
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Jesse Arreguín, Chair
2025 - 2026 Regular

Bill No: AB 1810 **Hearing Date:** June 16, 2026
Author: Berman
Version: May 18, 2026
Urgency: No **Fiscal:** Yes
Consultant: AB

Subject: *Firearms: dealer centralized list*

HISTORY

Source: Giffords Law Center to Prevent Gun Violence

Prior Legislation: SB 15 (Blakespear), held in Senate Appropriations, 2025
SB 965 (Min), Ch. 546, Stats. of 2024
SB 1038 (Blakespear), held in Senate Appropriations, 2024
AB 725 (Lowenthal), Ch. 239, Stats. of 2023
AB 1420 (Berman), Ch. 45, Stats. of 2023
SB 1384 (Min), Ch. 995, Stats. of 2022
AB 228 (Rodriguez), Ch. 138, Stats. of 2022
AB 1191 (McCarty), Ch. 683, Stats. of 2021

Support: Brady California; Brady United Against Gun Violence; Everytown for Gun Safety Action Fund; Giffords Gun Owners for Safety, California; Moms Demand Action for Gun Sense in America; Students Demand Action for Gun Sense in America

Opposition: California Rifle and Pistol Association; National Rifle Association – Institute for Legislative Action

Assembly Floor Vote: 58 - 20

PURPOSE

The purpose of this bill is to require the Department of Justice (DOJ) to annually inspect the 10 firearm dealer locations with the highest percentage of total sales that were recovered by law enforcement, as specified; to grant DOJ de-licensure authority for dealers who fail to comply with inspection-related requirements; and to modify DOJ's fee authority with regard to dealers.

Existing law generally prohibits the sale, lease or transfer of firearms unless the person has been issued a license by the DOJ, and establishes various exceptions to this prohibition. (Pen. Code, §§ 26500-26625.)

Existing law provides that a license to sell firearms is subject to forfeiture for any violation of a number of specified prohibitions and requirements, with limited exceptions. (Pen. Code, § 26800(a).)

Existing law requires a firearms dealer or licensee to meet all the following requirements:

- Have a valid federal firearms license;
- Have any regulatory or business license, or licenses, required by local government;
- Have a valid seller's permit issued by the California Department of Tax and Fee Administration;
- Have a certificate of eligibility issued by the DOJ, as specified;
- Have a license issued in a specified format; and,
- Be recorded in the DOJ's centralized list of licensees. (Pen. Code, § 26700.)

Existing law prescribes the process for requesting a certificate of eligibility to deal firearms from the DOJ, as provided. (Pen. Code, § 26710).

Existing law requires DOJ to keep a centralized list of all persons licensed to sell, lease or transfer firearms at retail. (Pen. Code, § 26715, subd. (a).)

Existing law authorizes the DOJ to remove a person from the centralized list when the person knowingly or with gross negligence violates one of several specified provisions. (Pen. Code, § 26715, subd. (b)(1).)

Existing law requires the DOJ to remove a person from the centralized list under the following circumstances:

- When the person's federal firearms license has expired or been revoked.
- When the person has failed to certify that they operate a video surveillance system at their business premises pursuant to existing law. (Pen. Code, § 26715, subd. (b)(2), (3).)

Existing law provides that upon removal of a dealer from the centralized list, notification shall be provided to local law enforcement and licensing authorities in the jurisdiction where the dealer's business is located. (Pen. Code, § 26715, subd. (b)(4).)

Existing law specifies that information compiled from the centralized list of licensees shall be made available, upon request, only for specified purposes, and shall be limited to information necessary to corroborate an individual's current license status, as specified. (Pen. Code, § 26715, subds. (c), (d).)

Existing law requires the DOJ to conduct inspections of all firearms dealers at least once every three years, except as specified, to ensure compliance with certain specified statutes and any other applicable state law, and authorizes DOJ to assess an annual fee not to exceed \$115 to cover the cost of maintaining the centralized list of licensees. (Pen. Code, § 26720, subd. (a)(1).)

