
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Steven Bradford, Chair

2021 - 2022 Regular

Bill No: AB 2552 **Hearing Date:** June 8, 2022
Author: McCarty
Version: April 7, 2022
Urgency: No **Fiscal:** Yes
Consultant: AB

Subject: *Firearms: gun shows and events*

HISTORY

Source: Brady Campaign

Prior Legislation: SB 264 (Min), Ch. 684, Stats. of 2021
AB 2061 (Limon), Ch. 273, Stats. of 2020
AB 893 (Gloria), Ch. 731, Stats. of 2019
SB 221 (Wiener), 2017, vetoed
SB 475 (Leno), 2013, vetoed
SB 585 (Leno), 2009, vetoed
AB 2948 (Leno), 2008, failed passage on the Senate Floor
SB 1733 (Speier), 2004, failed passage on the Assembly Floor
AB 295 (Corbett), Ch. 247, Stats. of 1999
AB 1107 (Ortiz), 1997, failed passage in Assembly Appropriations

Support: Brady California

Opposition: California Rifle & Pistol Association; California Sportsman's Lobby; Outdoor Sportsmen's Coalition of California; Safari Club International – California Chapters

Assembly Floor Vote: 57 - 14

PURPOSE

The purpose of this bill is to require the inclusion of additional notices on signs posted at the public entrance of gun shows, increase fines on gun show organizers and vendors who fail to comply with specified requirements, and require the DOJ to conduct annual inspections of gun shows.

Existing law provides that bringing or possessing a firearm within any state or local public building is punishable by imprisonment in a county jail for not more than one year, or in the state prison, unless a person brings any weapon that may be lawfully transferred into a gun show for the purpose of sale or trade. (Pen. Code §§ 171b (a), 171b (b)(7)(A).)

Existing law prohibits the sale, lease, or transfer of firearms without a license, unless the sale, lease, or transfer is pursuant to operation of law or a court order, made by a person who obtains

the firearm by intestate succession or bequest, or is an infrequent sale, transfer, or transfer, as defined. (Pen. Code § 26500, 26505, 26520.)

Existing law excludes persons with a valid federal firearms license and a current certificate of eligibility issued by the Department of Justice from the prohibitions on the sale, lease, or transfer of used firearms, other than handguns, at gun shows or events. (Pen. Code § 26525.)

Existing law permits licensed dealers to sell firearms only from their licensed premises and at gun shows. (Pen. Code § 26805.)

Existing law states that a dealer operating at a gun show must comply with all applicable laws, including California's waiting period law, laws governing the transfer of firearms by dealers, and all local ordinances, regulations, and fees. (Pen. Code § 26805.)

Existing law states that no person shall produce, promote, sponsor, operate, or otherwise organize a gun show, unless that person possesses a valid certificate of eligibility from the Department of Justice. (Pen. Code § 27200.)

Existing law specifies the requirements that gun show operators must comply with at gun shows, including entering into a written contract with each gun show vendor selling firearms at the show, ensuring that liability insurance is in effect for the duration of a gun show, posting visible signs pertaining to gun show laws at the entrances of the event, and submitting a list of all prospective vendors and designated firearms transfer agents who are licensed firearms dealers to the Department of Justice, as specified. (Pen. Code §§ 27200, 27245.)

Existing law requires that before commencement of a gun show or event, the producer thereof shall, upon written request of a local law enforcement agency with jurisdiction over the venue, make available to that agency a list of entities that will be selling, leasing, transferring or processing the sale of firearms at the event, as specified. (Pen. Code §27205.(a).)

Existing law requires the producer and facility's manager of a gun show or event to prepare an annual event and security plan and schedule, as specified, and submit that plan to the Department of Justice and the law enforcement agency with jurisdiction over the facility. (Pen. Code §27210.)

Existing law requires the producer of a gun show to post signs in a readily visible location at each public entrance to the show containing various specified notices. (Pen. Code §27240.)

Existing law makes a willful failure to comply with any of the gun show requirements a misdemeanor and renders the producer ineligible for a gun show producer license for one year from the date of the conviction. Multiple violations arising from more than one gun show or event are grounds to suspend a producer's certificate of eligibility pending adjudication of the violations. (Pen. Code, § 27245.)

