

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1145 (Delegate Rey, *et al.*)
 Judiciary

Public Safety - Handgun Permit - Issuance and Appeal

This bill alters the time period within which the Secretary of State Police must issue a handgun permit to a qualified person from within *a reasonable time* to within *30 calendar days*. The bill also reduces the time period after which a person who has applied for a handgun permit that has not been acted on by the Secretary may request a hearing before the Handgun Review Board (from 90 days to 30 calendar days). The time period within which the board, after receiving a request to review a decision of the Secretary, must review a specified record or conduct a hearing is also reduced from 90 days to 30 calendar days. Finally, the bill requires the Secretary, if the decision of the board directs the Secretary to issue or renew a handgun permit, to comply with the decision within 10 calendar days.

Fiscal Summary

State Effect: General fund expenditures increase by \$1.1 million in FY 2019 to process permit applications within required timeframes. Future year expenditures reflect annualization, the elimination of one-time costs, and, in FY 2023, automobile replacement. Revenues are not affected.

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	1,054,900	757,800	780,100	807,700	1,075,600
Net Effect	(\$1,054,900)	(\$757,800)	(\$780,100)	(\$807,700)	(\$1,075,600)

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Generally, The Secretary of State Police must issue a permit within a reasonable time to a person who the Secretary finds meets the qualifications for a permit. Current law requirements and background relating to the issuance of handgun permits is summarized in the **Appendix – Handgun Permit Requirements – Current Law/Background.**

Appeal Process

Informal Review by Secretary of State Police: A person who is denied a permit to carry, wear, or transport a handgun, or a renewal of such a permit, or whose permit is revoked or issued with restrictions by the Secretary, may request the Secretary to conduct an informal review by filing a written request within 10 days after receipt of written notice of the Secretary's initial action. The Secretary must conduct the informal review and may conduct a personal interview with the person requesting the review. The Secretary must sustain, reverse, or modify the action under informal review and provide written notification within 30 days after receipt of the request for informal review. A person is not required to file a request for an informal review before requesting review by the Handgun Review Board.

Review by Handgun Permit Review Board: A person whose application for a handgun permit or a renewal of a permit has been rejected, or whose permit has been revoked or limited by the Secretary, may request the board to review the decision of the Secretary by filing a written request within 10 days after receipt of written notice of the Secretary's action. In addition, a person whose application for a permit or renewal of a permit is not acted on by the Secretary within 90 days after submission may request a hearing before the board by filing a written request with the board.

Within 90 days after receiving a request for a review of the Secretary's action, the board must review the record developed by the Secretary or conduct a hearing. The board may receive and consider additional evidence submitted by a party in conducting a review of the decision of the Secretary. Based on the board's consideration of the record and any additional evidence, the board must sustain, reverse, or modify the Secretary's decision. The decision of the board is not final until a written signed decision is sent to the applicant or holder of the permit; however, if the board is unable to reach a decision by majority vote, the decision of the Secretary stands.

Background: The Handgun Review Board is a State government entity within the Department of Public Safety and Correctional Services. It was created by Chapter 13 of 1972. The board consists of five members appointed by the Governor from the general public, with advice and consent of the Senate. The Governor designates the chairman.

Members serve three-year terms and are eligible for reappointment. Board members are entitled to compensation in accordance with the State budget for each day that they are engaged in the discharge of their duties as well as reimbursement for expenses.

The board must meet at a location accessible to the public and with sufficient frequency to ensure that a request for review and notification of the decision of the board occurs within 120 days of receipt of the request for review by the board. A majority of the board must designate the location, time, and date of meetings.

