TO: ALL CALIFORNIA FIREARMS DEALERS

The purpose of this Information Bulletin is to advise secondhand dealers and pawnbrokers of a change in the reporting procedures related to the acquisition, consignment, and/or pawn of secondhand firearms. Senate Bill 449 (Padilla) amended CA Business and Professions Code Section 21628.1 and added Section 21628.2. Effective July 1, 2010, Section 21628.2 requires secondhand dealers and pawnbrokers to electronically report firearms purchased, taken in trade, taken in pawn, accepted for sale on consignment, or accepted for auctioning to the California Department of Justice (DOJ) Bureau of Firearms (BOF).

This new electronic reporting process only applies to firearms and rescinds and replaces the existing process of manually completing and mailing the “Pawnbroker/Secondhand Dealer Report” (JUS 123) to local law enforcement agencies (LEAs). The JUS 123 will continue to be used to report other types of serialized property (excluding firearms) to the LEA with jurisdiction over the dealer’s business location. As a result of this new electronic reporting process, the LEA’s ability to enter the firearms transaction information from the JUS 123 into the DOJ Automated Firearms System (AFS) database will be limited to reports received prior to July 1, 2010.

To facilitate the new electronic reporting requirement of secondhand/pawned firearms, the DOJ/BOF is introducing a new secure online reporting system called the Firearms Dealer Acquisition System (FDAS). Effective July 1, 2010, secondhand dealers and pawnbrokers will be required to use FDAS to electronically report to DOJ/BOF any firearms purchased, taken in trade, taken in pawn, accepted for sale on consignment, or accepted for auctioning. The new Electronic Dealer Report of Firearms Acquisition submitted through FDAS will be checked programmatically in AFS against stolen firearm entries. If the firearm results in a stolen “hit,” the BOF will immediately notify the LEA with jurisdiction over the dealer’s business location. (Section 21628.2 (c)) In complying with Section 21636, dealers are advised that the 30-day retention period commences on the date the Dealer Report of Firearms Acquisition was electronically submitted to BOF via FDAS.

In addition, BOF will electronically transmit copies of the FDAS reports received from secondhand dealers and pawnbrokers to the LEA with jurisdiction over the dealer’s business location within one working day of receipt. (Section 21628.2 (d)) The BOF will also begin inspecting secondhand

---

1 All further statutory references are to the California Business and Professions Code, unless otherwise indicated.
dealers and pawnbrokers, as part of the overall firearms dealer inspection program. (Section 21628.2 (b))

To enroll and use FDAS, secondhand dealers and pawnbrokers must:

1) Be a licensed California firearms dealer pursuant to California Penal Code Section 12071.

2) Possess a valid secondhand dealer license issued by their local Chief of Police or Sheriff in accordance with Section 21641. Pawnbrokers must be licensed pursuant to California Financial Code Section 21300. Secondhand dealers and pawnbrokers whose license has expired, been canceled, or revoked will not be able to access FDAS.

3) Submit to the BOF a copy of your valid secondhand dealer or pawnbroker license issued by the LEA with jurisdiction over your dealership.

4) Complete the two-step FDAS enrollment process. Step 1 is accomplished by completing and submitting the enclosed FDAS enrollment application (BOF 937). Accordingly, the BOF will process the FDAS enrollment application and forward an enrollment confirmation via email to the email address provided on the application. The email confirmation will include the secure FDAS website URL along with instructions for completing Step 2 of the enrollment process.

For information on how to obtain a secondhand dealer or pawnbroker license, please contact your LEA or visit the Attorney General's website at http://ag.ca.gov/fingerprints/faq.php.

FDAS is intended to be user friendly and require little end-user training. To further assist dealers in complying with this new electronic reporting requirement, we have enclosed several frequently asked questions (FAQs). The FAQs should be helpful in responding to questions regarding dealer compliance, the new electronic reporting, and the FDAS enrollment processes.

General questions regarding information in this bulletin can be directed to the BOF Training Information and Compliance Section at (916) 263-4887. Questions related to the FDAS enrollment process can be directed to the BOF Licensing and Permits Unit at (916) 263-8100. In the near future, additional contact information will be available on the FDAS website under the “Contact Us” link.

Sincerely,

STEPHEN LINDLEY, Acting Chief
Bureau of Firearms

For EDMUND G. BROWN JR.
Attorney General

Enclosures
To begin the enrollment process in the California Firearms Dealer Acquisition System (FDAS), you must complete, sign, and return the enrollment application along with a copy of your valid Secondhand Dealer or Pawnbroker license.