Existing law provides that inspections of dealers pursuant to the above shall include an audit of dealer records that includes a sampling of at least 25 percent but no more than 50 percent of each record type. (Pen. Code, § 26720, subd. (a)(2).)

Existing law requires law enforcement agencies to enter into the DOJ Automated Firearms System (AFS) each firearm that has been reported stolen, lost, found, recovered, held for safekeeping, surrendered or relinquished, as specified. (Pen. Code, §§ 11108.2, 25260.)

Existing law provides that law enforcement agencies subject to the above requirement shall, and other specified agencies may, report to the DOJ in a manner determined by the Attorney General in consultation with the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) all available information necessary to identify and trace the history of all recovered firearms that are illegally possessed, have been used in a crime, or are suspected of having been used in a crime (hereinafter, “crime guns”), within 7 calendar days of obtaining the information. (Pen. Code, § 11108.3, subd. (a).)

Existing law provides that information collected pursuant to the above provision shall be maintained by the DOJ for academic and policy purposes, as specified, and requires the DOJ, on an ongoing basis, to analyze the information collected for patterns and trends relating to crime guns, as specified, including the leading sources and origins of those firearms. (Pen. Code, § 11108.3, subds. (d), (e).)

Existing law requires the DOJ to prepare and submit a report to the Legislature summarizing the analysis above, and including specified information regarding the quantity of certain firearms recovered by law enforcement, disaggregated as specified. (Pen. Code, § 11108.3, subd. (f).)

Existing law provides that, on the date of receipt, a licensee shall report to the DOJ the acquisition by the licensee of any firearm, subject to the following exceptions:

- Specified transactions between dealers when the firearm is not intended as merchandise in the receiving dealer’s business.
- Acquisition of firearms by a dealer from a wholesaler.
- Acquisitions by a dealer from a person licensed as a manufacturer or importer to engage in those activities pursuant to federal law.
- Acquisitions by a dealer from a person who resides outside the state who is licensed as a “federal firearms licensee” (FFL) pursuant to federal law.
- Acquisition of a firearm by a dealer who is also licensed as a secondhand dealer under existing law, as specified. (Pen. Code, § 26905.)

Existing law requires the DOJ to keep a centralized list of people who identify themselves as being federally licensed firearm dealers, importers or manufacturers (FFLs), who licensed premises are within this state and who declare to the DOJ an exemption from state firearm dealer licensing laws. (Pen. Code, § 28450.)

Existing law requires the DOJ to assess an annual fee of \$115 to cover its costs of maintaining the centralized list of exempted FFLs, conducting licensee inspections, and for the cost of maintaining the firearm shipment verification number system described in existing law, as specified. (Pen. Code, § 28460, subd. (a).)

Existing law authorizes the DOJ to increase the fee at a rate not to exceed the increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations. (Pen. Code, § 28460, subd. (b).)

Existing law provides that an FFL may not sell, deliver, or transfer a firearm to another FFL unless prior to delivery the person intending to sell, deliver or transfer the firearm obtains a verification number from the DOJ, as specified. (Pen. Code, § 27555.)

Existing law requires the DOJ to recover the full cost of administering a program granting licenses permitting the manufacture of firearms by collecting fees from applicants, but limits the fee for licensed manufacturers who produce fewer than 500 firearms in a calendar year to \$250 per year or the actual costs of inspections and maintaining a centralized list of manufacturers and any other related duties, whichever is less. (Pen. Code, § 29055, subds. (b), (c).)

This bill authorizes the DOJ to remove from the centralized list of firearms licensees a person who fails to comply with the prerequisite conditions for obtaining a firearms dealer license.

This bill authorizes the DOJ to remove from the centralized list of firearms licensees a person who fails to remedy violations discovered as a result of an inspection within 90 days of the inspection, as required by the bill.

