

106TH CONGRESS  
2D SESSION

# H. R. 5472

To provide grants for the purchase of firearms to States and units of local government that enforce certain rules designed to protect the public from the misuse of handguns.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 12, 2000

Mrs. TAUSCHER (for herself, Mrs. MCCARTHY of New York, Mr. BLAGOJEVICH, Mr. BLUMENAUER, Ms. CARSON, Mr. CROWLEY, Ms. JACKSON-LEE of Texas, Ms. LEE, Mrs. MALONEY of New York, Mr. MCGOVERN, Ms. MILLENDER-MCDONALD, Mr. MORAN of Virginia, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Ms. PELOSI, Ms. SCHAKOWSKY, Mrs. JONES of Ohio, Ms. VELAZQUEZ, Ms. WOOLSEY, Mr. LIPINSKI, Mr. RANGEL, Mr. MATSUI, Mr. HASTINGS of Florida, Mr. ENGEL, Ms. MCCARTHY of Missouri, Mr. KENNEDY of Rhode Island, and Mr. WEINER) introduced the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To provide grants for the purchase of firearms to States and units of local government that enforce certain rules designed to protect the public from the misuse of handguns.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Safer Guns for Safer  
3 Communities Act”.

4 **SEC. 2. PURPOSE.**

5 The purposes of this Act are to encourage firearms  
6 importers, manufacturers, and dealers to import, make,  
7 market, and sell firearms in a responsible manner so as  
8 to protect the public from the misuse of handguns, and  
9 to provide for the responsible disposition of the firearms  
10 obtained by law enforcement agencies which are no longer  
11 needed by such agencies.

12 **SEC. 3. FINDINGS.**

13 The Congress finds the following:

14 (1) According to the Department of Health and  
15 Human Services, 3,793 children and adolescents  
16 under 20 years of age were killed with firearms in  
17 1998.

18 (2) The National Institute of Justice reported  
19 in a national survey that, in 1994, 44,000,000 peo-  
20 ple—approximately 35 percent of households—  
21 owned 192,000,000 firearms, 65,000,000 of which  
22 were handguns. 74 percent of those people were re-  
23 ported to own more than 1 firearm. Nearly 50 per-  
24 cent of those people keep 1 or more firearms in an  
25 unsecured place and without trigger locks.

1           (3) In August 1999, the Department of Edu-  
2           cation reported that, on an average day, more than  
3           10 students are expelled for bringing guns to school,  
4           and that nearly 4,000 students were expelled in  
5           1997–1998 for carrying a firearm onto school  
6           grounds.

7           (4) According to an article published in the  
8           Journal of the American Medical Association in  
9           1999, gunshot injuries in the United States in 1994  
10          will result in \$2,300,000,000 in lifetime medical  
11          costs. Nearly half of these costs will be borne by  
12          United States taxpayers.

13          (5) According to the Bureau of Alcohol, To-  
14          bacco and Firearms, over 4,300,000 new firearms  
15          were available in the United States in 1998.

16 **SEC. 4. GRANT PROGRAM.**

17          (a) PROGRAM AUTHORIZED.—The Attorney General,  
18          in consultation with the Secretary of Housing and Urban  
19          Development and the Secretary of the Treasury, may pro-  
20          vide a total of not more than 50 grants to eligible States  
21          and units of local government for a period not to exceed  
22          3 years.

23          (b) ELIGIBILITY.—To be eligible to receive a grant  
24          award or funds under this section, a State or unit of local  
25          government shall submit a written application to the At-

1 torney General that contains such information as the At-  
2 torney General may reasonably require and includes—

3 (1) a commitment by the applicant that the ap-  
4 plicant (or, if funds provided to the applicant under  
5 this section are to be provided to a qualified associa-  
6 tion of law enforcement officers for the purchase of  
7 a firearm, a commitment by the association that the  
8 association) will not purchase a firearm from an im-  
9 porter or manufacturer of firearms unless—