Existing law requires all gun show or event vendors to certify in writing to the producer that they will abstain from specified conduct and are aware of or will comply with specified regulations. (Pen. Code §27305.)

Existing law, commencing July 1, 2022, authorizes the Department of Justice to inspect any firearms dealers, ammunition vendors, or manufacturers participating in a gun show or event in

order to ensure that it is being conducted in accordance with applicable state and federal laws. (Pen. Code §27310.)

This bill adds additional notice requirements for signs posted at the public entrance of a gun show or event, including the following:

- Firearms must be handled responsibly and securely stored to prevent access by children and other unauthorized users. California has strict laws pertaining to firearms, and you may be fined or imprisoned if you fail to comply with them. Visit the internet website of the California Attorney General at <https://oag.ca.gov/firearms> for information on firearm laws applicable to you and how you can comply.;
- Children may be unable to distinguish firearms from toys and may operate firearms, causing severe injury or death. If you keep a firearm within any premises under your custody or control, and a person under 18 years of age gains access to the firearm and carries it off-premises, you may be guilty of a misdemeanor, unless you stored the firearm in a locked container, or locked the firearm with a locking device.;
- You may be guilty of a misdemeanor, including a significant fine or imprisonment, if you keep a firearm where a minor is likely to access it or if a minor obtains and improperly uses it, or carries it off of the premises to a school or school-sponsored event, unless you stored the firearm in a locked container or locked the firearm with a locking device.;
- If you negligently store or leave a firearm within any premises under your custody or control where a person under 18 years of age is likely to access it, you may be guilty of a misdemeanor, including a significant fine, unless you stored the firearm in a locked container or locked the firearm with a locking device;
- Discharging firearms in poorly ventilated areas, cleaning firearms, or handling ammunition may result in exposure to lead, a substance known to cause birth defects, reproductive harm, and other serious physical injury. Have adequate ventilation when discharging or cleaning firearms or handling ammunition. Wash hands thoroughly after exposure;
- Federal regulations provide that if you do not take physical possession of the firearm that you are acquiring ownership of within 30 days after you complete the initial background check paperwork, then you must complete the background check process a second time in order to take physical possession of that firearm;
- No person shall make an application to purchase more than one handgun or semiautomatic centerfire rifle within any 30-day period and no delivery shall be made to any person who has made an application to purchase more than one handgun or semiautomatic centerfire rifle within any 30-day period; and,
- If a firearm you own or possess is lost or stolen, you must report the loss or theft to a local law enforcement agency where the loss or theft occurred within five days of the time you knew or reasonably should have known that the firearm had been lost or stolen.

This bill increases the fine for willful failure by a gun show producer to comply with specified requirements not involving signage from \$2,000 to \$4,000 and increases the time for which the producer will be ineligible for a gun show producer license from one year to two years.

This bill increases the maximum fine for willful failure by a gun show producer to post specified signs from \$1,000 to \$2,000 for the first offense and from \$2,000 to \$4,000 for the subsequent or subsequent offense.

This bill increases the time for which a gun show producer will be ineligible for a gun show producer license for a failure to post specified signs from one year to two years.

This bill, commencing July 1, 2023, requires the DOJ to annually conduct enforcement and inspection of one-half of all gun shows or events in the state to ensure compliance, as specified.

This bill requires the DOJ to post specified violations by a firearm dealer or ammunition vendor discovered during an inspection of a gun show or event on its internet website for a period of 90 days after an inspection.

This bill requires the DOJ, no later than May 1, 2024, and annually thereafter, to prepare and submit a report to the Legislature summarizing their enforcement efforts pursuant to the bill's provisions.

This bill requires gun show or event vendors to certify in writing to the gun show producer that they will not display, possess, or offer for sale either of the following:

- Any unserialized frame or receiver, including an unfinished frame or receiver.
- Any attachment or conversion kit designed to convert a handgun into a short-barreled rifle or into an assault weapon.

This bill provides that any second or subsequent violation of specified gun show provisions is punishable by imprisonment in county jail not to exceed six months, by a fine of one thousand dollars, or both. Additionally, for a second or subsequent violation, the DOJ shall prohibit the violator from participating as a gun show vendor at any gun show or event for a period of one year.