This provides that a person removed from the centralized list for failing to remedy an inspection-related violation shall be subject to a fine and shall be ineligible to be placed on the centralized list for a period of two years from the date of removal.

This bill provides that a person who has been removed from the centralized list is ineligible to own or operate a business selling firearms or ammunition, or to be employed by a firearms dealer or ammunition vendor for a period of two years.

This bill requires licensed firearm dealers to provide the certificate of eligibility for all employees who are required to have such a certificate upon the request of any peace officer, authorized law enforcement employee, or DOJ employee designated by the Attorney General, upon the presentation of proper identification during the course of an inspection.

This bill requires the DOJ to conduct an inspection of the 10 firearm dealer locations with the highest percentage of crime guns recovered by law enforcement that have a “time to crime” of less than one year for the most recent calendar year reported, as specified, although a firearm dealer location shall only be inspected pursuant to this provision if it is reported to be the source of no fewer than 20 crime guns.

This bill defines “time to crime” for the purposes of the above provision as the length of time between when a firearm was last in the possession of, or reported stolen by, the dealer, as applicable, and the date the weapon was recovered by law enforcement and found to be illegally possessed, used in a crime, or suspected to have been used in a crime.

This bill specifies that the inspections of the 10 firearm dealers with the highest percentage of crime guns recovered shall occur within 12 months after the release of the DOJ’s annual crime guns report, though the DOJ may forego an inspection if the location has been inspected within 6 months prior to the release of the report.

This bill requires a dealer found to have committed a violation of specified firearm dealer requirements to remedy the violation within 90 days of the inspection and submit proof of that remedy to the DOJ.

This bill strikes the provision of existing law capping the annual fee that may be charged to licensees to cover the costs of maintaining the centralized list and conducting inspections at \$115, and authorizes the DOJ to instead impose a fee adjustment of no more than 15 percent over the previous year, provided that the fee does not exceed the amount necessary to cover specified costs.

This bill strikes the provision of existing law capping the annual fee that may be charged to cover costs of maintaining the centralized list of exempted FFLs, conducting inspections, and maintaining the firearm shipment verification number system at \$115, and authorizes the DOJ to impose a fee adjustment of no more than 15 percent over the previous year, provided that the fee does not exceed the amount necessary to cover specified costs.

This bill provides that the fees collected by DOJ to cover the costs of the program granting licenses for the manufacture of firearms shall be reasonable.

This bill strikes the language capping the fee for licensed manufacturers who produce fewer than 500 firearms in a calendar year at \$250 and provides that the fee shall be reasonable.

COMMENTS

1. Need for This Bill

According to the author:

Where the federal government falls short, California is ready to step up and take the lead, especially when it comes to preventing gun violence. California's firearm laws lead the nation, and when firearm dealers break these laws, they must take the proper steps to remedy violations, or risk losing their authorization. AB 1810 will ensure the firearm industry in California is following our gun safety laws and clarify the California Department of Justice's authority to shut down irresponsible dealers who are endangering the lives of Californians by breaking the law. In addition, AB 1810 addresses the crime gun epidemic by requiring the California Department of Justice to annually inspect the 10 firearm dealer locations with the highest percentage of crime guns that have a time-to-crime of less than one year.

2. Firearm Dealer Licensing and Inspection by the Department of Justice

Federal law requires firearms dealers to obtain a license (also known as a "federal firearms license," or "FFL") through the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). The ATF issues various types of FFLs depending on the primary activity engaged in by the licensee: there are separate licenses for firearms dealers, pawnbrokers, collectors, manufacturers, and importers. According to the ATF, as of January 2626, there were 1,326 FFLs issued for

firearms dealers and pawnbrokers in California, and a total of 12,067 FFLs in the state.¹ An FFL is necessary but not sufficient for obtaining a firearms dealer license in California. Additional requirements include any business license required by local government, a seller's permit issued by the California Department of Tax and Fee Administration, a seller's license issued by the local licensing authority of a local government (and any other license required by that jurisdiction), a certificate of eligibility (COE) issued by the DOJ (verifying that a background check has taken place), and being recorded on the DOJ's centralized list of firearms dealers.² In California, only individuals that have obtained a valid license through the DOJ may lawfully sell, lease or transfer firearms within the state, subject to limited exceptions.³

