



KEITH KNOX

TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

Kenneth Hahn Hall of Administration
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October 24, 2023

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

3 October 24, 2023

CELIA ZAVALA
EXECUTIVE OFFICER

APPROVAL TO AMEND COUNTY CODE, TITLE 7 – BUSINESS LICENSES TO ADD AMMUNITION TO CHAPTER 7.46 AND UPDATE EXISTING GUN DEALER REQUIREMENTS (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

The Treasurer and Tax Collector is seeking Board approval to adopt an ordinance amending Los Angeles County Code (County Code) Title 7 - Business Licenses, Chapter 7.46 - Gun Dealers to require Ammunition Dealers to obtain a Business License and comply with the same operational requirements as Gun Dealers and to update existing Gun Dealer requirements, as directed by the Board of Supervisors (Board) on September 13, 2022, and February 7, 2023.

In addition, pursuant to the Board's motion on May 16, 2023, the ordinance requires the Treasurer and Tax Collector to publicly post names of suspended and revoked licensees.

IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING,

1. Introduce, waive reading, and place on the agenda for adoption the enclosed Gun and Ammunition Dealers Ordinance (ordinance) amending County Code Title 7 - Business Licenses, Chapter 7.46 by adding Ammunition to allow for the regulation of such activity in the County Unincorporated areas and by updating existing Gun Dealer requirements.

2. Amend County Code Title 7 - Business Licenses, Chapter 7.14.010 – Fee Schedule with the revised annual Business License fee amounts of \$954 for an initial application and \$577 for an annual renewal for a Gun and Ammunition Dealer Business License.

3. Find the proposed actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Section 21065 of the Public Resources Code and State CEQA Guidelines Section 15378.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On September 13, 2022, February 7, 2023, and May 16, 2023, your Board approved motions directing County Counsel (Counsel) in consultation with the Treasurer and Tax Collector (TTC) as needed, to draft amendments to the County Code. The proposed ordinance will update Title 7 - Business Licenses, Chapter 7.46.

Title 7 of the County Code governs the administration of the Business License Program, and the TTC oversees its administration. Title 7 is comprised of two Divisions: Division 1 contains the general administrative framework, including application requirements, processing information, enforcement provisions, and a schedule of fees; and Division 2 sets forth the specific business licensing requirements and prerequisites for the approximate 110 business activities the TTC licenses. The proposed ordinance will amend an existing business activity within Division 2 and update the business licensing requirements within Chapter 7.46. The proposed ordinance also amends fees for the reasonable regulatory costs for issuing the Business Licenses for Gun and Ammunition Dealers.

Public Outreach

The TTC partnered with the Department of Regional Planning to send notices to outline the new licensing and zoning requirements to existing Gun Dealers in the County Unincorporated areas as well conducted targeted outreach to affected businesses. Moreover, the TTC posted information on the proposed Title 7 amendments on the TTC website.

Implementation of Strategic Plan Goals

The recommended action supports the County Strategic Plan Strategy III.3 - Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability.

FISCAL IMPACT/FINANCING

The Auditor-Controller reviewed and approved the proposed Gun and Ammunition Dealers Business License fee of \$954 for initial applications and \$577 for subsequent annual renewals. The fees are expected to offset the enhanced regulatory program costs. The fees are based on full cost recovery and include administration and enforcement of the program, salaries, employee benefits, indirect costs, and services and supplies. The ordinance amends Title 7, Chapter 7.14.010 – Fee Schedule with the revised annual license fee amounts for an initial application and a subsequent annual renewal.

All ongoing program costs are to be fully funded with Business License fee revenue once the fee assessment goes into effect.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Counsel has reviewed and approved the ordinance as to form, and it is recommended that your Board approve the proposed ordinance to amend Title 7 - Business Licenses, Chapter 7.46. The ordinance has the complete list of requirements and amends the County Code to add the following specific requirements:

- Amend Chapter 7.46 – Gun Dealers to require Ammunition Dealers obtain a County Business License to comply with the same operational requirements applicable to Gun Dealers;
- Restrict minors' presence in Gun and Ammunition stores and require signage to be posted;
- Require Gun and Ammunition Dealers to maintain annual sales reports (for five years), a fingerprint log of all purchasers of guns and ammunition, and an inventory report that is updated in real-time;
- Require Gun and Ammunition Dealers to install and maintain security camera and audio recording systems in furtherance of State Penal Code requirements;
- Update the citations to the State Penal Code in Chapter 7.46;
- Require signs displayed at businesses where guns are sold with specific language, taken from the State Penal Code, warning customers about the risks associated with access to guns;
- Require a conspicuous warning notice in or on the packaging of every firearm sold;
- Require an approved firearm safety device upon delivery of any gun sold, leased, or transferred;
- Require Gun and Ammunition Dealers to secure and maintain on the business premises a record of a gun or ammunition purchaser's thumbprint; and
- Require the TTC to publicly post names and addresses of suspended and revoked Gun and Ammunition Dealer Licensees.

ENVIRONMENTAL DOCUMENTATION

The proposed actions are not a project pursuant to CEQA because they are activities that are excluded from the definition of a project under Section 21065 of the Public Resources Code and Section 15378(b) of the State CEQA Guidelines. The proposed actions will create a government regulatory mechanism that does not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommendation to amend Title 7 – Business Licenses, Chapter 7.46 will allow the County to regulate these businesses more comprehensively in the County Unincorporated areas for the benefit of the public's health, welfare, and safety.

