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Important Notice

April 3, 2002

All Licensed California Firearms Dealers Basic Firearms Safety Certificate (BFSC) Course Providers

RE: Significant Changes to the DROS Process and BFSC Program

Effective January 1, 2003, firearms dealers, BFSC course providers, and Department of Justice (DOJ) Certified Instructors will be impacted as a result of significant changes to the Dealer's Record of Sales (DROS) process and the Basic Firearms Safety Certificate (BFSC) Program. These changes are the result of the passage of Assembly Bill (AB) 35 (Chapter 940, Statutes of 2001) and Senate Bill (SB) 52 (Chapter 942, Statutes of 2001). This document provides only an overview of the significant changes. The DOJ will distribute future Information Bulletins and provide necessary training as details are developed.

New DROS Requirements

Beginning January 1, 2003, **all** firearms dealers must submit DROS transactions to DOJ **electronically via the Internet** using a personal computer. DOJ will no longer accept routine telephonic submissions or transactions submitted through the currently used Coupled Intranet and Electronic DROS Entry System methods, whether conducted through a provided point of sale device or a dealer's personal computer. The new Internet method will incorporate the latest industry standard security protections currently used by financial institutions. Prior to the effective date, DOJ will notify dealers of a comprehensive training campaign to assist dealers with the transition to the new Internet method. All dealers and their employees are strongly encouraged to attend this training.

Prior to January 1, 2003, DOJ will issue a point of sales system, on a one-time basis, to dealers who have conducted the legal requirement of at least six DROS transactions within the previous twelve months. The point of sales system will consist of an IBM compatible personal computer with an internal 56K/v.90 modem and Windows 1998/2000 operating system, ink-jet printer, and magnetic card swipe reader.

Those individuals who have not met the transaction volume sufficient to qualify for a DOJ issued point of sales system may sell firearms by submitting DROS transactions via the Internet using their own home/business personal computer or through a transfer to a firearms dealer. Most personal computer systems currently available in retail stores are sold equipped with the previously described features/system specifications.

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DOJ's subcontractor, MCI WorldCom, will provide one magnetic card swipe reader to each dealer to establish their home/business point of sales systems. Additional magnetic card swipe readers, or replacements as a result of loss/theft, will be made available to dealers for a fee to include shipping costs. Beginning January 1, 2003, magnetic card swipe readers will play a more critical role in the overall DROS process since the new law also requires that all purchaser information be captured from the individual's Department of Motor Vehicle issued identification card or driver's license using the readers. However, certain exceptions will apply in particular cases when the magnetic stripe on an individual's identification card/driver's license is defective or the purchaser is using military identification or a diplomatic passport.

In preparing for these new requirements, firearms dealers and their employees are encouraged to immediately begin familiarizing themselves with the use of an IBM compatible personal computer that has a Windows 1998/2000 operating system. Additionally, dealers are encouraged to obtain an Internet Service Provider (ISP) account and to become familiar with navigating the Internet. An ISP is a business entity similar to your local/long distance telephone company. Most ISPs can provide data communication services that support the electronic transfer of documents, mail, and/or transactions such as a bill payment or in this case a DROS. Some of the more commonly/nationally known ISPs are America On-line (AOL), Microsoft Network (MSN), Prodigy, Earthlink, Yahoo, and AT&T. There are also numerous local ISPs that provide the same level of service at competitive rates. Most ISPs offer both standard 56K modem Internet connection speed as well as the various high-speed Internet connections (e.g., DSL, ISDN, and T-1 Networks) that may be used in accessing the application. Dealers who choose to use a high speed Internet connection option will realize a substantial reduction in overall DROS processing time. Many local/long distance telephone companies also provide this service. Neither DOJ, nor its subcontractor, MCI WorldCom, endorse any particular ISPs. It is recommended that you shop around for an ISP by consulting your local yellow page listings.

