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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair  
2025 - 2026 Regular Session

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### AB 1263 (Gipson) - Firearms: ghost guns

**Version:** March 24, 2025

**Urgency:** No

**Hearing Date:** August 18, 2025

**Policy Vote:** PUB. S. 5 - 1, JUD. 11 - 1

**Mandate:** Yes

**Consultant:** Liah Burnley

**Bill Summary:** AB 1263 expands liability for a person or company that facilitates the self-manufacturing of firearms and creates a new crime of unlawful manufacture of a firearm.

#### Fiscal Impact:

- The Department of Justice (DOJ) reports a fiscal impact of \$200,000 or less, General Fund) DOJ notes implementation of this bill will be dependent upon the appropriation of funds. DOJ will be unable to absorb the costs to comply with or implement the requirements of the bill within existing budgeted resources. Assuming the new prohibitions would add 200 new prohibited people per year, BOF would request the following resources to meet the mandates of the bill beginning January 1, 2026:
  - One (1) 24-month limited term Associate Governmental Program Analyst in the Legislation Unit (LU) to help draft regulations for the changes to Civ Code 3273.51(e).
  - 90 total billable hours for 2 DAG IV's in the Government Law Section (GLS) to provide consultation and review of updates to trainings, procedure manuals, inspection documents, assist in drafting regulations, and provide guidance for the new firearm prohibiting categories list. Split between FY 25/26 and FY 26/27.

Additionally, BOF would require the following overtime (OT):

- Eight (8) hours of OT FY 25/26 for a Crime Analyst Supervisor in the Quality Assurance Unit (QAU) to update training procedures due to PC 29805(h) and the firearm prohibiting categories list.
- 70 hours total OT FY 25/26 for Two (2) Field Representatives in the Regulatory Compliance Unit (RCU) to update procedures and inspection documents with new requirements. Specifically, regulations will be needed to specify what the dealers must maintain for inspection, and what the retention period would be pursuant to the amended portion of Civil Code section 3273.51.

- 276 hours total OT FY 26/27 and ongoing for a Special Agent in Enforcement to conduct surveillance, APPS investigations, and interview; includes written investigation files, prepping team, drive out and return time.
- Unknown, potentially significant costs to the state funded trial court system (Trial Court Trust Fund, General Fund) to adjudicate criminal and civil violations. Defendants are constitutionally guaranteed certain rights during criminal proceedings, including the right to a jury trial and the right to counsel (at public expense if the defendants are unable to afford the costs of representation). Increasing penalties leads to lengthier and more complex court proceedings with attendant workload and resource costs to the court. The fiscal impact of this bill to the courts will depend on many unknowns, including the numbers of people charged with an offense and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. This is a conservative estimate, based on the hourly rate of court personnel including at minimum the judge, clerk, bailiff, court reporter, jury administrator, administrative staff, and jury per-diems. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.
- Unknown, potentially significant costs (local funds, General Fund) to the counties to incarcerate people for violations of this bill. The average annual cost to incarcerate one person in county jail varies by county, but likely ranges from \$70,000 to \$90,000 per year. For example, in 2021, Los Angeles County budgeted \$1.3 billion for jail spending, including \$89,580 per incarcerated person. Actual incarceration costs to counties will depend on the number of convictions and the length of each sentence. Generally, county incarceration costs are not reimbursable state mandates pursuant to Proposition 30 (2012).

**Background:** 3D printing is a manufacturing process that lays down consecutive layers of polymer or other material to create objects. Certain 3D printers can manufacture firearms, creating self-manufactured firearms completely independent of regulated firearms manufacturers and dealers. Unauthorized self-manufactured firearms are known as “ghost guns” because they do not have serial numbers and are untraceable by law enforcement agencies. It is illegal to possess a ghost gun in California. In recent years, the Legislature has passed several bills establishing and expanding civil liability for using 3D printers and other machines to manufacture firearms and for unauthorized possession of these machines.

According to DOJ, the sponsor of this bill, further legislative action is needed because ghost gun industry members may still sell or facilitate the distribution of programming codes, parts, and guidance that helps people self-manufacture ghost guns. In support of this bill, DOJ writes:

Companies selling these products and services often fail to meaningfully inform California purchasers that it is a crime to use their products for their logical intended purpose. These

business practices are unfair both to California consumers and to other responsible firearm industry businesses that sell regulated firearm products pursuant to background checks and other basic safety requirements. These business practices also encourage illegal ghost gun manufacturing and trafficking and represent a dangerous threat to public safety.