Firearm dealers in California are subject to numerous state and federal laws that they must abide by in order to remain in operation. Such laws specify the manner in which firearm dealers must keep their records, deliver a firearm, secure and store their inventory, obtain security measures, and impose numerous other requirements. Firearm dealers who do not comply with such laws have been linked to a greater likelihood that firearms from their inventory will be recovered in a crime. A 2022 report released by Brady United Against Gun Violence cites data from the ATF highlighting that when ATF inspected the 1% of gun dealers that supplied almost 60% of crime guns (defined as a gun nationwide, it found that 75% of these dealers had violated federal law, including significant recordkeeping violations and participation in sales to potential gun traffickers and prohibited persons. In comparison, when ATF inspected a random sample of dealers, the number that were found to be noncompliant dropped to 37%.⁴ A more recent report using more recent data collected from ATF also found a correlation between a dealer's business practices and the number of crime guns traced back to them.⁵

In 2021, the Legislature passed AB 1191 (McCarty), Chapter 683, Statutes of 2021, which required the DOJ to analyze patterns and trends relating to crime guns, including the sources and origins of those firearms, and report its findings to the Legislature. In its latest report, published in July 2025, DOJ found that in 2024, just over one-third (16,321) of crime guns recovered had a prior sale or transaction record confirmed in the DOJ's Automated Firearms System (AFS), and over a quarter could be traced to a specific dealer in California.⁶ Moreover, between 2022 and 2024, 36,372 recovered crime guns with an identifiable serial number could be traced to 1,641 California dealers. It is worth noting that while this data is significant, its inverse – that the vast majority of crime guns reported to the DOJ have no record of sale in AFS – is equally troubling. These include firearms that were acquired to illegal sales, imported illegally, manufactured in California as unserialized “ghost guns,” or not subject to transaction reports. The latest DOJ crime gun report also found that 81 dealers in California were associated with roughly half of all

¹ “Complete Federal Firearms Listings.” Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). https://www.atf.gov/firearms/tools-and-services-firearms-industry/federal-firearms-listings?report_start_year=6&report_start_month=1

² Pen. Code, § 26700.

³ Pen. Code, § 26500; see Pen. Code, §§ 27850 et. seq. for exceptions related to private party transfer.

⁴ “A California Case Study: Government Agencies Should Screen Firearms Vendors.” *Brady United Against Gun Violence*. <<https://s3.amazonaws.com/brady-static/Procurement-CA-v5.pdf>; it should be noted that although the report was released in 2022, the data used was somewhat stale, having been collected in 2000.

⁵ “The Suppliers of America's Gun Violence Epidemic,” *Brady United Against Gun Violence*. https://assets.bradyunited.org/production/files/Demand-Letter-2-Report_031324.pdf?dm=1716461297

⁶ “Crime Guns, Inspections, and Handguns in California. *Department of Justice*. July 1, 2025, at p.6 <https://oag.ca.gov/system/files/media/ab1191-crime-gun-report-2025.pdf>

traceable crime guns in 2024, and the highest number of crime guns associated with one dealer in 2024 was 280, which could be traced to Turner's Outdoorsmans in San Bernardino.⁷

