



Volunteer Testimony

SB 816-Support

Firearm Dealers' Safety Act

Thomas Harvey

301-460-4939

4001 Montpelier Road; Rockville, MD 20853 District 19

Senate Judicial Proceedings Committee

February 20, 2020

Dear Chairman Smith and Members of The Committee:

I am a retired factory owner with a career of safety responsibility around dangerous machinery and a former armament maintenance officer for the US Army.

Dealer Responsibility is Critical to Public Safety

Maryland has a carefully crafted set of laws and regulations to ensure that guns are only in the hands of trained and responsible gun owners. Diversion of guns by theft or illegal transfer from dealers is a complete end run around this system and puts guns into the hands of those who are the worst threat to our citizens.

Studies of the origin of crime guns have shown that, even in states such as Maryland with higher levels of gun regulation, most crime guns have originated in the state in which they were used. That is: most bad guns are not illegally imported into the state. So, it is very important that guns be prevented from crossing from legal hands to improper ones.

This bill adds provisions to current regulations protecting guns from theft both when businesses are open and when they shut down for the night. There are provisions for recordkeeping, videoing of transactions, vetting of employees and immediate report of thefts and disappearances. All of these will have a strong effect in reducing the number of guns that go from dealers to dangerous persons.

Other than firearms, any product so inherently dangerous as guns would seem normal having this level of regulation. It would not be controversial. We tightly regulate many things from motor vehicles to hazardous occupations to explosives. The existence of some who have a desire to eliminate

all controls over guns does not reduce the hazard guns pose. It is hard to see how anyone who cares about the safety of children or adults would oppose these reasonable provisions.

Insurance Provision is Critical to Dealer Supervision

This bill assigns critical responsibilities to gun dealers. Gun dealers are under economic and customer pressure to sell as many guns and incur as few expenses as possible. They have also become used to a light level of regulation. They will require substantial supervision if we are to achieve our goals in protecting the public. The insurance requirement of this bill provides much of that supervision.

The regulations provide for government inspection of records and of the inventory of dealers. But the provisions to protect guns from theft or diversion need additional guarantees of compliance. Additional government inspections would help in this matter, but they are limited by the available resources and by the desire of some to limit government intrusiveness in private businesses. The gap can be filled an insurance requirement.

The nature of insurance makes insurers have a real money interest in safety and loss prevention. They would recognize that from these requirements there are potential losses from careless or dishonest gun dealers. Insurers would do their own inspections and make reasonable requirements for dealers that would reduce the danger both to the insurer's finances and to the public.

While in business I had many kinds of insurance protecting vehicles, employees and other aspects of my operations. My experience made clear that insurance requirements not only protected me directly; but the insurers loss prevention efforts, such as inspections, provided a further layer of protection. Guns are the only kind of business that is risky to the public and does not demand insurance to help mitigate the risks.