



COUNTY OF SANTA CRUZ

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February 20, 2013

AGENDA: February 26, 2013

Board of Supervisors
County of Santa Cruz
701 Ocean Street, Room 500
Santa Cruz, CA 95060

RE: ADOPTION OF ORDINANCE AND PROPOSED EXTENSION OF
TEMPORARY MORATORIUM RELATING TO THE
ESTABLISHMENT OF NEW COMMERCIAL OPERATIONS
ENGAGED IN THE SALE OF FIREARMS AND/OR
AMMUNITION

Dear Members of the Board:

On January 15, 2013, Supervisor Leopold proposed and your Board adopted Ordinance No. 5146 on an urgency basis, establishing a temporary moratorium on the establishment of new commercial operations engaged in the sale of firearms and/or ammunition within the unincorporated area of the County of Santa Cruz. Under State law, an initial moratorium period is limited to 45 days.

On February 12, 2013, your Board declined to extend the moratorium beyond the initial 45 day period and directed staff to present the Board with a draft ordinance for first reading at your February 26, 2013 meeting. This item presents the draft ordinance (the "Ordinance") prepared by County Counsel, with input from the County Administrative Office, Sheriff's Department, and Planning Department.

As background, local governments are expressly authorized under state law to regulate firearms dealers (California Penal Code section 26705; *Suter v. City of Lafayette* (1997) 57 Cal.App. 4th 1109.) Furthermore, the United States Supreme Court ruled in *District of Columbia v. Heller* (2008) 554 U.S. 570, that laws imposing conditions on the commercial sale of firearms are "presumptively lawful" under the Second Amendment to the United States Constitution. Many local California cities and counties have enacted ordinances regulating firearms dealers, including locally the cities of Santa Cruz and Capitola.

As was reported on January 15th, the County does not currently license businesses that sell firearms, nor are such businesses expressly regulated under our zoning and land use regulations. There are currently approximately thirteen firearms dealers licensed by the State and Federal government located within the unincorporated area. Under the ordinance, existing licensed businesses established as of the effective date of the ordinance would be grandfathered and not required to comply with the ordinance as long as they remain validly licensed at their existing location.

As per your Board's direction, the Ordinance is based primarily upon the existing ordinances adopted by the cities of Capitola and Santa Cruz. In addition, we have added certain provisions of a model ordinance prepared by the San Francisco-based non-profit Law Center to Prevent Gun Violence, particularly with regard to security measures as directed by your Board on February 12, 2013.

In summary, the Ordinance provides as follows:

- Requires firearms dealers to obtain a County license from the County Administrative Office, with input from the Sheriff's Department;
- Establishes minimum requirements and standards necessary to obtain a County license;
- These requirements include, but are not limited to: verification of all necessary state and federal licenses, criminal history check for owners and employees,
- Establishes certain location standards including: (1) shall only be located within a zone district designated as C-2, C-4, M-1 or M-2 by the Santa Cruz County Zoning Ordinance; (2) shall not be located within six hundred feet of any public or private school in which students aged 18 years or younger are enrolled, any children's daycare center licensed by the state of

California, any publicly owned or operated park, playground or recreational area, or any high risk alcohol outlet.

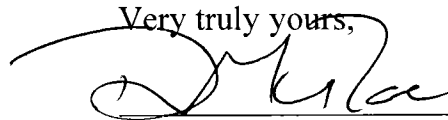
- As per direction of your Board, establishes enhanced security measures relating to gun storage, video surveillance, and other topics.

Staff requests that your Board review the ordinance and provide any input that you may have.

IT IS THEREFORE RECOMMENDED that your Board:

1. Open and conduct a public hearing on the proposed ordinance;
2. Adopt the attached Interim Ordinance Extending the Temporary Moratorium on the Establishment of Commercial Operations Engaged in the Sale of Firearms and/or Ammunition within the Unincorporated Area of the County of Santa Cruz until the effective date of the Ordinance, approximately April 8, 2013; and
3. Approve in concept the attached ordinance adding Chapter 5.62 to the Santa Cruz County Code relating to the Regulation of Firearm Dealers and direct the Clerk of the Board to schedule the ordinance for final reading on the March 5, 2013 agenda.
4. Direct staff to return before April 8, 2013, with a Board item terminating the Temporary Moratorium as of the effective date of the Ordinance adding Chapter 5.62.

