



Memorandum

TO: HONORABLE CITY
COUNCIL

FROM: Mayor Sam Liccardo

SUBJECT: SEE BELOW

DATE: June 29, 2021

APPROVED:

Date: 06/28/21

SUBJECT: Reducing Gun Harm, and the Public Burdens of Gun Violence

SUPPLEMENTAL

The attached document provides preliminary cost calculations of the annual financial burden borne broadly by the community, as well as an estimate of the costs borne by the taxpaying public for firearm injuries and deaths in San José. These estimates emerge from research conducted by the Pacific Institute on Research and Evaluation (PIRE), an independent, nonprofit organization.

Neither of these two calculations will directly guide the calculation of the fee imposed by the City of San José, but rather provide some context about the larger issue. In compliance with Proposition 26, the City will base its fee upon public costs borne solely by the City in responding to gun violence, a figure that amounts to a fraction of the total local public agency cost.

Prior to any Council vote in the Fall, a PIRE analyst will deliver a final report, which will include the calculation of that public cost to City taxpayers necessary to support a gun fee calculation. In addition, PIRE is working with the County of Santa Clara to refine estimates of the total public expenses to the County and other agencies. That report will be more comprehensive, containing the assumptions and calculations that PIRE used to arrive at these estimates.

ANNUALLY FIREARM INJURIES IN SAN JOSE COST \$442 MILLION

Annually, gunfire kills or results in the hospital treatment of 205 San Jose residents. Those injuries impose \$442 million annually in societal costs (Table 1). That’s \$432 annually per resident. Societal costs are comprehensive. They include costs paid by victims and their families, perpetrators, employers, insurers, and taxpayers. The value of pain, suffering, and lost quality of life accounts for the largest share of societal costs, with wage losses of victims and perpetrators also representing a significant impact. Direct out-of-pocket costs total \$35 million annually. These costs encompass medical and mental healthcare, police and emergency services, victim services, criminal justice, and employer spending because workers are absent temporarily or need to be replaced due to death or permanent disability.

Table 1. Annual Cost of Firearm Injury by Cost Category in San Jose, CA, 2013-2019

Cost Category	Annual Cost	% of Total
Direct	\$35,280,000	8%
Lost Work	\$78,275,000	18%
Quality of Life	\$328,355,000	74%
Total	\$441,910,000	100%

Source: Computations by Ted Miller, Pacific Institute for Research and Evaluation, 2021.

The societal costs represented in Table 1 are tied to specific shootings. They exclude prevention costs and the impact on residents and businesses when gun violence harms neighborhoods. Federal, State, and Local Governments pay almost \$40 million annually due to firearm injuries in San Jose (Table 2, on next page). The taxpayer bill includes contributions to the costs of healthcare; public services including emergency response, victim assistance, incident investigation, perpetrator adjudication and sanctioning, and tax revenue lost when someone is killed or unable to work.

Table 2. Annual Incidence and Societal Cost of Firearm Injury by Intent in San Jose, CA, 2013-2019

	People Shot	Cost/Person Shot	Total Annual Cost	Total Annual Cost to Federal, State & Local Government
Homicide/Assault/ Legal Intervention	89	\$2,920,000	\$253,015,000	\$34,296,000
Suicide	31	\$5,248,000	\$164,140,000	\$4,303,000
Unintentional/Undetermined	86	\$368,000	\$24,755,000	\$1,168,000
Total	205	\$2,215,000	\$441,910,000	\$39,767,000

Source: Computations by Ted Miller, Pacific Institute for Research and Evaluation, 2021.

Homicide and assault are responsible for most (57%) of the firearm costs, followed by suicide acts (37%) and unintentional shootings (6%). The cost per shooting is highest for suicides, since so many of those incidents are fatal.

These cost estimates take into account local mortality and hospital discharge data and are derived from national data adjusted to local prices. Some direct cost data are local. San Jose and Santa Clara County are working to more precisely detail the costs they incur due to firearm injury. The topline estimates shown here will be refined as more local data becomes available from Santa Clara County.

ABOUT PIRE AND DR. MILLER

The Pacific Institute for Research and Evaluation (PIRE) is an independent, nonprofit organization merging scientific knowledge and proven practice to create solutions that improve the health, safety, and well-being of individuals, communities, and nations around the world. PIRE’s mission is to promote, undertake, and evaluate activities, studies, and programs that improve individual and public health, welfare, and safety.

Founded in 1974, PIRE has a longstanding reputation for research integrity. Its work is funded with a balance of National Institutes of Health (NIH) grants, other federal grants and contracts, and foundation awards. PIRE has held a NIH/National Institute on Alcohol Abuse and Alcoholism Center Grant -- Berkeley’s Prevention Research Center -- since 1980.

Ted R Miller, PhD, is a widely cited health economist who has more than 30 years of experience studying the costs of injury and violence. He has published more than 350 books and journal articles on the costs of societal ills and savings from prevention. Dr. Miller received the Excellence in Science and Distinguished Career Awards from the Injury Control and Emergency

HONORABLE MAYOR AND CITY COUNCIL

Subject: **Reducing Gun Harm, and the Public Burdens of Gun Violence**

Page 4

Health Services Section of the American Public Health Association and the Vision Award from the State and Territorial Injury Prevention Director's Association. He is a Principal Research Scientist at PIRE and an Adjunct Professor at the Curtin University School of Public Health.