



2024 SESSION
POSITION PAPER

BILL NO: SB 784
COMMITTEE: Budget and Taxation Committee
POSITION: Support
TITLE: Comprehensive Community Safety Funding Act

BILL ANALYSIS

SB 784- Comprehensive Community Safety Funding Act establishes an 11 percent excise tax on sales of firearms, firearm accessories, and ammunition. The bill sets out the requirements, the amount of, how and when the excise tax will be collected. Additionally, the bill specifies that a certain percentage of the excise tax revenue is to be disbursed to the Maryland Trauma Physician Services Fund, the R Adams Cowley Shock Trauma Center, the Violence Intervention and Prevention Program Fund, the Survivors of Homicide Victims Grant Program, and the Center for Firearm Violence Prevention.

POSITION AND RATIONALE

The Maryland Health Care Commission (MHCC) supports *SB 784* and believes that firearm injuries and deaths continue to be a cost to health care systems and a major public health problem. Firearm deaths and injuries cost Maryland \$10.5 billion each year, of which \$384 million is paid by taxpayers.¹ In Maryland, 35 percent of gun deaths are suicides and 63% are homicides. By comparison in the US, 57 percent of gun deaths are suicides and 40% are homicides.

In Maryland, the MIEMSS Trauma Registry and HSCRC Hospital data sets show that approximately 1,700 gunshot victims were admitted to Maryland trauma centers in 2022-23. Another 370 patients were admitted to Maryland acute care hospitals that did not have a trauma center.² According to MIEMSS data, over 85 percent of the firearm injuries that trigger a trauma center admission occur among adolescents and adults between the age of 15-44, with almost all the remaining victims in the 45-64 age group.³

¹ EveryStat.org, Gun Violence in Maryland, May 2023, accessed at <https://everystat.org/wp-content/uploads/2019/10/Gun-Violence-in-Maryland-2.pdf>

² HSCRC and MHCC analysis of HSCRC hospital discharge data for CY 2022.

³ Maryland Institute for Emergency Medical Services Systems, 2022-203 Annual Report, accessed at <https://www.miemss.org/home/Portals/0/Docs/AnnualReports/Annual-Report-2023.pdf>

The costs of firearm injuries are high even compared to other types of trauma. RACSTC the average inpatient hospitalization averaged \$76,293, while a patient with a firearm injury costs \$104,619. These costs only capture the facility charges for the initial trauma visit. Subsequent hospital admission at community hospitals, inpatient and outpatient treatment, physician charges, and outpatient pharmacy costs are not included in the costs. Nor are the lifelong costs of a firearm injury that often imposes additional psychological injuries and may limit the ability to work and support oneself and loved ones.

Johns Hopkins Adult Trauma Center and the University of Maryland (UM) Capital Region Medical Center also treat significant numbers of firearm injuries. UM Capital Region Medical Center's expertise in treating these injuries has grown in the last several years with the opening of the new medical center. All but the most serious firearm injuries are now treated at that trauma center rather than being transferred to RACSTC. The reality that multiple trauma centers have needed to develop capabilities in the treatment of severe firearm injury is one testament to the scope of the firearm injury challenge. It is appropriate that this legislation directs 44 percent of the revenue from excise tax (net of the Comptroller's administrative costs) to the Maryland Trauma Physician Services Fund, a fund that benefits all Maryland trauma centers.

SB 784 would apply an 11 percent excise tax on firearms, accessories, and ammunition. The principle of assessing a small charge on the mechanism causing a trauma injury is well established in Maryland. Automobile registrations and registration renewals in Maryland are subject to a surcharge. As the Maryland trauma system is under financial stress, generating revenue from the gun and related equipment sales is appropriate given firearms are the cause of some of the most costly trauma injuries.

The *Commission to Study Trauma Funding* considered additional sources of funding during its meetings in the fall of 2023. Raising the automobile registration surcharge, adding a trauma surcharge for moving automobile and DWI violations, and assessing excise taxes on guns and related equipment were all discussed. Commissioners recognized that additional revenue was needed and there was also broad support for applying an excise tax to gun and ammunition sales. Many Commission members observed that while a higher automobile surcharge would be needed, other mechanisms of trauma injury should also be assessed.

Firearms play a significant role in driving Maryland residents' trauma costs and on broader public health costs. For these reasons the MHCC asks for a favorable report on *SB 784*.

