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# SENATE COMMITTEE ON PUBLIC SAFETY

Senator Aisha Wahab, Chair

2023 - 2024 Regular

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**Bill No:** AB 1420                      **Hearing Date:** June 27, 2023  
**Author:** Berman  
**Version:** April 26, 2023  
**Urgency:** No                                      **Fiscal:** Yes  
**Consultant:** AB

**Subject:** *Firearms*

## HISTORY

**Source:** California Department of Justice

**Prior Legislation:** AB 228 (Rodriguez, Ch. 138, Stats. of 2022)  
AB 2061 (Limon, Ch. 273, Stats. of 2020)  
AB 2362 (Muratsuchi, Ch. 284, Stats. of 2020)  
AB 1064 (Muratsuchi, 2019), held in Assembly Appropriations

**Support:** Brady California; Brady Campaign to Prevent Gun Violence; City of Mountain View; Everytown for Gun Safety Action Fund; Giffords Law Center to Prevent Gun Violence; Los Angeles Unified School District

**Opposition:** None known

**Assembly Floor Vote:** 75 - 0

## PURPOSE

*The purpose of this measure is to expand the authority of the Department of Justice (DOJ) to conduct firearm dealer inspections to ensure compliance with all applicable state laws, and to require DOJ to maintain information on the number of firearms dealers found to have violated applicable state laws with knowledge or gross negligence.*

*Existing law* requires a person to hold a firearm dealer's license in order to sell, lease, or transfer a firearm. (Pen. Code, § 26500.)

*Existing law* provides that the duly constituted licensing authority of a city, county, or a city and county shall accept applications for, and may grant licenses permitting licensees to sell firearms at retail within the city, county, or city and county. (Pen. Code, § 26705, subd. (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 State Board of Equalization;
- Have a certificate of eligibility issued by the DOJ, as specified;
- Have a license issued in a specified format granted by the local licensing authority; and,
- Be recorded in the DOJ's centralized list of licensees. (Pen. Code, § 26700.)

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

*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. (Penal Code §26800(a).)

*Existing law* provides that the DOJ may assess specified civil fines against a licensee for any breach of a prohibition or requirement that subjects the licensee to forfeiture of their license to sell firearms. (Penal Code §26800(b).)

*Existing law* requires firearms dealers to secure their inventory in a secure facility on the business premises with trigger locks, or within a locked, fireproof safe or vault when the licensee is not open for business. (Pen. Code, § 26890.)

*Existing law* requires licensed dealers to maintain and make available to law enforcement or the DOJ a firearm transaction record, as specified. (Pen. Code, §§ 26900, 28100.)

*Existing law* authorizes the DOJ to inspect firearms dealers every three years, as specified, in order to ensure compliance with only specified statutes. (Pen. Code, § 26720, subd. (a).)

*Existing law* requires the DOJ to maintain and make available upon request the number of inspections conducted and the amount of fees collected, as specified, exempted jurisdictions, number of dealers removed from the centralized list of licensees, and the number of dealers found to have violated specified provisions of law with knowledge or with gross negligence. (Pen. Code, § 26725.)

*Existing law* provides that the DOJ shall prescribe the form of the register and the record of electronic transfer of firearms (also known as the Dealer's Record of Sale, or DROS). (Pen. Code, § 28155.)

*Existing law* requires the DROS to include the following information, among other things:

- Date and time of sale;
- Make of firearm;
- Serial number or any assigned identification number or mark;
- Caliber;

- Type of firearm;
- Barrel length;
- Full name, date of birth, and purchaser's address;
- Purchaser's phone number;
- Purchaser's gender;
- All of the purchaser's legal names or aliases;
- Yes or no answer to questions inquiring whether the purchaser is prohibited from possessing a firearm;
- Signature of purchaser;
- Right thumbprint of the purchaser; and,
- A statement of the penalties for signing a fictitious name or address, knowingly furnishing any incorrect information, or knowingly omitting any information required to be provided for the register. (Pen. Code, § 28160.)

*Existing law* provides that the dealer or salesperson must ensure all required information has been obtained and be informed that incomplete information will delay sales. (Pen. Code, § 28175.)

*Existing law* makes it a misdemeanor for a person to furnish a fictitious name or address, or knowingly furnish incorrect information, or knowingly omit any information on the DROS forms. (Pen. Code, § 28250, subd. (a).)

*Existing law* makes it a felony for a prohibited person to knowingly furnish a fictitious name, address, incorrect information, or to omit any information on the DROS forms. (Pen. Code, § 28250, subd. (b).)

*This bill* authorizes the DOJ to conduct firearm dealer inspections to ensure compliance with any applicable state law, in addition to the statutes specified in existing law.

*This bill* requires DOJ to maintain and make available upon request the number of dealers found to have violated a provision of any applicable state law with knowledge or gross negligence, in addition to the statutes specified in existing law.

*This bill* authorizes the DOJ to assess civil fines against firearm dealers not only for breaches of specified statutes, but also for violations of any other applicable state laws.

*This bill*, commencing September 1, 2025, requires the DROS to include a firearm purchaser's email address

## COMMENTS

### 1. Need for This Bill

According to the Author:

California has some of the strongest firearm laws in the country and these laws save lives. In 2021, Giffords Law Center showed that California had a 37 percent lower gun death rate than the national average. Having strong firearm laws is important, but it is equally important to ensure the laws are being sufficiently enforced. AB 1420 will ensure that the Department of Justice (DOJ) has the authority to inspect and write citations for any violations related to the governing of the sale, transfer, and storage of firearms.