Very truly yours,



DANA McRAE, COUNTY COUNSEL

RECOMMENDED:



SUSAN A. MAURIELLO
County Administrative Officer

cc: Sheriff-Coroner

ORDINANCE NO. _____

ORDINANCE ADDING CHAPTER 5.62 TO THE SANTA CRUZ COUNTY CODE REGARDING THE REGULATION OF FIREARMS DEALERS

SECTION I

The Board of Supervisors of the County of Santa Cruz finds and determines that:

1. Whereas, in 2006, 3,253 people died from firearm-related injuries in California¹ and 4,305 other people were treated for non-fatal gunshot wounds;² and
2. Whereas, in 2006, 3,567 people were assaulted with a firearm in California, and 1,411 of those victims were under the age of 21;³ and
3. Whereas, in 2006, 1,874 homicides were committed with a firearm in California, and 538 of those victims were under the age of 21;⁴ and
4. Whereas, federal regulation of firearms dealers and ammunition sellers is currently inadequate to protect the public safety; and
5. Whereas, although federal law requires firearms dealers to obtain a license from the Bureau of Alcohol, Tobacco, Firearms & Explosives (“ATF”),⁵ ATF does not have the resources or authority to properly oversee the more than 100,000 firearms dealers, manufacturers, collectors and others that it licenses (“FFLs”);⁶ and
6. Whereas, ATF reported in 2007 that it inspects each FFL, on average, only once every 17 years;⁷ and

¹ California Dep’t of Health Servs., Epidemiology & Prevention for Injury Control Branch (EPIC), EPICenter California Injury Data Online, Fatal Injury Data Custom Data Tables (2010), at http://www.applications.dhs.ca.gov/epicdata/content/TB_fatal.htm.

² California Dep’t of Health Servs., Epidemiology & Prevention for Injury Control Branch (EPIC), EPICenter California Injury Data Online, Fatal Injury Data Custom Data Tables (2010), at http://www.applications.dhs.ca.gov/epicdata/content/TB_fatal.htm.

³ California Dep’t of Health Servs., Epidemiology & Prevention for Injury Control Branch (EPIC), EPICenter California Injury Data Online, Nonfatal Injury Data Custom Data Tables (2010), at http://www.applications.dhs.ca.gov/epicdata/content/tb_nonfatal.htm.

⁴ California Dep’t of Health Servs., Epidemiology & Prevention for Injury Control Branch (EPIC), EPICenter California Injury Data Online, Fatal Injury Data Custom Data Tables (2010), at http://www.applications.dhs.ca.gov/epicdata/content/TB_fatal.htm.

⁵ 18 U.S.C. § 922(a)(1)(A).

⁶ The U.S. Department of Justice, Bureau of Alcohol, Tobacco, Firearms and Explosives provided the total number of federal firearms licensees as of November 8, 2007.

⁷ Mayors Against Illegal Guns, The Movement of Illegal Guns in America: The Link between Gun Laws and Interstate Gun Trafficking 18, December 2008, available at: www.mayorsagainstillegalguns.org/downloads/pdf/trace_report_final.pdf.

7. Whereas, between 1975 and 2005, ATF revoked, on average, fewer than 20 federal firearms licenses per year;⁸ and

8. Whereas, ATF faces numerous obstacles that limit its ability to enforce the law; for example, ATF may conduct only one unannounced inspection of each FFL per year, the burden of proof for ATF's prosecution and revocation of licenses is extremely high, serious violations of firearms law have been classified as misdemeanors rather than felonies, and ATF has historically been grossly understaffed;⁹ and

9. Whereas, the Office of the Inspector General has concluded that inspections by ATF are not fully effective for ensuring that FFLs comply with federal firearms laws;¹⁰ and

