

Firearms: 3-Dimensional Printing Blocking Technology · Author: Bauer-Kahan (D) · Effective: Mar 1, 2029

<p>3-YEAR STATE COST</p> <p>\$64M–\$132M</p> <p><i>GF exposure, state agencies only</i></p>	<p>ANNUAL ONGOING (STATE)</p> <p>\$8M–\$22M</p> <p><i>DOJ + enforcement, post-2029</i></p>	<p>TOTAL EXPOSURE (ALL)</p> <p>\$150M–\$400M+</p> <p><i>Including industry & litigation</i></p>	<p>LOCAL REIMBURSEMENT</p> <p>\$0</p> <p><i>Bill explicitly disclaims mandate</i></p>
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I. STATE APPROPRIATIONS REQUIRED

COST CENTER	LOW EST.	HIGH EST.	TYPE
<p>ONE-TIME</p> <p>DOJ: Algorithm R&D & Performance Standards</p> <p><i>DOJ must hire ML engineers and contract external expertise to define and validate detection standards by Jul 2027. No in-house capability exists.</i></p>	\$8,000,000	\$15,000,000	One-time
<p>ONE-TIME</p> <p>DOJ: Blueprint Database — Build</p> <p><i>Secure database infrastructure for banned firearm design files. Requires legal review pipeline, ingestion tooling, and access controls.</i></p>	\$3,000,000	\$7,000,000	One-time
<p>ONGOING</p> <p>DOJ: Blueprint Database — Operations</p> <p><i>Ongoing curation, legal review of new submissions, secure hosting, quarterly updates, and appeals process. Perpetual obligation with no sunset.</i></p>	\$1,000,000/yr	\$2,000,000/yr	Ongoing
<p>ONGOING</p> <p>DOJ: Certification Program & Compliance List</p> <p><i>Staff to review manufacturer attestations per make/model, issue and revoke certifications, and maintain a quarterly-updated public list. Hundreds of model submissions anticipated at launch.</i></p>	\$2,000,000/yr	\$5,000,000/yr	Ongoing
<p>LITIGATION</p> <p>AG Office: Litigation Defense</p> <p><i>First Amendment, right-to-repair, and dormant Commerce Clause challenges are expected simultaneously from EFF, NSSF, and industry groups.</i></p>	\$10,000,000	\$30,000,000	Litigation
<p>ONGOING</p> <p>Local Agencies: Enforcement & Prosecution</p> <p><i>New misdemeanor classification requires investigation capacity, DA prosecution, and incarceration or probation. Bill explicitly states no state reimbursement — unfunded local mandate risk.</i></p>	\$5,000,000/yr	\$15,000,000/yr	Ongoing

<p>STATE ONGOING ANNUAL COST (POST-2029)</p> <p>\$8M – \$22M/yr</p> <p><i>DOJ operations + AG defense + enforcement. Grows with database scope.</i></p>	<p>TOTAL STATE EXPOSURE — FIRST 3 YEARS (GF)</p> <p>\$64M – \$132M</p> <p><i>One-time R&D + database build + litigation + 3 years of ongoing ops.</i></p>
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II. INDUSTRY & CONSUMER FISCAL IMPACT (NON-STATE)

CATEGORY	LOW EST.	HIGH EST.	NOTES
Manufacturer compliance per company <i>Per California make/model sold</i>	\$50,000	\$500,000	<i>Firmware dev, hardware integration, attestation legal fees, per-model testing. Existential for small manufacturers.</i>
Industry-wide compliance (all CA sellers) <i>Dozens of manufacturers, hundreds of models</i>	\$20,000,000	\$200,000,000	<i>Many smaller firms will exit California market entirely rather than comply, reducing sales tax revenue.</i>
Consumer price increase (pass-through) <i>Per compliant printer unit sold</i>	\$50	\$300+	<i>Higher per-unit cost reduces unit sales, compressing CA sales tax base. Consumers shift online to out-of-state sellers.</i>
Estimated CA sales tax revenue loss	\$2,000,000/yr	\$8,000,000/yr	<i>From market exit of non-compliant brands and consumer migration to out-of-state purchases.</i>

III. APPROPRIATIONS RISK FLAGS

HIGH RISK

No reimbursement to locals for new misdemeanor

The bill creates a new class of criminal offense but explicitly disclaims state reimbursement to local agencies. This may trigger a Proposition 13 / SB 90 mandate claim, creating an unfunded obligation not currently in the fiscal note.

HIGH RISK

Litigation costs likely understated

Concurrent constitutional challenges (1st Amendment, Commerce Clause, right-to-repair) from well-funded plaintiffs (EFF, NSSF) could sustain litigation for 5–8 years. AG costs could exceed the \$30M high estimate substantially.

HIGH RISK

Technology may not exist in time

DOJ is mandated to publish standards by Jul 2027 — 14 months away — for detection technology that does not currently exist. If no viable algorithm can be certified, the entire compliance timeline collapses and sunk R&D costs are unrecoverable.

MEDIUM RISK

Database scope is uncapped

No statutory limit on what can be added to the banned blueprint database. Incremental additions will require incremental DOJ legal review, staffing, and storage costs not reflected in current estimates.

MEDIUM RISK**Certification demand unpredictable**

DOJ must process attestations for every make/model sold in California. Manufacturer count and submission volume is unknown; a surge at the 2028 deadline could require emergency staffing above current estimates.

LOWER RISK**Sales tax revenue impact is bounded**

3D printer market in California is estimated at \$180M–\$250M annually. Even full market contraction from non-compliant brands would represent a modest and one-time sales tax impact.

IV. ANALYST FINDINGS

- F- **The bill's fiscal note is materially incomplete.** It claims no reimbursement is required and offers no
1 quantified estimate of DOJ, AG, or local enforcement costs. Based on comparable regulatory programs, actual state exposure ranges from \$64M to \$132M over the first three years.
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- F- **Litigation is the single largest near-term cost driver.** At least three independent legal theories support
2 constitutional challenges. Prior mandates of comparable scope each drew multi-year litigation costing the defending state \$15M–\$40M in AG fees alone.
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- F- **The unfunded local mandate issue is unresolved.** Creation of a new misdemeanor without reimbursement
3 authorization is legally and fiscally inconsistent with Proposition 13 requirements. If a mandate claim is sustained post-enactment, the General Fund exposure increases by an uncapped ongoing amount.
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- F- **The R&D cost is non-recoverable if the technology fails.** The Jul 2027 standard-setting deadline mandates
4 expenditure regardless of whether viable detection technology exists. If DOJ cannot certify any algorithm, \$8M–\$15M in R&D spending is lost with no enforcement benefit.
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- F- **Ongoing obligations have no sunset.** The database, certification program, and enforcement costs are
5 perpetual. Unlike most regulatory programs, the bill provides no periodic review mechanism that would allow the Legislature to terminate the program if it proves ineffective or unworkable.
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- F- **Industry pass-through costs will suppress the CA tax base.** Compliance costs of \$50K–\$500K per
6 company will cause multiple manufacturers to exit the California market, reducing sales tax receipts by an estimated \$2M–\$8M annually.
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