

**CALIFORNIA DEPARTMENT OF JUSTICE**

**TITLE 11. LAW**

**DIVISION 5. FIREARMS REGULATIONS**

**CHAPTER 17. FIREARM LOAN OBLIGATIONS ACKNOWLEDGMENT**

**INITIAL STATEMENT OF REASONS**

**PROBLEM STATEMENT**

The loan of a firearm to another person must be conducted through a licensed firearms dealer. (Pen. Code, §§ 27545, 28050.)<sup>1</sup> Penal Code section 27883 creates an exemption to this rule when certain requirements are met.

The Department is tasked with creating the format for a written document that explains the obligations imposed by Penal Code section 27883. (§ 27883, subd. (i).) Both parties to the loan must sign this written document and keep a signed copy for their records. (§ 27883, subd. (j).)

The proposed regulation requires the party loaning the firearm for storage and the person receiving the firearm pursuant to Penal Code section 27883 to sign the Firearm Loan Obligations Acknowledgment, Form BOF 145, and keep a signed copy during the period of the loan.

**BENEFITS ANTICIPATED FROM REGULATORY ACTION**

Penal Code section 27883 protects public safety by allowing a person to temporarily loan a firearm to another person for safekeeping or other lawful purposes, as long as the loan does not exceed 120 days. Establishing the document prescribed by Penal Code section 27883 will ensure that the parties to the loan are aware of the obligations imposed by this section.

**SPECIFIC PURPOSE AND NECESSITY OF EACH SECTION**

**§ 4700. Firearm Loan Obligations Acknowledgment.**

Penal Code section 27883 requires the Department to create the format for the written document that explains the obligations imposed by Penal Code section 27883. (§ 27883, subd. (i).) Subdivision (a) identifies this document as the Firearm Loan Obligations Acknowledgment, BOF 145. Identifying the document is necessary so that individuals know what document to use when a firearm is loaned pursuant to Penal Code section 27883.

Subdivision (b)(1) requires the party loaning the firearm for storage and the person receiving the firearm pursuant to Penal Code section 27883 to write the date of the loan on the Firearm Loan Obligations Acknowledgment. Recording the date that the loan starts is necessary to determine if the length of the loan exceeds 120 days.

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<sup>1</sup> All references are to the Penal Code unless otherwise indicated.

Subdivision (b)(2) requires the parties to print their names and sign the Firearm Loan Obligations Acknowledgment. This is necessary to identify the parties to the loan. Penal Code section 27883, subdivision (i), requires the parties to sign the document prescribed by the Department.

Penal Code section 27883, subdivision (j), requires both parties to keep a copy of the signed document. Subdivision (b)(3) requires the parties to the loan to keep a copy of the Firearm Loan Obligations Acknowledgment during the period of the loan. This is necessary to clarify that the parties do not need to maintain a copy of the document indefinitely. Requiring the parties to keep a copy of the document during the period of the loan ensures that the parties can reference the obligations imposed by Penal Code section 27883.

### **ECONOMIC IMPACT ASSESSMENT/ANALYSIS**

The Department concludes:

- (1) It is unlikely that the proposal would create or eliminate jobs within the state because the Firearm Loan Obligations Acknowledgment is used by individuals who loan a firearm to another individual.
- (2) It is unlikely that the proposal would create new businesses or eliminate existing businesses within the state because the Firearm Loan Obligations Acknowledgment is used by individuals who loan a firearm to another individual.
- (3) It is unlikely that the proposal would result in the expansion of businesses currently doing business within the state because the Firearm Loan Obligations Acknowledgment is used by individuals who loan a firearm to another individual.

The Department also concludes that:

- (1) The proposal would benefit the health and welfare of California residents by establishing the format for the firearm loan document prescribed by Penal Code section 27883, allowing a person to safely loan a firearm to another person for up to 120 days. This is especially important to reduce the risk of accidents, theft, or misuse during periods when the owner cannot securely store or supervise firearm.
- (2) The proposal would not benefit worker safety because it does not regulate worker safety standards.
- (3) The proposal would not benefit the state's environment because it does not change any applicable environmental standards.

### **TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDIES, REPORTS OR SIMILAR DOCUMENTS RELIED UPON**

The Department did not rely on any technical, theoretical, or empirical studies, reports, or similar documents in proposing these regulations.

**EVIDENCE SUPPORTING DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS**

The Department has made an initial determination that the proposed action would not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The Firearm Loan Obligations Acknowledgment is used by individuals who loan a firearm to another individual.

**REASONABLE ALTERNATIVES TO THE PROPOSED REGULATORY ACTION THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS**

The Department determines that these proposed regulations do not affect small businesses.

**REASONABLE ALTERNATIVES TO THE PROPOSED ACTION AND THE AGENCY'S REASON FOR REJECTING THOSE ALTERNATIVES**

The Department finds that no alternatives were presented to, or considered by, the Department that would be more effective in carrying out the purpose of these proposed regulations or would be as effective and less burdensome to affected private persons than these proposed regulations.

**Performance Standard as Alternative:**

The proposed regulations do not mandate the use of specific technologies or equipment. The Department is required to prescribe the format for a written document that explains the obligations imposed by Penal Code section 27883. (§ 27883, subd. (i).) The proposed regulation requires the party loaning the firearm for storage and the person receiving the firearm to sign the Firearm Loan Obligations Acknowledgment, Form BOF 145.