De-Listing Provisions

Under existing law, the DOJ is required to maintain a centralized list of all active, licensed firearm dealers, and is either authorized or required to remove dealers from that list for a number of specified reasons, including for having their FFL revoked, failing to provide certification of a working video surveillance system, or violating any of a number of dealer requirements.⁸ This bill requires the DOJ to additionally de-list a dealer who is out of compliance with the prerequisites for obtaining a dealer license as described in the first paragraph of this comment. Further, the bill authorizes the DOJ to de-list a dealer who fails to remedy a violation that was discovered as a result of an inspection (a set of requirements discussed in greater detail below) within 90 days of the inspection, as required under this bill. If a dealer is de-listed pursuant to these provisions, the bill permits DOJ to impose a fine and suspension of the de-listed party from the centralized list for 2 years. In addition, the bill specifies that the de-listed party is prohibited, for a period of 2 years, from owning or operating a business selling firearms or ammo, and from being employed by such a business. Effectively, this means that a dealer who violates a single dealer requirement specified above will have to shutter their business for two years and may not work in the firearm industry for that duration. The Committee may wish to consider whether the severity of this penalty is commensurate with the severity of the violation.

Dealer Inspection Provisions

Existing law requires DOJ to conduct inspections of licensed firearms dealers at least once every three years to ensure compliance with any and all existing requirements to which they are subject. Moreover, dealer inspections must include an audit of dealer records that includes a sampling of at least 25% but no more than 50% of each record type.⁹ This bill requires the DOJ to additionally inspect the 10 firearm dealer locations with the highest percentage of crime guns that have a "time to crime" of less than one year for the most recent calendar year reported, but specifies that a dealer shall only be inspected under this provision if it is reported to be the source of no fewer than 20 crime guns. Moreover, for the purposes of this provision, the bill defines "time to crime" as the length of time between when a firearm was last in possession of or reported stolen by the dealer and the date the weapon was recovered by law enforcement and deemed a crime gun. The bill also specifies that inspections of dealers with a high percentage of associated crime guns must occur within 12 months after the release of the latest DOJ crime gun report, although the DOJ may forgo an inspection if the dealer was already inspected in the 6 months leading up to the release of the report. Finally, this provision requires a dealer found to have committed a violation during an inspection to remedy the violation within 90 days and submit proof of the remedy to the DOJ.

3. Firearm License Fees Collected by DOJ

Under existing law, the DOJ is authorized to collect fees from both firearm dealers and purchasers to recover costs associated with the implementation and management of California's

⁷ *Ibid.* see also, "Turner's Outdoorsman Sold the Largest Share of Guns Traced to Crimes in California." *The Trace*. 4 May 2026. <https://www.thetrace.org/2026/05/turners-outdoorsman-california-crime-guns/>

⁸ Pen. Code, §§ 26700-26920.

⁹ Pen. Code, § 26720.

firearms laws. With regard to dealers, the DOJ may collect fees for the issuance (\$71) and renewal (\$22) of certificates of eligibility, for the maintenance of the centralized list (\$20), and to cover the costs of conducting inspections (\$90). Existing law provides that the total amount that may be charged to a dealer recover costs related to maintaining the centralized list and conducting inspections is \$115 (hereinafter, “the list fee”).¹⁰ Existing law also authorizes DOJ to charge certain FFLs an additional fee for being in a specialized category of licensees, such as an annual fee of \$115 for FFLs that qualify for an exemption from specified dealer requirements, and an annual fee not to exceed \$250 for licensed firearm manufacturers that produce fewer than 500 firearms in a calendar year.¹¹ These fees provide cost recovery for the management of centralized lists exclusive to these specialized classes of licensee.

This bill removes the specified dollar limits on the fees described above, striking language limiting the fees to \$115 and \$250, respectively. Regarding the list fee, the bill does not specify a new maximum, and regarding the exempted FFL fee, the bill provides that the fee be “reasonable,” mirroring other existing statutes that prescribe firearm-related fees. Additionally, for both of these fees the bill authorizes DOJ to impose an adjustment not to exceed 15% over the previous year but limits the adjustment to the amount necessary to cover costs related to the maintenance of the respective lists. With regard to fees imposed on low-volume manufactures, the specifies that the fees must be “reasonable.”

