

**NOTICE PUBLICATION/REGULATIONS SUBMISSION**

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

|                  |   |                          |                  |
|------------------|---|--------------------------|------------------|
| OAL FILE NUMBERS | NOTICE FILE NUMBER<br><b>Z-2018-0925-03</b> | REGULATORY ACTION NUMBER | EMERGENCY NUMBER |
|------------------|---|--------------------------|------------------|

|  |                                       |
|--|---------------------------------------|
| For use by Office of Administrative Law (OAL) only |                                       |
| RECEIVED DATE<br><b>SEP 25 '18</b>                 | PUBLICATION DATE<br><b>OCT 05 '18</b> |
| Office of Administrative Law<br>NOTICE             | REGULATIONS                           |

|   |   |
|---|---|
| AGENCY WITH RULEMAKING AUTHORITY<br>Department of Justice | AGENCY FILE NUMBER (if any)<br>DOJ-18-005 |
|---|---|

**A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)**

|   |  |                                  |  |
|---|--|----------------------------------|--|
| 1. SUBJECT OF NOTICE<br>California Firearms Application Reporting System  | TITLE(S)<br>11   | FIRST SECTION AFFECTED<br>4340   | 2. REQUESTED PUBLICATION DATE<br>October 5, 2018 |
| 3. NOTICE TYPE<br><input checked="" type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other | 4. AGENCY CONTACT PERSON<br>Jessie Romine  | TELEPHONE NUMBER<br>916-227-4217 | FAX NUMBER (Optional)                            |
| OAL USE ONLY  | ACTION ON PROPOSED NOTICE<br><input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn | NOTICE REGISTER NUMBER           | PUBLICATION DATE                                 |

**B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**

|                              |  |
|------------------------------|--|
| 1a. SUBJECT OF REGULATION(S) | 1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) |
|------------------------------|--|

|   |        |
|---|--------|
| 2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related) |        |
| SECTION(S) AFFECTED<br>(List all section number(s) individually. Attach additional sheet if needed.)      | ADOPT  |
|   | AMEND  |
| TITLE(S)  | REPEAL |

3. TYPE OF FILING

|   |   |   |   |
|---|---|---|---|
| <input type="checkbox"/> Regular Rulemaking (Gov. Code §11346)  | <input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. | <input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) | <input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) |
| <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4) | <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)   | <input type="checkbox"/> File & Print                               | <input type="checkbox"/> Print Only   |
| <input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))   |   | <input type="checkbox"/> Other (Specify) _____                      |   |

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

|   |  |  |  |
|---|--|--|--|
| <input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) | <input type="checkbox"/> Effective on filing with Secretary of State | <input type="checkbox"/> \$100 Changes Without Regulatory Effect | <input type="checkbox"/> Effective other (Specify) _____ |
|---|--|--|--|

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

|  |  |   |
|--|--|---|
| <input type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) | <input type="checkbox"/> Fair Political Practices Commission | <input type="checkbox"/> State Fire Marshal |
| <input type="checkbox"/> Other (Specify) _____                             |  |   |

|                   |                  |                       |                           |
|-------------------|------------------|-----------------------|---------------------------|
| 7. CONTACT PERSON | TELEPHONE NUMBER | FAX NUMBER (Optional) | E-MAIL ADDRESS (Optional) |
|-------------------|------------------|-----------------------|---------------------------|

8. **I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.**

For use by Office of Administrative Law (OAL) only

|                                      |      |
|--------------------------------------|------|
| SIGNATURE OF AGENCY HEAD OR DESIGNEE | DATE |
| TYPED NAME AND TITLE OF SIGNATORY    |      |

# NOTICE OF PROPOSED RULEMAKING

Notice to be published on October 5, 2018

The Department of Justice (Department) proposes to adopt section 4340, repeal sections 5473 and 5512, and amend sections 5474 and 5513 of Title 11, Division 5, of the California Code of Regulations regarding the creation of a California Firearms Application Reporting System (CFARS) account, after considering all comments, objections, and recommendations regarding the proposed action.

## PUBLIC HEARING

The Department has not scheduled a public hearing on this proposed regulatory action. However, the Department will hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days before the close of the written comment period.

