

Economic Impact Statement

Office of Legislative Oversight

BILL 4-21 Weapons – Protection of Minors and Public Places – Restrictions Against Ghost Guns and Undetectable Guns

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that enacting Bill 4-21 would have minimal impacts on economic conditions in the County.

BACKGROUND

The goal of Bill 4-21, introduced on January 19, 2021, is to prohibit the use and sale of “ghost guns.”¹ The bill would define “ghost gun” and “undetectable gun” in County law. According to the bill, it would also make the following changes to the laws regarding firearms and other weapons:

- “restrict the manufacture, possession, use, sale, and transfer of ghost guns, undetectable guns, and certain other firearms with respect to minors;” and
- “restrict the manufacture, possession, use, sale, and transfer of ghost guns, undetectable guns, and certain other firearms within 100 yards of places of public assembly.”

Moreover, any violation of these restrictions would be a “Class A violation to which the maximum penalties for a Class A violation apply.”

METHODOLOGIES, ASSUMPTIONS, AND UNCERTAINTIES

OLO does not anticipate that Bill 4-21 would have direct economic impacts on private organizations or residents in the County. However, OLO notes that gun violence has direct and indirect economic costs for victims, perpetrators, and other stakeholders.² Any indirect economic impacts from enacting Bill 4-21 would depend primarily on the effectiveness of the restrictions on “ghost” and “undetectable” guns in preventing gun violence in the future. For perspective on the scale of the problem, the Montgomery County Police Department recovered 43 ghost guns in the County in 2020.³

¹ Montgomery County Council, Bill 4-21, Weapons – Protection of Minors and Public Places – Restrictions Against Ghost Guns and Undetectable Guns, Introduced on January 19, 2021, Montgomery County, Maryland.

² Mark Follman, Julia Lurie, Jaeah Lee, and James West, “The True Cost of Gun Violence in America,” Mother Jones, April 15, 2015, <https://www.motherjones.com/politics/2015/04/true-cost-of-gun-violence-in-america/>; Jaeah Lee and Julia Lurie, “The True Cost of Gun Violence: Our Methodology,” Mother Jones, May/June 2015, <https://www.motherjones.com/politics/2015/04/methodology-gun-violence-data-ted-miller/>; and A State-by-State Examination of the Economic Costs of Gun Violence, U.S. Congress Joint Economic Committee, Democratic Staff, September 18, 2019, https://www.jec.senate.gov/public/_cache/files/9872b4d4-4151-4d3e-8df9-bc565743d990/economic-costs-of-gun-violence---jec-report.pdf.

³ Unpublished Ghost Gun Data compiled and shared with OLO on December 11, 2020 by the County Council.

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VARIABLES

The variables that could affect the economic impacts of enacting Bill 4-21 are the following:

- Effectiveness of “ghost” and “undisclosed” gun restrictions in preventing gun violence; and
- Amount of criminal and civil penalties incurred by residents who violate the restrictions.

IMPACTS

WORKFORCE ▪ TAXATION POLICY ▪ PROPERTY VALUES ▪ INCOMES ▪ OPERATING COSTS ▪ PRIVATE SECTOR CAPITAL INVESTMENT ▪ ECONOMIC DEVELOPMENT ▪ COMPETITIVENESS

Businesses, Non-Profits, Other Private Organizations

OLO believes that Bill 4-21 would not have significant economic impacts on private organizations in the County in terms of the Council’s priority indicators, namely business income, workforce, operating costs, capital investments, property values, taxation policy, economic development, and competitiveness.⁴

Residents

OLO believes that Bill 4-21 would not have significant economic impacts on County residents in terms of the Council’s priority indicators. However, households with residents who would have otherwise been killed or injured in gun-related incidents without the “ghost” and “undisclosed” gun restrictions would not experience the net loss of income from medical expenses and permanent or temporary absences from work. Moreover, the enforcement of the restrictions would result in income loss for violators. The maximum penalties would be \$1,000 and 6 months in jail for criminal violations and \$500 for initial offenses and \$750 for repeat offenses for civil violations.

WORKS CITED

A State-by-State Examination of the Economic Costs of Gun Violence. U.S. Congress Joint Economic Committee. Democratic Staff. September 18, 2019. https://www.jec.senate.gov/public/_cache/files/9872b4d4-4151-4d3e-8df9-bc565743d990/economic-costs-of-gun-violence---jec-report.pdf.

Follman, Mark, Julia Lurie, Jaeah Lee, and James West. “The True Cost of Gun Violence in America.” *Mother Jones*. April 15, 2015. <https://www.motherjones.com/politics/2015/04/true-cost-of-gun-violence-in-america/>.

Montgomery County Code. Section 1-19, Fines and Penalties. https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco_md/0-0-0-488.

Montgomery County Council. Bill 10-19, Legislative Branch – Economic Impact Statements – Amendments. Enacted on July 30, 2019. Montgomery County, Maryland.

⁴ For the Council’s priority indicators, see Montgomery County Council, Bill 10-19 Legislative Branch – Economic Impact Statements – Amendments, Enacted on July 30, 2019, Montgomery County, Maryland, 3.

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Montgomery County Council. Bill 4-21, Weapons – Protection of Minors and Public Places – Restrictions Against Ghost Guns and Undetectable Guns. Introduced on January 19, 2021. Montgomery County, Maryland.

CAVEATS

Two caveats to the economic analysis performed here should be noted. First, predicting the economic impacts of legislation is a challenging analytical endeavor due to data limitations, the multitude of causes of economic outcomes, economic shocks, uncertainty, and other factors. Second, the analysis performed here is intended to *inform* the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

CONTRIBUTIONS

Stephen Roblin (OLO) drafted this economic impact statement.