Please Type or Print

<table>
<thead>
<tr>
<th>Licensee Name: Last, First, Middle</th>
<th>Business Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business E-mail Address:</td>
<td></td>
</tr>
<tr>
<td>Business Physical Address:</td>
<td>City:</td>
</tr>
<tr>
<td></td>
<td>State:</td>
</tr>
<tr>
<td></td>
<td>Zip Code:</td>
</tr>
</tbody>
</table>

**LICENSE INFORMATION**

<table>
<thead>
<tr>
<th>Centralized List of Firearms Dealer (CFD) License Number:</th>
<th>License Expiration Date:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate of Eligibility (COE) License Number:</td>
<td>License Expiration Date:</td>
</tr>
<tr>
<td>Secondhand Dealer License Number:</td>
<td>License Expiration Date:</td>
</tr>
<tr>
<td>Pawnbroker License Number:</td>
<td>License Expiration Date:</td>
</tr>
</tbody>
</table>

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature: ______________________  Date: __________

Please fax or mail completed enrollment form, along with a copy of your valid Secondhand Dealer or Pawnbroker license to the address listed below. All incomplete applications will be returned.

Department of Justice
Bureau of Firearms - FDAS Program
PO Box 160367
Sacramento, CA 95816-0367

Fax: 916-263-0790

You will receive a confirmation e-mail within five business days after this enrollment application is received by BOF. You must complete step 2 of the enrollment process by visiting the FDAS website URL included in the e-mail.
Q. Why was the Firearms Dealer Acquisition System (FDAS) developed?

A. Existing law requires secondhand dealers and pawnbrokers to report daily, or on the first working day after receipt or purchase of firearms, to local law enforcement agencies (LEAs) that, in turn, enter the information into the Department of Justice (DOJ) Automated Firearms System (AFS).

Senate Bill 449 established a new electronic reporting requirement for secondhand dealers and pawnbrokers to report firearms transactions. The law now requires secondhand dealers and pawnbrokers to electronically report to the DOJ Bureau of Firearms (BOF) each firearm purchased, taken in pawn, or accepted for sale on consignment. (Business & Professions Code, section 21628.2, subd. (b).)

This change eliminates the need for local law enforcement to manually enter the reports into DOJ/AFS. This change will expedite required reporting and will reduce the lag time between the acquisition date and the date that firearm possession information is available for AFS inquiry by the LEA.

The legislatively mandated effective date for electronic reporting is July 1, 2010.

Q. What is the Firearms Dealer Acquisition System (FDAS)?

A. FDAS is an automated system developed to meet the legislative mandate for secondhand dealers and pawnbrokers to electronically submit a BOF Dealer Report of Firearm Acquisition (BOF 935) to the DOJ effective July 1, 2010.

FDAS is a secured, web-based electronic reporting system that requires the use of a desktop/laptop computer and a standard web browser.

Once logged into FDAS, the user can select the type of firearm transaction to report (buy, consignment, pawn), enter the seller/transferor and firearm information, and submit this information to the BOF so it can be entered into AFS. Immediately following, and up to 24 hours after the original submission into FDAS, the user can print a copy of the submitted BOF 935.

Q. Who can use FDAS?

A. To use FDAS, you must be a licensed firearms dealer pursuant to California Penal Code (PC) section 12071, possess a valid secondhand dealer license pursuant to Business & Professions Code section 21641, or qualify as a pawnbroker licensed pursuant to Financial Code section 21300.
Frequently Asked Questions (FAQs)

Q. Who is required to obtain a state secondhand dealer license?

A. Pursuant to Business & Professions Code section 21626, a secondhand dealer is any person whose business includes buying, selling, taking in trade, taking in pawn, taking on consignment, accepting for auction, or auctioning secondhand personal property. A secondhand dealer must be licensed pursuant to Business & Professions Code section 21641, which requires dealers to obtain the license from the LEA that has jurisdiction over the dealers’ place of business.

Additional information about secondhand dealer licensing may be obtained from the California Attorney General’s website, Programs A-Z, Fingerprints, General-FAQs, Number 10: http://ag.ca.gov/fingerprints/faq.php.