## WRITTEN COMMENT PERIOD

Any interested person or their authorized representative may submit written comments relevant to the proposed regulatory action. The written comment period closes at 5:00 p.m. on November 19, 2018. Only comments received by that time will be considered. Written comments must be submitted to:

Jessie Romine  
Bureau of Firearms  
Division of Law Enforcement  
Department of Justice  
P.O. Box 160487  
Sacramento, CA 95816-0487  
Phone: 916-227-4217  
Email: [CFARSregs@doj.ca.gov](mailto:CFARSregs@doj.ca.gov)

## AUTHORITY AND REFERENCE

Authority: Sections 11106, 29182, and 30900, Penal Code.

Reference: Sections 11106, 16400, 16535, 16670, 26915, 26700, 27510, 27560, 27565, 27875, 27920, 27966, 28000, 28160, 29180, 29182, 30370, 30515, 30900, and 33850, Penal Code.

## INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

This rulemaking action specifies how an individual can create a CFARS account.

Penal Code section 11106 authorizes the Department to keep and properly file firearm records. These regulations explain what is required for an individual to create a CFARS account, which

will, in turn, allow an individual to report or update firearm ownership information, apply for a unique serial number for a firearm, or apply for a Certificate of Eligibility (“COE”).

The regulations proposed in this rulemaking action would do the following:

CCR, Title 11, Division 5, Chapter 12

Section 4340 has been added to explain the requirements for creating a CFARS account, including the conditions of use and the required account information.

CCR, Title 11, Division 5, Chapter 39

Section 5473 has been repealed as section 4340 explains the requirements for creating a CFARS account.

Section 5474 has been amended to explain that a CFARS account must be created pursuant to section 4340 before an individual can initiate the registration of an assault weapon.

CCR, Title 11, Division 5, Chapter 41

Section 5512 has been repealed as section 4340 explains the requirements for creating a CFARS account.

Section 5513 has been amended to establish that a CFARS account must be created pursuant to section 4340 and to specify the requirements of an application for a unique serial number.

ANTICIPATED BENEFITS OF THE PROPOSED REGULATIONS

These regulations explain what is required to create a CFARS account so that a user can electronically submit a firearm ownership record or report, update a firearm record, request a unique serial number for a firearm, or apply for a COE. The online account system will increase the efficiency of submitting these items to the Department, storing the information, retrieving the data, and communicating with the account holder.

EVALUATION OF INCONSISTENCY/INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

Pursuant to Government Code section 11346.5(a)(3)(D), the Department must evaluate whether the proposed regulations are inconsistent or incompatible with existing state regulations. The Department has reviewed existing regulations pertaining to firearms and ammunition within California Code of Regulations (CCR) Title 11, Division 5 and determined the proposed regulations are not inconsistent or incompatible.

This determination is based on the fact that the regulations are not inconsistent or incompatible with existing state regulations because the Department is repealing or amending existing regulations that provide for or reference the creation of a CFARS account.

## COMPARABLE FEDERAL REGULATIONS

The proposed regulations are not mandated by federal statute or regulation.

## DISCLOSURES REGARDING THE PROPOSED ACTION

The Department has made the following initial determinations:

Mandate on local agencies or school districts: None.

Cost or savings to any state agency: None.

Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None.

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

Cost or savings in federal funding to the state: None.

Significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None.

Cost impacts on a representative private person or business: The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Business report requirement: None.

Significant effect on housing costs: None.

## RESULTS OF THE ECONOMIC IMPACT ASSESSMENT/ANALYSIS

The Department has concluded that the adoption, repeal, and amendment of the proposed 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.

The Department's determination on items (1) through (3) is based on the fact that there is no cost to private individuals for creating CFARS account. Any individual with an internet connection has the ability to create a CFARS account. The regulations pertain only to the process for an individual to create and use a CFARS account.

(4) Benefits of the regulations to the health and welfare of California residents, worker safety, and the state's environment: Once an individual has created a CFARS account, he or she will be able to easily submit a firearm ownership report or record, update a firearm record, and apply for a COE or unique serial number. By having the information submitted and stored in an electronic database, it will be much easier for the Department to process applications, manage and retrieve information, and communicate with the account holder. Additionally, these regulations will benefit the state's environment through the use of an electronic, rather than a paper, system.

Small Business Determination: The Department has determined the proposed regulations will not affect small business because the regulations pertain only to the process for private individuals to create and use a CFARS account.

### CONSIDERATION OF ALTERNATIVES

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

Any person interested in presenting statements or arguments with respect to alternatives to the proposed regulations may do so at the scheduled hearing or during the written comment period.

