lead to an increase of 1,329 applications in fiscal 1997. At a net cost of \$114 per application, and accounting for the October 1, effective date, general fund expenditures could exceed revenues by \$113,600 in fiscal 1997 or \$151,500 on an annual basis. The State Police estimate this increase would grow by 46.3%

annually. The Department of Fiscal Services advises that any such increase would depend upon the actual number of permit applications and cannot be reliably estimated at this time.

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

Fiscal Note History: First Reader - March 11, 1996

ncs

Analysis by: Robert C. Bates

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710