Q. Who is required to obtain a state pawnbroker license?

A. Pursuant to Financial Code section 21000, a pawnbroker is any person who is engaged in the business of receiving goods in pledge as a security for a loan. As of January 1, 1994, a pawnbroker must be licensed pursuant to Financial Code section 21300, which requires dealers to obtain the license from the local LEA that has jurisdiction over the dealers’ place of business.

A pawnbroker is also a secondhand dealer, but a secondhand dealer is not a pawnbroker and cannot submit a pawn transaction.

Additional information about secondhand dealer licensing can be obtained from the California Attorney General’s website, Programs A-Z, Fingerprints, General-FAQs, Number 10: http://ag.ca.gov/fingerprints/faq.php.

Q. Are there any costs associated with using FDAS?

A. No. There are no costs or fees to users of FDAS.

Q. Is special equipment or a computer needed to use FDAS?

A. No. The computer system and Internet service provider you currently use for the DROS and CFLC processes can also be used to access and use FDAS.

Q. How do I submit a BOF Dealer Report of Firearm Acquisition (BOF 935) using FDAS?
Frequently Asked Questions (FAQs)

A. To use FDAS, you must first complete the two-step FDAS enrollment process:

**Step 1** – Complete and send the FDAS Enrollment Application (BOF 937) along with a copy of your valid secondhand dealer or pawnbroker license to the BOF-FDAS Program, P.O. Box 160367, Sacramento, CA 95816-0367. Once your application is processed, you will receive an email containing the FDAS website URL and instructions for completing Step 2.

**Step 2** – Go to the FDAS website and enter the information requested—California Firearms Dealer (CFD) license number, Certificate of Eligibility (COE) number, physical business zip code, and business email address. FDAS will validate the CFD and COE license numbers and physical business zip code entered. Next, FDAS will send you an email containing a temporary password that you will then change to a password of your choice. (The temporary password is valid for 24 hours.)

Once enrolled, you can log into FDAS and select the type of firearm acquisition transaction (buy, consignment, or pawn) you want and are authorized to submit.

Next, enter the seller/transferor and firearm information in the FDAS screen. Then, from the preview screen, you and the seller/transferor must review and verify that the information entered is accurate and complete. At this point, we recommend that you print the preview copy and have the seller/transferor review one final time and initial the form confirming that the information is accurate. This is necessary because FDAS users do not have the ability to modify previously submitted reports.

Please note that the preview printout will not have the FDAS Transaction Number, since the information has not yet been submitted to the DOJ/BOF.

Finally, you must print a copy of the BOF Dealer Report of Firearm Acquisition (BOF 935), which will contain the FDAS system-generated transaction number. This form is also used to capture the seller/transferor’s thumbprint as required by law.

For additional information about using FDAS, refer to the FDAS User Guide available to download from the BOF website, [http://ag.ca.gov/firearms](http://ag.ca.gov/firearms). (Available as of July 1, 2010.)
Frequently Asked Questions (FAQs)

Q. Why is there a new form, the BOF Dealer Report of Firearm Acquisition (BOF 935), for reporting firearm acquisitions?

A. The new BOF 935 is the system-generated form that is used to support the electronic reporting of firearm acquisitions using FDAS.

The system-generated BOF 935 form replaces the Pawnbroker/Secondhand Dealer Report (JUS 123) for reporting firearm acquisitions only. The JUS 123 will continue to be used for non-firearm serialized property.

Q. Can I still submit a Pawnbroker/Secondhand Dealer Report (JUS 123) for a firearm acquisition after July 1, 2010?

A. No. As of July 1, 2010, every pawnbroker or secondhand dealer firearm acquisition must be reported electronically to the DOJ using FDAS.

However, you should continue to submit a JUS 123 for all other serialized property taken in trade, taken in pawn, or accepted for sale on consignment to the appropriate LEA. For more information or questions, please contact your local LEA.

Q. Will law enforcement agencies continue to enter a firearm acquisition if I send them a Pawnbroker/Secondhand Dealer Report (JUS 123)?

A. As of July 1, 2010, to comply with the new law, every pawnbroker or secondhand dealer firearm acquisition must be reported electronically to the DOJ using FDAS. The LEA’s ability to enter information from the JUS 123 into the AFS database will be limited to reports received prior to July 1, 2010.

Q. I cannot log into FDAS. What should I do?

A. If you are unable to log into FDAS because:

1. Your license is not valid.

   First, determine which license error (CFD, Secondhand Dealer or Pawnbroker) is preventing you from logging in. Then contact the appropriate licensing authority.