### CONTACT PERSONS

Inquiries concerning the proposed administrative action may be directed to:

Jessie Romine  
Bureau of Firearms  
Division of Law Enforcement  
Department of Justice  
P.O. Box 160487  
Sacramento, CA 95816-0487  
Email: [CFARSregs@doj.ca.gov](mailto:CFARSregs@doj.ca.gov)  
Telephone: (916) 227-4217

The back up contact person for these inquiries is:

Jacqueline Dosch  
Bureau of Firearms  
Division of Law Enforcement  
Department of Justice  
P.O. Box 160487  
Sacramento, CA 95816-0487  
Email: [CFARSregs@doj.ca.gov](mailto:CFARSregs@doj.ca.gov)

Telephone: (916) 227-7614

#### AVAILABILITY OF RULEMAKING FILE INCLUDING THE INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Department will have the entire rulemaking file available for inspection and copying throughout the rulemaking process. The text of the proposed regulations (the “express terms”), the Initial Statement of Reasons, and the information upon which the proposed rulemaking is based are available on the Department website at <http://oag.ca.gov/firearms>. Copies may also be obtained by contacting Jessie Romine.

#### AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments received, the Department may adopt, repeal and amend the proposed regulations substantially as described in this notice. If the Department makes modifications which are sufficiently related to the originally proposed text, the Department will make the modified text (with the changes clearly indicated) available to the public for at least 15 days and accept written comments before the Department adopts, repeals, or amends the regulations. Copies of any modified text will be available on the Department website at <http://oag.ca.gov/firearms>. A written copy of any modified text may be obtained by contacting Jessie Romine.

#### AVAILABILITY OF FINAL STATEMENT OF REASONS

Upon completion, the Final Statement of Reasons will be available on the Department website at <http://oag.ca.gov/firearms>. You may also obtain a written copy of the Final Statement of Reasons by contacting Jessie Romine.

#### AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the proposed regulations in underline and strikeout format, as well as the Final Statement of Reasons once completed, can be accessed through the Department website at <http://oag.ca.gov/firearms>.

# California Code of Regulations

## Title 11, Division 5

### Chapter 12: California Firearms Application Reporting System

#### **§ 4340. Account Creation.**

A California Firearms Application Reporting System (CFARS) account shall be created online by an individual to report or update firearm ownership information with the California Department of Justice (Department), request a unique serial number for a firearm from the Department, and/or apply for and manage a Certificate of Eligibility in order to comply with California firearm laws and regulations.

(a) A CFARS account may be created online at the following website:  
<https://cfars.doj.ca.gov/login.do>.

(b) The individual shall agree to the following conditions before creating a CFARS account:

(1) Non-Liability: The Department is not responsible for, and will have no liability for, any hardware, software, information, or other items or any services provided by any persons other than the Department. In no event shall either party be liable to the other or any third party, under any theory of liability, including, but not limited to, any contract or tort claim for any cause whatsoever, for any indirect, incidental, special, or consequential damages, including loss of revenue or profits, even if aware of the possibility thereof.

(2) Authorization: The applicant is authorized to use CFARS for the purpose of reporting or updating firearm ownership information, requesting a unique serial number for a firearm, and/or applying for and managing a Certificate of Eligibility in order to comply with California firearm laws and regulations. If the applicant becomes aware of an unauthorized user obtaining access to his or her CFARS account, the applicant shall notify the Bureau of Firearms immediately at (916) 227-7527, or via email at: [firearms.bureau@doj.ca.gov](mailto:firearms.bureau@doj.ca.gov).

(3) Fees: Notwithstanding such notification, the applicant agrees the Department shall not be liable for transaction charges fraudulently incurred. It will be the applicant's responsibility to pay any charges. The Department will not provide refunds after the submission of a transaction.

(4) True and Accurate Information: All of the information the applicant submits to the Department through CFARS shall be true, accurate, and complete to the best of his or her knowledge.

(c) The individual shall provide the following information to create a CFARS account:

- (1) Full Name
- (2) Email Address
- (3) Selection of Three Security Questions and Answers
- (4) Password

**Note: Authority cited: Sections 11106, 29182, and 30900, Penal Code. Reference: Sections 11106, 16400, 16535, 16670, 26915, 26700, 26710, 27510, 27560, 27565, 27875, 27920, 27966, 28000, 28160, 29180, 29182, 30370, 30515, 30900, and 33850, Penal Code.**



California Code of Regulations  
Title 11, Division 5

Chapter 39: Assault Weapons and Large- Capacity Magazines.

