

**Department of Legislative Services**  
 Maryland General Assembly  
 2002 Session

**FISCAL NOTE**

House Bill 605 (Delegate Amedori, *et al.*)  
 Judiciary

**Citizens' Protection Act of 2002**

This bill alters current law provisions relating to handgun permits in Maryland.

**Fiscal Summary**

**State Effect:** General fund revenues would decrease by about \$215,500 in FY 2003 for the State Police and special fund revenues would decrease by \$17,300 for the Department of Public Safety and Correctional Services (DPSCS). Out-year revenue losses reflect annualization. General fund expenditures would increase by \$404,000 in FY 2003. Out-years reflect annualization, inflation, and renewal automobile purchases. The estimates shown here do not fully reflect potential revenue losses or additional costs that would arise from eliminating applicant payment of criminal record check fees.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
GF Revenue	(\$215,500)	(\$287,400)	(\$287,400)	(\$397,100)	(\$397,100)
SF Revenue	(17,300)	(23,000)	(23,000)	(23,000)	(23,000)
GF Expenditure	404,000	308,900	320,200	398,800	344,300
Net Effect	(\$636,800)	(\$619,300)	(\$630,600)	(\$818,900)	(\$764,400)

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

**Local Effect:** None.

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

## Analysis

**Bill Summary:** This bill eliminates the requirements that a person have a “good and substantial reason” for getting a handgun permit and not exhibit “a propensity for violence or instability.” However, it prohibits permits for people who have been in-patient psychiatric patients for more than three days or have been convicted of sex crimes, spousal assault, or child abuse. The bill requires an applicant for a handgun permit to complete a handgun instruction course or demonstrate proficiency with a firearm and requires that an applicant be at least 21 years old. The bill eliminates a requirement that handgun permit applicants pay for “fingerprint card record checks.”

In addition, the Department of State Police is required to issue a permit within 90 days, must approve handgun courses, and may not place restrictions on handgun permits. Fees, fines, and permit durations are also altered so that: (1) the cost of a new application is increased from \$75 to \$80; (2) permit renewal fees are decreased from \$50 to \$25; (3) the permit renewal cycle is increased from three years to four years; (4) the permit duplication fee is increased from \$10 to \$15; and (5) a late fee of \$15 is authorized to be charged. The bill also allows a person with a valid handgun permit from another state to carry a handgun in Maryland.

The bill may not be construed to require the registration, documentation, or provision of serial numbers of any handgun owned by the holder of a permit. However, the bill requires the Secretary of State Police to maintain an automated listing of holders of permits that must be available, upon request, at all times to all law enforcement agencies only.

The bill establishes that possession of a valid permit issued under the bill will constitute sufficient evidence of a background check required under federal law.

The provisions of the bill apply to the re-issue or replacement of any permit to wear, carry, or transport a handgun that was originally issued under the law prior to the October 1, 2002 effective date of the bill.

The bill also establishes that persons under the age of 21, but who are at least 18 years of age and who are currently permitted under law to wear, carry, or transport handguns will be grandfathered in under the provisions of this bill until October 1, 2005.

**Current Law:** A person may not wear, carry, or transport a handgun unless the person qualifies under an express exemption or has been issued a permit to carry a handgun. Current exemptions include law enforcement personnel of the United States, of Maryland, or of any county or city of Maryland.

To be issued a permit to carry a handgun by the Secretary of State Police, an applicant: (1) must be 18 years of age 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 years of age, must not have been committed to a facility for juveniles for longer than 1 year or adjudicated delinquent for a crime of violence, a felony, or misdemeanor that carries a statutory penalty of more than 2 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 himself or other law-abiding person; 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; every three years a \$50 renewal is required.

**Background:** Currently, 42 states permit citizens to carry concealed weapons with a permit under certain circumstances. Details of concealed weapons laws vary greatly among localities, but most approaches fall into two categories. One of these categories is a discretionary system called "may issue" licensing, where legal authorities grant licenses only to those citizens who can establish a compelling need for carrying a concealed handgun. The other system is a non-discretionary one called "shall issue" licensing. Under this system, legal authorities must provide a license to any applicant who meets specific criteria. Twenty-nine states have enacted "shall issue" laws. Thirteen states have enacted "may issue" laws. Maryland's current law is a "may issue" law because law enforcement has the discretion to issue permits. Seven states prohibit the carrying of concealed weapons by private citizens: Illinois, Kansas, Missouri, Nebraska, New Mexico, Ohio, and Wisconsin. Vermont does not require a permit to carry a concealed weapon.