10 (A) the Secretary of the Treasury has cer-  
11 tified that, during the 1-year period preceding  
12 the date of the certification, the importer or  
13 manufacturer has been in compliance with sec-  
14 tion 5 of this Act, and, during the 5-year period  
15 preceding the date of the certification, importer  
16 or manufacturer has not been convicted of a  
17 violation of chapter 44 of title 18, United  
18 States Code, that could have been punished by  
19 a term of imprisonment exceeding 1 year; and

20 (B) the firearm was most recently im-  
21 ported into the United States by an importer  
22 who is so certified, or was manufactured by a  
23 manufacturer who is so certified;

24 (2) a commitment by the applicant, and a cer-  
25 tification by the Secretary of the Treasury, that the

1 applicant has in effect rules and regulations requir-  
2 ing each law enforcement agency under the jurisdic-  
3 tion of the applicant to comply with section 6;

4 (3) a commitment by the applicant that, during  
5 the year for which the grant award is made under  
6 this section, the applicant will expend, from non-  
7 Federal sources, for the purchase of firearms to be  
8 acquired with the grant funds, an amount equal to  
9 not less than 25 percent of the amount of the grant  
10 award; and

11 (4) a commitment by the applicant that the ap-  
12 plicant will, in accordance with guidelines estab-  
13 lished by the Attorney General, identify and collect  
14 data regarding the purchase and disposal of firearms  
15 pursuant to this Act.

16 (c) USE OF FUNDS.—An entity that receives grant  
17 funds under this section shall use such grant funds only  
18 to purchase firearms from a licensed importer or licensed  
19 manufacturer who is in compliance with section 5.

20 (d) WITHHOLD PAYMENTS.—

21 (1) IN GENERAL.—If the Attorney General, in  
22 consultation with the Secretary of the Treasury,  
23 finds that a recipient of grant funds provided under  
24 this section has violated a commitment made by the  
25 recipient pursuant to subsection (b), the Attorney

1 General shall withhold from the applicant for the  
2 grant any payments that would otherwise be made  
3 to the applicant under this section.

4 (2) REDISTRIBUTION.—Any funds that are  
5 withheld under paragraph (1) shall be redistributed  
6 to other grantees that are eligible to receive funds  
7 under this section.

8 (e) DUTIES OF THE ATTORNEY GENERAL.—The At-  
9 torney General of the United States—

10 (1) shall to the extent practicable, provide an  
11 equitable distribution of grants under this section  
12 among the regions of the United States and among  
13 urban, suburban, and rural areas;

14 (2) shall provide for the evaluation of programs  
15 implemented pursuant to this section, which may in-  
16 clude outcome measures such as crime and victim-  
17 ization indicators, gun-related crime, quality of life  
18 measures, and community perceptions;

19 (3) shall issue such guidelines and regulations  
20 as may be necessary to carry out the responsibilities  
21 of the Attorney General under this section; and

22 (4) may reserve for administrative expenses not  
23 more than 5 percent of the funds made available to  
24 carry out this section.

1 (f) DUTIES OF THE SECRETARY OF THE TREAS-  
2 URY.—The Secretary of the Treasury—

3 (1) shall evaluate applications submitted pursu-  
4 ant to this section, and make certifications, as ap-  
5 propriate, under subsection (b)(2);

6 (2) shall evaluate annually importers and man-  
7 ufacturers from whom grantees under this section  
8 obtain firearms to determine whether the importers  
9 and manufacturers are in compliance with the condi-  
10 tions set forth in section 5, and advise the Attorney  
11 General of the determinations;

12 (3) shall evaluate annually the rules and regula-  
13 tions of the grantees under this section to determine  
14 whether the grantees are in compliance with section  
15 5, and advise the Attorney General of the determina-  
16 tions;

17 (4) shall issue such guidelines and regulations,  
18 consistent with the guidelines and regulations issued  
19 under subsection (e)(4), as may be necessary to  
20 carry out the responsibilities of the Secretary of the  
21 Treasury under this section; and

22 (5) may reserve for administrative expenses not  
23 more than 5 percent of the funds made available to  
24 carry out this section.

1 (g) REPORT.—Not later than 6 months after funds  
2 are paid to a grantee under this section, the grantee shall  
3 submit to the Attorney General a written report that de-  
4 scribes how the funds have been used.