Unfortunately, there are only a handful of statutes that allow for DOJ inspection and even fewer statutes that allow for any sort of civil fines to be issued. Currently, there are multiple instances where the DOJ's compliance units witness serious violations, such as finding assault weapons or evidence of an assault weapons sale, but cannot write any sort of citation because it is beyond the scope of their authority. AB 1420 will ensure the DOJ has the authority and tools to adequately enforce firearms violations. California firearm laws are strong and remedying any violations can save lives.

### 2. Firearm Dealer Licensing and Inspection

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). According to the ATF, as of December 2021, there were 1,907 FFLs issued for firearms dealers and pawnbrokers in California, and a total of 9,167 FFLs in the state.<sup>1</sup> 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, 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.<sup>2</sup> 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.<sup>3</sup>

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 recent report from Brady United Against Gun Violence cites data from the Bureau of

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<sup>1</sup> “Report of Active Firearms Licenses – License Type by State Statistics.” *Bureau of Alcohol, Tobacco, Firearms and Explosives*. Posted 10 December 2021.

<https://www.atf.gov/firearms/docs/undefined/ffltypebystate12-10-2021pdf/download>

<sup>2</sup> Penal Code §26700

<sup>3</sup> Penal Code §26500; see Penal Code §§27850 et. seq. for exceptions related to private party transfer.

Alcohol, Tobacco, Firearms and Explosives (ATF) highlighting that when ATF inspected the 1% of gun dealers that supplied almost 60% of crime guns 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%.<sup>4</sup>

Licensed firearms dealers in California are subject to inspections by both the state and federal government. FFLs are subject to random inspections by ATF officials to ensure compliance with federal, state and local laws and regulations, educate licensees on specific requirements associated with those laws, and review records that FFLs are required to maintain. In addition, federal inspectors conduct a complete physical inventory of a licensee's firearms and evaluate the licensee's internal controls and security measures. In 2020, the latest year for which there is comprehensive data was compiled by ATF, that agency conducted 5,283 inspections, out of approximately 133,000 FFLs nationwide. Of those inspections, 283 were carried out in California and yielded 35 reported violations, generally regarding federal regulations on reporting and recordkeeping.<sup>5</sup>

Existing California law, commencing January 1, 2024, and enacted by recent legislation (AB 228, Rodriguez, Ch. 138, Stats. of 2022), requires the DOJ to conduct inspections of licensed firearms dealers every three years to ensure compliance with several provisions of existing law listed in Penal Code § 16575. While that section enumerates many other sections of the penal code that impose regulations on firearm dealers, not all sections that impose regulations on dealers are listed in §16575. This section was adopted in 2010, and since then, additional requirements on firearm dealers have been added throughout the Penal Code and elsewhere in California law, but have not been added to §16575. Thus, DOJ's inspection authority is limited to pre-2010 statutes, and there is no mechanism to ensure enforcement of more recent statutes. Rather than update the list, which would necessitate it being updated again in the future, this bill authorizes DOJ to inspect dealers to ensure compliance with dealer requirements in the Penal and Business and Professions Codes, as well as any other applicable state law.

Additionally, for firearm transactions occurring on and after September 1, 2025, the bill requires firearm dealers to collect the email addresses of firearm purchasers and transmit them to the DOJ along with other purchaser information required to be transmitted under existing law.

### 3. Argument in Support

According to Everytown for Gun Safety Action Fund, which writes in support:

AB 1420 strengthens implementation of existing laws regulating firearm dealers by expanding the authority of the California Department of Justice (DOJ) to conduct firearm dealer inspections to ensure compliance with all applicable state laws and regulations. Current law specifies that DOJ may conduct inspections to ensure compliance with Penal Code section 16575, which includes a list of statutes that has not been updated since 2010. As new laws related to the sale, transfer and storage of

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<sup>4</sup> Brady United Against Gun Violence. *A California Case Study: Government Agencies Should Screen Firearms Vendors*. <<https://s3.amazonaws.com/brady-static/Procurement-CA-v5.pdf>

<sup>5</sup> "Firearms Compliance Inspections." *Bureau of Alcohol Tobacco, Firearms and Explosives*. <https://www.atf.gov/firearms/compliance-inspections> ; "Firearm Compliance Inspection Results." *Bureau of Alcohol Tobacco, Firearms and Explosives*. <https://www.atf.gov/firearms/firearms-compliance-inspection-results>

firearms continue to be passed, it is imperative that DOJ's hands are not tied by an antiquated list of laws governing licensed firearms dealers.

This bill will simply broaden the DOJ inspection authority and will allow the DOJ to impose civil fines for any violations related to the sale, transfer, and storage of firearms. It will ensure that the laws the Legislature has created since 2010 are under the DOJ's authority to inspect and write citations, and will also ensure that violations of those laws are included in the records that DOJ is required to maintain and make available upon request. AB 1420 will also include a firearm purchaser's email address in the record of transfer along with other contact information, which will modernize the ability to convey information to firearm owners when necessary.

**-- END --**