10. Whereas, ATF has found that FFLs are a major source of trafficked firearms. In June of 2000, ATF issued a comprehensive report of firearms trafficking in this country. That report analyzed 1,530 trafficking investigations during the period July 1996 through December 1998, involving more than 84,000 diverted firearms.¹¹ ATF found that FFLs were associated with the largest number of trafficked guns – over 40,000 – and concluded that “FFLs’ access to large numbers of firearms makes them a particular threat to public safety when they fail to comply with the law;”¹² and

11. Whereas, during fiscal year 2007, ATF found over 30,000 firearms missing from licensees’ inventories with no record of sale;¹³ and

12. Whereas, in 1998, ATF found that 56% of randomly inspected dealers and 30% of pawnbrokers selling 50 or more guns had violated federal firearms law;¹⁴ and

13. Whereas, federal laws are silent regarding many important aspects of the dealer’s business, such as its location (leaving dealers free to operate out of their homes and near schools and other places children frequent) and security requirements during business hours; and

⁸ Brady Center to Prevent Gun Violence, *Shady Dealings, Illegal Gun Trafficking From Licensed Gun Dealers* 23 (Jan. 2007), available at: <http://www.bradycenter.org/xshare/pdf/reports/shady-dealings.pdf>. In 2006, ATF increased its total revocations to 131. *Id.*

⁹ *Id.* at 24-26.

¹⁰ Office of the Inspector General, Evaluation and Inspections Division, U.S. Department of Justice, *Inspection of Firearms Dealers by the Bureau of Alcohol, Tobacco, Firearms and Explosives* i (July 2004), available at: <http://www.usdoj.gov/oig/reports/ATF/e0405/exec.htm>.

¹¹ Bureau of Alcohol, Tobacco and Firearms, U.S. Department of the Treasury, *Following the Gun: Enforcing Federal Laws Against Firearms Traffickers* ix (June 2000), available at: www.atf.gov/pub/fireexplo_public/pdf/followingthegun_internet.pdf.

¹² *Id.* at x.

¹³ Brady Center to Prevent Gun Violence, *U.S. Gun Shops “Lost” More than 30,000 Firearms Last Year*, June 17, 2008, available at: <http://www.bradycampaign.org/media/release.php?release=988>.

¹⁴ Brady Center to Prevent Gun Violence, *“Trivial Violations”? The Myth of Overzealous Federal Enforcement Actions Against Licensed Gun Dealers* 1 (Sept. 2006), available at: www.bradycenter.org/xshare/pdf/reports/trivialviolations.pdf.

14. Whereas, according to a 1998 ATF random sample of FFLs nationwide, 56% of all dealers operated out of their homes, and 33% were located in businesses that are not usually associated with gun sales, such as funeral homes or auto parts stores;¹⁵ and
15. Whereas, as of September 23, 2009, there were 2,032 federally licensed firearms dealers and pawnbrokers in California;¹⁶ and
16. Whereas, California is among a minority of states that impose licensing requirements on firearms dealers, but the standards are minimal; and
17. Whereas, the Court of Appeal in *Suter v. City of Lafayette*, 67 Cal. Rptr. 2d 420, 428 (Cal. Ct. App. 1997) held that state law authorizes local governments in California to impose additional licensing requirements on firearms dealers;¹⁷ and
18. Whereas, FFLs are required by federal law to comply with all state and local dealer laws as a condition for retaining their federal licenses;¹⁸ and
19. Whereas, the International Association of Chiefs of Police recommends that local governments impose their own licensing requirements on firearms dealers because local requirements can respond to specific community concerns, and local review of licensees provides additional resources to identify and stop corrupt dealers;¹⁹ and
20. Whereas, a 2009 study found that cities in states that comprehensively regulate retail firearms dealers and cities where these businesses undergo regular compliance inspections have significantly lower levels of gun trafficking than other cities;²⁰ and
21. Whereas, no federal or California law imposes security requirements on firearms dealers during business hours or requires firearms dealers or ammunition sellers to install burglar alarms or surveillance cameras. California law explicitly allows local jurisdictions to impose security requirements on firearms dealers that are stricter or at a higher standard than those imposed by state law;²¹ and

¹⁵ Bureau of Alcohol, Tobacco and Firearms, U.S. Department of the Treasury, *Commerce in Firearms in the United States* 16 (Feb. 2000), available at:

www.mayorsagainstillegalguns.org/downloads/pdf/Commerce_in_Firearms_2000.pdf

¹⁶ Federal firearms licensee totals for California as of September 23, 2009 were provided by the U.S. Department of Justice, Bureau of Alcohol, Tobacco, Firearms and Explosives.

