California Justice Information Services
Justice Data & Investigative Services Bureau

California Pawn & Secondhand Dealer System (CAPSS)

Frequently Asked Questions (FAQs)

1. What is the California Pawn & Secondhand Dealer System (CAPSS)?

CAPSS is the name given to the electronic reporting system developed to meet the legislative mandate (Business & Professions Code, Section 21628) for secondhand dealers and pawnbrokers to electronically submit the Secondhand/Pawnbroker Report (JUS 123) to the California Department of Justice (DOJ). The CAPSS is a secured, web-based electronic reporting system that requires the use of a desktop/laptop computer and a standard web browser.

In 2012, Assembly Bill 391 was enacted which established a new requirement that secondhand dealers and pawnbrokers electronically report to the DOJ all secondhand tangible property which has been purchased, taken in trade, taken in pawn, accepted for sale on consignment, or accepted for auctioning (Business & Professions Code, Section 21630 and 21633, subdivision(j)).

2. How do I apply for, renew, or cancel a license?

DOJ does not issue secondhand dealer nor pawnbroker licenses. Those wishing to apply for, renew, make changes to, or cancel a license need to contact their local licensing authority; which is usually the law enforcement agency in whose jurisdiction the business is located; occasionally it is through the city or county.

If you need licensing assistance and you aren't sure who to contact, please email the Secondhand Dealer and Pawnbroker Licensing unit at: shdpblicensing@doj.ca.gov for the most up to date contact information.

3. I only deal in firearms and/or ammunition and I have an active secondhand dealer license; am I required to report into CAPSS?

Firearms and ammunition dealers must register in CAPSS for the licensing administration component (license fees, renewals, etc.). However, firearms and ammunition are NOT to be reported into the CAPSS. As a firearms dealer or ammunitions vendor you must still report those transactions via DES/FDAS/DROS.

Please visit: https://oag.ca.gov/firearms/dlrfaqs for more information for firearms dealers and ammunition vendors.

4. Are there costs associated with using CAPSS?

There may be some equipment costs (e.g., computer or laptop with internet capabilities, electronic fingerprint scanner and, electronic signature pad) that businesses will need to purchase and maintain in order to electronically submit all the required data pursuant to BPC 21628. The Licensing Authority will determine and approve if other products and applications can be used.

5. What software or devices will I need to purchase or to use CAPSS?

The following devices are required to use CAPSS:

a. Desktop computer, laptop or a tablet with internet capabilities
b. Electronic signature pad
c. Fingerprint scanner *Please note that a fingerprint scanner will NOT work without software purchased to capture images.
d. Recent version of a supported web browser, e.g. Chrome, Firefox, or Microsoft Edge***.

*****Make sure pop-up blockers are disabled**

6. When entering property transactions, will there be an article table provided?

CAPSS utilizes an Article Listing. If the article is not available, the system allows for a properly spelled, non- abbreviated plain text descriptor. The most current CAPSS article list is available for download on the Attorney General's Public Internet Website in the CAPSS page and is updated weekly.

Please visit: https://oag.ca.gov/secondhand/capss/resources and under *References Guides & Downloads* select "Article Table (CAPSS), xls".

7. How can I submit my transactions if I cannot find the item on the article list?

The CAPSS team uses a list of the most common articles (i.e., watch, ring, amplifier, or guitar). If you cannot find the article, you may use a properly spelled, non-abbreviated free- text description of the item in the article field and you must also include a detailed description in the property description field.

8. I am a pawnbroker or secondhand dealer and have my own system/software for processing transactions. Can this interface with the CAPSS?

Currently there is no interface with CAPSS to other systems operated by pawnbrokers or secondhand dealers. The CAPSS provides the ability to upload a data file from your local system (via API) if it meets the DOJ data file requirements. The data file technical specifications documents are available on the AG's Public Internet Website.

Please visit: https://oag.ca.gov/secondhand/capss/resources and see the section titled "API Client- System to System".

9. I understand that there will be another option for submitting transactions to CAPSS called API. Will I be required to use this method for reporting?

The Application Programming Interface (API) is another option for businesses that may want to use this feature, however it is not required. Interested stores will have to apply for and receive DOJ approval prior to submitting data via API. For additional information regarding the API solution please visit the AG's Public Internet Website at: https://oag.ca.gov/secondhand/capss

10. I am a law enforcement officer, how do I or my agency get access to CAPSS?

Each LEA has one or administrators, you will reach out to them to grant you access.

If you do not know your agency's administrator(s) or if your agency does not have access, please reach out to the CAPSS Program directly via email for assistance: capss@doj.ca.gov

11. How long will transaction data be retained in the CAPSS?

Transaction records will be retained in CAPSS for a period of five years.

12. Does the LEA have the capability to "hold" a license if the pawnbroker or secondhand dealer is out of compliance with other county and city licenses or permits?

CAPSS has a licensing component that allows for the jurisdictional authority to deny, cancel or revoke licenses out of compliance.

13. Will the Scrap Metal Recyclers be able to submit their property transactions into the CAPSS?

Scrap Metal Recyclers are regulated by their county of jurisdiction. They are not governed by the same state Business and Professions or Financial Codes in regards to licensing. Scrap Metal Recyclers should continue to use their current method of reporting to the appropriate LEA.

14. How often will I need to change my CAPSS password?

Once you create a password in CAPSS, it will be valid for 90 days. You may reset your password prior to the 90 day password expiration date or upon expiration, click on "*Forgot/Expired Password*," at the bottom of the page to reset your password. If your password is expired you will receive a message stating, "*Your password has expired.",* and you may reset your password.

15. Is there a specific test environment that I, my store vendor or IT person can use to conduct testing?

The DOJ has created a new environment known as the "sandbox" to test specific functions of the CAPSS API and bulk upload. For stores or vendors that are ready to conduct testing for the API and or the bulk upload functionality (Refer to Attorney General's Public Internet Website, CAPSS Resources page), the sandbox environment is currently available for use for those stores that have a CAPSS account. The CAPSS team advises that the store administrator create a user account that their IT staff can use specifically for testing purposes that store employees will not use to upload.

The test sandbox can be reached here: https://capss-sb.doj.ca.gov. Please keep in mind when using the CAPSS sandbox:

- Only test data should be used.
- Test data uploaded to this environment will be purged periodically without notice.

• The sandbox may be taken down at any time with or without notice for certain periods of time if necessary.

• The sandbox will respond with errors the same way the production environment does to allow stores to identify errors, troubleshoot them and modify the uploads to ensure they are consistent and meet DOJ requirements before stores attempt to load data into the production environment.

• The XML files submitted for testing in the CAPSS sandbox are validated against the new XML template.

• At this time, the password policy is the same as in the production environment (every 90 days).

• It is important that users be aware of which environment they are working in

(production vs sandbox test environment).

16. I am a licensed pawnbroker, how do I meet the new 8 education hours requirement?

To obtain a new pawnbroker license or renew a pawnbroker license, all pawnbrokers are required to complete at least 8 hours of pre-licensing or continuing education per FIN 21303.5. Proof of completion must be provided to the license authority at the time of application or renewal. For more information on where to complete the required hours please visit: www.californiapawnacademy.com.