
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2019 - 2020 Regular Session

SB 281 (Wiener) - Agricultural District 1a: firearm and ammunition sales at the Cow Palace

Version: January 6, 2020

Policy Vote: GOV. & F. 4 - 2, G.O. 10 - 4,
PUB. S. 4 - 2

Urgency: No

Mandate: Yes

Hearing Date: January 21, 2020

Consultant: Shaun Naidu

Bill Summary: SB 281 would prohibit the sale of firearms and ammunition at the Cow Palace, except as specified.

Fiscal Impact:

- Annual revenue loss in the low hundreds of thousands of dollars to the extent that the 1-A District Agricultural Association (DAA) is unable to secure alternative events to gun shows (that would not have taken place at the facility already) that could generate similar levels of revenue. (Special fund)
- Unknown loss of sales tax revenue if firearm and ammunition sales that would have taken place at the Cow Palace do not occur at another location within the state. (General Fund, local funds)

Background: According to the analysis of an earlier version of this bill by the Senate Committee on Public Safety:

Cow Palace is the 1-A DAA, a state agency of the California Department of Food and Agriculture, located in Daly City at the border of San Mateo and San Francisco counties. The Cow Palace arena was originally constructed in 1941, to serve as a permanent structure to house an animal livestock exposition. Cow Palace has since become a venue for various events including circuses, sports matches, concerts, and political conventions. Since the 1980s, the Cow Palace has hosted gun shows four or five times a year.

According to an editorial in the San Francisco Chronicle, “[t]he communities living near the Cow Palace, the enormous state-owned exhibition hall in Daly City, overwhelmingly want the venue to stop hosting gun shows.” [Citation omitted.]

San Francisco has adopted local ordinances banning gun shows on city and county property. Likewise, since 1996, San Mateo County’s Board of Supervisors has barred gun shows at its county fairgrounds and expo center. But, because Cow Palace is situated on state-owned land between San Francisco and San Mateo County, the local governing bodies cannot regulate gun shows at Cow Palace. Thus, the Legislature would have to enact a state-law to specifically ban gun shows on the property.

On April 16, 2019, the 1-A DAA Board of Directors voted to discontinue gun shows at the Cow Palace starting on January 1, 2020 unless the policy was expressly rejected by the California Department of Food and Agriculture. On November 19, 2019, however, the board assigned an Ad Hoc Committee to review the district's current policy.

Of relevance to this measure, the 22nd DAA Board of Directors voted on September 11, 2018 to refuse considering any contracts with producers of gun shows beyond December 31, 2018 until it adopts a more thorough policy regarding the conduct of gun shows. Consequently, B&L Productions, Inc., the operator of Crossroads of the West Gun Shows, filed a lawsuit challenging the board's decision on the grounds that it violates the U.S. Constitution's First Amendment guarantee to free expression. On June 18, 2019, the U.S. District Court for the Southern District of California issued a preliminary injunction prohibiting the district from enforcing the policy adopted in September 2018 of refusing to allow any gun show events at the fairgrounds for the 2019 calendar year. The court ordered the district, upon the request of B&L Productions, Inc., to "make available the next available date for a gun show and allow B&L to reserve dates for gun show events (and to hold such events) at the Fairgrounds as the District would any other show promoters who have previously held events at the Fairgrounds."

Proposed Law: This bill would prohibit, as of January 1, 2021, an officer, employee, operator, or lessee of the 1-A DAA from contracting for, authorizing, or allowing the sale of firearms and ammunitions at the Cow Palace property in San Francisco and San Mateo counties. This measure would exclude gun buy-back events held by a law enforcement agency.

Related Legislation: A number of bills in a number of legislative sessions have sought to prohibit firearms and ammunition sales at the Cow Palace. These bills are SB 221 (Wiener, 2017); SB 475 (Leno, 2013); SB 585 (Leno, 2009); and SB 1733 (Speier, 2004). Senate bills 221, 475, and 585 were vetoed by previous governors, and SB 1733 failed passage on the Assembly floor.

AB 893 (Gloria, Ch. 731, Stats. 2019) prohibits, starting January 1, 2021, the sale of firearms and ammunition at the Del Mar Fairgrounds, except as specified.

Staff Comments: The 1-A District Agricultural Association collects a number of fees associated with gun shows held at the Cow Palace. Namely, it collects rental fees, ATM fees, food concessions, parking fees, and ancillary revenue. Gun show revenue generated at the facility varies annually depending on the number of events held and the number of people in attendance. For example, there were five gun shows held at the Cow Palace in 2018 that resulted in total net revenue of \$105,281. In 2019, five gun shows generated a total net revenue of \$103,028 for the district.

-- END --