June 14, 2005

Members of the Assembly Public Safety Committee
California State Assembly
State Capitol Building
Sacramento, CA 95814

Re: SB 357 (Dunn) Ammunition: serialized handgun ammunition  Position: OPPOSE

Dear Members of the Assembly Public Safety Committee:

The Sporting Arms and Ammunition Manufacturers’ Institute (‘SAAMI”) is the technical and standard-setting nonprofit trade association of the nation’s leading manufacturers of sporting firearms, ammunition and components. Since 1926, SAAMI has been actively engaged in developing and publishing voluntary product standards related to firearm and ammunition quality and safety. The U.S. military, the Federal Bureau of Investigation, and many Federal, State and local law enforcement agencies require that their firearms and ammunition be manufactured to SAAMI standards. SAAMI is accredited by the American National Standards Institute (“ANSI”) as a standards developer. SAAMI is proud of its long history of supporting law enforcement in its efforts to reduce the criminal misuse of firearms.

SB 357 would legislatively mandate that all “handgun” and rimfire ammunition manufactured, imported, sold at retail, transferred or possessed in the state of California have a serial number and that all serial number(s) contained in a box of ammunition would appear on the packaging. Retail ammunition vendors would be required to record the identity of the purchasers and the serial number(s) of the ammunition to be stored in a Department of Justice-run database.

SAAMI strongly opposes SB 357 primarily because, as a practical matter, it is infeasible. We have never questioned whether it is theoretically possible to laser engrave a serial number on metal. We can also appreciate the initial appeal the concept may have to some in law enforcement as a possible tool. The question is whether serializing ammunition on a mass production basis is realistically feasible for the manufacturers of ammunition. The answer is an unequivocal, NO.

Unfortunately, prior to announcing their support for this proposal last October and introducing the legislation in April, neither the Attorney General’s office nor Senator Dunn contacted SAAMI or any of the major ammunition manufacturers to determine whether the proposal was feasible.
SAAMI is providing an educational tour of a modern ammunition manufacturing factory on August 2nd for interested members of the Legislature so that you might have a better understanding and appreciation of the insurmountable problems SB 357 presents and to see first hand why it is utterly unworkable. You are welcome to attend.

The domestic small arms ammunition industry, utilizing modern manufacturing processes and distribution practices produces, at least 8 billion cartridges a year at already low-profit margins. The three largest domestic manufacturers (who collectively account for the vast majority of the market) produce an estimated 15 million rounds of ammunition in a single day. Serializing ammunition on a mass production basis is simply infeasible. Ammunition manufacturers simply cannot comply without hundreds of millions of dollars in capital investment to build the new factories that would be needed in order to meet the requirements of SB 357, at the same time rendering obsolete hundreds of millions of dollars of existing plants and equipment and decades of manufacturing (cost-saving) efficiencies.

Contrary to assertions made by the bill’s supporters, most mass-produced consumer products do not have a unique serial number. It is common for products to have date and/or lot numbers, a practice that is already widely followed by the ammunition industry.

Any attempt to comply with this legislation would massively reduce current manufacturing production rates, while substantially increasing the cost of production. SAAMI estimates that it would take almost three weeks to manufacture what is currently made in a single day. A massive reduction in production would translate into substantially lower sales and profitability. We believe any ammunition manufacturer using modern manufacturing processes and distribution practices in an attempt to comply with the bill could face bankruptcy.

The legislation amounts to a de facto ammunition ban in California. Major ammunition manufacturers will likely be forced to abandon the California market, an option that is not without its own severe economic consequences to those companies. There will be a severe shortage of serialized ammunition. All consumers in California, including federal, state and local law enforcement agencies, will be faced with substantial price increases. Ammunition will go from costing pennies to several dollars per cartridge. Already overstretched law enforcement budgets will be stretched even thinner.

The bill will impact officer safety as well by reducing the availability and affordability of training ammunition, thereby degrading marksmanship. If large manufacturers, all of whom are SAAMI members, are forced out of the California market, law enforcement officers will be deprived of quality law enforcement ammunition manufactured by these companies. The technical evolution of Law Enforcement pistol ammunition has progressed exponentially over the past 15 years. For example, SAAMI-member ammunition producers developed bullet bonding technology to provide law enforcement with products that offer enhanced performance through barriers such as auto glass, steel, and wallboard. Law enforcement in California will be forced to use lesser quality ammunition, putting officers at risk.