Effective January 1, 2003, dealers must record and retain the purchaser's right thumbprint on the back of the DROS.

Effective January 1, 2003, prior to the delivery of a handgun, dealers will be required to:

- Obtain a photocopy of the purchaser's California residency documentation as proof of compliance.
- Retain a photocopy of the purchaser's valid Handgun Safety Certificate (HSC) card as proof of compliance.
- Ensure that the purchaser has successfully performed a safe handling demonstration with the handgun that is being purchased. A DOJ Certified Instructor must evaluate the demonstration. The dealer and purchaser must sign and date an affidavit as proof of compliance.

Detailed information and training regarding the above provisions will be provided in the fall of 2002.

BFSC Program Replacement

Effective January 1, 2003, the existing BFSC Program will be repealed from law and replaced with the new HSC Program. Accordingly, all previously issued BFSC cards will no longer be valid for handgun purchases after December 31, 2002. Handgun purchases beginning January 1, 2003 require a valid HSC card. HSC cards are valid for five years from the date of issuance. In preparation for the HSC Program implementation, DOJ will make HSC materials available to firearms dealers no later than November 2002, allowing them for use in December 2002.

Dealers are encouraged to purchase HSC materials this fall as they become available to ensure that HSC written tests can be administered and cards can be issued to persons who successfully pass the written test in order to purchase handguns beginning January 1, 2003.

Dealers may accept a BFSC card, in lieu of an HSC card, until January 31, 2003, only for handgun purchasers who initiated a DROS transaction during December 2002. However, these persons must successfully perform the safe handling demonstration prior to taking possession of the handgun.

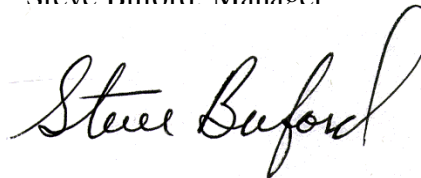
Persons redeeming their own handgun(s) as a result of a pawn/consignment transaction are exempt from the HSC and safe handling demonstration requirements.

Summary of AB 35 and SB 52 Requirements

The attached document provides a summary of the requirements that will impact firearms dealers, BFSC Course Providers and DOJ Certified Instructors.

Should you have any questions regarding this information, please feel free to contact the Firearms Information Services Section at (916) 263-4887.

Sincerely,
Steve Buford Manager



For BILL LUCKYER
Attorney General

Enclosures

AB 35/SB 52 Summary of Requirements Effective January 1, 2003

Detailed information and training regarding the following provisions will be provided in the fall of 2002.

Dealer Requirements

- A. PC Section 12076(a)(3) - Dealers must submit all Dealer Record of Sale (DROS) transactions electronically. DOJ plans to establish certain exceptions (e.g., temporary malfunction of dealer equipment, prolonged network outage) pursuant to regulations. In the case where an exception applies the dealer will be required to retain a copy of the purchaser's identification with the Dealer Record of Sale (DROS).
- B. PC Section 12077(F) - Dealers must obtain the purchaser's name, date of birth, and ID/driver's license number electronically using a magnetic card swipe reader issued by DOJ. DOJ plans to establish certain exceptions (e.g., broken equipment, defective magnetic stripe on card, military ID used by purchaser) pursuant to regulations. In such cases, the dealer must retain a copy of the purchaser's ID along with the DROS.
- C. PC Section 12077(b)(2) - Dealers must obtain the purchaser's right thumbprint on the DROS. DOJ plans to establish certain exceptions pursuant to regulations.
- D. PC Section 12071(b)(8)(B) - Dealers may not deliver a handgun unless the purchaser presents a valid Handgun Safety Certificate (HSC). Dealers must retain a copy of the purchaser's HSC or exemption documentation (e.g., photocopy of peace officer's credentials) as proof of compliance.
- E. PC Section 12077(b)(1) - Dealers must enter the purchaser's HSC number on the DROS. The existing BFSC number field will be converted to a HSC number field to facilitate this requirement.
- F. PC Sections 12071(b)(8)(F) & 12071(b)(8)(G) - Prior to delivering a handgun, a dealer must ensure that a purchaser has successfully completed a safe handling demonstration as evaluated by a DOJ certified instructor. Dealers and purchasers must sign and date an affidavit stating that the requirements of the demonstration have been met. Dealers must retain the affidavit with the DROS as proof of compliance. DOJ plans to establish certain exemptions to the demonstration (e.g., disabled persons), and exceptions to the actual handgun that is purchased (e.g., same make, model, and caliber, when actual handgun is inoperable) pursuant to regulations.
- G. PC Section 12071(b)(8)(C) - Dealers must obtain documentation of the purchaser's California residency and retain a photocopy as proof of compliance. Acceptable forms of documentation include military permanent duty station orders, utility bill, property deed, and lease agreement. DOJ plans to establish other forms of acceptable documentation pursuant to regulations. Dealers must retain a copy of the documentation with the DROS as proof of compliance.

