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CITY OF OAKLAND



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April 4, 2013

RULES COMMITTEE
Oakland, California

Subject: RESOLUTION OF THE OAKLAND CITY COUNCIL (1) EXPRESSING SUPPORT OF CALIFORNIA ASSEMBLY BILL No. 187 ("AB187"), INTRODUCED BY ASSEMBLY MEMBER ROB BONTA ON JANUARY 28, 2013, WHICH PROPOSES A SALES TAX AND EXCISE TAX ON FIREARM AMMUNITION SOLD OR POSSESSED IN THE STATE OF CALIFORNIA, WITH REVENUES TO BE USED TO SUPPORT PUBLIC SAFETY PROGRAMS IN HIGH CRIME MUNICIPALITIES AND (2) AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO INSTRUCT THE CITY'S LEGISLATIVE LOBBYIST TO SUPPORT PASSAGE OF CALIFORNIA ASSEMBLY BILL NO. 187

President Kernighan and Members of the Rules Committee:

Introduction

The City Attorney and President Pro Tem Kaplan recommend that the Council adopt this proposed Resolution (1) expressing support of California Assembly Bill No. 187 ("AB187"), introduced by Assembly Member Rob Bonta on January 27, 2013, which proposes a sales tax and excise tax on firearm ammunition sold or possessed in the state of California, with revenues to be used to support public safety programs in high crime municipalities and (2) authorizing the city administrator or her designee, to instruct the City's legislative lobbyist to support passage of California Assembly Bill No. 187.

Summary of the Bill

AB187 provides for addition of Penal Code section 14001 et. Seq. creating a Public Safety Emergency Prevention Fund in the State Treasury, and directs that all revenues of taxes raised by Revenue and Taxation Code 33021 will be deposited in said fund. It also provides that "all moneys in the fund shall, upon appropriation by the Legislature, be expended by the Office of Emergency Services to support public safety

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programs in high crime municipalities. The bill also adds Sections 33001 through 33051 to the Revenue and Taxation code. Section 33021 would impose a ten percent (10%) sales tax on gross receipts of any retailer from the sale of ammunition in this state on or after January 1, 2014. Additionally, Section 33022 imposes a ten percent (10%) excise tax on the storage, use or other consumption in this state of ammunition purchased for any retailer on or after January 1, 2014 for storage, use or other consumption in this state.

Positive Factors for Oakland:

Tax revenues deposited into the state's Public Safety Emergency Prevention Fund (created by this bill), after being collected under AB187, could be allocated to fund Oakland's public safety programs. However, AB187's terms are very broad, and there is no guarantee that Oakland will receive any of the tax revenues. Additionally, the resulting increase in the cost to purchase ammunition may reduce the amount of ammunition available in Oakland for use in illegal activity, thereby reducing the chance of firearms violence in Oakland.

Negative Factors for Oakland:

None: The taxes proposed by AB187 do not apply to ammunition purchases made by the City of Oakland for the Oakland Police Department for official use, nor to purchases by any peace officer required, while on duty, to carry or use a firearm that uses ammunition.

Other Information:

None:

Recommended Position

Support. Passage of AB187 may increase money available to Oakland to fund public safety programs, and may reduce the level of firearms violence in the City. Oakland will not experience any increased cost because it is exempt from these taxes.

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PLEASE RATE THE EFFECT OF THIS MEASURE ON THE CITY OF OAKLAND:

- 1 Urgent (top priority for city lobbyist, city position required ASAP)**
- 2 Very Important (priority for city lobbyist, city position necessary)**
- 3 Somewhat Important (position desired if time and resources are available)**
- 4 None (do not review with City Council, position not required)**

Other known support:

Other known opposition: Firearms Policy Coalition.

Is state/federal legislative committee analysis available? not currently.

