

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose

BILL NUMBER: AB 962
AUTHOR: K. De Leon

BILL SUMMARY: Ammunition

This bill would establish a database maintained by the Department of Justice (DOJ) to serve as a registry of handgun ammunition vendors. Additionally, the bill would require that, beginning July 1, 2010, no person shall sell or transfer specified rounds of handgun ammunition in any month unless he or she is licensed as a handgun ammunition vendor.

FISCAL SUMMARY

Although DOJ has not provided a fiscal estimate for this bill, Finance believes creating a new database and registration program would require significant staff and contract resources. The bill would allow for a fee to be charged to cover DOJ's costs, but caps that fee at \$50. It is not clear that this program can be implemented at that fee level. If it cannot, DOJ would have to seek additional funding, creating pressure on other special funds and possibly the General Fund.

COMMENTS

Finance is opposed to this bill given the likely cost pressures it would impose and the significant resources it likely would require. Although the bill would provide for a fee to be charged for this purpose, absent specific information from DOJ, it is not clear the fee would be sufficient to fully fund this effort. Additionally, it may not be appropriate to impose additional workload during this time of limited state resources.

Furthermore, given that the licensing restriction would be in effect on July 1, 2010, and this bill, if chaptered, would be effective on January 1, 2010, DOJ would have only months to prepare and implement this database. Also, no appropriation authority is provided in the bill, so it is unlikely DOJ would have additional appropriations to draw from when developing this new program in time for the July 1, 2010 date.

Currently, DOJ maintains a database related to firearms transactions, which is supported by fees.

The bill would create a new handgun ammunition tracking database and registration program for handgun ammunition vendors. The bill would allow for a fee of up to \$50 to reimburse DOJ for its costs of administering the license program, maintaining the registry of handgun ammunition vendors and other regulatory functions, including enforcement.

Analyst/Principal (0211) J. Osborn	Date	Program Budget Manager Todd Jerue	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

AMENDMENT DATE

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	
0820/Justice	SO	No		-----	See Fiscal Summary	-----			0460
<u>Fund Code</u>	<u>Title</u>								
0460	Dealers' Record of Sale Special Account								