This bill provides that any person who commits an act the person knows to be a violation of specified gun show provisions shall, for a first offense, be punished by imprisonment in county jail not to exceed six months, by a fine of two thousand dollars, or both, and shall be prohibited from participating as a vendor at any gun show for a period of a year.

COMMENTS

1. Need for This Bill

According to the Author:

Gun shows are trade show events where the purchase, sale, and trading of firearms and accessories occur. According to the federal Bureau of Alcohol, Tobacco,

Firearms & Explosives, over 1,000 firearms are purchased or sold over the course of a weekend at a gun show. In any given year, up to 100 shows occur annually in California.

In 1999, California enacted the nation's broadest legislation to increase oversight at gun shows. Despite these regulations, many public safety concerns remain given the sheer volume of firearms, accessories and ammunition that are available for purchase at these gun shows. According to a report published by UC Davis has found that gun show are a significant source of firearms that are funneled into the illegal market. Furthermore, past research had found that gun shows are a critical moment in the chain of custody for many firearms.

Furthermore, contrary to the opposition claims that there is no evidence for a need for "stricter laws" and enforcement, there have been recent examples of gun show vendors and attendees engaging in unlawful activity. Earlier this year, the Attorney General and the Department of Justice announced charges against a man that illegally purchased illegal firearms and ammunition at a San Bernardino gun show, despite being on the prohibited persons list.¹ Specifically, this individual – which is prohibited from owning any firearm or ammunition for life – purchased an AR-15 style ghost gun kit, and after obtaining a search warrant, agents recovered an unserialized handgun, an unserialized short-barreled rifle, ammunition and the ghost gun kit. This single incident alone demonstrates that there are bad actors at gun shows, and in the wrong hands, can create a significant public safety concern in the communities in which these shows occur.

AB 2552 will improve the safety of gun shows, and the communities in which they occur, by improving notices of gun safety laws at gun shows, ensuring proper enforcement of regulations by the California Department of Justice, and updating penalties for violations of gun show regulations by gun show producers and vendors.

2. Gun Shows Generally

Gun shows are essentially a flea market for firearms. At gun shows, individuals may buy, sell, and trade firearms and related accessories. These events typically attract several thousand people, and a single gun show can have sales of over 1,000 firearms over the course of one weekend.²

According to the NRA's Institute for Legislative Action, less than one percent of inmates incarcerated in state prisons for gun crimes acquired their firearms at a gun show.³ However, gun shows rank second to corrupt dealers as a source for illegally trafficked firearms. Though violent criminals do not buy most of their guns directly from gun shows, gun shows are "the critical moment in the chain of custody for many guns, the point at which they move from the somewhat-regulated legal market to the shadowy, no-questions-asked illegal market."⁴

¹ <https://oag.ca.gov/news/press-releases/attorney-general-bonta-announces-charges-against-prohibited-felon-possession>

² Bureau of Alcohol, Tobacco, Firearms and Explosives, <https://www.atf.gov/file/57506/download>.

³ NRA-ILA, <https://www.nraila.org/get-the-facts/background-checks-nics>.

⁴ Center for American Progress, <http://www.americanprogress.org/issues/guns-crime/report/2013/12/13/80795/the-gun-debate-1-year-after-newtown/>.

Concerns about gun shows extend beyond the state. A report by the Government Accountability Office regarding gun trafficking to Mexico confirmed that many traffickers buy guns at gun shows.⁵ In fact, 87% of firearms seized by Mexican authorities and traced in the last 5 years originated in the United States, according to data from DOJ's Bureau of Alcohol, Tobacco, Firearms and Explosives. According to United States and Mexican government officials, these firearms have been increasingly more powerful and lethal in recent years. Many of these firearms come from gun shops and gun shows in south-west border-states.⁶

3. Gun Show Regulations in California

AB 295 (Corbett, Chapter 247, Statutes of 1999), the Gun Show Enforcement and Security Act of 2000 (the "Act"), enacted some of the nation's most extensive regulations related to gun shows. In California, a person who promotes, sponsors, operates, or otherwise organizes a gun show must obtain a certificate of eligibility from the DOJ. To obtain a certificate of eligibility, a promoter must undergo a background check, certify that he or she is familiar with existing law regarding gun shows, obtain at least \$1 million of liability insurance, and provide an annual list of gun shows the applicant plans to promote. Existing state law also requires gun show organizers to pay an annual fee; make available to local law enforcement a complete list of all entities that have rented any space at the show; submit an event and security plan; submit a list to DOJ of prospective vendors and designated firearms transfer agents who are licensed dealers; provide photo identification of each vendor and vendor's employee; require all firearms carried onto the premises of a show to be checked, cleared of ammunition, secured in a way that they cannot be operated, and have an identification tag or sticker attached.

