

TITLE 11. DEPARTMENT OF JUSTICE

NOTICE OF PROPOSED RULEMAKING

NOTICE IS HEREBY GIVEN that the Department of Justice (“Department”, “DOJ”), pursuant to rulemaking authority granted by section 12071 of Penal Code, in order to implement, interpret and make specific section 12071, subdivision (f) of the Penal Code, proposes to amend section 987.1 in Title 11, California Code of Regulations (CCR) regarding firearms dealer fees.

PUBLIC HEARING: The Department will hold a public hearing commencing at 10:00 a.m. on **Tuesday, March 19, 2002**, at the Department of Justice, 4949 Broadway, Sacramento, California. The hearing room is wheel chair accessible. At the hearing, any person may present statements or arguments orally or in writing relevant to the proposed regulatory action described in the Informative Digest. The Department requests but does not require that persons who make oral comments at either hearing also submit a written copy of their testimony at the hearing.

WRITTEN COMMENT PERIOD: Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Department, addressed to Jeff Amador, Department of Justice, Firearms Division, P.O. Box 820200, Sacramento, CA 94203-0200, no later than 5:00 p.m., **March 19, 2002**, or may be submitted at the hearing. Written comments may also be sent to Jeff Amador (1) via electronic mail at jeff.amador@doj.ca.gov or (2) via fax (916) 227-3700.

CONTACT PERSON: Nonsubstantive inquiries concerning this action, such as requests for copies of the text of the proposed regulation, may be directed to Sherri Toulouse at (916) 227-3694. The backup contact person is Stacey Prado, (916) 227-5366. Inquiries regarding the substance of the proposed regulation may be directed to Jeff Amador at (916) 227-3661.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Penal Code (PC) section 12071 requires the Department to maintain a Centralized List of Firearms Dealers (“Centralized List”) and authorizes the Department to conduct dealership inspections to confirm compliance with California firearms laws. Penal Code Section 12071 (f) authorizes the Department to assess annual dealer fees to cover the cost of maintaining the Centralized List, including dealer inspections. In 1999, the Department adopted regulations (Sections 986 through 989, of Title 11, CCR) as required to implement the Centralized List program, including Section 987.1 which established the annual dealer fee as \$85 (\$20 Centralized list fee and \$65 inspection fee). The proposed amendment to Section 987.1 would increase the annual dealer fee to \$115 (\$20 Centralized list fee and \$95 inspection fee). The existing statutory exemption from the inspection fee (\$95) for dealers whose place of business is located in a jurisdiction with a local firearms dealer compliance inspection program would remain unchanged.

DISCLOSURES REGARDING THE PROPOSED ACTION

The Department has made the following initial determinations:

Significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None. The \$30 per year increase is not a significant amount particularly in comparison to the total operating costs typically incurred by retail businesses. Furthermore, current state and federal law generally prohibits firearm dealers from selling firearms to individuals who do not reside in their own state. Therefore, competition with businesses in other states is a non-issue.

Adoption of these regulations will not (1) create or eliminate jobs within California; (2) create new businesses or eliminate existing businesses within California; or (3) affect the expansion of businesses currently doing business within California.

Effect on housing costs: None.

Cost impact on representative private person or business: \$30 increase in annual firearms dealer fees from \$85 to \$115.

FISCAL IMPACTS

Cost or savings to any state agency: None.

Local Mandate: None.

Cost to any local agency or school district that is required to be reimbursed in accordance with Part 7 (commencing with Section 17500) of Division 4 of the Government Code: None.

Other nondiscretionary cost or savings imposed upon local agencies: None.

EFFECT ON SMALL BUSINESS

The proposed amendment to the existing regulation will result in a \$30 increase in firearms dealer fees from \$85 to \$115.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5, subdivision (a)(13), the Department must determine that no alternative it considered or that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

The Department invites interested persons to present statements or arguments with respect to alternatives to the proposed regulation at the scheduled hearing or during the written comment period.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After holding the hearing and considering all timely and relevant comments received, the Department may adopt the proposed regulations substantially as described in this notice. If the Department makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before the Department adopts the regulations as revised. Any such modifications will also be posted on the Department's website. Please send requests for copies of any modified regulations to Sherri Toulouse, Department of Justice, Firearms Division, P.O. Box 820200, Sacramento, CA 94203-0200. The Department will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS/INTERNET ACCESS

An initial statement of reasons and the text ("express terms") of the proposed regulation have been prepared and are available by contacting Sherri Toulouse at the address or phone number listed above. The Department will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office at 4949 Broadway, Sacramento, California. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the initial statement of reasons, the proposed text of the regulation in ~~strikeout~~/underline, and the Economic and Fiscal Impact Statement (Std. 399). The above-cited materials may be accessed on the DOJ Firearms Division website at www.ag.ca.gov/firearms/.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person named above or may be accessed on the website listed above.