The Honorable Board of Supervisors

10/24/2023

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Keith Knox', written in a cursive style.

KEITH KNOX

Treasurer and Tax Collector

KK:EBG:DB:ms

Enclosures

c: Sheriff
Chief Executive Officer
Executive Officer, Board of Supervisors
Auditor-Controller
County Counsel
Department of Regional Planning
Fire



COUNTY OF LOS ANGELES
OFFICE OF THE COUNTY COUNSEL

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LOS ANGELES, CALIFORNIA 90012-2713

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DAWYN R. HARRISON
County Counsel

October 10, 2023

Keith Knox
Treasurer and Tax Collector
437 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

**Re: Amendments to Title 7, Division 2, Chapter 7.46 – Gun and
Ammunition Dealers Ordinance and Chapter 7.14 – Fee Schedule**

Dear Mr. Knox:

Enclosed please find an ordinance amending Title 7 – Business Licenses of the Los Angeles County Code by adding Ammunition to Chapter 7.46 – Gun Dealers to regulate Gun and Ammunition Dealers in the unincorporated areas of Los Angeles County. The ordinance also amends Title 7, Chapter 7.14.010 – Fee Schedule with the revised annual license fee amounts of \$954 for an initial application and \$577 for an annual renewal, which has undergone the Auditor-Controller's fee study. The ordinance establishes the regulations, fees, and penalties for administering and enforcing the ordinance in accordance with the Board's motions of September 13, 2022 and February 7, 2023. In addition, the ordinance was amended pursuant to the Board's motion of May 16, 2023 (Item 6), requiring your department to publicly post names of suspended and revoked licensees. The ordinance and its accompanying analysis may be presented to the Board of Supervisors for its consideration at a duly noticed public hearing.

Very truly yours,

DAWYN R. HARRISON
County Counsel

By *Elena M. Miller*
ELENA M. MILLER
Deputy County Counsel

APPROVED AND RELEASED:

JUDY W. WHITEHURST
Chief Deputy

EMM:lp
Enclosure

ANALYSIS

An ordinance amending Title 7 – Business Licenses of the Los Angeles County Code by adding Ammunition Dealers to Chapter 7.46 – Gun Dealers, to regulate both Gun and Ammunition Dealers in the Unincorporated Areas of Los Angeles County.

The ordinance:

- Requires Gun and Ammunition Dealers apply for a Business License and to annually Renew a valid license;
- Requires security camera systems consistent with the California Penal Code;
- Restricts minors' presence where Guns and Ammunition are sold;
- Requires signs warning of risks associated with Guns be displayed in accordance with the California Penal Code;
- Requires an approved firearm safety device upon delivery of any Gun sold, leased, or transferred;
- Requires Gun and Ammunition Dealers secure and maintain on the business premises a record of every Gun and Ammunition purchaser's thumbprint;
- Requires the maintenance of annual sales reports of Guns and Ammunition sold on the business premises for five (5) years and the maintenance of inventory in real-time;
- Requires the names of suspended and revoked Licensees to be publicly posted by the Tax Collector; and
- Updates various citations of State law.

This ordinance also amends Chapter 7.14 – Fee Schedule, to update fees for the reasonable regulatory costs for issuing the license and renewals and enforcing Chapter 7.46, as amended. The updated annual fees are \$954 for an initial license application and \$577 for an annual renewal.

DAWYN R. HARRISON
County Counsel

By 
ELENA M. MILLER
Deputy County Counsel
Government Services Division

EMM:lp

Requested: 09/13/2022
Revised: 10/10/2023

ORDINANCE NO. _____

An ordinance amending Title 7 – Business Licenses of the Los Angeles County Code by adding Ammunition Dealers to Chapter 7.46 – Gun Dealers to regulate both Gun and Ammunition Dealers in the Unincorporated Areas of Los Angeles County. The ordinance establishes the regulations, fees, and penalties for implementing, administering, and enforcing Chapter 7.46.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 7.46 is hereby amended to read as follows:

Chapter 7.46 ~~**GUN DEALERS**~~ **GUN AND AMMUNITION DEALERS.**

SECTION 2. Section 7.46.010 is hereby amended to read as follows:

7.46.010 ~~**Gun dealer defined.**~~ **Purpose and Intent.**

~~"Gun dealer" means any person, firm or corporation who sells or otherwise transfers to the public any pistol, revolver, rifle, shotgun, or other firearm, including those persons required by Section 12070(a) of the California Penal Code to obtain a license under California Penal Code Section 12071. "Gun dealer" also includes any person, firm or corporation who purchases, takes in trade or accepts on consignment from the public any firearm of any type, including, but not limited to pistols, revolvers, rifles and shotguns.~~

The purpose of this Gun and Ammunition Dealers Ordinance is to enhance the regulation of Gun and Ammunition Dealers in the interest of public health, safety, and welfare, and ensure consistency with State law.

SECTION 3. Section 7.46.020 is hereby amended to read as follows:

7.46.020 License—Required.Short Title.

~~Every gun dealer shall first procure a license and pay an annual license fee in the amount set forth in Section 7.14.010 of this title, under the appropriate heading.~~

This Chapter shall be known as the "Gun and Ammunition Dealers Ordinance."

