

## Assembly Bill No. 1993

### CHAPTER 184

An act to amend Section 21636 of, and to add Section 21636.1 to, the Business and Professions Code, relating to secondhand goods.

[Approved by Governor August 24, 2018. Filed with Secretary of State August 24, 2018.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1993, Gipson. Secondhand goods: tangible personal property: dealers.

Existing law requires every secondhand dealer and coin dealer to report the receipt or purchase of secondhand tangible personal property, except firearms, to the statewide uniform electronic reporting system known as the California Pawn and Secondhand Dealer System (CAPSS) that receives secondhand dealer reports and is operated by the Department of Justice. Existing law requires secondhand dealers to electronically report the receipt or purchase of each firearm, as specified, to the Department of Justice in a format prescribed by the department. Existing law also applies these reporting requirements to pawnbrokers. Existing law requires every secondhand dealer and every coin dealer to retain in his or her possession for a period of 30 days all tangible personal property reported in accordance with specified provisions. Existing law requires the 30-day holding period to commence the date the report of its acquisition was made to the chief of police or the sheriff and authorizes the chief of police or the sheriff or the Department of Justice to authorize prior disposition of any property, as described. Existing law requires every secondhand dealer and coin dealer, during the 30-day holding period, to produce reported tangible personal property for inspection by any peace officer or employee designated by the chief of police or sheriff or the Department of Justice.

This bill would apply the 30-day holding period for tangible personal property exclusively to firearms. The bill would eliminate references to the chief of police or the sheriff and instead would require every secondhand dealer and coin dealer to retain in his or her possession for a period of 30 days all firearms reported electronically to the Department of Justice. The bill would require the 30-day holding period to commence the date the report of its acquisition was made electronically to the Department of Justice.

This bill would require every secondhand dealer and coin dealer to retain in his or her possession for a period of 7 days all tangible personal property reported electronically to CAPSS. The bill would require the 7-day holding period for tangible personal property to commence the date the report of its acquisition was made to CAPSS. The bill, if 5 days have elapsed since transmission of the report to CAPSS, would not apply the remainder of the 7-day holding period to tangible personal property sold by the secondhand

dealer or coin dealer if the secondhand dealer or coin dealer has made a record of the sale that includes the buyer's name and contact information, as specified. The bill would also require a secondhand dealer or coin dealer to retain the information collected under these provisions for a period of 21 days and to make the information available to, or to provide the information to, a local law enforcement agency, as specified.

*The people of the State of California do enact as follows:*

SECTION 1. Section 21636 of the Business and Professions Code is amended to read:

21636. (a) Every secondhand dealer and coin dealer shall retain in his or her possession for a period of 30 days all firearms reported under Section 21628.2. The 30-day holding period with respect to firearms shall commence with the date the report of its acquisition was made electronically to the Department of Justice by the secondhand dealer and coin dealer. The Department of Justice may for good cause authorize prior disposition of any firearms described in a specific report, provided that a secondhand dealer who disposes of firearms pursuant to that authorization shall report the sale thereof to the Department of Justice.

(b) During the 30-day holding period specified in subdivision (a), every secondhand dealer and coin dealer shall produce any firearm reported under Section 21628.2 for inspection by any peace officer or employee designated by the Department of Justice.

(c) Firearms subject to inspection as specified in subdivision (b) and firearms held in pawn that are stored off the business premises of the licensee shall, upon request for inspection, be produced at the licensee's business premises within one business day of a request.

(d) Any person who conducts business as a secondhand dealer at any gun show or event, as defined in Section 478.100 of Title 27 of the Code of Federal Regulations, or its successor, outside the jurisdiction that issued the secondhand dealer license in accordance with subdivision (d) of Section 21641, may be required to submit for inspection, as specified in subdivision (b), any firearm acquired at a gun show or event within 48 hours of the request of the local law enforcement agency in the jurisdiction where the gun show or event was conducted at a location specified by the local law enforcement agency.

SEC. 2. Section 21636.1 is added to the Business and Professions Code, to read:

21636.1. (a) Every secondhand dealer and coin dealer shall retain in his or her possession for a period of seven days all tangible personal property, as defined in Section 21627, reported pursuant to Sections 21628 and 21630. The seven-day holding period with respect to tangible personal property shall commence with the date the report of its acquisition was made to CAPSS.

(b) During the seven-day holding period specified in subdivision (a), every secondhand dealer and coin dealer shall produce any tangible personal property reported pursuant to Sections 21628 and 21630 for inspection by any peace officer or employee designated by the local licensing authority or the Department of Justice.

(c) Tangible personal property subject to inspection as specified in subdivision (b) and all tangible personal property held in pawn that is stored off the business premises of the licensee shall, upon request for inspection, be produced at the licensee's business premises within one business day of a request by the local licensing authority or the Department of Justice.

(d) (1) If 5 days have elapsed since the transmission of the report of acquisition pursuant to Section 21628 or 21630, the remainder of the seven-day hold specified in subdivision (a) shall not apply to any tangible personal property sold by the secondhand dealer or coin dealer when the following are present:

(A) The secondhand dealer or coin dealer has recorded the sale in its book of records.

(B) The record of sale includes:

(i) The name of buyer to whom the tangible personal property was sold.

(ii) The buyer's address.

(iii) At least one of the following:

(I) The buyer's telephone number.

(II) The buyer's email address.

(III) The buyer's electronic address for receiving text messages.

(2) In documenting the record of sale as set forth in paragraph (1), the secondhand dealer or coin dealer shall record the information provided by the buyer and shall not have any duty to verify the accuracy of the information provided by the buyer.

(3) The information collected pursuant to this subdivision shall be retained by the secondhand dealer or coin dealer for 21 days following the date of sale of the property by the secondhand dealer or coin dealer and shall be available for inspection by a local law enforcement agency during this period.

(4) If a sale of property is made pursuant to this subdivision, and within 21 days of the sale a local law enforcement agency notifies the secondhand dealer or coin dealer that the property has been reported stolen, the record of the sale and all information contained therein shall be provided to that local law enforcement agency by the secondhand dealer or coin dealer upon written request by that agency.