**Article 3. Assault Weapon Registration.**

**~~§ 5473. Registration of Assault Weapons Pursuant to Penal Code Section 30900 (b)(1); California Firearms Application Reporting System (“CFARS”); Account Requirements.~~**

~~(a) — Assault weapon registrations must be filed electronically using the Department's California Firearms Application Reporting System (CFARS), at the following website:  
<https://cfars.doj.ca.gov/login.do>.~~

~~(b) — A CFARS account must be created to use the electronic registration system. To create a CFARS account, assault weapon registrants will be required to agree to the following conditions of use:~~

~~(1) — Non Liability: The Department is not responsible for and will have no liability for any hardware, software, information, or other items or any services provided by any persons other than the Department. Except as may be required by law, in no event shall either party be liable to the other or any third party, under any theory of liability, including, but not limited to, any contract or tort claim for any cause whatsoever, for any indirect, incidental, special, or consequential damages, including loss of revenue or profits, even if aware of the possibility thereof.~~

~~(2) — Authorization: I am authorized to use CFARS for the purpose of reporting firearm information to the Department in order to comply with California firearm laws and regulations. If I become aware of an unauthorized user obtaining access to my CFARS account, I will notify the Customer Support Center immediately at (916) 227-7527, or via email at: [firearms.bureau@doj.ca.gov](mailto:firearms.bureau@doj.ca.gov).~~

~~(3) — Fees: Notwithstanding such notification, the Department shall not be liable for transaction charges fraudulently incurred. It will be the cardholder's responsibility to pay any charges. The Department will not provide refunds after the submission of a transaction.~~

~~(4) — True and Accurate Information: All of the information I submit to the Department through CFARS shall be true, accurate, and complete to the best of my knowledge.~~

~~(c) The following information must be provided by registrants in order to create a CFARS account:~~

~~(1) Full Name~~

~~(2) Email Address~~

~~(3) Three Security Questions and Answers~~

~~(4) Password~~

Note: Authority cited: Section 30900, Penal Code. Reference: Sections 30515 and 30900, Penal Code.

**§ 5474. Registration of Assault Weapons Pursuant to Penal Code section 30900 (b)(1); Applicant and Firearms Information.**

~~After creating a CFARS account pursuant to section 4340~~ Once a CFARS account has been created, registrants must provide the following information:

- (a) The registrant's full name, address, telephone number, date of birth, sex, height, weight, eye color, hair color, military identification number (if applicable), California Driver License number or California Identification Card number, U.S. citizenship status, place of birth, country of citizenship, and alien registration number or I-94, if applicable.
- (b) A description of the firearm that identifies it uniquely, including but not limited to: firearm type, make, model, caliber, firearm color, barrel length, serial number, all identification marks, firearm country of origin/manufacture, the date the firearm was acquired, the name and address of the individual from whom, or business from which, the firearm was acquired.
- (c) Clear digital photos of firearms listed on the application. One photo shall depict the bullet-button style magazine release installed on the firearm. One photo shall depict the firearm from the end of the barrel to the end of the stock if it is a long gun or the point furthest from the end of the barrel if it is a pistol. The other two photos shall show the left side of the receiver/frame and right side of the receiver/frame. These locations are typically where firearms are marked when manufacturing is complete. At the discretion of the Department the last two photos shall be substituted for photos of identification markings at some other locations on the firearm.

Note: Authority cited: Section 30900, Penal Code. Reference: Sections 30515 and 30900, Penal Code.

California Code of Regulations  
Title 11, Division 5

Chapter 41: Firearms: Identifying Information and the Unique Serial Number Application Process for Self-Manufactured or Self-Assembled Firearms.