SECTION 4. Section 7.46.030 is hereby amended to read as follows:

7.46.030 License—~~Granted subject to specific~~

~~conditions.~~Applicability.

~~If a license is granted under this chapter, it shall be subject to the conditions set forth in Penal Code Section 12071, for breach of any of which the license shall be subject to forfeiture.~~

The provisions of this Chapter apply to the licensing of Gun and Ammunition Dealers in the business of selling, transferring, leasing, trading, accepting on consignment, or advertising for sale, transfer, lease, trade, or consignment to the public Guns and Ammunition in the Unincorporated Areas of the County.

Gun and Ammunition buyback programs hosted by the Sheriff or other law enforcement agencies, in which individuals or entities sell or transfer Guns and Ammunition to law enforcement agencies, are not governed by this Chapter.

SECTION 5. Section 7.46.040 is hereby amended to read as follows:

7.46.040 ~~Records and reporting requirement.~~Definitions.

~~In addition to properly maintaining all records and documents required by state and federal laws, a gun dealer, upon purchasing, taking in trade or accepting on~~

~~consignment from the public any firearm of any type, shall comply with buy form requirements as enumerated in Part 7 of Chapter 7.76 of this title, beginning with Section 7.76.310. A gun dealer shall also be required to report every sale, lease, or other transfer of a firearm to the sheriff on a form prescribed by the sheriff.~~

For purposes of this Chapter, "may" is permissive and "must" is mandatory. The terms used in this ordinance have the following meanings:

A. "Ammunition" means one or more loaded cartridges consisting of a primed case, propellant, and with one or more projectiles. "Ammunition" includes but is not limited to, any bullet, cartridge, magazine clip, speed loader, autoloader, ammunition feeding device, or projectile capable of being fired from a firearm with a deadly consequence. "Ammunition" does not include blanks.

B. "Ammunition Dealer" means any person, firm, corporation, or other business enterprise that holds a current ammunition vendor license issued pursuant to California Penal Code section 30385. A Gun Dealer licensed pursuant to this Chapter and California Penal Code sections 26700 to 26915 is deemed a licensed Ammunition Dealer.

C. "Gun" means any portable firearm including a rifle, shotgun, or revolver, accessory, component, or any device designed, modified, or capable of being used as a weapon, from which is expelled through a barrel a projectile by the force of an explosion or other form of combustion.

D. "Gun Dealer" means any person, firm, corporation, or other business enterprise required by California Penal Code section 26500 to obtain a license to

engage in the business of selling, transferring, leasing, trading, accepting on consignment, or advertising for sale, transfer, lease, trade, or consignment to the public, any Gun. A Gun Dealer licensed pursuant to this Chapter and California Penal Code sections 26700 to 26915 is deemed a licensed Ammunition Dealer.

E. "Licensee" means any person or entity issued a Business License by the Tax Collector or County license issuer and holding a current Business License while engaged in the business of selling, leasing, trading, accepting on consignment, or otherwise transferring any Gun or Ammunition, at a place of Business Licensed under this Chapter.

F. "Renewal" means a Licensee completes and submits an Application with the required fee payment for approval of a subsequent Gun and Ammunition Dealers Business License.

G. "Sheriff" means the Los Angeles County Sheriff or the Sheriff's designated representative.

H. "Unincorporated Area" means any area in Los Angeles County outside the jurisdictional boundaries of incorporated cities.

SECTION 6. Section 7.46.050 is hereby amended to read as follows:

7.46.050 ~~Inspection.~~ **Business License Required.**

~~Upon the request of any designated sheriff representative or any peace officer, a gun dealer shall (1) furnish all records pertaining to the gun dealer's transactions, including, but not limited to, all records required to be maintained by law, and (2) shall~~

~~permit an inspection of those portions of the licensed premises where the firearms and firearm accessories are located.~~

A. Every business engaged in selling, transferring, leasing, trading, accepting on consignment, or advertising for sale, transfer, lease, trade, or consignment to the public any Gun or Ammunition within the Unincorporated Area of the County must, before engaging in such business, procure a Business License and pay an annual Business License fee pursuant to the amounts set forth in Section 7.14.010, payable to the Tax Collector.

B. Gun and Ammunition Dealers Business Licenses are valid for one (1) year from the date of issuance. Licensees must apply for Renewal of their Business License on an annual basis prior to expiration of the Business License.

