

NSSF Testimony in Support of House Bill 5187 and 5188


October 28, 2021

Chairman Johnson and members of the House Oversight Committee, it is an honor to provide testimony in support of House Bill 5187 and House Bill 5188. My name is Chris Lee and I join you on behalf of the National Shooting Sports Foundation, Inc. NSSF is the trade association for the firearm industry. Over 10,000 Michigan residents are currently employed by the firearm industry and our industry has an annual economic impact on the state of over \$1.5 billion. As the trade association for the firearm industry, we worked to help our members navigate the COVID-19 "stay home" orders throughout the country in 2020.

At the onset of the COVID-19 crisis, the firearm industry was exempt from the "stay home" orders in nearly 25 states by existing emergency powers statutes like what is proposed in these bills. Most of those protections were put in place because of Hurricane Katrina and the [government response that followed](#), which included forced confiscation of firearms. As "stay home" orders were issued beginning in March of 2020, many governors in states without emergency power protections deemed the firearm industry to be "essential" and exempt. One of the first governors to designate the firearm industry as "essential" was Governor Pritzker of Illinois. When pressed by a reporter about this, [he said](#) "We wanted to make sure people had the ability to protect themselves if they needed to." Most governors agreed. By March 26th, 40 states had declared our industry to be essential, through either existing statute or designation within executive orders. On March 28, 2020, the Department of Homeland Security released a list of "critical infrastructure sectors." That [list included](#) "Workers supporting the operation of firearm or ammunition product manufacturers, retailers, importers, distributors, and shooting ranges." More states accepted this guidance and by April 9th, the firearm industry was open in 43 states. The remaining seven states continued to order the firearm industry closed by failing to include it on the list of essential industries for purely political reasons and in spite of the critical role our members play for the exercise of Second Amendment rights, law enforcement, and military. Michigan was one of those seven states and in an interview with Moms Demand Action in July of 2020, [Governor Whitmer said](#) "I would do it again... I'm not going to apologize. And I'm not going to be bullied into doing things differently... It was very clear, the purchase of a gun does not fall in that [life-sustaining] criteria." This is why we are here today.

Without an operating firearm industry, Second Amendment rights of citizens would be greatly infringed upon. Additionally, the same supply chains that provide for citizens, produce critical infrastructure products like firearms, ammunition, and equipment for our law enforcement. Today, the firearm industry is open across the country. Gun sales have shattered records for fifteen straight months because Americans are concerned about their personal safety, resulting in over 11.6 million new gun owners since the beginning of the pandemic. This bill would put Michigan law in line with other Midwest states including Indiana, Kentucky, Wisconsin, Minnesota, and Iowa that have already recognized that the ability of citizens to protect themselves is as important in an emergency as ever.

The Second Amendment does not have a pandemic clause and government officials should not be able to tell citizens that their rights end during emergencies. Thank you to Representatives Fink and Outman Wiggam for introducing House Bill 5187 and 5188, and to the committee for consideration.

Respectfully,

Christopher Lee

The Firearm Industry Creates Jobs in Michigan

Michigan companies that manufacture, distribute, and sell sporting firearms, ammunition, and supplies are an important part of the state's economy. Manufacturers of firearms, ammunition, and supplies, along with the companies that sell and distribute these products, provide well-paying jobs in Michigan and pay significant amounts in tax to the state and Federal governments.

The Economic Impact of the Sporting Arms and Ammunition Industry in Michigan

	Direct	Supplier	Induced	Total
Jobs (FTE)	4,410	2,475	3,117	10,002
Wages	\$173,732,400	\$174,627,100	\$157,455,400	\$505,814,900
Economic Impact	\$487,156,500	\$528,067,900	\$489,905,800	\$1,505,130,200

The Firearm & Ammunition Industry is an Important Part of Michigan's Economy

Companies in Michigan that manufacture, distribute, and sell firearms, ammunition, and hunting equipment employ as many as 4,410 people in the state and generate an additional 5,592 jobs in supplier and ancillary industries. These include jobs in supplying goods and services to manufacturers, distributors, and retailers, and those that depend on sales to workers in the firearm and ammunition industry.¹

These are good jobs paying an average of \$50,600 in wages and benefits. And today, every job is important. The state currently has an unemployment rate of 6.9 percent. This means that there are already 341,800 people trying to find jobs in the state and collecting unemployment benefits.²

The Economic Benefit of the Industry Spreads Throughout the State

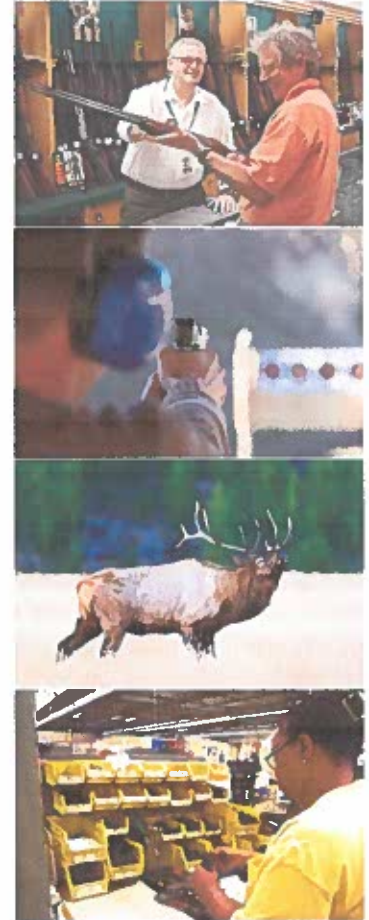
Not only does the manufacture and sale of firearms and hunting supplies create good jobs in Michigan, but the industry also contributes to the economy as a whole. In fact, in 2020 the firearm and ammunition industry was responsible for as much as \$1.51 billion in total economic activity in the state.

The broader economic impact flows throughout the economy, generating business for firms seemingly unrelated to firearms. Real people, with real jobs, working in industries as varied as banking, retail, accounting, metal working, even in printing, all depend on the firearm and ammunition industry for their livelihood.

The State Also Benefits From the Taxes Paid By The Industry

Not only does the industry create jobs, it also generates sizeable tax revenues. In Michigan, the industry and its employees pay over \$172.90 million in taxes including property, income, and sales based levies.³

Taxes Generated in Michigan		
Tax Impact	Business Taxes	Excise Taxes
Federal Taxes	\$97,150,200	\$23,121,100
State Taxes	\$75,747,900	
Total Taxes	\$172,898,100	\$23,121,100



¹ John Dunham & Associates, New York, December 2020. Direct impacts include those jobs in firearms and ammunition manufacturers, as well as companies that manufacture products such as ammunition holders and magazines, cases, decoys, game calls, holsters, hunting equipment, scopes, clay pigeons and targets. Direct impacts also include those resulting from the wholesale distribution and retailing of these products.

² The Bureau of Labor Statistics. Available online at: www.bls.gov/su/home.htm. Data for Nov.-2020.

³ This is in addition to over \$23.12 million in federal excise taxes.