As used in this document, the definition of "purchaser" is the purchaser or transferee of a firearm or person being loaned a firearm.

DOJ Instructor Requirements

- A. DOJ plans to establish three distinct instructor levels pursuant to regulations:
- 1.) The **DOJ HSC Instructor** will be authorized to administer the HSC objective written test and issue HSC cards to successful applicants. Existing course providers meet the requirements of this level.
 - 2.) The **DOJ Certified Instructors** will be authorized to administer the HSC objective written test and issue HSC cards to successful applicants, and will also be authorized to evaluate the safe handling demonstration. DOJ Certified Instructor applicants must meet the minimum training requirements specified in Penal Code Section 12804(j). Most existing certified instructors meet the requirements of this level. DOJ will conduct a training course that will meet or exceed the training requirements cited in PC Section 12804(j).
 - 3.) The **DOJ Certified Instructor Trainer** will be authorized to administer the HSC objective written test, issue HSC cards to successful applicants, evaluate the safe handling demonstration, and will also be authorized to train applicants for DOJ Certified Instructor certification. Applicants must meet the minimum training requirements specified in PC Section 12804(j). DOJ will conduct a training course to certify DOJ Certified Instructor Trainers.

DOJ will require all three instructor level applicants to certify/re-certify and sign a statement of compliance.

- B. PC Section 12805(a) - All DOJ Instructor levels may obtain HSC cards by pre-purchasing them from DOJ at a cost of \$15 per certificate. DOJ anticipates HSCs to be available prior to January 2003.
- C. PC Sections 12804(c)(1), 12804(g), 12805(e) - All DOJ Instructor levels may begin administering the objective test and issuing HSC cards to successful applicants beginning January 1, 2003. DOJ Instructors may charge test applicants up to \$25 for administering the test and issuing a certificate. \$15 of the fee collected is to cover the cost of the prepaid certificate.
- D. PC Section 12803(a) - Instructors must submit an annual report to DOJ as proof of compliance with the HSC Program (e.g., signed/dated affidavit reflecting series number (e.g., 6501 through 6599) of HSC cards issued within the year).
- E. PC Section 12808(a) & (b) - DOJ Instructors must issue replacement HSC cards in the case of loss or destruction for a fee not to exceed \$15 of which \$15 will be forwarded to DOJ. As a result of this requirement, a copy of the HSC card must be retained for five years.
- F. PC Section 12805(b) - DOJ Instructors must make themselves available during normal business hours to an applicant who fails the written test to enable the person to retake the test. DOJ Instructors must administer a second test at no additional charge.
- G. PC Sections 127071(b)(8)(d) and 12071(b)(8)(G) - DOJ Certified Instructors must administer, observe, and approve a handgun purchaser's safe handling demonstration prior to delivery of the handgun.

As used in this document, the definition of "purchaser" is the purchaser or transferee of a firearm or person being loaned a firearm.