C. An Applicant must apply for a Gun and Ammunition Dealers Business License, including Renewal, in the format prescribed by the Tax Collector, with payment of the annual fee amount, signed under penalty of perjury. The Applicant must provide all required application documentation to the Tax Collector and Sheriff to demonstrate compliance with this Chapter, including, but not limited to the following:

1. The Applicant's name, including any aliases or prior names used, birth date, and address;

2. The Applicant's federal firearms license and California firearms dealer or ammunition vendor numbers;

3. The address of the business for which the Business License is sought, the business name, and the name of any corporation, partnership or other entity that has any ownership in, or control over, the business;

4. The names, birth dates, and addresses of all persons who will have access to, or control of, the Applicant's stock of Guns or Ammunition, including, but not limited to, the Applicant's employees and agents;

5. A certificate of eligibility from the California Department of Justice under California Penal Code section 26710 for the Applicant and for each individual identified in Subsection C.4 of Section 7.46.050, demonstrating that the person is not prohibited by State or federal law from possessing Guns or Ammunition;

6. Proof of the right to occupy or possess the property where the business is proposed to be conducted, as owner, lessee, or other legal occupant;

7. A floor plan of the proposed business that illustrates the Applicant's compliance with the security provisions outlined in Section 7.46.110;

8. Certification of compliance with this Code and all applicable State and federal business licensing laws;

9. Information relating to every license to sell, lease, transfer, purchase, or possess Guns or Ammunition that has been sought by the Applicant within the last five (5) years, or by any individual identified in Subsection C.4 of Section 7.46.050, from any jurisdiction in the United States, including, but not limited to, the date of each application for the license and whether it resulted in any denial, revocation, or suspension, and the date and circumstances;

10. The Applicant's agreement to indemnify, defend, and hold harmless the County, its officers, elected officials, agents, and employees from and against all claims, losses, costs, damages, and liabilities of any kind arising from the operation of the business, in any manner, from the negligence or intentional or willful misconduct of: (a) the Applicant; (b) the Applicant's officers, employees, and agents; and (c) if the business is a corporation, partnership, or other entity, the officers, directors, or partners of such business entity;

11. Policy of insurance issued by an insurance company admitted to do business in the State demonstrating compliance with the insurance requirements of this Chapter for Applicants applying for a Business License; and

12. The date, location, and nature of any criminal convictions of the Applicant and of any individuals identified in Subsection C.4 of Section 7.46.050, and any other information requested by the Tax Collector needed to confirm the eligibility of the Applicant for a Business License under this Chapter.

D. When requested by the Tax Collector or any other County department during the Business License application process, an Applicant must show their driver's license, passport, or other government-issued identification card bearing a photograph of the Applicant.

E. The Sheriff, with the assistance of any other County department requested to assist, must conduct an investigation of the Applicant's criminal history and background. The Sheriff must receive from an Applicant a complete set of the Applicant's fingerprints and a signed authorization for release of records pertinent to the

investigation, in addition to the fingerprints and signed authorizations of each of the Applicant's employees and agents identified under Subsection 5 of this Section, to determine for the protection of the public health and safety whether the Applicant may be issued a Business License or Renewal.

F. Prior to issuance of a Business License or Renewal, the Tax Collector, Sheriff, or other County department may inspect the place of business to ensure compliance with this Chapter.

G. The Tax Collector may issue a Business License or Renewal if the Applicant or Licensee is in compliance with this Code and all applicable State, federal and local laws, and none of the grounds for Business License denial or revocation set forth in Section 7.46.065 exist.

SECTION 7. Section 7.46.060 is hereby amended to read as follows:

7.46.060 ~~Conditions for granting license.~~ **Place of Business and Operating Hours.**

~~No license or renewal license shall be issued under this chapter unless, in addition to the requirements set forth in Section 7.46.030 and Section 7.46.040 above, the gun dealer satisfies each of the following conditions:~~

~~A. The gun dealer, and all officers, employees, and agents of said gun dealer, are at least 21 years of age;~~

~~B. Neither the gun dealer, nor any officer, employee, or agent of said gun dealer, has had a similar type license previously revoked or denied within the immediately preceding two years;~~

~~C.—— Neither the gun dealer, nor any officer, employee, or agent of said gun dealer, has been convicted of:~~

~~1.—— Any offense disqualifying said individual from owning or possessing a firearm under applicable federal, state, or local laws,~~

~~2.—— Any offense relating to the manufacture, sale, possession, use, or registration of any firearm or dangerous or deadly weapon,~~

~~3.—— Any offense involving the use of force or violence upon the person of another,~~

~~4.—— Any offense involving theft, fraud, dishonesty, or deceit,~~

~~5.—— Any offense involving the manufacture, sale, possession, or use of any controlled substance as defined by the California Health and Safety Code, as said definition now reads or may hereafter be amended to read;~~

~~D.—— The gun dealer has a fixed place of business where all licensed activities will be conducted as required by Section 7.04.060 of this code. The storing of all firearms and munitions shall occur at said fixed place of business. Under no circumstance may the address of the fixed place of business be either a United States Post Office box or a private commercial mailbox. The gun dealer shall provide evidence as owner, lessee or other legal occupant of said fixed place of business. The license shall specify the Post Office address of said fixed place of business;~~

~~E.—— The gun dealer's fixed place of business shall not be located in any area or district that is zoned for residential use;~~

~~F. The gun dealer has agreed to indemnify, defend and hold harmless the county of Los Angeles, its officers, agents and employees, from claims arising from the negligent or intentional acts of said gun dealer;~~

~~G. In connection with every firearm sold, leased, or otherwise transferred by a gun dealer, said gun dealer must also sell or otherwise provide a trigger lock or similar device reviewed and approved by the sheriff that is designed to prevent the unintentional discharge of the firearm;~~

~~H. The gun dealer has obtained a policy of insurance as provided in Section 7.46.070 below; and~~

~~I. The gun dealer has complied with the security requirements as provided~~

A. A Licensee must maintain a fixed place of business where all Guns and Ammunition must be stored. Under no circumstance may the address on the Business License or application of the fixed place of business be either a United States Postal Service post office box or a private commercial mailbox. The Licensee must provide evidence as owner, lessee, or other legal occupant of the fixed place of business. The License must specify the United States Postal Service street address of the fixed place of business.

