

Department of Legislative Services
 Maryland General Assembly
 2016 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 301
 Judiciary

(Delegate Malone, *et al.*)

Public Safety - Handgun Qualification License - Application Fee

This bill reduces the maximum application fee for a Handgun Qualification License (HQL) from \$50 to \$25.

Fiscal Summary

State Effect: General fund revenues decrease by an estimated \$384,400 in FY 2017 due to the reduction in the application fee. Future year estimates are annualized and reflect a 2% growth in the number of HQL applications submitted. State expenditures are not affected.

| (in dollars) | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|--------------|-------------|-------------|-------------|-------------|-------------|
| GF Revenue | (\$384,400) | (\$522,800) | (\$533,300) | (\$543,900) | (\$554,800) |
| Expenditure | 0 | 0 | 0 | 0 | 0 |
| Net Effect | (\$384,400) | (\$522,800) | (\$533,300) | (\$543,900) | (\$554,800) |

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Chapter 427 of 2013 (the Firearm Safety Act of 2013) created a new licensing scheme for handguns under the licensing authority of the Department of State Police (DSP). An HQL authorizes a person to purchase, rent, or receive a handgun. A licensed firearms manufacturer, a specified active or retired law enforcement officer, a member or retired member of the U.S. Armed Forces or the National Guard, and a person

purchasing, renting, or receiving an antique, curio, or relic firearm (as defined under federal law) are exempt from the requirements of the licensing provisions.

The Secretary of State Police must apply for a State and national criminal history records check for each applicant. As part of the application for a criminal history records check, the Secretary must submit one complete set of fingerprints of the applicant.

The application fee for an HQL is to cover administrative costs and may be up to \$50. (DSP has set the fee at \$50.) The term of the license is 10 years. License renewal fees are set at up to \$20. (DSP has set the renewal fee at \$20.) Generally, the Secretary of State Police must issue an HQL to a person who (1) is at least age 21; (2) is a State resident; (3) has completed a firearms safety training course; and (4) is not prohibited by federal or State law from purchasing or possessing a handgun.

The firearms safety training course must include (1) a minimum of four hours of instruction by a qualified handgun instructor; (2) classroom instruction on State firearm law, home firearm safety, and handgun mechanisms and operation; and (3) a firearms orientation that demonstrates that the person can safely operate and handle a firearm. An applicant is not required to complete an approved firearms safety training course if the applicant has previously completed a certified firearms training course, has completed a hunting safety course prescribed by the Department of Natural Resources, is currently a qualified handgun instructor, is an honorably discharged member of the U.S. Armed Forces or the National Guard, is a certain employee of an armored car company, or lawfully owns a regulated firearm. Renewal applicants are not required to complete the firearms safety training course or submit to a State and national criminal history records check.

The Secretary may issue an HQL without an additional application or fee to a person who meets the requirements for the issuance of a handgun permit who does not already have an HQL.

State Revenues: General fund revenues decrease by an estimated \$384,413 in fiscal 2017, escalating to \$554,800 by fiscal 2021, due to the reduction in the HQL application fee from \$50 to \$25. The estimate is based on actual licensing data from calendar 2015 and assumes that 20,502 individuals apply for an HQL in fiscal 2017 and would have paid the \$50 application fee; the revenue loss in fiscal 2017 reflects the bill's October 1, 2016 effective date. Future year estimates are annualized and reflect a 2% growth in the number of applicants each year.

Additional Comments: The Administration has proposed to repeal the HQL application and renewal fees as part of SB 389/HB 459 (The Fee, Surcharge, and Tax Reduction Act of 2016.)

Additional Information

Prior Introductions: None.

Cross File: None.

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

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kb/lgc

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