¹⁷ The court in *Suter* struck down a provision of Lafayette's ordinance imposing additional security requirements on firearms dealers. That part of the opinion was superseded by the adoption of Cal. Penal Code § 12071(b)(15), see now Cal. Penal Code § 26890 (b).

¹⁸ 18 U.S.C. § 923(d)(1)(F).

¹⁹ International Association of Chiefs of Police (IACP), *Taking a Stand: Reducing Gun Violence in Our Communities* 14 (Sept. 2007), available at:

<http://www.theiacp.org/LinkClick.aspx?fileticket=%2Fs0LiOkJK5Q%3D&tabid=302>.

²⁰ Daniel W. Webster et al., *Effects of State-Level Firearm Seller Accountability Policies on Firearms Trafficking*, J. Urb. Health (July 2009).

²¹ Cal. Penal Code § 26890 (b).

22. Whereas, no federal or California law requires agents and employees of firearms dealers to undergo background checks. California law explicitly permits local jurisdictions to require firearms dealers to perform such background checks;²² and
23. Whereas, no federal or California law prohibits firearms dealers from operating in residential neighborhoods or near schools, daycare centers, or parks; and
24. Whereas, California law requires firearms dealers to report the loss or theft of any firearm within 48 hours of discovery to the local law enforcement agency where the dealer's business premises are located, but does not otherwise require dealers to provide inventory reports to local law enforcement agencies.²³

Therefore, the Board of Supervisors of the County of Santa Cruz ordains as follows:

SECTION II

The Santa Cruz County Code is hereby amended by adding Chapter 5.62 to read as follows:

Chapter 5.62 FIREARMS DEALERS

Sections:

- 5.62.010 Purpose.**
- 5.62.020 Definitions.**
- 5.62.030 County License.**
- 5.62.040 Application for County License.**
- 5.62.050 Approval by the Licensing Officer.**
- 5.62.060 Denial of application.**
- 5.62.070 Appeal from denial.**
- 5.62.080 Location and site standards.**
- 5.62.090 On-site security.**
- 5.62.100 Compliance with state law.**
- 5.62.110 Maintenance and submission of records.**
- 5.62.120 License renewal.**
- 5.62.130 License nonassignable.**
- 5.62.140 Suspension and revocation.**
- 5.62.150 Notification of suspension and revocation.**
- 5.62.160 Hearing on revocation or suspension.**
- 5.62.165 Insurance requirement.**
- 5.62.170 Violations.**

²² Cal. Penal Code § 26915.

²³ Cal. Penal Code § 26885.

5.62.180 Penalties.

5.62.010 Purpose.

This chapter is enacted pursuant to state law, as set forth in Article 1, Chapter 2, Division 6, Title 4, Part 6 of the California Penal Code beginning with section 26700 et seq.

5.62.020 Definitions.

As used in this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

(A) "Firearm" means a device as defined by California Penal Code section 16520.

(B) "Clear evidence of his or her identity and age" includes, but is not limited to, a motor vehicle operator's license, a state identification card, an armed forces identification card, an employment identification card which contains the bearer's signature and photograph, or any similar documentation which provides the seller reasonable assurance of the identity and age of the purchaser.

(C) "County License" means a license issued by the local licensing authority pursuant to this chapter authorizing a person to engage in the sale, lease, transfer, delivery, advertisement or offer for sale, lease, or transfer of firearms.

(D) "High Risk Alcohol Outlet" means a retail outlet where alcoholic beverages are sold including: any bar, tavern, liquor store, or convenience store. A bona fide restaurant, wine-tasting room, banquet facility, conference center, brewpub or nightclub (which nightclub does not have an on-sale alcohol beverage control general license Type 48 or 51) shall not constitute a high-risk alcohol outlet.

(E) "Local Licensing Authority" or "Licensing Officer" means the County Administrative Officer for the County of Santa Cruz, or his or her designee.