B. A Licensee's fixed place of business must not be located in any area or district that is zoned for residential use in accordance with Title 22 of this Code.

C. In accordance with Title 22 of this Code, the property boundary of a Licensee must not be within one thousand (1,000) feet of the property boundary of a park, school, library, or child care center, or another Gun and Ammunition Dealer. Gun

and Ammunition Dealers that are licensed and in compliance with this Chapter and the County Code may remain in their present location, subject to the provisions of Chapter 22.172, except that the termination period enumerated in Subsection B.1.e of Section 22.172.050 does not apply.

D. The business operating hours of any Licensee must be limited to hours between 8:00 a.m. and 8:00 p.m. each day the business is open to the public.

SECTION 8. Section 7.46.065 is hereby added to read as follows:

7.46.065 Grounds for License Denial or Revocation.

The Tax Collector may deny the issuance of a Business License or Renewal, or may revoke or suspend an existing Business License, if the operation of the business would not or does not comply with this Code or any applicable State or federal law, or if any of the following conditions exist:

- A. The Applicant, or any individual identified in Subsection C of Section 7.46.050, is under twenty-one (21) years of age;
- B. The Applicant is not licensed under all applicable State and federal laws;
- C. The Applicant has failed to fully comply with the application requirements set forth in this Chapter;
- D. The Applicant has made a false or misleading statement of a material fact, or omitted a material fact, in the application or in any other document submitted to the Tax Collector or the Sheriff under this Chapter. If a Business License is denied on this ground, the Applicant is prohibited from reapplying for a Business License for a period of five (5) years from the date of denial;

E. The Applicant, or any individual identified in Subsection C of Section 7.46.050, has had a license to sell, lease, transfer, purchase, or possess any Gun or Ammunition from any jurisdiction in the United States revoked, suspended, or denied for good cause within the immediately preceding five (5) years;

F. The Applicant, or any individual identified in Subsection C of Section 7.46.050, has been convicted of:

1. An offense that disqualifies the person from owning or possessing a Gun under State or federal law, including, but not limited to, the offenses listed in California Penal Code sections 29800 through 29875 and 29900 through 29905;

2. An offense relating to the manufacture, sale, possession, or use of a Gun or other dangerous or deadly weapon or Ammunition;

3. An offense involving the use of force or violence upon another person;

4. An offense involving theft, fraud, dishonesty, or deceit; or

5. A felony offense within the last ten (10) years involving the illegal manufacture or sale of a controlled substance as defined by the California Health and Safety Code.

G. The Applicant is within a class of persons defined in California Welfare and Institutions Code section 8100 or 8103.

SECTION 9. Section 7.46.070 is hereby amended to read as follows:

7.46.070 Liability Insurance. Compliance with State Law.

A. ~~No license or renewal license shall be issued under this chapter unless the gun dealer carries and maintains in full force and effect a policy of insurance, as described in this subsection, in a form approved by the county of Los Angeles and executed by an insurance company admitted to do business in the state of California. This policy of insurance shall insure the gun dealer against liability for damage to property and for injury to or death of any person as a result of the sale, lease, or transfer, or the offering for sale, lease, or transfer, of a firearm. The minimum liability limits shall not be less than \$1,000,000.00 for each incident of damage to property or incident of injury or death to a person. The policy shall name the county of Los Angeles as an additional insured.~~

B. ~~The policy of insurance shall contain an endorsement providing that said policy shall not be canceled until notice in writing has been given to the office of the treasurer and tax collector at least 30 days prior to the time the cancellation becomes effective.~~

C. ~~If at any time the gun dealer's policy of insurance expires, said gun dealer's license under this chapter will automatically be suspended pursuant to Section 7.08.240 and Section 7.08.250 of this code.~~

Issuance of a Business License under this Chapter is subject to an Applicant's or Licensee's compliance with the requirements of California Penal Code sections 26700

through 27140, the breach of any one of which is a ground for License denial, revocation, or suspension.

SECTION 10. Section 7.46.080 is hereby amended to read as follows:

7.46.080 Security Requirements, Records and Reporting

Requirements.

~~A.—— No license or renewal license shall be issued under this chapter unless the gun dealer adheres to security measures as required by the sheriff. These security measures shall include, but not be limited to, the following:~~

~~1.—— The provision of adequate lighting, secure locks, windows, and doors, and fire and theft alarms, as each such item is specified and approved by both the sheriff and the fire department; and~~

~~2.—— The storing of all firearms and munitions on the premises out of reach of customers in secure, locked facilities, so that access to firearms and munitions shall be controlled by the gun dealer or employees of the gun dealer to the exclusion of all others.~~

~~B.—— Upon written request by the gun dealer, the sheriff may approve alternative security measures which he/she determines will provide equivalent or superior security to the premises as the measures required under subsection A above.~~

A. A Licensee must maintain at the Licensee's place of business an inventory list of Guns by make, model, and serial number, capable of being updated in real-time with each transaction. This inventory list must be made available for inspection upon request by the County or State, federal, or local law enforcement agency.

