

ADDENDUM TO FINAL STATEMENT OF REASONS

Updates to Initial Statement of Reasons

The proposed regulations do not affect worker safety. The proposed regulations benefit the environment by implementing statutes that require the Department to develop an electronic reporting system, rather than a paper-based one. Reducing the use of paper preserves trees, cuts down on pollution from the manufacture of paper, and reduces the amount of fuel needed to ship paper.

Sections 2000-2006 were renumbered to Sections 999.500 to 999.506 due to section number availability.

In Section 999.500, an introductory paragraph was added to describe the scope of the definitions.

In Section 999.500, subdivision (I), the statutory reference was deleted because the exact term does not appear in that statute. This subdivision was re-lettered to subdivision (e) and the surrounding subdivisions were re-lettered accordingly.

In Section 999.503, subdivision (a)(5), the term “inscription” was changed to “personal inscription” to align with statute.” Section 999.506(c)(4)(M) was updated accordingly.

Section 999.506, subdivisions (c)(1)(D), (E), (F) and (G) were updated to align with the defined term in Section 999.500, subdivision (e).

Alternatives Determination

The Department considered not adopting regulations because much of the enabling statutes are largely-self executing. But many pawnbrokers and secondhand dealers disagreed and initiated legal proceedings alleging that the reporting system developed by the Department was an unenforceable regulation. Many of their concerns were addressed by subsequent legislation (AB 1751). This rulemaking clarifies certain aspects of the enabling statutes that were raised during the legal proceeding but were not addressed by the subsequent legislation. By clarifying certain aspects of the reporting system, the regulations further the objectives of the statute, including protecting the public from the dissemination of stolen property and assisting criminal investigations in tracing and recovering stolen property.

Non-duplication

The regulations duplicate some provisions of the enabling statutes to establish context for a particular provision, and to provide a more complete description of a particular reporting requirement in a central location.