5.62.030 County License.

On and after April 8, 2013, no person required to obtain a Federal Firearms License and a State Department of Justice License to sell firearms, shall establish a business that engages in the sale, lease, transfer, delivery, advertisement or offer for sale, lease, or transfer any firearm without first also obtaining and keeping a current County License issued pursuant to this chapter by the local licensing authority. No person operating under a current Federal and State firearms license as of the effective date of this chapter, shall be required to obtain a County License unless and until the State or Federal license lapses, becomes void or is otherwise no longer in effect, or if the business moves to a new location.

5.62.040 Application for County License.

(A) Each person applying for a County License under this chapter shall submit an application to the Local Licensing Authority.

(B) In order to obtain a County License, the applicant must first provide the following to the Licensing Officer:

(1) A valid federal firearms license;

(2) A valid seller's permit issued by the State Board of Equalization;

(3) A valid certificate of eligibility issued by the Department of Justice;

(4) Documentation that the seller is recorded in the centralized list maintained by the Department of Justice pursuant to California Penal Code section 26715;

(5) A list identifying each employee of the applicant (name, address, date of birth and social security number) who will be engaged in the sale, lease, transfer or delivery of firearms; and

(6) Payment of a nonrefundable administrative fee, in an amount to be established by resolution of the Board of Supervisors.

(C) Where the applicant is a corporation each of the requirements contained in this chapter must be completed and/or adhered to by a legally recognized corporate officer of said corporation. Where the applicant is a partnership, each of the requirements contained in this chapter must be completed and/or adhered to by a legally recognized general partner of said partnership. Both the individual and the corporation or partnership shall be liable for any violation of the provisions of this chapter.

(D) Each application shall specify only one location at which the sale or transfer of firearms shall take place. If an firearms dealer licensed under either federal, State or local law, changes his or her place of business, an application for the new location shall be submitted, accompanied by a nonrefundable fee (in the form of a check or cash) as set forth in the schedule of fees. That application shall be considered an initial application and not an application for renewal.

(E) Each application shall submit a security plan detailing the specific measures that will be taken to secure and protect the business, including but not limited to those items required by section 5.62.090.

5.62.050 Approval by Licensing Officer.

The Licensing Officer shall have the authority to approve or disapprove the issuance of the County License. For the purpose of considering requests for a County License, the Licensing Officer shall apply the minimum standards set forth in this chapter. Factors to be considered by the Licensing Officer in approval or denial of the application for a County License include, but are not limited to:

(A) Evidence of the applicant's compliance with all applicable county, state and federal laws;

(B) Whether applicant has violated any provisions of this chapter;

(C) Whether the applicant has made any false statements as to any material fact in applying for the County License;

(D) Whether the applicant has done or caused or permitted to be done any act which if done by an authorized firearms dealer would be grounds for suspension or revocation of the County License;

(E) Whether the proposed place of business meets the standards and requirements set forth in Section 5.62.080;

(F) Whether the applicant or any of applicant's employees identified pursuant to Section 5.62.040(B)(5) have ever been convicted of a felony. To this end the Sheriff-Coroner shall conduct a criminal history investigation of each said applicant and employee and provide a report for the Licensing Officer. The applicant shall pay all fees incurred by the Sheriff-Coroner in conducting any such criminal history investigation.

The County License shall expire on December thirty first of the year in which it is issued.

5.62.060 Denial of Application.

If the applicant does not meet all of the written standards, hereinabove set forth, the Licensing Officer shall not issue a County License to such applicant. It shall be the duty of the

Licensing Officer to notify an applicant that his or her application has been denied by serving such person, either personally or by first class United States mail, with a letter setting forth the reason(s) for such denial. The notice, if served by mail, shall be deemed to have been served on the date of its deposit in the United States mail, postage prepaid, to the applicant's address of record. The notice shall also inform the applicant of his or her right to a hearing before the Board of Supervisors at which time the applicant may appear, with a representative if so desired, and be heard on the matter. The applicant shall also be given notice that any request for a hearing before the Board of Supervisors must be made in writing to the Clerk of the Board within ten calendar days after the date on which such notice is served on the applicant.