**Article 5. CFARS Reporting of Self-Manufactured or Self-Assembled Firearms Pursuant to Section 29180.**

**§ 5512. CFARS Reporting Process.**

~~(a) To apply for a unique serial number, the applicant shall create a CFARS account online. To create a CFARS account, the applicant shall agree to the following conditions of use:~~

~~(1) Non-Liability: the Department is not responsible for, and will have no liability for, any hardware, software, information, or other items or any services provided by any persons other than the Department. Except as may be required by law, in no event shall either party be liable to the other or any third party, under any theory of liability, including, but not limited to, any contract or tort claim for any cause whatsoever, for any indirect, incidental, special, or consequential damages, including loss of revenue or profits, even if aware of the possibility thereof.~~

~~(2) Authorization: the applicant is authorized to use CFARS for the purpose of reporting firearm information to the Department and/or submitting and managing a Certificate of Eligibility in order to comply with California firearm laws and regulations. If the applicant becomes aware of an unauthorized user obtaining access to the applicant's CFARS account, the applicant will notify the Bureau of Firearms immediately at (916) 227-7527, or via email at: firearms.bureau@doj.ca.gov.~~

~~(3) Fees: notwithstanding such notification, the applicant agrees the Department shall not be liable for transaction charges fraudulently incurred. It will be the applicant's responsibility to pay any charges. The Department will not provide refunds after the submission of a transaction.~~

~~(4) True and Accurate Information: all of the information the applicant submits to the Department through CFARS shall be true, accurate, and complete to the best of the applicant's knowledge.~~

~~(b) The following information shall be provided by the applicant to create a CFARS account:~~

~~(1) Full Name~~

~~(2) Email Address~~

~~(3) Selection of Three Security Questions and Answers~~

~~(4) Password~~

Note: Authority cited: Section 29182, Penal Code. Reference: Section 26710 and 29180, Penal Code.

**§ 5513. Applicant and Firearm Identification Information Entered into CFARS by Applicant and the Department’s Privacy Notice.**

(a) After creating a CFARS account pursuant to section 4340, the applicant shall provide certain identifying information to demonstrate that the applicant is not prohibited under either state or federal law from possessing a firearm before the Department issues a unique serial number to the applicant. The applicant shall provide the following identifying information:

(1) The applicant's full name, residence street address, email address, telephone number, date of birth, gender, military identification number (if applicable), California Driver License or Identification Card number, U.S. citizenship status, place of birth, country of citizenship, and alien registration number or I-94 (if applicable).

(A) The applicant shall be 18 years of age or older to apply for a unique serial number for a firearm that is not a handgun.

(B) The applicant shall be 21 years of age or older to apply for a unique serial number for a handgun.

(2) A description of the firearm that specifies: date of manufacture or the date its assembly will be complete, firearm type, caliber, firearm color, barrel length, type of material used to build the receiver (aluminum, steel, polymer plastic, or other), whether it is a frame or receiver only, all identification marks, and firearm city and state of origin.

(B) If the applicant specifies that the receiver of the firearm being reported is made from material “other” than aluminum, steel, or polymer plastic, the applicant shall provide a brief explanation of the type of material that was used to build the receiver.

(3) The applicant's Firearms Safety Certificate (FSC) or Handgun Safety Certificate (HSC) number. Instructions on obtaining a FSC can be found on: <https://oag.ca.gov/firearms/fscinfo>.

(b) If any part of the identifying information in subdivisions (a)(1), (a)(2)(b), and (a)(3)(e) of this section is missing, the Department shall not approve the applicant’s request for a unique serial number.

(c) The applicant shall agree to the following terms of the Department’s Privacy Notice:

(1) Collection and Use of Personal Information: the Division of Law Enforcement, Bureau of Firearms in the Department of Justice collects the information on this application pursuant to Penal Code sections 29180, 29181, 29182, 29183, and 29184. The Bureau of Firearms uses this information to process and assign a unique serial number(s) to a firearm(s) and to record firearm ownership for an applicant. In addition, any personal information collected by state agencies is subject to the limitations in the Information Practices Act and state policy. The Department of Justice's general privacy policy is available at: <http://oag.ca.gov/privacy-policy>.

(2) Providing Personal Information: all personal information on this application is mandatory. Failure to provide the mandatory personal information will result in the application not being processed.

(3) Access to Your Information: you may review the records maintained by the Division of Law Enforcement, Bureau of Firearms in the Department of Justice that contain your personal information, as permitted by the Information Practices Act.

(4) Possible Disclosure of Personal Information: in order to process and assign a unique serial number(s) to a firearm(s) for an applicant, we may need to share the information the applicant provides us with any Bureau of Firearms representative or any other person designated by the Attorney General upon request. The information you provide may also be disclosed in the following circumstances:

(A) With other persons or agencies when necessary to perform their legal duties, and their use of your information is compatible and complies with state law, such as for investigations, licensing, certification, or regulatory purposes;

(B) To another government as required by state or federal law.