5 (h) LIMITATIONS ON AUTHORIZATION OF APPRO-  
6 PRIATIONS.—

7 (1) IN GENERAL.—There are authorized to be  
8 appropriated to carry out this section not more than  
9 \$50,000,000 for each of the fiscal years 2001  
10 through 2003.

11 (2) ALLOCATION.—An amount equal to 95 per-  
12 cent of the amount appropriated pursuant to para-  
13 graph (1) for a fiscal year shall be made available  
14 to the Attorney General of the United States, and  
15 an amount equal to 5 percent of the appropriated  
16 amount shall be made available to the Secretary of  
17 the Treasury.

18 **SEC. 5. CODE OF CONDUCT.**

19 (a) REQUIREMENTS.—

20 (1) PRODUCT STANDARDS.—

21 (A) APPLICABLE TO HANDGUNS.—

22 (i) SECOND “HIDDEN” SERIAL NUM-  
23 BER.—The licensee shall not import, man-  
24 ufacture, or offer for sale a handgun un-  
25 less the handgun has, on the exterior, a

1 visible serial number, and has, on the inte-  
2 rior frame or receiver, a second serial num-  
3 ber that is visible only with the aid of an  
4 optical instrument.

5 (ii) EXTERNAL LOCKING DEVICE.—

6 During the 24-month period beginning  
7 with the date of the enactment of this Act,  
8 the licensee shall not offer for sale a hand-  
9 gun that is not supplied with an external  
10 locking device that, when locked, prevents  
11 the operation of the handgun.

12 (iii) INTERNAL LOCKING DEVICE.—

13 After the 24-month period described in  
14 clause (ii), the licensee shall not import,  
15 manufacture, or offer for sale a handgun  
16 that does not incorporate a locking system  
17 which prevents the handgun from being  
18 operated without a key, combination, or  
19 use of another mechanism unique to the  
20 handgun.

21 (iv) SMART GUN TECHNOLOGY.—The

22 licensee—

23 (I) shall expend an amount equal

24 to not less than 2 percent of the an-  
25 nual firearms sales revenues of the li-

1           censee on the development of a tech-  
2           nology that recognizes only authorized  
3           users and permits a handgun to be  
4           used only by authorized persons; and

5           (II) beginning 36 months after  
6           the date of the enactment of this Act,  
7           shall not import, design, manufacture,  
8           or offer for sale a handgun (other  
9           than a curio) that does not incor-  
10          porate the technology, except that this  
11          requirement shall not apply to a hand-  
12          gun model that is in production as of  
13          such date of enactment.

14          (v) CHILD SAFETY.—Beginning 12  
15          months after the date of the enactment of  
16          this Act, the licensee shall not import,  
17          manufacture, or offer for sale a handgun  
18          that can be readily fired by a child who  
19          has not attained 6 years of age.

20          (vi) MINIMUM BARREL LENGTH.—The  
21          licensee shall not import, manufacture, or  
22          offer for sale a handgun unless the barrel  
23          of the handgun is at least 3 inches in  
24          length or the average group diameter test  
25          result for the handgun is 1.7 inches or less

1 at 7 yards, 3.9 inches or less at 14 yards,  
2 and 6.3 inches or less at 21 yards. For  
3 purposes of this clause, the average group  
4 diameter test result for a handgun is the  
5 arithmetic mean of the results of 3 sepa-  
6 rate trials, each performed on a different  
7 handgun of the same make and model as  
8 the handgun, and in each of which, 5  
9 rounds are fired from the handgun at a  
10 target from the specified distance and the  
11 greatest distance in inches between the  
12 center of the holes made in the test target  
13 is the result of the trial.

14 (vii) PERFORMANCE TESTS.—The li-  
15 censee shall not import, manufacture, or  
16 offer for sale a handgun unless the hand-  
17 gun model has passed the following tests:

18 (I) The handgun does not show  
19 any hairline crack or other evidence of  
20 material failure after a cartridge load-  
21 ed to generate excess pressure (as set  
22 forth in accepted specifications for  
23 cartridges of this type) has been fired  
24 from each chamber of the handgun.