4. Prior Legislation

This bill is substantially similar to last year’s SB 15 (Blakespear), which passed out of this committee on a vote of 4-1 but was held in Senate Appropriations Committee. SB 15 would have additionally required firearm dealers to annually submit a certification of their firearm inventory to the DOJ, a provision absent from this bill. The only other major distinction between the two bills is that SB 15 did not include the “time to crime” limitation present in this bill.

5. Argument in Support

According to Brady California:

This legislation addresses a critical gap in firearm industry oversight by ensuring that California can effectively hold firearms dealers accountable for violations of state law and focus resources on the small percentage of dealers associated with the highest rates of crime gun recoveries.

While California has some of the nation’s strongest gun safety laws, gun trafficking remains a significant challenge. Research from UC Davis indicates that the number of crime guns recovered per capita in our state has grown by nearly 70% over the last decade.¹² Furthermore, the data suggest that these recoveries are highly concentrated:

- **A Small Minority of Dealers:** Data shows that a select group of dealers account for the vast majority of crime guns recovered in the state.

¹⁰ Pen. Code, § 26720, subd. (b).

¹¹ Pen. Code, § 29055, subds. (b), (c).

¹² Hannah S. Lacqueur et al., *Trends and Sources of Crime Guns in California: 2010–2021*, Journal of Urban Health, Sept. 11, 2023, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC37695444/>

- **Declining Federal Oversight:** The federal Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) has recently stepped back from its firearm industry oversight responsibilities with agents directed into immigration enforcement and has faced potential budget cuts.
- **A "Time-to-Crime" Crisis:** The median time between a handgun's purchase and its recovery in a violent crime has dropped significantly, highlighting the need for immediate intervention.

AB 1810 addresses these issues through two common-sense provisions:

- **Strengthening DOJ Enforcement:** It explicitly authorizes the California Department of Justice to temporarily remove dealers from the state's approved list if they fail to remedy serious legal violations within 90 days.
- **Data-Driven Inspections:** It requires annual inspections for the ten dealer locations with the highest percentage of sales that end up as crime guns, ensuring state resources are used where they are most needed.

6. Argument in Opposition

According to the California Rifle and Pistol Association:

AB 1810 expands the Department of Justice's authority over the centralized list of licensed firearms dealers. It mandates removal from the list for failure to maintain required licenses and authorizes removal for failure to remedy "specified violations" discovered during inspections within 90 days. Removed dealers face fines and a two-year ban not only from the centralized list, but also from owning, operating, or even being employed in the firearms or ammunition industry. The bill further requires annual inspections of the ten dealer locations with the highest percentage of firearms later recovered in crimes (based on trace data with a short "time to crime"), while changing inspection and list-maintenance fees to a vague "reasonable annual fee" subject to a 15% annual cap.

While CRPA supports legitimate oversight to ensure dealers comply with existing laws, AB 1810 grants the DOJ overly broad and discretionary power that threatens responsible, law-abiding small businesses.

Key Concerns with the Amended Bill:

- **Extreme Collateral Consequences:** The two-year ban on employment or operating a firearms-related business is disproportionately punitive. It risks putting compliant dealers out of business — or driving skilled employees out of the industry — over paperwork issues, minor record-keeping technicalities, or good-faith disputes during audits.
- **Unfair Targeting via Crime Trace Data:** Mandating inspections of the "top 10" dealers by crime gun trace statistics unfairly penalizes retailers located in high-crime areas or those serving lawful customers whose firearms may later be stolen or diverted by criminals. There is no requirement that the dealer itself engaged in wrongdoing.

- **Vague Standards and DOJ Discretion:** Terms like “specified violations” and “reasonable annual fee” invite arbitrary enforcement. Combined with mandatory 90-day remediation deadlines and automatic removal provisions, this creates an environment of regulatory uncertainty for small businesses already operating under some of the nation’s strictest firearms regulations.
- **Impact on Law-Abiding Consumers:** Reducing the number of compliant dealers will limit access to lawfully owned firearms for self-defense, hunting, and sport shooting, while doing little to address criminal firearm trafficking.

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