5.62.070 Appeal from denial.

An applicant whose application has been denied by the Licensing Officer shall have the right to appeal such decision to the Board of Supervisors. The Board of Supervisors shall hold a hearing thereon pursuant to the procedures set forth in section 5.62.150.

5.62.080 Location and site standards.

Any business licensed under this chapter shall be subject to the following locational criteria:

(A) Shall only be located within a zone district designated as C-2, C-4, M-1 or M-2 by the Santa Cruz County Zoning Ordinance.

(B) Shall not be located within six hundred feet of:

(1) Any public or private school in which students aged 18 years or younger are enrolled;

(2) Any children's daycare center licensed by the state of California;

(3) Any publicly owned or operated park, playground or recreational area; or

(4) Any high risk alcohol outlet.

(C) Shall not be located within one thousand feet of any parcel on which another business licensed under this chapter is doing business.

(D) The distances specified in subdivisions (B) and (C) of this section shall be measured in a straight line from any parcel line of the real property on which the business is proposed, to the nearest parcel line of the real property on which an existing business licensed under this chapter is located.

5.62.090 On-site security.

(A) If the proposed or current business location is to be used at least in part for the sale of firearms, the business shall be a secure facility within the meaning of Penal Code Section 17110.

(B) If the business location is to be used at least in part for the sale of firearms, all heating, ventilating, air-conditioning, and service openings shall be secured with steel bars or metal grating.

(C) Any time a location is not open for business, every firearm shall be stored in one of the following ways:

(1) In a locked fireproof safe or vault within the business premises that meets the standards for a gun safe implemented by the Attorney General pursuant to Penal Code Section 23650; or

(2) Secured with a hardened steel rod or cable of at least one-fourth inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened

steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a boltcutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises. No more than five firearms may be affixed to any one rod or cable at any time.

(D) Any time a location is open for business, every firearm shall be unloaded, inaccessible to the public and secured using one of the following three methods, except in the immediate presence of and under the direct supervision of an employee of the business:

(1) Secured within a locked case so that a customer seeking access to the firearm must ask an employee for assistance;

(2) Secured behind a counter where only the Licensee and the employees are allowed. During the absence of the Licensee or an employee from the counter, the counter shall be secured with a locked, impenetrable barrier that extends from the floor or counter to the ceiling; or

(3) Secured with a hardened steel rod or cable of at least one-fourth inch in diameter through the trigger guard of the firearm. The steel rod or cable shall be secured with a hardened steel lock that has a shackle. The lock and shackle shall be protected or shielded from the use of a boltcutter and the rod or cable shall be anchored in a manner that prevents the removal of the firearm from the premises. No more than five firearms may be affixed to any one rod or cable at any time.

(E) Any time a location is open for business, any ammunition that is not principally for use in pistols, revolvers, or other firearms capable of being concealed upon the person, as that term is defined in Penal Code § 16530(a), shall be inaccessible to the public and secured using one of the methods mentioned in subsection (D)(1) or (2), except in the immediate presence of and under the direct supervision of an employee.

(F) The permitted business location shall be secured by an alarm system that is installed and maintained by an alarm company operator licensed pursuant to the Alarm Company Act, Business & Professions Code Sections 7590 *et seq.* The alarm system must be monitored by a central station listed by Underwriters Laboratories, Inc., and covered by an active Underwriters Laboratories, Inc. alarm system certificate with a #3 extent of protection.

(G) The permitted business location shall be monitored by a video surveillance system that meets the following requirements:

(1) The system shall include cameras, monitors, digital video recorders, and cabling, if necessary.

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

(2) In addition, the sale or transfer of a firearm or ammunition shall be recorded by the video surveillance system in such a way that the facial features of the purchaser or transferee are clearly visible.

(3) When recording, the video surveillance system shall record continuously and store color images of the monitored area at a frequency of not less than 15 frames per second. The

system must produce retrievable and identifiable images and video recordings on media approved by the Licensing Officer that can be enlarged through projection or other means, and can be made a permanent record for use in a criminal investigation. The system must be capable of delineating on playback the activity and physical features of persons or areas within the premises.

(4) The stored images shall be maintained on the business premises for a period not less than one year from the date of recordation and shall be made available for inspection by federal, state or local law enforcement upon request.