1           (II) The handgun does not mal-  
2 function after the first 20 of 600  
3 rounds are fired from the handgun,  
4 and has 6 or fewer malfunctions and  
5 has no crack or breakage of an oper-  
6 ating part of the handgun that in-  
7 creases the danger of injury after 600  
8 rounds are fired from the handgun, in  
9 the manner described in this sub-  
10 clause. For purposes of this subclause,  
11 a malfunction caused by a failure to  
12 clean and lubricate, or by defective  
13 ammunition, shall be disregarded. In  
14 the firing of the handgun, the firing  
15 shall cease after each 100 rounds are  
16 fired and shall resume after any loose  
17 screws are tightened, the handgun is  
18 cleaned, or an empty magazine or cyl-  
19 inder is refilled to capacity, except  
20 that if the handgun loads other than  
21 with a detachable magazine, the firing  
22 shall cease for 10 minutes after each  
23 50 rounds are fired. The handgun  
24 shall be fired using the ammunition  
25 recommended in the handgun manual,

1 or if none is recommended, any stand-  
2 ard ammunition of the correct caliber  
3 in new condition.

4 (viii) DROP TEST.—The licensee shall  
5 not import, manufacture, or offer for sale  
6 a handgun model that has fired after being  
7 test-loaded and, with its hammer and  
8 striker set in each position in which the  
9 hammer and striker may be set so that it  
10 is ready to fire, dropped onto a steel plate  
11 or equivalent material of similar hardness  
12 from a height of 1 meter from each of the  
13 following positions:

- 14 (I) normal firing position;  
15 (II) upside down;  
16 (III) on the grip;  
17 (IV) on the muzzle;  
18 (V) on either side; and  
19 (VI) on the exposed hammer or  
20 striker (or, if there is no exposed  
21 hammer or striker, on the rear most  
22 part of the handgun).

23 (B) APPLICABLE TO PISTOLS.—

24 (i) SAFETY DEVICE.—The licensee  
25 shall not import, manufacture, or offer for

1 sale a pistol unless the pistol has a positive  
2 manually operated safety device, as deter-  
3 mined by standards relating to imported  
4 firearms promulgated by the Bureau of Al-  
5 cohol, Tobacco and Firearms.

6 (ii) MAGAZINE DISCONNECTOR.—

7 After the 12-month period that begins with  
8 the date of the enactment of this Act, the  
9 licensee shall not import, manufacture, or  
10 offer for sale a pistol for which a magazine  
11 disconnecter is not available.

12 (iii) CHAMBER LOAD INDICATOR.—

13 After the 12-month period that begins with  
14 the date of the enactment of this Act, the  
15 licensee shall not import, manufacture, or  
16 offer for sale a pistol unless the pistol has  
17 a chamber load indicator that enables the  
18 operator to detect, without opening the  
19 chamber, whether there is ammunition in  
20 the chamber.

21 (iv) INABILITY TO ACCEPT LARGE CA-

22 PACITY MAGAZINES.—The licensee shall  
23 not import, manufacture, or offer for sale  
24 a pistol that accepts a large capacity am-  
25 munition feeding device.

1 (v) MINIMUM LENGTH AND HEIGHT  
2 STANDARDS.—The licensee shall not im-  
3 port, manufacture, or offer for sale a pistol  
4 that is less than 4 inches in height, less  
5 than 6 inches in length, or less than 10  
6 inches in combined height and length, un-  
7 less the average group diameter test result  
8 for the pistol is 1.7 inches or less at 7  
9 yards, 3.9 inches or less at 14 yards, and  
10 6.3 inches or less at 21 yards. For pur-  
11 poses of this clause, the average group di-  
12 ameter test result for a pistol is the arith-  
13 metic mean of the results of 3 separate  
14 trials, each performed on a different pistol  
15 of the same make and model of the pistol,  
16 and in each of which, 5 rounds are fired  
17 from the handgun at a target from the  
18 specified distance and the greatest distance  
19 in inches between the center of the holes  
20 made in the test target is the result of the  
21 trial.

22 (vi) FIRING PIN BLOCK.—The licensee  
23 shall not import, manufacture, or offer for  
24 sale a pistol that does not have a firing pin  
25 block or lock.

