

## TESTIMONY OF THE CRITICAL ISSUES FORUM: ADVOCACY FOR SOCIAL JUSTICE OF MONTGOMERY COUNTY, MARYLAND ON FEBRUARY 13, 2025,

## BEFORE THE HOUSE WAYS AND MEANS COMMITTEE IN SUPPORT OF HOUSE BILL 387, REGARDING THE COMPREHENSIVE COMMUNITY SAFETY FUNDING ACT

Honorable Chair Atterbeary, Vice-Chair Wilins, and Members of the Committee:

The Critical Issues Forum: Advocacy for Social Justice (CIF) provides this testimony in support of HB 387, which would impose a tax on dealer receipts from the sale of firearms, in order to address costs associated with the use of these products.

The gun violence epidemic tragically has both significant human and capital costs. Indeed, lives are lost; painful injuries are endured; surviving families struggle. There is also the high financial toll that firearm related deaths and injuries exact on survivors, our health care system, and on entities seeking to prevent and address gun violence. The bill directly allocates the money raised to established state programs that fund these critical needs.

CIF is a coalition of three synagogues, Temple Beth Ami, Kol Shalom, and Adat Shalom, that include over 1,750 households and three denominations of Judaism: Reform, Conservative, and Reconstructionist. CIF serves as a vehicle for our congregations to speak out on policy issues, such as gun violence prevention, that relate to our shared values, including the Jewish traditions that emphasize the sanctity and primary value of human life.

The severity of Maryland's gun violence problem is undeniable. According to the most recent statistics compiled by Everytown for Gun Safety, Maryland suffers an average of 805 firearm fatalities each year and the rate of gun deaths rose 36% from 2014 to 2023.¹ Perhaps the most disturbing element of this crisis is its effect on our children. Firearms are the leading cause of death in children and youth ages 1 to 21 in Maryland and the United States, surpassing injuries and death from motor vehicle crashes.²

<sup>&</sup>lt;sup>1</sup> https://www.everytown.org/state/maryland/

<sup>&</sup>lt;sup>2</sup> CDC Wisqars On-line Causes of Injury-Related Death Data Base, Violence-related Firearm Deaths; Both Sexes; Age Range: 1 – 21; All Races and Ethnicity; US and Maryland; 2022.

In addition, each year, an average of 1745 people are reported wounded by firearms in the state.<sup>3</sup> The cost of this carnage is not only human suffering. The estimated cost associated with gun violence averages approximately \$1,731 per person in the state.<sup>4</sup> An Urban Institute study of firearm injuries in six states found that in each state, more than sixty percent of hospital costs were incurred by people either without insurance or with public insurance and that, on average, the government offsets about sixty-five percent of medical providers'uncompensated care.<sup>5</sup>

Of course, the financial burden of gun violence extends far beyond the cost of treating the injured. The police must respond, the courts must adjudicate, community and social services must attempt to curb and address this issue, and individuals and their families suffer significant financial setbacks.

Economists have a term for "social costs that are not taken into account by private decision makers" – "negative externalities." The most common example of a negative externality is pollution, a problem our governments actively address in a variety of ways. Importantly, government action that shifts at least some of the cost of negative externalities to the private decision-makers who cause them increases economic efficiency because "by imposing costs on others, negative externalities encourage inefficient behavior."

The use of an excise tax to address the costs associated with firearms sales is not new. Since 1919, the federal government has had a similar excise tax in place on guns and ammunition.<sup>8</sup> Revenues from this 11% excise tax go to the Wildlife Restoration Fund administered by the Fish & Wildlife Service, which distributes grants to states for wildlife conservation and programs to teach safe hunting practices.<sup>9</sup>

More recently, in 2023, the California legislature passed AB 28, which creates an 11% state excise tax on all guns, ammunition, and gun parts sold by licensed gun dealers in the state. The California law, as is true of the HB 935, is carefully targeted to address the costs of gun ownership. It includes a Gun Violence Prevention and School Safety Fund, funding for firearms relinquishment, and victims' compensation.<sup>10</sup>

<sup>&</sup>lt;sup>3</sup> https://www.everytown.org/state/maryland/

<sup>&</sup>lt;sup>4</sup> https://www.everytown.org/state/maryland/

<sup>&</sup>lt;sup>5</sup> Brunson, Samuel D., "Paying for Gun Violence" (2019). Minnesota Law Review. 3239. https://scholarship.law.umn.edu/mlr/3239, p 610 (Brunson)

<sup>&</sup>lt;sup>6</sup> Brunson at 612-13.

<sup>&</sup>lt;sup>7</sup> Ibid at 613.

<sup>&</sup>lt;sup>8</sup> 26 USC Section 4181(a), see **Duke Center for Firearms Law**, <a href="https://firearmslaw.duke.edu/2023/10/californias-new-excise-tax-on-guns-ammunition">https://firearmslaw.duke.edu/2023/10/californias-new-excise-tax-on-guns-ammunition</a>

<sup>&</sup>lt;sup>9</sup> Ibid

<sup>10</sup> Ibid

The excise tax on firearms sales contained in HB 387 is also carefully targeted to shift a small amount of the costs of gun ownership from those harmed by it to the firearms industry. Specifically, section 2-4B-02 provides that, after money is allocated to pay for the administration of the tax, it would be apportioned to already existing state entities and funds that directly address gun violence – The Coordinated Community Supports Partnership Fund, the Maryland Trauma Physician Services Fund, the Shock Trauma Center at the University of Maryland, the Violence Intervention and Prevention Program Fund, the Survivors of Homicide Victims Grant Program, and the Center for Firearms Violence Prevention and Intervention.

By allocating excise tax money to priorities that the state has already identified to deal with the specific costs associated with gun violence, this bill shifts a small amount of the huge cost of gun violence from taxpayers who have been paying the government's share to the firearms industry. The bill also dovetails with the legislature's effort to coordinate Maryland's programs that combat gun violence by creating a Center for Firearms Violence Prevention during the last legislative session.

The crisis of gun violence in our state must be addressed in a variety of ways, including keeping firearms out of the hands of dangerous individuals, promoting safe practices, preventing violence at the community and individual level, and treating and compensating the injured. The firearms industry must be part of this effort, and HB 387 provides one small measure in that direction.

For these reasons, CIF recommends a favorable report on HB 387.