State Expenditures:

Department of State Police

The bill modifies the time periods within which the Secretary of State Police must issue a handgun permit to a qualified person. Fees are currently set at the statutory maximum amounts (of \$75 and \$50, respectively); the bill does not increase the statutory fee cap; thus, the Secretary is not able to increase the fees for a handgun permit to cover its additional costs under the bill. Currently, the process for accepting, reviewing, and completing the background, review, and approval or denial of an initial application for a permit takes approximately 90 business days. The bill requires that a permit is issued within 30 calendar days. The Department of State Police advises that the number of initial handgun permit applications totaled 4,327 in 2017 and, in the same year, 4,513 permits were renewed. In order to process the same number of permits within the reduced time period, general fund expenditures increase by \$1,054,861 in fiscal 2019, which accounts for the bill's October 1, 2018 effective date. This estimate reflects the cost to hire 10 full-time troopers, 12 office services clerks, and 8 contractual background check investigators to process and issue handgun permits within the 30-calendar day timeframe required by the bill. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions (regular)	10
Positions (contractual)	20
Salaries and Fringe Benefits (Regular)	\$491,128
Salaries and Fringe Benefits (Contractual)	63,740
Motor Vehicle Purchases and Operations	239,230
Additional Police and Civilian Equipment	246,700
Other Operating Expenses	<u>14,063</u>
Total FY 2019 State Expenditures	\$1,054,861

Future year expenditures reflect full salaries with annual increases and employee turnover and ongoing operating expenses. In fiscal 2023, it also reflects automobile replacement costs.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

Handgun Review Board

Generally, the board meets twice each month. Under the bill, the board must meet to review the record developed by the Secretary of State Police or conduct a hearing within 30 calendar days after a request from a handgun permit applicant. Accordingly, it is assumed that the board can likely meet the bill's requirements with existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 2, 2018
nb/lgc

Analysis by: Shirleen M. E. Pilgrim

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

Appendix

Handgun Permit Requirements – Current Law/Background

Generally, with certain exceptions, to be issued a handgun permit 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) 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; (4) must not exhibit a propensity for violence or instability which may reasonably render possession of a handgun a danger to the applicant or another; (5) must have successfully completed, prior to application and each renewal, a specified firearms training course approved by the Secretary; (6) if 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; and (7) 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. The Secretary may limit the geographic area, circumstances, or times of day, week, month, or year in which a permit is effective.

A handgun permit applicant must successfully complete, prior to the application and each renewal, a firearms training course approved by the Secretary that includes (1) for an initial application, a minimum of 16 hours of instruction by a qualified handgun instructor, or 8 hours of instruction for a renewal application; (2) classroom instruction on State firearm law, home firearm safety, and handgun mechanisms and operation; and (3) a firearms qualification component that demonstrates the applicant’s proficiency and use of the firearm.

An applicant for a permit is not required to complete a certified firearms training course if the applicant:

- is a law enforcement officer or a person who is retired in good standing from service with a law enforcement agency of the United States, the State, or any local law enforcement agency in the State;
- is a member, retired member, or honorably discharged member of the U.S. Armed Forces or the National Guard;
- is a qualified handgun instructor; or
- has completed a firearms training course approved by the Secretary.

A handgun permit application costs \$75; two years after the initial permit and every three years thereafter, a \$50 renewal fee is due. In addition, the applicant must pay for fingerprint-based federal and State criminal history background checks for an initial application. A person who applies for a renewal of a handgun permit is not required to be fingerprinted unless the Secretary requires a set of the person's fingerprints to resolve a question of the person's identity.

Generally a handgun permit expires on the last day of the holder's birth month following two years after the date the permit is issued; however, the Secretary may establish an alternative expiration date for a permit to coincide with the expiration of a private detective license, a security guard certification, or a special police officer commission. A permit may be renewed for successive periods of three years each if, at the time of an application for renewal, the applicant possesses the qualifications for the issuance of a permit and pays the renewal fee.

In 2017, the Department of State Police (DSP) received 4,327 new applications for handgun permits and 4,513 handgun permit renewal applications. DSP denied 411 applications in the same year. There are currently approximately 20,043 active handgun permits in the State. It generally takes less than two days to receive the results of a national criminal history records check from the Federal Bureau of Investigation and approximately 90 days to process, investigate, and issue a permit.