Note: Authority cited: Section 29182, Penal Code. Reference: Sections 11106, 16400, 16535, 16670, 27510, 28160, 29180 and 29182, Penal Code; and Section 1798.17, Civil Code.

# INITIAL STATEMENT OF REASONS

## PROBLEM STATEMENT

California Penal Code section 11106 requires the Department of Justice (Department) to keep and properly file information for firearm records, and to accept applications for unique serial numbers and Certificates of Eligibility (COE). The Department has developed an electronic system to accept, store, and manage the data. Also, to use the electronic system, individuals need an online mechanism to submit information to the Department. These regulations address that problem.

## ANTICIPATED BENEFITS

These regulations specify to an individual how to create a California Firearms Application Reporting System (CFARS) account. Once an individual has created a CFARS account, he or she will be able to easily and promptly submit a firearm ownership report or record, update a firearm record, and apply for a COE or unique serial number. By having the information submitted and stored in an electronic database, it will be easier for the Department to process applications, manage and retrieve information, and communicate with the account holder. Additionally, using the electronic system, rather than a paper system, will save the individual money and allow for a more efficient processing time.

## PURPOSE AND NECESSITY

### **§ 4340. Account Creation.**

This section explains the requirements for an individual to create a CFARS account and mandates the creation of a CFARS account. The creation of a CFARS account is necessary, so individuals can receive email notifications regarding the status of their submissions. A CFARS account also allows individuals to efficiently complete firearms submissions with their personal information encrypted and securely stored. Thus, there is no longer the requirement for an individual to re-type their personal information for future submissions.

Subdivision (a) specifies the web address where an individual can create a CFARS account and then submit a firearm ownership report, update a firearm record, and apply for a COE.

Subdivision (b)(1) through (4) details the conditions of use that an individual must agree to when creating an account in CFARS. This subdivision is necessary because when an individual creates a CFARS account it enables the Department to keep a lasting record of the information they provide. Furthermore, the conditions of use information presented in this subdivision is necessary to ensure the individual is aware of the specifics relative to non-liability, authorization, fees, and true and accurate information prior to creating the account.

Subdivision (c)(1) through (4) explains the information required to create a CFARS account.

**§ 5473. Registration of Assault Weapons Pursuant to Penal Code Section 30900 (b)(1); California Firearms Application Reporting System (“CFARS”); Account Requirements.**

This section has been repealed to remove all language regarding the creation of a CFARS account because section 4340 explains this process.

**§5474. Registration of Assault Weapons Pursuant to Penal Code Section 30900 (b)(1); Applicant and Firearms Information.**

This section has been amended to explain that a CFARS account must be created pursuant to section 4340 before the registration of an assault weapon can be initiated.

**§ 5512. CFARS Reporting Process.**

This section has been repealed to remove all language regarding the creation of a CFARS account because section 4340 explains this process.

**§ 5513. Applicant and Firearm Identification Information Entered into CFARS by Applicant and the Department’s Privacy Notice.**

This section has been amended to explain that a CFARS account must be created pursuant to section 4340 before the process to acquire a unique serial number for a self-manufactured or self-assembled firearm can be initiated. Furthermore, subdivision (b) has been amended to specify the requirements of an application for a unique serial number.

AUTHORITY AND REFERENCE

Authority: Sections 11106, 29182, and 30900, Penal Code.

Reference: Sections 11106, 16400, 16535, 16670, 26915, 26700, 26710, 27510, 27560, 27565, 27875, 27920, 27966, 28000, 28160, 29180, 29182, 30370, 30515, 30900, and 33850, Penal Code.

TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS

Department staff relied upon its experience and expertise when writing these proposed regulations. The Department did not rely upon technical, theoretical, or empirical studies or reports when writing these regulations.

ECONOMIC IMPACT ASSESSMENT/ANALYSIS

The Department determined the proposed regulations will not have a significant adverse economic impact. The Department concludes it is unlikely the proposed regulations will affect (1) the creation or elimination of jobs within California, (2) the creation of new businesses or the elimination of existing businesses within California, or (3) the expansion of businesses currently

doing business with California. This assessment is based on the fact that there is no cost for an individual to create a CFARS account. Any economic impact from requiring individuals to create a CFARS account will likely be positive, resulting in savings of time and resources.