As of December 2001, there were approximately 52,700 people in Maryland licensed to carry a handgun. The State Police issues an average of 1,786 initial handgun permits annually. There are about 17,567 annual renewals of permits based on the current three-year renewal cycle. The average number of duplicate permits issued is 60 annually. It currently takes a minimum of 60 to 90 days to receive the results of a national criminal history record check from the Federal Bureau of Investigation (FBI).

**State Fiscal Effect:** The State Police estimate that elimination of the requirements that a person have a "good and substantial reason" for carrying a firearm and not show a "propensity for violence or instability," and eliminating restrictions on permits, will

double the annual applications, even after accounting for a small decrease since people age 18 through 20 will no longer be eligible.

Assuming that under the bill an additional 1,786 permit applications are received (for a total of 3,572 annually) and one-third (17,567) of existing permits will be renewed (until all current 3-year permits expire), general fund revenues attributable to the State Police for handgun permits would decrease by \$215,518 in fiscal 2003 accounting for the bill's effective date. In fiscal 2004 and 2005 revenues would decrease by \$287,357, and in fiscal 2006 and beyond the decrease would be \$397,148 due to the renewal revenues being attributable to the new four-year cycle (or 13,175 annual renewals rather than 17,567) calculated at the reduced renewal fee.

The State Police would realize some minimal increases in revenue due to the bill's changes relating to late fees and the issuance of duplicate permits, but the total annual income from such sources is expected to be less than \$5,000 annually. Although initial permit and renewal applications are estimated to remain relatively constant for the next several years, Legislative Services assumes that at some unknown time in the future, handgun permit applications will reach a saturation point. However, any such leveling off of permit applications cannot be reliably quantified.

The total maximum cost of criminal history record checks and fingerprinting is \$52, which includes State and national background checks. Maryland's Criminal Justice Information System (CJIS) Central Repository is authorized by law to collect the \$18 fee established for Maryland Criminal History Record Checks. There is also normally a \$10 fee for fingerprint cards (\$5 for each hand). The FBI charges a fee of \$24 for a national criminal history record check. The CJIS Central Repository must collect the fee from the applicant, or other payer, and reimburse the FBI through that agency's monthly billing.

The bill requires applicants to submit fingerprints but does not permit the State Police to recover a fee to run a criminal history records check. If the State Police continues to run criminal history record checks on permit applicants, expenditures would increase by \$42 for each license application. Approximately \$75,012 was collected from handgun permit applicants in fiscal 2001 and forwarded to the Information Technology and Communications Division (ITCD) of DPSCS as cost recovery payments for criminal history record checks. While the State Police believe that this feature of the bill eliminates the current requirement for criminal history record checks, it is not entirely clear whether this bill would require the State Police to bear those costs, or whether the costs would be eliminated altogether. If the State Police would have to bear the costs of continuing criminal history background checks, expenditures for the State Police would also increase by about \$75,000.

ITCD reports that various federal agencies submit requests for State criminal record checks and, pursuant to federal law, will only pay an amount for those checks equal to the lowest amount charged by the State. This bill would reduce that lowest amount to \$0, thereby eliminating about \$23,000 in annual special fund income for ITCD. For fiscal 2003 that loss would be about \$17,250. It is also noted that it is unclear under this bill as to which agency would be responsible for the \$24 cost that the FBI charges for national criminal record checks.

The State Police is required to establish an automated list of handgun permit holders and to make the list available to any law enforcement agency. Currently, this database is stored on file cards and other forms of paper. While computer capacities for the State Police are currently being upgraded, this bill would require additional computer programming as well as data entry. While the cost of such a system cannot be reliably estimated at this time, it is assumed to be significant. In addition, the bill requires the State Police to mail a renewal notice to each permit holder at least 90 days before the permit expires.

General fund expenditures could increase by an estimated \$404,048 in fiscal 2003, which accounts for the bill's October 1, 2002 effective date. This estimate reflects the cost of six positions (three State troopers, one fiscal clerk, one civilian data device operator, and one clerk typist) to process and issue the additional initial handgun permit applications, establish and maintain an automated list of handgun permit holders, prepare information relating to hearings, and perform the functions associated with approving handgun courses. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$241,319
Other Operating Expenses	<u>162,729</u>
<b>Total FY 2003 Administrative Expenditures</b>	<b>\$404,048</b>

Future year expenditures reflect: (1) full salaries with 3.5% annual increases and 3% employee turnover; (2) 1% annual increases in ongoing operating expenses; and (3) trooper automobile replacement costs in fiscal 2006.

---

### **Additional Information**

**Prior Introductions:** Similar bills have been introduced in recent years. In 2001, HB 806 received an unfavorable report from the House Judiciary Committee. In 2000, HB

597 was not reported from the House Judiciary Committee. In 1999, HB 736 received an unfavorable report from the House Judiciary Committee.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 13, 2002  
lc/cer

---

Analysis by: Guy G. Cherry

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510