

**ATTACHMENT A**  
**Ammunition Purchases or Transfers**  
**Economic and Fiscal Impact Statement (Regulations and Orders)**  
**STD. 399**

**Economic Impact Statement, Section B. Question 1.**

The initial and annual ongoing costs for an individual will depend on what type of form or report they are using, and how many times they submit it for the specified action.

The Entertainment Firearms Permit fee is set in Penal Code section 29510 at \$104 for an initial application, and \$29 for a renewal application.

The Personal Firearms Eligibility Check form fee is set at \$20 in Penal Code section 30105, subdivision (b).

**Economic Impact Statement, Section B. Question 5.**

Per the Code of Federal Regulations, Title 27 section 478.99 subdivision (c)(5), an alien illegally or unlawfully in the United States is prohibited from owning or possessing firearms or ammunition. Federal regulations explain who is prohibited from what activities. The Department's regulation is necessary to explain the process of how the Department will determine if an individual is prohibited as a result of unlawful presence in the United States. In addition, it clarifies what documentation an individual shall provide to prove they have lawful presence in the United States if they possess a driver license or identification card that states, "FEDERAL LIMITS APPLY."

**Fiscal Impact Statement, Section B. Question 4.**

The regulations incorporate two new forms that require the payment of fees to offset Department costs to process the forms.

The Entertainment Firearms Permit fee is set in Penal Code section 29510 at \$104 for an initial application, and \$29 for a renewal application. The Penal Code also notes that of the initial application fee of \$104, \$56 shall be deposited into the Fingerprint Fee Account, and only \$48 shall be deposited into the Dealers' Record of Sale (DROS) account.

The processing costs for the initial application was determined by analyzing the average time it takes to review an application. It takes a Staff Services Analyst roughly 80 minutes to process an initial application, which includes reviewing the application for accuracy and completeness as well as potentially contacting the applicant if any of the required fields are missing any information. At an average hourly rate of \$39, it costs the Department about \$50.67 to process the application.

The processing costs for the renewal application was determined by analyzing the average time it takes to review an application. It takes a Staff Services Analyst slightly less time to process a renewal application (about 70 minutes) due to renewal applicants being more familiar with the process and potentially having less information missing from the form. At an average hourly rate of \$39, it costs the Department about \$43.67 to process the application. As is indicated by the chart below, the revenue generated by the fee and designated to the Bureau of Firearms does not exceed the approximate costs to process the forms.

**Entertainment Firearms Permit (BOF 051)**

Form	Average Number Received Per Year	BOF Portion of Fee	Total Revenue Received	Processing Cost Per Form	Total Cost to Process
Initial Application	94	\$48	\$ 4,512	\$50.67	\$4,763
Renewal Application	404	\$29	\$11,716	\$43.52	\$17,582
		<b>Total:</b>	<b>\$16,228</b>		<b>\$22,345</b>

The Personal Firearms Eligibility Check (PFEC) form fee is set at \$20 in Penal Code section 30105, subdivision (b). The Department receives about 3,000 forms per year total. Eighty-five percent of the forms are routine to process and take roughly 15 minutes to complete. The Criminal Identification Specialist III assigned to conduct the PFEC and determine if the applicant is not prohibited from purchasing a firearm has an average hourly rate of \$41.75. At this rate, the total costs for processing a regular form is \$10.50.

The remaining fifteen percent of applications are more difficult to process. The Department determined this fifteen percent rate by examining the historical data on the number of forms received over the last three years. Along with this data, the Department utilized staff knowledge and expertise and determined that roughly fifteen percent of forms require additional work hours to determine firearm ownership eligibility. This includes spending several hours trying to obtain outside information from courts, law enforcement agencies, and/or district attorney’s offices to determine the disposition of an arrest. The amount of time to process the more difficult forms can vary depending on the circumstances. This can take anywhere from five hours to more than 40 hours in some cases. As a whole, the revenue generated by the fee does not exceed the approximate costs to process the forms. The remaining costs to process the PFEC form are paid for through the Dealer Record of Sale fee under Penal Code section 28225, subdivision (a)(11). (Penal Code section 28233 effective January 1, 2020.)

**Personal Firearms Eligibility Check (PFEC) (BOF 116)**

Form	Average Number Received Per Year	Current Fee	Total Revenue Received	Processing Cost Per Form	Total Cost to Process
PFEC regular (85%)	2,550	\$20	\$ 51,000	\$10.50	\$ 26,775
PFEC difficult (15%)	450	\$20	\$ 9,000	\$209 - \$1,670	\$94,050 - \$751,500
		<b>Total :</b>	<b>\$ 60,000</b>		<b>\$120,825 - \$775,275</b>