Additionally, these regulations are beneficial to the health and welfare of California residents and worker safety because they establish an electronic process for an individual to create and use a CFARS account, which will make the firearm related information easier for an individual to provide and for the Department to manage. Furthermore, these regulations will benefit the state's environment through the use of an electronic, rather than a paper, system.

#### EVIDENCE SUPPORTING FINDING OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS

The Department finds that the proposed regulations will not have a statewide adverse economic impact on businesses because the regulations pertain only to the process for an individual to create and use a CFARS account.

#### REASONABLE ALTERNATIVES TO THE REGULATIONS AND THE AGENCY'S REASONS FOR REJECTING THOSE ALTERNATIVES

No other reasonable alternatives were presented to, or considered by, DOJ that would be either 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, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

#### REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESSES, AND THE AGENCY'S REASONS FOR REJECTING THEM

The proposed regulations will not have an adverse impact on small businesses because the regulations only impact private individuals, and there is no cost to them for creating a CFARS account. Consequently, no reasonable alternatives were proposed or considered by the Department.

#### DUPLICATION OR CONFLICT WITH FEDERAL REGULATIONS

The Department determines that these regulations are not duplicative and do not conflict with federal regulations.



**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT**

|  |                                 |                                       |                                  |
|--|---------------------------------|---------------------------------------|----------------------------------|
| DEPARTMENT NAME<br>Justice   | CONTACT PERSON<br>Jessie Romine | EMAIL ADDRESS<br>CFARSregs@doj.ca.gov | TELEPHONE NUMBER<br>916-227-4217 |
| DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400<br>California Firearms Application Reporting System |                                 |                                       | NOTICE FILE NUMBER<br>Z          |

**A. ESTIMATED PRIVATE SECTOR COST IMPACTS** *Include calculations and assumptions in the rulemaking record.*

1. Check the appropriate box(es) below to indicate whether this regulation:

- a. Impacts business and/or employees       e. Imposes reporting requirements  
 b. Impacts small businesses                       f. Imposes prescriptive instead of performance  
 c. Impacts jobs or occupations                       g. Impacts individuals  
 d. Impacts California competitiveness               h. None of the above (Explain below):

No negative fiscal impacts to create a CFARS account.*If any box in Items 1 a through g is checked, complete this Economic Impact Statement.**If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.*2. The \_\_\_\_\_ estimates that the economic impact of this regulation (which includes the fiscal impact) is:  
(Agency/Department)

- Below \$10 million  
 Between \$10 and \$25 million  
 Between \$25 and \$50 million  
 Over \$50 million *(If the economic impact is over \$50 million, agencies are required to submit a Standardized Regulatory Impact Assessment as specified in Government Code Section 11346.3(c))*

3. Enter the total number of businesses impacted: \_\_\_\_\_

Describe the types of businesses (include nonprofits): \_\_\_\_\_

Enter the number or percentage of total  
businesses impacted that are small businesses: \_\_\_\_\_

4. Enter the number of businesses that will be created: \_\_\_\_\_ eliminated: \_\_\_\_\_

Explain: \_\_\_\_\_

5. Indicate the geographic extent of impacts:  Statewide  
 Local or regional (List areas): \_\_\_\_\_

6. Enter the number of jobs created: \_\_\_\_\_ and eliminated: \_\_\_\_\_

Describe the types of jobs or occupations impacted: \_\_\_\_\_

7. Will the regulation affect the ability of California businesses to compete with  
other states by making it more costly to produce goods or services here?  YES  NO

If YES, explain briefly: \_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT (CONTINUED)**

**B. ESTIMATED COSTS** *Include calculations and assumptions in the rulemaking record.*

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ \_\_\_\_\_
  - a. Initial costs for a small business: \$ \_\_\_\_\_ Annual ongoing costs: \$ \_\_\_\_\_ Years: \_\_\_\_\_
  - b. Initial costs for a typical business: \$ \_\_\_\_\_ Annual ongoing costs: \$ \_\_\_\_\_ Years: \_\_\_\_\_
  - c. Initial costs for an individual: \$ \_\_\_\_\_ Annual ongoing costs: \$ \_\_\_\_\_ Years: \_\_\_\_\_
  - d. Describe other economic costs that may occur: \_\_\_\_\_

2. If multiple industries are impacted, enter the share of total costs for each industry: \_\_\_\_\_

3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. *include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted.* \$ \_\_\_\_\_

4. Will this regulation directly impact housing costs?  YES  NO  
If YES, enter the annual dollar cost per housing unit: \$ \_\_\_\_\_

Number of units: \_\_\_\_\_

5. Are there comparable Federal regulations?  YES  NO

Explain the need for State regulation given the existence or absence of Federal regulations: \_\_\_\_\_

Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ \_\_\_\_\_

**C. ESTIMATED BENEFITS** *Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State's environment: \_\_\_\_\_

2. Are the benefits the result of:  specific statutory requirements, or  goals developed by the agency based on broad statutory authority?