B. In addition to properly maintaining all records required by this Chapter and any applicable State and federal laws, a Licensee, upon purchasing, taking in trade, or accepting on consignment from the public a Gun of any type, must comply with the buy-form requirements of the State for the purpose of recording and furnishing to the Sheriff the required information relative to purchases, pledges, or consignments.

C. A Licensee must prepare and maintain a report of Gun and Ammunition sales or transfers on an annual basis as follows:

1. Within the first five (5) business days of February of each year, a Licensee must prepare a report of all Gun sales or transfers by make, model, and serial number for the period of the immediately preceding calendar year;

2. A Licensee must comply with California Penal Code section 30352 by recording the annual sales or transfers of Ammunition.

3. The Licensee must maintain a copy of the annual report of sales at the business premises;

4. The report of sales must include a declaration stating that the report is true and correct with acknowledgement by Licensee's signature under penalty of perjury; and

5. The Licensee must maintain a copy of the report at the Licensee's place of business for a period of not less than five (5) years from the date of the report, and must make the copy available for inspection upon request by the County or State, federal, or local law enforcement agency.

D. A Licensee must comply with California Penal Code sections 26885 and 30363 regarding reporting the loss or theft of a Gun or Ammunition.

SECTION 11. Section 7.46.090 is hereby amended to read as follows:

7.46.090 ~~Compliance by existing dealers.~~ **Inspection of Records and Premises.**

~~Any gun dealer licensed to engage in the sale of firearms prior to the effective date* of the amendments to this chapter shall within 90 days after said effective date comply with the provisions of these amendments.~~

Upon the request of the County, State, federal, or local agency, a Licensee must permit inspection of all records pertaining to the Licensee's transactions, including, but not limited to, all records required to be maintained by law, and those portions of the licensed premises where Guns, Gun parts, components, and accessories, and Ammunition are located.

SECTION 12. Section 7.46.095 is hereby deleted in its entirety.

~~**7.46.095** **Officers, employees and agents of gun dealers defined.**~~

~~Any reference in this chapter to an officer, employee or agent of a gun dealer shall apply only to those persons who directly participate in firearm sale transactions.~~

SECTION 13. Section 7.46.100 is hereby amended to read as follows:

7.46.100 ~~Penalty.~~ **Liability Insurance.**

~~Any gun dealer violating the provisions of this chapter is guilty of a misdemeanor, punishable by a fine not to exceed \$1,000.00, or imprisonment for a term not to exceed six months, or both. This penalty is in addition to all other penalties~~

~~provided by law, and to the immediate revocation of the gun dealer's license granted under this chapter.~~

A. A Licensee must carry and maintain in full force and effect throughout the term of a Business License a policy of insurance, as described in this Section, for the minimum insurance coverage type and limit requirements approved by the Risk Management Division of the County's Chief Executive Office and executed by an insurance company admitted to do business in the State. The policy of insurance must insure the Licensee against liability for damage to property and for injury to, or death of, any person as a result of the sale, lease, or transfer, or the offering for sale, lease, or transfer, of any Gun. The liability limit must be at least one million dollars (\$1,000,000) for each incident of damage to property or incident of injury or death to a person. The policy must name the County as an additional insured.

B. The policy of insurance must waive the rights of recovery of the Licensee and its insurance company against the County for any loss arising from or relating to the Licensee's activities. The Licensee must execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

C. The policy of insurance must contain an endorsement providing that the policy cannot be canceled until notice in writing has been given to the Tax Collector at least thirty (30) days prior to the time the cancellation becomes effective.

D. If at any time the Licensee's policy of insurance expires, the Business License issued under this Chapter will be suspended pursuant to Division 1 of this Title.

SECTION 14. Section 7.46.110 is hereby amended to read as follows:

7.46.110 Severability-Security Requirements.

~~If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of the chapter, and the application of such provision to other persons or circumstances, shall not be affected thereby.~~

A. No Business License or Renewal may be issued under this Chapter unless the Gun and Ammunition Dealer complies with the security measures required by this Chapter and applicable State and federal law. These security measures include, but are not limited to, the following:

1. Every place of Business licensed under this Chapter must be a secure facility within the meaning of California Penal Code section 17110;

2. The provision of adequate lighting; secure locks, windows, and doors; and fire and theft alarms, as specified and approved by the Tax Collector, County Fire, or Sheriff; and

3. The storing of all Guns and Ammunition on the premises out of reach of customers in secure, locked facilities, so that access to Guns and Ammunition is controlled by the Licensee or their employees to the exclusion of all others.

B. Upon written request by the Licensee, the Sheriff may approve alternative security measures determined by the Sheriff to provide at least equivalent security to the premises as the measures required under Subsection A above and the California Penal Code.

C. A Licensee must comply with California Penal Code sections 17110 and 26890 regarding securing inventory Guns and Ammunition when the Licensee is not open for business.

D. The Licensee must ensure that the business location or premises is monitored by video surveillance and audio recording systems that meet the following requirements:

1. The systems must include cameras, monitors, digital video and audio recorders, and necessary cabling to meet the requirements of this Section.