   • CFD – Contact the BOF Firearms Licensing & Permit Unit at (916) 263-8100.
Frequently Asked Questions (FAQs)

- Secondhand Dealer or Pawnbroker – Contact the LEA having jurisdiction over your dealership.

2. Your password is incorrect.

You can click on the “forgot password” link on the FDAS login page. You will receive a new password by email, which will be valid for the next 24 hours.

3. The website is not working.

The site might be down for technical reasons. Contact the BOF Training Information & Compliance Section at (916) 263-4887.

Q. What should I do if my computer system goes down due to a power failure or other technical reason at my dealership?

A. If you are unable to use FDAS due to a power failure or other technical reason, you can initiate the transaction using a blank sheet of paper as a worksheet to capture the information needed to complete the transaction. Be sure to obtain the sellers/transferor’s signature and thumbprint on the worksheet. Within 24 hours, however, you must complete and submit a BOF Dealer Report of Firearm Acquisition (BOF 935) using FDAS. Print a copy of the submitted BOF 935 which contains the FDAS transaction number indicating that the information was electronically submitted to the DOJ. Staple the signed worksheet and submitted BOF 935 together and retain as prescribed by law.

Q. I received an error when I tried to complete Step 2 of the FDAS enrollment process. What should I do?

A. To complete Step 2, you must provide your CFD license and COE numbers and physical business zip code. The CFD and COE must be valid, and the COE and zip code numbers must match those submitted to the BOF at the time your CFD number was issued. FDAS will verify the numbers you entered are valid and match. Be sure that you enter these numbers correctly.

If the numbers are correct and you still are unable to enroll, contact the BOF Firearms Licensing and Permit Unit at (916) 263-8100 for assistance.
Frequently Asked Questions (FAQs)

Q. If I don’t use FDAS, how do I report a firearm acquisition?

A. As of July 1, 2010, every pawnbroker or secondhand dealer firearm acquisition must be reported electronically to the DOJ using FDAS.

Q. I’m a licensed secondhand dealer or pawnbroker. What happens if I don’t renew my license?

A. If you do not complete the renewal process pursuant to Business & Professions Code section 21642 and Financial Code section 21301, you are not authorized to conduct these types of transactions. Accordingly, you will not be able to report a firearm acquisition using FDAS. For more information about the renewal process, contact the local LEA having jurisdiction over your dealership.

If you purchase or accept pledged or consigned firearms and do not have an active secondhand dealer license, you are in violation of Business & Professions Code section 21626.

If you receive goods in pledge as security for a loan and do not qualify as a licensed pawnbroker, you are in violation of Financial Code section 21300.

Q. I submitted my secondhand dealer or pawnbroker license renewal application, but I still can’t submit a pawn or consignment transaction.

A. When your license expires, FDAS will no longer allow you to submit a pawn or consignment transaction.

Contact your local LEA for information about the status of your renewal application.

Q. If my secondhand dealer license or my pawnbroker license expires, does that affect my Centralized List (CL) status or my ability to sell firearms?

A. No, your CL status is not affected if your secondhand dealer license or pawnbroker license expires.

Q. I’m a licensed California Firearms Dealer (CFD) only. Am I required to use FDAS to report a buy transaction?

A. No. At this time FDAS is only set up to be used by secondhand dealers and pawnbrokers. Although FDAS may be available to CFDs at some point, currently
Frequently Asked Questions (FAQs)

all CFDs must continue to submit the existing Firearms Dealer’s Report of Handgun Acquisition form (BOF 4334) to the Bureau of Firearms.

Q. I am a firearms dealer with a valid DOJ-issued assault weapon permit and am a licensed secondhand dealer or pawnbroker. Can I take in assault weapons on pawn or consignment?

A. No. Accepting pledged or consigned assault weapons is prohibited by law.

Q. How do I report firearms I’ve accepted for auctioning using FDAS?

A. To report a firearm accepted for auctioning in FDAS, you must submit a Buy or Consignment transaction using FDAS.

Q. As a secondhand dealer and/or pawnbroker, how do I report firearms I have purchased at a gun show?

A. FDAS is a web-based tool, which makes it possible for you to submit/report firearms purchased at a gun show using FDAS.

Q. Does the 30-day hold on all personal property still apply for FDAS transactions?

A. Yes. Secondhand dealers and pawnbrokers shall retain all personal property reported under Business & Professions Code section 21628.2 for a period of 30 days from the date of the report in FDAS. (Business & Professions Code section 21636.) The 30-day retention period commences on the date the dealer report of firearm acquisition was electronically submitted to the BOF via FDAS.