**Proposed Law:**

- States that prior to completing the sale or delivery in California or to a California resident of a firearm accessory or a firearm manufacturing machine, as defined, or of a firearm barrel unattached to a firearm, a firearm industry member shall comply with all of the following requirements:
  - The firearm industry member shall provide a prospective purchaser with a clear and conspicuous notice of the information, as provided;
  - The firearm industry member shall receive an acknowledgment from the prospective purchaser attesting that the prospective purchaser received and understands the notice; and,
  - The firearm industry member shall require the prospective purchaser to provide proof of age and identity verifying that the prospective purchaser is at least 18 years of age.
- States that notice shall clearly notify the prospective purchaser that it is generally a crime in California to engage in any of the following conduct without a valid license to manufacture firearms:
  - Manufacturing more than three firearms per calendar year in California;
  - Manufacturing a firearm using a three-dimensional printer or CNC milling machine;
  - Manufacturing a firearm for the purpose of selling or transferring ownership of that firearm to another individual who is not licensed to manufacture firearms;
  - Manufacturing a firearm for the purpose of selling, loaning, or transferring that firearm, with the intent to complete the sale, loan, or transfer without a required background check initiated by a licensed firearms dealer;
  - Allowing, facilitating, aiding, or abetting the manufacture of a firearm by a person who is legally prohibited from possessing firearms; or,
  - Manufacturing or causing the manufacture of, assault weapons, machineguns, undetectable firearms, unserialized firearms, unsafe handguns that are not on the Department of Justice roster of handguns certified for sale in California, or other generally prohibited weapons.

- Provides for shipment and delivery of a firearm barrel, firearm accessory, or firearm manufacturing machine, the firearm industry member shall do all of the following:
  - Ensure all packages are conspicuously labeled with the words: “Signature and proof of identification of person aged 18 years or older required for delivery.”;
  - Ensure the shipping instructions list an address that matches the purchaser’s identification; and,
  - Require the purchaser, upon delivery, to present a courier with proof of identification and the purchaser’s signature in order to receive the item.
- States that this subdivision does not apply to the sale or delivery of a firearm barrel, firearm accessory, or firearm manufacturing machine to any of the following:
  - A federally licensed firearms dealer, manufacturer, or importer;
  - A licensed ammunition vendor;
  - A member of the Armed Forces of the United States or the National Guard, while on duty and acting within the scope and course of employment, or any law enforcement agency or law enforcement officer while on duty and acting within the scope and course of employment.
  - A forensic laboratory; or,
  - A wholesaler.
- States that the notice requirement does not apply to the delivery of a firearm barrel, firearm accessory, or firearm manufacturing machine to a licensed common carrier or an authorized agent or employee of a licensed common carrier, when acting in the course and scope of duties incident to the delivery of or receipt of these items.
- Provides that in awarding compensatory damages, a court shall hold a person strictly liable for any personal injury or property damage inflicted by the use of a firearm that is or other device that was unlawfully manufactured or produced as a result of the person’s violation, including a firearm or device manufactured or produced in whole or in part using the digital firearm manufacturing code that they the person distributed or caused to be distributed, or that is distributed in violation of the law or a firearm or device that was unlawfully manufactured by means of a CNC milling machine, a three-dimensional printer, or a similar machine.
- States that a person who has suffered harm in California as a result of violating the law may bring an action in a court of competent jurisdiction to establish that a person has violated this section, and may seek compensatory damages as well as injunctive relief sufficient to prevent the person and any other defendant from further violating the law.

- Establishes that there shall be a rebuttable presumption that a person has violated the prohibition against distribution of digital firearms manufacturing codes if both of the following are true:
  - The person owns or participates in the management of an internet website or other electronic portal, database, or platform that makes digital firearm manufacturing code available for purchase, download, or other distribution to individuals in California who are not federally licensed firearms manufacturers; and
  - Under the totality of the circumstances, the internet website or other electronic portal, database, or platform encourages individuals who access or use the internet website or electronic portal, database, or platform to upload or disseminate digital firearm manufacturing code or to use digital firearm manufacturing code to manufacture firearms, firearm accessories, or other devices, as defined.
- States that it is civilly unlawful to knowingly, willfully, or recklessly cause another person to engage in the unlawful manufacture of firearms, or to knowingly, willfully, or recklessly aid, abet, promote, or facilitate the unlawful manufacture of firearms.
- Provides that a person who has suffered harm in California, as a result of a violation of the prohibition against unlawful firearms manufactured with digital firearm manufacturing codes, may bring an action in a court of competent jurisdiction to establish that a person has violated this section, and may seek compensatory damages as well as injunctive relief sufficient to prevent the person and any other defendant from further violating the law.
- Specifies that the Attorney General, county counsel, or city attorney may bring an action in a court of competent jurisdiction to establish that a person has violated this section, and may seek a civil penalty not to exceed \$25,000 for each violation, as well as injunctive relief sufficient to prevent the person and any other defendant from further violating the law.
- Establishes that a prevailing plaintiff shall be entitled to recover reasonable attorney's fees and costs.
- States that the remedies provided by this section are cumulative and shall not be construed as restricting any other rights, causes of action, claims, or defenses available under any other law.
- Stipulates that it is criminally unlawful to knowingly or willfully cause another person to engage in the unlawful manufacture of firearms, or to knowingly or willfully aid, abet, promote, or facilitate the unlawful manufacture of firearms.
- States that the "unlawful manufacture of firearms" shall be a misdemeanor and includes any of the following:

- The manufacture of a firearm by a minor, or by a person who is prohibited from owning or possessing firearms under California law;
- The manufacture of four or more firearms within the state in the same calendar year by an individual who is not licensed to manufacture firearms pursuant to California law, in violation of established manufacturing limitations;
- The manufacture of any firearm using a three-dimensional printer or CNC milling machine by an individual who is not licensed to manufacture firearms pursuant to California law, in violation of the prohibition against unlawfully using a milling machine, three dimensional printer, or similar machine to manufacture firearms;
- The manufacture of a firearm by a person who is not a federally licensed firearms manufacturer, for the purpose of selling or transferring ownership of that firearm to another person who is not a federally licensed firearms manufacturer, in violation of the prohibition against unapproved persons selling or transferring a firearm;
- The manufacture of a firearm for the purpose of selling, loaning, or transferring the firearm to another person, with the intent to complete the sale, loan, or transfer without a required background check on the transferee initiated by a licensed firearms dealer, in violation of the prohibition against unlawfully acquiring and transferring a firearm within the State of California; or,
- The manufacture of any of the following:
  - Assault weapons or .50 BMG rifles;
  - Firearms that are not immediately recognizable as firearms;
  - Firearms that are not imprinted with a valid state or federal serial number or mark of identification;
  - Large-capacity magazines or large-capacity magazine conversion kits;
  - Machineguns;
  - Multiburst trigger activators;
  - Short-barreled rifles or short-barreled shotguns;
  - Undetectable firearms;
  - Unsafe handguns;
  - Zip guns; and,
  - Any other weapon defined as a “generally prohibited weapon”.

- States that any person, who is convicted on or after January 1, 2026, of a defined misdemeanor violation and who, within 10 years of the conviction, owns, purchases, receives, or has in their possession or under their custody or control any firearm, is guilty of a public offense, punishable by imprisonment in a county jail not exceeding one year, by a fine not exceeding \$1,000, or by both that fine and imprisonment.
- Defines “digital firearm manufacturing code” to mean any digital instructions in the form of computer-aided design files, computer-aided manufacturing files, or other code or instructions stored and displayed in electronic format as a digital model that may be used to program a CNC milling machine, a three-dimensional printer, or a similar machine, to manufacture or produce any of the following:
  - A firearm, including a completed frame or receiver or a firearm precursor part;
  - A large-capacity magazine, as defined in Section 16740 of the Penal Code;
  - A large-capacity magazine conversion kit, as defined in Section 32311 of the Penal Code;
  - A machinegun, as defined in Section 16880 of the Penal Code, including devices commonly known as switches or auto-sear devices;
  - A multiburst trigger activator, as defined in Section 16930 of the Penal Code;
  - A silencer, as defined in Section 17210 of the Penal Code;
  - A firearm accessory, as defined in Section 3273.50; or,
  - A firearm barrel.
- Defines “firearm accessory” as an attachment or device designed or adapted to be inserted into, affixed onto, or used in conjunction with a firearm that is designed, intended, or functions to-increase a firearm’s rate of fire or to increase the speed at which a person may reload a firearm or replace the magazine, or any other attachment or device that may render a firearm an assault weapon when inserted into, affixed onto, or used in conjunction with a firearm. The term firearm accessory also includes any other device, tool, kit, part, or parts set that is clearly designed and intended for use in manufacturing firearms.
- Defines “firearm manufacturing machine” as a three-dimensional printer, as defined, a computer numerical control (CNC) milling machine, or a similar machine, that is marketed or sold as or is reasonably designed or intended to be used to manufacture or produce firearms, firearm components, or firearm accessories

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