(5) The video surveillance system must be maintained in proper working order at all times. If the system becomes inoperable, it must be repaired or replaced within ten calendar days. The License holder must inspect the system at least weekly to ensure that it is operational and images are being recorded and retained as required.

(6) The License holder shall post a sign in a conspicuous place at each entrance to the premises that states in block letters not less than one inch in height: THESE PREMISES ARE UNDER VIDEO SURVEILLANCE. YOUR IMAGE MAY BE RECORDED.

(H) The Licensing Officer may impose security requirements in addition to those listed in this section prior to issuance of the County License. Failure to fully comply with the requirements of this section shall be sufficient cause for denial or revocation of the County License by the Licensing Officer.

5.62.100 Compliance with state law.

Any person licensed under this chapter shall obey all applicable county, state and federal laws; and in addition, comply with the following requirements:

(A) The business shall be carried on only in the building designated in the County License;

(B) The County License or a copy thereof, certified by the issuing authority, shall be displayed on the premises where it can easily be seen;

(C) No firearm shall be delivered unless it is unloaded and securely wrapped or unloaded and in a locked container;

(D) No firearm shall be delivered unless the purchaser presents clear evidence of his or her identity and age;

(E) No firearm, or imitation thereof, or placard advertising the sale or other transfer thereof, shall be displayed in any part of the premises where it can readily be seen from the outside;

(F) No firearm shall be delivered to any person that is prohibited by state or federal law from possessing a firearm;

(G) The person licensed under this chapter shall post conspicuously within the licensed premises the following warning in block letters not less than three inches in height:
IF YOU LEAVE A LOADED FIREARM WITHIN THE REACH OR EASY ACCESS OF A CHILD, YOU MAY BE FINED OR IMPRISONED, OR BOTH, IF THE CHILD GAINS ACCESS TO AND IMPROPERLY USES, THE FIREARM.

5.62.110 Maintenance and submission of records.

(A) Each person licensed under this chapter shall maintain records of importation, shipment, receipt, sale or other disposition of firearms and ammunition, and shall make such records available at all reasonable times, and shall submit to the Licensing Authority such reports and information upon reasonable request. The Licensing Officer, or his or her designee, may

enter the premises (including places of storage) of any County License holder during normal business hours for the purpose of inspecting or examining (1) any records or documents required to be kept; and/or (2) any firearms or ammunition kept or stored at such premises.

(B) The County License holder shall maintain records of all employees, identifying them by name, address, date of birth and social security number. The County License holder shall notify the Licensing Officer in writing within ten calendar days of any change in employees and submit the required identifying information for each newly hired employee. Failure to comply with this section shall be grounds for revocation of the County License holder's license.

5.62.120 License renewal.

Every County License issued under this chapter shall expire on December 31st of the year in which it is issued. A County License holder shall submit an application for renewal in person at least ninety calendar days before the expiration of the County License. License holders who apply for renewal shall be required to meet all standards specified in this chapter. All of the requirements and procedures applicable to new applications shall apply to renewal applications. Each renewal application shall be accompanied by the applicable administrative fee.

5.62.130 License renewal nonassignable.

Except as otherwise hereinafter provided, no County License issued under this chapter may be sold, transferred or assigned by the firearms dealer or by operation of law, to any other person or persons. Any such sale, transfer or assignment, or attempted sale, transfer or assignment, shall be deemed to constitute a voluntary surrender of such County License and such County License shall thereafter be deemed terminated and void.

5.62.140 Suspension and revocation.

Every County License issued under this chapter shall be subject to summary suspension and revocation by the Licensing Officer if he or she determines that:

(A) The County License holder has failed to meet any of the requirements specified under this chapter;

(B) The County License holder and/or any employee(s) has violated any of the conditions or provisions of this chapter;

(C) The County License holder and/or any employee(s) has violated any provision of federal or state firearms sales laws;

(D) The County License holder's federal firearms sales license has been revoked; or

(E) The County License holder has committed any act which could have resulted in the denial of issuance of a firearms license.