Among various other restrictions and requirements, existing law also requires gun show producers to post readily visible signs at public entrances to the event, which must contain specific verbiage. Additionally, gun show vendors must certify to the event producers that they will abstain from engaging in certain prohibited practices and will abide by specified rules, and provided for a number of penalties for a gun show producer's willful failure to comply with the specified requirements.

Research suggests that California's strict gun show regulations may help to prevent increases in firearm deaths and injuries following gun shows.⁷ However, the effectiveness of these regulations is highly dependent on the state's ability to enforce them. Reporting by the Los Angeles Times in 2019 revealed that DOJ resources previously focused on gun show enforcement had been redirected to assist with the agency's backlog of armed prohibited persons cases.⁸ The DOJ continues to face an ever-growing array of competing priorities, making enforcement of the state's gun show regulations a persistent challenge.

4. Effect of This Bill

As noted above, existing law requires gun show organizers to post readily visible signs at public entrances to the event, which must include specific language as prescribed by statute.⁹ Existing

⁵ <https://www.gao.gov/assets/680/674570.pdf>.

⁶ <https://www.ucdmc.ucdavis.edu/vprp/pdf/IGS/IGS1web.pdf>.

⁷ Ellicott C. Matthay, et al., "In-State and Interstate Associations Between Gun Shows and Firearm Deaths and Injuries," *Annals of Internal Medicine* (2017) Vol. 1 Iss. 8.)

⁸ <https://www.latimes.com/california/story/2019-10-25/california-law-enforcement-gun-shows-nevada>

⁹ Penal Code §27240

law also requires licensed gun dealers to post nine specific notices within their licensed business premises, which are wholly distinct from the notices that must be posted at gun show entrances.¹⁰ This bill requires that signs posted at the public entrances of gun shows include the nine specific notices that must also be posted within the business premises of a licensed gun dealer. For the language of these nine notices, see Page 3 of this analysis.

As noted above, existing law requires all gun show vendors to certify in writing to the producer of the event that they will abide by certain rules and restrictions.¹¹ This bill adds to that list of written certifications that a vendor will not display, possess or offer for sale any unserialized frame or receiver, including an unfinished frame or receiver, or any attachment or conversion kit designed to convert a handgun into a short-barreled rifle or into an assault weapon

Existing law, effective July 1, 2022, authorizes, but does not require, the DOJ to inspect firearms dealers, ammunition vendors, or manufacturers participating in a gun show in order to ensure compliance with applicable state and federal laws. This bill instead requires the DOJ, commencing July 1, 2023, to annually conduct enforcement and inspect of one-half of all gun shows in the state. According to the Author, up to 100 gun shows can occur in California in any given year, though committee staff could not find any information to verify this figure. In addition, this bill requires the DOJ to post any violation discovered during a gun show inspection on its agency website for a period of 90 days after the inspection, and to prepare and submit a report to the Legislature detailing its inspection-related enforcement efforts by no later than May 1, 2024.

Existing law also prescribes various penalties for the violation of different gun show-related provisions. Violations of Penal Code §§ 27200 – 27245, which generally cover certificate of eligibility requirements, the submission of detailed vendor lists and security plans, and signage requirements, among other provisions, are subject to one set of penalties. Any violation of these provisions, except for a violation of signage requirements, is a misdemeanor punishable by a fine not to exceed \$2,000 and a one-year suspension of the event producer’s gun show license. A violation of the signage requirements constitutes a misdemeanor punishable by a fine not exceeding \$1,000 for the first offense and \$2,000 for a second or subsequent offense, which also comes with a one-year license suspension. This bill increases the penalty for violations unrelated to signage to a fine not exceeding \$4,000 and a two-year license suspension, and increases the penalty for signage-related violations to a fine \$2,000 for the first violation and a fine of \$4,000 plus a two-year suspension for any second or subsequent violation.