Respectfully submitted,



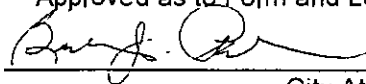
**BARBARA J. PARKER
City Attorney**

Attorney Assigned:

Pelayo A. Llamas, Jr.

cc: Deanna Santana, City Administrator

13 MAR 21 PM 4:36


City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

INTRODUCED BY CITY ATTORNEY PARKER
AND PRESIDENT PRO-TEM KAPLAN

RESOLUTION OF THE OAKLAND CITY COUNCIL (1) EXPRESSING SUPPORT OF CALIFORNIA ASSEMBLY BILL No. 187 ("AB187"), INTRODUCED BY ASSEMBLY MEMBER ROB BONTA ON JANUARY 28, 2013, WHICH WILL INSTITUTE A SALES TAX AND EXCISE TAX ON FIREARM AMMUNITION SOLD OR POSSESSED IN THE STATE OF CALIFORNIA, WITH REVENUES TO BE USED TO SUPPORT PUBLIC SAFETY PROGRAMS IN HIGH CRIME MUNICIPALITIES AND (2) AUTHORIZING THE CITY ADMINISTRATOR, OR HER DESIGNEE, TO INSTRUCT THE CITY'S LEGISLATIVE LOBBYIST TO SUPPORT PASSAGE OF CALIFORNIA ASSEMBLY BILL NO. 187

WHEREAS, on January 18, 2013, California Assembly Member Rob Bonta, representing the 18th Assembly District where a large segment of Oakland is located, introduced Assembly Bill No. 187 ("AB187"), which would institute statewide taxes on firearms ammunition and direct the revenues to local jurisdictions that are suffering from high crime rates; and

WHEREAS, the Oakland is plagued by a high level of firearms violence and has insufficient financial resources to fund all of its crime prevention and reduction strategies; and

WHEREAS, on January 22, 2013, the Oakland City Council passed Resolution 84190 C.M.S. which called upon the United States Congress to reinstate the federal ban on assault weapons and high-capacity magazines; and

WHEREAS, on March 5, 2013, the Oakland City Council passed Resolution No. 84242 C.M.S., which set a policy prohibiting the City from holding any investment or ownership stake in any manufacturer of firearms or ammunition; and

WHEREAS, the text of AB187 includes a legislative declaration and finding that in California there is a "clearly defined nexus between the use of guns in violent crime and access to guns and ammunition;" and

WHEREAS, the text of AB187 includes a legislative declaration and finding that, in California, "one important way to reduce crime is through the proper funding of public safety services;" and

WHEREAS, the text of AB187 includes a legislative declaration and finding that “communities such as Oakland have been suffering from spikes in violent crime” with 131 homicides reported in 2012, “in conjunction with reductions in public safety budgets and street-level police forces”... “resulting in a clear and compelling risk to the safety of the public in Oakland;” and

WHEREAS, the text of AB187 includes a legislative declaration and finding that in California “providing a source of stable revenue through a tax on the sale of ammunition to fund vital public safety programs in high crime municipalities will serve California’s best interest by likely reducing acts of violence committed with a deadly weapon in the state and thereby promoting the health and safety of the state’s residents;” and

WHEREAS, to accomplish the goals set forth in the text of AB187, the bill proposes the institution of a sales tax on the gross sales firearms ammunition in California; and

WHEREAS, to accomplish the goals set forth in the text of AB187, the bill proposes the institution of an excise tax on ammunition purchased outside of California for storage, use, or other consumption within California; and

WHEREAS, said taxes do not apply to Peace Officers and governmental law enforcement agencies purchasing or possessing ammunition to be used in the normal course of law enforcement duties; and

WHEREAS, AB187 provides for the creation of a Public Safety Emergency Prevention Fund, into which all sales and excise tax revenues on ammunition will be deposited and, upon appropriation by the state Legislature, shall be expended by the Office of Emergency Services to support public safety programs in high crime municipalities; and

WHEREAS, the City of Oakland likely will benefit from the revenues of the taxes proposed by AB187, which the City of Oakland sorely needs to fund local public safety programs; and

WHEREAS, the imposition of the taxes proposed in AB 187 will likely reduce the quantity of ammunition sales, which may reduce the incidence of violent firearm incidents in Oakland; now, therefore, be it

RESOLVED: That the City Council finds the foregoing recitals are true and correct; and be it

FURTHER RESOLVED: That the City Council hereby declares its support of Assembly Bill No. 187, whose passage and implementation likely will reduce firearm violence in Oakland and state-wide, and also provide financial assistance to Oakland in its fight against violent crime; and be it

FURTHER RESOLVED: That the City Administrator, or her designee, hereby is directed to instruct the City's legislative lobbyist to advocate for and support the passage of California Assembly Bill No. 187 (Bonta).

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, KALB, GALLO, KAPLAN, MCELHANEY GIBSON, REID, SCHAAF and
PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California