

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

## FISCAL AND POLICY NOTE

House Bill 1061 (Delegate Frank, *et al.*)  
Judiciary

**Public Safety - Denial of Permit to Carry Handgun - Return of Application Fee**

This bill requires the refund of a handgun permit application fee to an applicant who has been denied a permit by the State Police.

## Fiscal Summary

**State Effect:** Annual general fund revenue loss of about \$7,500. Expenditures would not be affected.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
GF Revenue	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)	(\$7,500)

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

**Local Effect:** None.

### **Small Business Effect:** None.

## Analysis

**Current Law:** To be issued a permit to carry 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) if the person is 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; (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 another; 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; two years after the initial permit, a \$50 renewal fee is due and every three years thereafter. In addition, the applicant must pay for fingerprint-based federal and State criminal history background checks. At a cost of \$42 for the initial application (plus \$10 for the fingerprint cards) and \$24 for renewals (covering a federal recheck only).

**Background:** There are about 12,000 active handgun permits in Maryland. The State Police denies about 250 applicants per year on the basis of a finding that the person did not have a good and substantial reason to wear, carry, or transport a handgun. Maryland’s Criminal Justice Information System Central Repository must collect the fee for a criminal history check from the applicant, or other payer, and reimburse the Federal Bureau of Investigation (FBI) through that agency’s monthly billing.

In 2006, the most recent complete year for which data is supplied by the Department of State Police, the State Police received 5,881 initial and renewal applications: 2,085 initial applications, 2,653 renewal applications, and 1,143 initial and renewal applications from retired law enforcement personnel. It currently takes an average of 30 to 45 days to receive the results of a national criminal history records check from the FBI.

**State Revenues:** Of the 5,881 initial and renewal applications for handgun permits in 2006, there were 104 denials. All involved initial applications, which represents a denial rate of about 5% of the initial applications and about 1.8% of all applications. About half of those denials were based on criminal background issues and half for a failure to provide a good and substantial reason for the permit.

Assuming about 100 denials per year, and assuming that all would involve initial applications, this bill would result in a general fund loss of about \$7,500 annually.

It is noted that the State Police believe that this bill could lead to a significant increase in permit applications. Legislative Services advises that such an eventuality is unlikely and is based, in part, on two unwarranted assumptions: (1) that the General Assembly may eliminate the need for a good and substantial reason for a permit (HB 2); and (2) that a person would be emboldened to resubmit an application simply because fee was returned.

Legislative Services advises that the \$7,500 annual loss cited above is based on current law and that a permit application denied for lack of a good and substantial reason or because of an unfavorable finding in a criminal history background check would not spur a reasonable person to try again simply because the fee was returned without either of those reasons for denial being overcome.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

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