Another set of penalties in existing law applies to violations of Penal Code §§27300 – 27350, which generally involve vendor certifications and identification requirements, DOJ inspections, and firearm-related restrictions, among other provisions. A violation of any of these provisions constitutes an infraction for the first violation and a misdemeanor for a first violation that is a knowing violation, or for any second or subsequent violation. This bill instead provides that a second or subsequent violation is punishable by imprisonment in county jail not to exceed six months, by a fine of \$1,000, or both, and comes with a one-year suspension from participation in a gun show. This bill also provides that the penalty for a knowing violation of these provisions is punishable by imprisonment in county jail not to exceed 6 months, by a fine of \$2,000, or both, and comes with a one-year suspension from participation in a gun show.

¹⁰ Penal Code §26835.

¹¹ Penal Code §27305

5. Argument in Support

According to Brady California:

Around 100 gun shows take place yearly at locations throughout California. These shows typically feature dozens to hundreds of tables of firearms, parts to build or modify firearms, and ammunition. Attendees often leave gun shows with a plethora of ammunition, including ammunition for high caliber assault weapons. Some vendors sell military-style weapons and cut-up military surplus weapons that are easily assembled. In recent years, “ghost gun” kits (easily assembled guns with no serialization) have dominated sales at gun shows.

Given the lethal nature and volume of firearms, parts, and ammunition offered for sale at gun shows, a lack of oversight coupled with dangerous and irresponsible behavior can create serious public safety risks, both at the shows and in our communities. There is a long history of incidents at gun shows that undermine public health and safety. This includes accidental discharges of firearms at gun shows¹ and illegal sale and purchases of firearms and ammunition, such as sales to people who are prohibited from owning firearms, sales of illegal weapons, and straw purchases, and thefts of guns and ammunition.

Currently, the California Department of Justice (DOJ) is funded to conduct investigations and inspections of California gun shows, but this funding has not increased and the DOJ has limited resources. In a 2018 report, Attorney General Becerra wrote that as of summer 2018, he had stopped the DOJ’s enforcement and inspections of California gun shows. Moreover, local law enforcement officials have been observed shopping at gun shows rather than ensuring that sales comply with California laws. The lack of DOJ enforcement and inspections highlights the need for oversight measures at gun shows.

6. Argument in Opposition

According to Safari Club International, California Chapters:

No one actually buys and takes possession of a firearm at a gun show. They initiate the sale of a firearm there by completing the required state and federal paperwork through a licensed firearms dealer at the show who then takes custody of the firearm until after the prospective buyer passes a Department of Justice background check and undergoes a ten-day waiting period. If a prospective buyer passes the background check, he or she must then go to the licensed dealer’s regular place of business after completion of the ten-day waiting period to take lawful delivery of the firearm.

The signage proposed by AB 2552 to be posted at entrances to gun shows is the same signage already required to be posted inside the licensed dealer’s regular place of business. People entering a gun show are not likely to stop and read the signage posted at the entrance as they are anxious to enter the show. However, they are much more likely to read the same, currently required, signage at a dealer’s regular place of business while waiting to finalize their firearm purchase and to take delivery of it. It is an unnecessary burden on gun show operators to require them to post the same

signage at a gun show entrance that a firearm purchaser will see when they go to a firearm dealers regular place of business to complete their purchase.

The additional proposed certifications by vendors at gun shows relative to firearm frames or receivers are not needed because their sale is generally subject to the same laws and restrictions as firearms, and handguns can't be sold by or through a dealer/vendor without a serial number. If the sale is of an unfinished frame or receiver, the buyer who finishes it is required by existing law to obtain a serial number assigned by the Department of Justice and cannot legally incorporate such frame or receiver into a fully assembled firearm without applying such serial number. A handgun attachment or conversion kit cannot lawfully be used to convert (manufacture) a legal handgun into a short-barreled rifle or an assault weapon as it is already unlawful for an individual to manufacture such firearms.

-- END --