2. The number and location of the cameras are subject to the approval of the Sheriff. At a minimum, the cameras must be sufficient in number to monitor all areas in or on the business premises where Guns or Ammunition are stored, handled, sold, transferred, or carried, including, but not limited to, counters, safes, vaults, cabinets, shelves, cases, entryways, and parking lots. The video surveillance system must operate continuously, without interruption, whenever the Licensee is open for business. Whenever the Licensee is not open for business, the system must be triggered by a motion detector and begin recording immediately upon detection of any motion within the monitored area.

3. The sale or transfer of Guns or Ammunition to persons who are not sworn peace officers must be recorded by the video surveillance system in such a way that the facial features of the purchaser or transferee are clearly visible when the recording is replayed. The sale or transfer of Guns or Ammunition to persons who are not sworn peace officers must be recorded by the audio recording system in such a way

that the voices of the purchaser or transferee and the Licensee or Licensee's employee or agent are clearly audible when the recording is replayed.

4. When recording, the video surveillance system must record continuously and store color images of the monitored area at a frequency of not less than fifteen (15) frames per second. The system must produce retrievable and identifiable images and video recordings on media approved by the Sheriff that can be enlarged through projection or other means and that can be made a permanent record for use in a criminal investigation. The system must be capable of delineating on playback the activity in, and physical features of, the premises.

5. The stored images and audio recordings must be maintained on the business premises of the Licensee for a period of not less than one (1) year from the date of recording and must be made available and accessible to the Sheriff or other law enforcement agency designated by the Tax Collector immediately upon request for review and copying, without the need for a search warrant, subpoena, or court order.

6. The video surveillance system and audio recording system must be maintained in proper working order at all times. If the system becomes inoperable, it must be repaired or replaced within seventy-two (72) hours. The Licensee must inspect the system at least weekly to ensure that it is operational and that images and voices are being recorded and retained as required by this Section. The Licensee must notify the Tax Collector and Sheriff if the system becomes inoperable as soon as practicable after discovering the inoperability. The Licensee must allow the Tax Collector or Sheriff to inspect the video surveillance system and audio recorder to ensure operability.

7. The Licensee must post a sign in a conspicuous place at each entrance to the premises that states in block letters not less than one (1) inch in height as follows:

THESE PREMISES ARE UNDER VIDEO AND AUDIO SURVEILLANCE.

YOUR IMAGE AND VOICE MAY BE RECORDED.

E. Where Gun or Ammunition sales activity is the primary business performed at the business premises, a Licensee or Licensee's agent or employee must not allow a minor under eighteen (18) years of age to enter into, or remain on, the premises unless accompanied by the minor's parent or legal guardian. Where Gun or Ammunition sales activity is not the primary business performed at the business premises, a minor under eighteen (18) years of age may enter into, or remain on, the premises unaccompanied by the minor's parent or legal guardian so long as all Guns and Ammunition are wholly kept, displayed, or offered within a separate room or enclosure from which minors are excluded. A sign at each entrance to such a room or enclosure must be posted containing the language in Subsection E.2, below.

1. The Licensee is responsible for requiring valid proof of age and identity of persons to prevent the entry of minors. Valid proof of age and identity includes, but is not limited to, a passport, a motor vehicle operator's license, a State issued identification card, an armed forces identification card, or an employment identification card containing the bearer's signature, photograph, and birth date, or any similar documentation providing reasonable assurance of the identity and age of the individual.

2. The Licensee must post a sign in a conspicuous place at each entrance to the premises stating in block letters not less than one (1) inch in height as follows:

MINORS UNDER THE AGE OF 18 ARE NOT PERMITTED TO ENTER OR REMAIN ON THESE PREMISES UNLESS ACCOMPANIED BY A PARENT OR LEGAL GUARDIAN.

F. Where Gun and Ammunition sales activity is the primary business performed at the business premises, a Licensee or Licensee's agent or employee must not allow any person to enter, or remain on, the premises who the Licensee or the Licensee's agent or employee knows or has reason to know is prohibited from possessing or purchasing Guns under State or federal law. Where Gun or Ammunition sales activity is not the primary business performed at the business premises, a Licensee or Licensee's agent or employee must not allow any person who the Licensee or Licensee's agent or employee knows or has reason to know is prohibited from possessing or purchasing Guns under State or federal law, or to enter the separate room or enclosure in which Guns and Ammunition are kept, displayed, or offered in accordance with this Section.

SECTION 15. Section 7.46.120 is hereby added to read as follows:

7.46.120 Fingerprinting, Warning Notices and Signs, and Firearm Safety Devices.

A. The sale or transfer of any Gun requires the purchaser or transferee to provide their right thumbprint on the California Department of Justice Dealer Record of

Sale of Firearm worksheet signed by the purchaser or transferee. The thumbprint must be recorded at the time that the worksheet is signed by the purchaser or transferee. For sales or transfers of Ammunition, the thumbprint must be recorded in the manner prescribed by the Sheriff.

B. The thumbprint record for the sale or transfer of a Gun or Ammunition must be maintained on the premises of the Licensee for the same period that the Licensee is required to maintain the Dealer Record of Sale. Such record must be made available for inspection at any time during normal business hours in accordance with Section 7.46.090.