Q. What information is required to complete a Bureau of Firearms Dealer Report of Firearm Acquisition (BOF 935) using FDAS?

A. The user must complete all of the required fields on the FDAS screen. The system then generates the BOF 935, which includes:

- Seller/Transferor Information (The seller/transferor must be present when completing a Report of Firearm Acquisition using FDAS. The seller/transferor’s thumbprint and signature are required on every report.)
- Firearm Information
- Transaction Type
Frequently Asked Questions (FAQs)

Dealership Information is automatically displayed on the report based on your licensing information.

Q. Can I change a Firearms Dealer Report of Firearm Acquisition (BOF 935) after it has been submitted?

A. No. Once you click the “Submit” button on the FDAS screen for a BOF 935, the transaction is accepted in FDAS and transferred to the BOF to be inputted into AFS.

However, as previously described on page 3, FDAS provides you the capability to preview the report, giving you and the seller/transferor the opportunity to verify the information and, if necessary, make changes before submitting the report in FDAS.

Q. How do I obtain a copy of a Bureau of Firearms Dealer Report of Firearm Acquisition (BOF 935) submitted using FDAS?

A. FDAS provides dealers the option to print a submitted report at the time of the completed entry as dealers are required to maintain copies of all submitted Dealer Report of Firearm Acquisition forms. As an added benefit, FDAS allows dealers to reprint previously submitted forms within 24 hours after the original submission.

Q. What should I do if a seller/transferor changes their mind after I submit the BOF 935 using FDAS and wants their firearm back?

A. Dealers are required to ensure that the seller/transferor is aware that once the transaction is submitted in FDAS, it’s finalized and the information is subsequently entered into the DOJ’s AFS.

FDAS provides a “Preview Screen” option to assist dealers with ensuring 1) that the information submitted is accurate, 2) that the seller/transferor is aware of the process necessary for redeeming his or her firearm (Pawn Redemption) after the transaction is completed, and 3) that the dealer confirms before hitting the “Submit” key that the seller/transferor still wishes to complete the transaction.

As previously discussed, it is recommended that the dealer obtain the seller/transferor’s initials on the Preview Printout prior to submitting the FDAS transaction. This precautionary step is intended to confirm the seller/transferor’s understanding of the process and desire to complete the transaction.
Frequently Asked Questions (FAQs)

Once the transaction is submitted and accepted in FDAS, it is final. As such, the firearm cannot be returned without first having the seller/transferor complete the Pawn or Consignment Firearm Redemption process and adhere to the mandatory 10-day waiting period and associated fees.

Q. Am I required by law to give the seller/transferor a copy of the Bureau of Firearms Report of Firearm Acquisition?

A. Although not required, it is recommended.

Q. Do I have to retain a hardcopy of the Bureau of Firearms Report of Firearm Acquisition (BOF 935) and for how long?

A. Yes. In accordance with Business & Professions Code section 21633, BOF 935 forms shall be retained by the secondhand dealer in his or her place of business for a period of three years.

Q. How do I print the Firearms Dealer Report of Firearm Acquisition on a single page?

A. To change the way the BOF 935 prints in your web browser, click the File menu, click Page Setup, then delete any information displayed in the header and footer text boxes.

Q. How do I update the “Dealer Information” as shown on FDAS?

A. Contact the BOF Firearms Licensing and Permit Unit at (916) 263-8100 for instructions pertaining to changes in dealer information.

Q. Will I be subject to inspections by the Bureau of Firearms?

A. Yes. The BOF will begin inspecting secondhand dealers and pawnbrokers as part of the overall firearms dealer inspection program. (Business & Professions Code section 21625.2 (b).)

For more information about dealer inspections, contact the BOF Training Information and Compliance Section at (916) 263-4887.
Frequently Asked Questions (FAQs)

Q. After submitting a Bureau of Firearms Report of Firearm Acquisition (BOF 935) using FDAS, am I notified if the firearm I acquired has been stolen?

A. FDAS will not notify you if the firearm you acquired is stolen. If the firearm had been previously entered into AFS as a stolen gun, FDAS will send a “Hit Confirmation” notice to the local LEA having jurisdiction over your dealership. The local LEA continues to be responsible for handling stolen firearms notifications.