Exempting law enforcement - which would seem contrary to the legislation’s intended purpose - would not shelter law enforcement from a severe price increase for law enforcement ammunition. Manufacturers use the same machines and manufacturing processes to make ammunition whether it is for the
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civil, law enforcement or military markets. They do not have separate "law enforcement" or "California only" production lines. Consequently, regardless of an exemption, the price of ammunition sold to California law enforcement (duty-issued and training) will go through the roof.

Under this proposal, there would be significant evidentiary “chain of custody” problems arising from the fact that manufacturers will be unable to testify under oath in court that the serial number(s) marked on a box correspond to the cartridges actually in the box. Maintaining integrity in packaging, particularly at the retail or consumer level, will not be possible to guarantee. Rounds can and will be moved between boxes, deliberately or inadvertently, as they pass through many hands in the distribution channels or are handled by consumers browsing in a retail store. Knowing these shortcomings, we question whether an officer can in good faith rely upon the information as probable cause in swearing out an application for a search warrant or in making an arrest.

There have been no independent, peer-reviewed studies by qualified forensic scientists of this unproven technology to determine the reliability of the serial numbers to survive the ballistic event. We were surprised to learn recently that the California Department of Justice does not consider this technology to be a forensic issue. This would perhaps explain why the Department’s own forensic experts have not, to our knowledge, tested the technology. Nor has the technology been the subject of articles in the journal of the Association of Firearm and Toolmark Examiners (AFTE), the relevant professional society.

SAAMI and its ammunition manufacturer members are also very concerned about employee safety. To our knowledge, no independent studies have been done to determine the safety implications of firing high speed lasers in the presence of the ammunition components, i.e. primers, propellants, etc. For instance, flash photography is not permitted inside factories because of fire suppression concerns.

The legislation will create overnight a black market in non-serialized and counterfeit-serialized ammunition. Not a single study has been done to examine whether bullet serialization would be an effective means of reducing the criminal misuse of firearms as compared to other proven and effective crime reduction strategies. We question the bill’s underlying premise that criminals will provide their driver’s license when purchasing ammunition from a retailer for use in crime.

The legislation is not being supported by important groups within the law enforcement community in California, such as the California Police Chiefs’ Association and the California Peace Officers’ Association.

This legislation, if enacted, will have a disastrous impact on the military readiness of our nation’s armed forces and on homeland security by threatening the health and readiness of the domestic small arms ammunition industry. SAAMI member civilian ammunition manufacturers, i.e. Federal/ATK, Winchester Ammunition, Remington Arms Co., play a crucial role in the defense of the nation. The government-owned Lake City Army Ammunition Plant in Missouri produces some, but not all, of the rifle ammunition used by our armed forces. Increasingly, in order to meet the needs of our armed forces both for training and combat, the military increasingly has turned to civilian manufacturers to purchase a significant portion of its stock of rifle ammunition. Virtually all military pistol ammunition is purchased from civilian manufacturers. In addition, SAAMI member companies supply nearly all of the ammunition used by Federal and State law enforcement agencies engaged in homeland security. SB 357 would disrupt their ability to supply these
defense agencies with such critical material. Congressman Duncan Hunter, Chairman of the House Armed Services Committee, expressed similar concerns in his April 25, 2005 letter to Governor Schwarzenegger. Describing the bill as “troubling” he wrote, "... I am strongly opposed to this proposal because of the harmful impact it will have on the manufacturers of ammunition used by our nation's armed services and law enforcement agencies."

We welcome the opportunity to participate in this important public policy discussion and to make known our views. If you have any questions, please feel free to contact our legislative advocate, Ms. Kathryn Lynch, at (916) 443-0202 or myself.

Sincerely,

Lawrence Keane
General Counsel

Cc: Ms. Karen Pank, Deputy Legislative Secretary, Office of the Governor
Ms. Kathryn Lynch, Legislative Advocate, Lynch & Associates