C. No person may knowingly fail to obtain a required thumbprint, or knowingly fail to maintain the record of a thumbprint required by this Section. No person may refuse to permit the County, State, federal, or local agency to examine any record prepared in accordance with this Section during any inspection conducted pursuant to Section 7.46.090, or refuse to permit access to, or the use of, any such record or information in such record by a law enforcement agency.

D. The requirements of this Section do not apply when the purchaser or transferee is any of the following:

1. Any person described in California Penal Code section 18800 or 30330;
2. Any off-duty peace officer who displays proper agency identification that identifies him or her as an active-service peace officer;

3. Any security guard licensed under California Penal Code section 26030(d); or

4. Any Gun and Ammunition Dealer who has been issued a federal firearms license, a certificate of eligibility by the State, and a Business License by the County.

E. A Licensee must comply with California Penal Code section 23640 regarding warning notices on firearm packaging and descriptive material accompanying firearms sold or transferred by a Licensee.

F. A Licensee must comply with California Penal Code section 26835 regarding the posting of warning signs with respect to gun safety, safe storage, access to firearms by minors, reporting loss or theft of a firearm, taking physical possession of a purchased firearm, and limitations on the purchase and delivery of firearms.

G. A Licensee must post warning signs conspicuously so that they can be easily viewed by persons to whom firearms are sold or transferred. Signs must be posted by the entrance and in one additional location where sales occur. Each sign must be at least eight and a half (8.5) inches high by eleven (11) inches wide, written in black text not less than least one (1) inch high, against a white background, as follows:

WARNING: ACCESS TO A FIREARM IN THE HOME SIGNIFICANTLY INCREASES THE RISK OF SUICIDE, HOMICIDE, DEATH DURING DOMESTIC DISPUTES AND UNINTENTIONAL DEATHS TO CHILDREN, HOUSEHOLD MEMBERS AND OTHERS. IF YOU OR A LOVED ONE IS EXPERIENCING DISTRESS AND/OR DEPRESSION,

CALL THE SUICIDE PREVENTION LIFELINE AT (800) 273-8255

OR THE NATIONAL SUICIDE HOTLINE AT 988.

H. For every Gun sold, leased, or transferred by a Licensee, the Licensee must comply with California Penal Code section 23635 by providing an approved firearm safety device upon delivery of the Gun to the purchaser, lessee, or transferee.

SECTION 16. Section 7.46.125 is hereby added to read as follows:

7.46.125. Penalties and Enforcement.

- A. A violation of any provision of this Chapter is a ground for denial, revocation, or suspension of a Business License.
- B. If a Business License is suspended or revoked the name on the Business License will be publicly posted on the Tax Collector's webpage.
- C. A violation of any provision of this Chapter is a misdemeanor, punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment in the County jail for not more than six (6) months, or by both fine and imprisonment. Each separate day, or portion of a day, during which any violation of this Chapter occurs or continues constitutes a separate offense punishable, upon conviction, as provided in this Subsection.
- D. Any person who violates any provision of this Chapter may be subject to a civil action by the County, including, but not limited to, an injunction and other equitable remedies, and will be liable for a civil penalty of up to two thousand five hundred dollars (\$2,500) per violation, per day, as well as attorneys' fees. The entire amount of any civil penalty collected must be paid to the Tax Collector for deposit in the General Fund.

E. Any Person who violates any provision of this Chapter may be subject to administrative fines and other remedies pursuant to Chapter 1.25 of the County Code, up to the Gun and Ammunition Dealers Business License fee amount.

F. The penalties and remedies provided for in this Chapter are nonexclusive and are cumulative with any other remedy available to the County as provided for by law.

SECTION 17. Section 7.46.130 is hereby added to read as follows:

7.46.130 Compliance by Existing Dealers – 180 Days.

Any Gun and/or Ammunition Dealer licensed on the effective date of this ordinance will have one hundred and eighty (180) days to come into full compliance with this Chapter and reapply for a Gun and Ammunition Dealers Business License.

SECTION 18. Section 7.46.140 is hereby added to read as follows:

7.46.140 Severability and General Provisions.

A. If any Section, Subsection, sentence, clause, or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision will not affect the validity of the remaining provisions.

B. The Board of Supervisors hereby declares that it would have adopted this Chapter, Section, and each Subsection, sentence, clause, and phrase thereof not declared invalid or unconstitutional, without regard to whether any portion would subsequently be declared invalid or unconstitutional.

SECTION 19. Section 7.46.150 is hereby added to read as follows:

7.46.150 Implementation.

The Tax Collector is responsible for administration of this Chapter and promulgating regulations consistent with the provisions of this Chapter and the County Code.

SECTION 20. Section 7.46.160 is hereby added to read as follows:

7.46.160 Effective Date.

This ordinance will take effect thirty (30) days from the date of final passage by the Board of Supervisors.

SECTION 21. Section 7.14.010 is hereby amended to read as follows:

7.14.010 – Fee Schedule.

The license fees required to be paid to perform, carry on, conduct, or engage in any businesses, occupations or activities set forth in this Title 7, are as stated in this Chapter.

	ANNUAL/ONE YEAR FEES AND RENEWALS	
	First Year	Annual Renewal
...		
<u>GUN DEALER</u> <u>GUN AND AMMUNITION DEALERS</u>	\$739 <u>\$954</u>	\$279 <u>\$577</u>
...		

[CH746EMCC]