Explain: \_\_\_\_\_

3. What are the total statewide benefits from this regulation over its lifetime? \$ \_\_\_\_\_

4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: \_\_\_\_\_

**D. ALTERNATIVES TO THE REGULATION** *Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.*

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: \_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT (CONTINUED)**

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation: Benefit: \$ \_\_\_\_\_ Cost: \$ \_\_\_\_\_

Alternative 1: Benefit: \$ \_\_\_\_\_ Cost: \$ \_\_\_\_\_

Alternative 2: Benefit: \$ \_\_\_\_\_ Cost: \$ \_\_\_\_\_

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives:

\_\_\_\_\_

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs?  YES  NO

Explain: \_\_\_\_\_

**E. MAJOR REGULATIONS** *Include calculations and assumptions in the rulemaking record.*

*California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.*

1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million?  YES  NO

*If YES, complete E2. and E3  
If NO, skip to E4*

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

Alternative 1: \_\_\_\_\_

Alternative 2: \_\_\_\_\_

*(Attach additional pages for other alternatives)*

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

Regulation: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 1: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

Alternative 2: Total Cost \$ \_\_\_\_\_ Cost-effectiveness ratio: \$ \_\_\_\_\_

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding \$50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

YES  NO

*If YES, agencies are required to submit a Standardized Regulatory Impact Assessment (SRIA) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.*

5. Briefly describe the following:

The increase or decrease of investment in the State: \_\_\_\_\_

The incentive for innovation in products, materials or processes: \_\_\_\_\_

The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency: \_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT**

**(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**FISCAL IMPACT STATEMENT**

**A. FISCAL EFFECT ON LOCAL GOVERNMENT** *Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)  
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ \_\_\_\_\_

a. Funding provided in \_\_\_\_\_

Budget Act of \_\_\_\_\_ or Chapter \_\_\_\_\_, Statutes of \_\_\_\_\_

b. Funding will be requested in the Governor's Budget Act of \_\_\_\_\_

Fiscal Year: \_\_\_\_\_

2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)  
(Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

\$ \_\_\_\_\_

*Check reason(s) this regulation is not reimbursable and provide the appropriate information:*

a. Implements the Federal mandate contained in \_\_\_\_\_

b. Implements the court mandate set forth by the \_\_\_\_\_ Court.

Case of: \_\_\_\_\_ vs. \_\_\_\_\_

c. Implements a mandate of the people of this State expressed in their approval of Proposition No. \_\_\_\_\_

Date of Election: \_\_\_\_\_

d. Issued only in response to a specific request from affected local entity(s).

Local entity(s) affected: \_\_\_\_\_

e. Will be fully financed from the fees, revenue, etc. from: \_\_\_\_\_

Authorized by Section: \_\_\_\_\_ of the \_\_\_\_\_ Code;

f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in \_\_\_\_\_

3. Annual Savings. (approximate)

\$ \_\_\_\_\_

4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

5. No fiscal impact exists. This regulation does not affect any local entity or program.

6. Other. Explain \_\_\_\_\_

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**FISCAL IMPACT STATEMENT (CONTINUED)**

**B. FISCAL EFFECT ON STATE GOVERNMENT** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

*It is anticipated that State agencies will:*

a. Absorb these additional costs within their existing budgets and resources.

b. Increase the currently authorized budget level for the \_\_\_\_\_ Fiscal Year

2. Savings in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

3. No fiscal impact exists. This regulation does not affect any State agency or program.

4. Other. Explain \_\_\_\_\_

**C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS** *Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.*

1. Additional expenditures in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

2. Savings in the current State Fiscal Year. (Approximate)

\$ \_\_\_\_\_

3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.

4. Other. Explain \_\_\_\_\_

FISCAL OFFICER SIGNATURE



DATE

6/24/18

*The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616 and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.*

AGENCY SECRETARY



DATE

9/25/18

*Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.*

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER



DATE