5.62.150 Notification of suspension or revocation.

It shall be the duty of the Licensing Officer or his or her designee to notify any County License holder charged with any violation or misconduct, as described above, by serving such person, either personally or by first class United States mail, with a letter setting forth the particular written standard or condition which has been violated. The letter shall inform such County License holder of the right to a hearing before the Board of Supervisors, at which time the County License holder may appear with a representative if so desired and be heard in defense of the charges. The County License holder shall also be given notice that any request for a hearing before Board of Supervisors must be made in writing to the Clerk of the Board within ten calendar days after the date on which notice is served on the County License holder. The

suspension or revocation shall be effective on the date the notice is served on the County License holder. Such notice, if served by United States mail, shall be deemed to have been served on the date of its deposit in the United States mail, postage prepaid, to the County License holder's address of record.

5.62.160 Hearing on revocation or suspension.

(A) Any applicant or licensee who is aggrieved by any action taken in regard to a County License may request an appeal hearing before the Board of Supervisors. Request for such hearing shall be in writing and filed with the Clerk of the Board of Supervisors, and a copy filed with the Licensing Officer on or before 10 calendar days after the action appealed from was taken, and shall state the grounds upon which the aggrieved party claims there was improper denial, suspension or revocation of his or her license.

(B) Upon receipt of such request for hearing, the Board of Supervisors shall set the matter for hearing not later than 20 calendar days thereafter unless the Board is not in session in which case the Board shall set the matter for hearing at the next available regular meeting date. The Board may also determine whether to stay the denial, suspension or revocation pending decision on the appeal. Written notice of the time and place of hearing on the matter shall be given by the Clerk of the Board of Supervisors to the aggrieved party and to the Licensing Officer, and upon receipt of the notice of hearing the Licensing Officer shall forward to the Board of Supervisors and provide to the appellant a report on this action with respect to the matter, attaching all relevant notices and any other materials relied upon by the Licensing Officer in making the decision.

(C) Upon hearing of the matter, the Board of Supervisors may take such action or make such orders as the Board deems just and proper in the disposition of the matter.

5.62.165 Insurance requirements.

Each County License holder shall maintain at all times while engaged in said business a policy of public liability insurance. Said policy of insurance shall provide coverage in the amount and to the limits prescribed from time to time by the Licensing Officer in consultation with the County's risk manager. Any such policy of insurance shall contain an endorsement naming the County of Santa Cruz and its employees as additional insureds and further providing that the insurance policy will not be cancelled without first providing thirty days advance notice to the Licensing Officer. Failure to obtain and maintain insurance as required herein shall constitute grounds for revocation or suspension of the firearms dealer's County License.

5.62.170 Violations.

It shall be unlawful and a violation of this chapter for any person, corporation, partnership or other entity to operate a firearms business within the unincorporated area of the County of Santa Cruz without a valid County License issued pursuant to this Chapter.

5.62.180 Penalties.

Any person or entity, whether as principal, agent, employee, or otherwise, violating or causing or permitting the violation of any of the provisions of this chapter, shall be guilty of an infraction for the first offense, or of a misdemeanor for any subsequent offense(s) occurring within the one year after the first offense. Upon conviction, the person convicted shall be punished in accordance with Chapter 1.12 of this code.

SECTION III

If any section, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court, such decision shall not affect the validity of the remaining portions of the ordinance. The Board of Supervisors would have adopted this ordinance and each section, sentence, clause or phrase and portion thereof, irrespective of the fact that any one or more sections, sentences, clauses, phrases or portions be invalid or unconstitutional.

SECTION IV

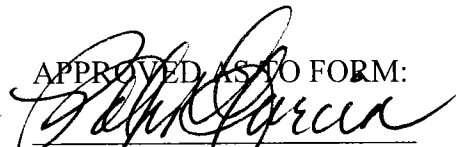
This ordinance shall take effect on the 31st day after the date of final passage.

PASSED AND ADOPTED this ____ day of _____, 2013, by the Board of Supervisors of the County of Santa Cruz by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS
ABSTAIN: SUPERVISORS

Chairperson of the
Board of Supervisors

Attest: _____
Clerk of the Board

APPROVED AS TO FORM:


County Counsel

cc: County Administrative Office
Sheriff-Coroner