1 (C) APPLICABLE TO REVOLVERS.—The li-  
2 censee shall not import, manufacture, or offer  
3 for sale a pistol that does not have a safety fea-  
4 ture which—

5 (i) automatically (for a double action  
6 revolver) or by manual operation (for a  
7 single action revolver) causes the hammer  
8 to retract so that the firing pin does not  
9 rest on the primer of the cartridge; and

10 (ii) is not disabled after a mass with  
11 a weight equal to that of the revolver is  
12 dropped 5 times onto the rear of the ham-  
13 mer from a height of 1 meter in a line par-  
14 allel to the barrel.

15 (D) BAN ON SALE OF LARGE CAPACITY  
16 MAGAZINES.—The licensee shall not import,  
17 manufacture, or offer for sale a large capacity  
18 ammunition feeding device.

19 (2) PACKAGING WARNINGS.—Beginning 6  
20 months after the date of the enactment of this Act,  
21 the licensee shall not import, manufacture, or offer  
22 for sale a handgun the packaging of which does not  
23 include in 14 point boldface type the following warn-  
24 ing:

1       “‘This handgun is not equipped with a device that  
2 fully blocks use by unauthorized users. More than 200,000  
3 handguns like this one are stolen from their owners every  
4 year in the United States. In addition, there are more than  
5 1,000 suicides each year by younger children and teen-  
6 agers who get access to firearms. Hundreds more die from  
7 accidental discharge. It is likely that many more children  
8 sustain serious wounds, or inflict such wounds accidentally  
9 to others. In order to limit the chance of such misuse, it  
10 is imperative that you keep this weapon locked in a secure  
11 place and take other steps necessary to limit the possibility  
12 of theft or accident. Failure to take reasonable preventa-  
13 tive steps may result in innocent lives being lost, and in  
14 some circumstances may result in your liability for these  
15 deaths.’”.

16           (3) SALES AND DISTRIBUTION RULES.—The li-  
17 censee shall comply with the following:

18           (A) AUTHORIZED DISTRIBUTORS AND  
19 DEALERS.—The licensee shall not transfer a  
20 firearm to a distributor or dealer in firearms  
21 unless the distributor or dealer has entered into  
22 a written agreement with the licensee to do the  
23 following:

24           (i) With respect to each firearms  
25 transaction between the distributor or deal-

1 er and a person who is not licensed under  
2 chapter 44 of title 18, United States Code,  
3 and in the presence of the unlicensed  
4 person—

5 (I) meet all requirements im-  
6 posed by or under the chapter; and

7 (II) transfer possession of the  
8 firearm to the unlicensed person.

9 (ii) Not sell a firearm at a gun show  
10 unless a criminal background check is re-  
11 quired to be completed before each firearm  
12 sale at the gun show.

13 (C) INVENTORY TRACKING PLAN.—

14 (i) ELECTRONIC RECORDING OF AC-  
15 QUISSIONS AND DISPOSITIONS.—After the  
16 24-month period that begins with the date  
17 of the enactment of this Act, the licensee  
18 shall comply with the following:

19 (I) ACQUISITIONS.—Within 1  
20 business day after acquiring a fire-  
21 arm, the licensee shall record elec-  
22 tronically the make, model, caliber or  
23 gauge, and serial number of the fire-  
24 arm.

1 (II) DISPOSITIONS.—Within 1  
2 business day after disposing of a fire-  
3 arm, the licensee shall record elec-  
4 tronically the disposition.

5 (III) MONTHLY BACKUPS.—The  
6 licensee shall maintain monthly  
7 backups of such records in a secure  
8 container designed to prevent loss by  
9 fire, theft, or other mishap.

10 (ii) MONTHLY INVENTORY ACCOUNT-  
11 ING.—The licensee shall account for all  
12 firearms acquired but not yet disposed of,  
13 through a monthly electronic inventory  
14 check, and maintain the account in a se-  
15 cure location.

16 (iii) SECURITY OF RECORDS.—The li-  
17 censee shall maintain all ATF Form 4473  
18 firearm transaction records at the licens-  
19 ee’s business premises in a secure con-  
20 tainer designated to prevent loss by fire,  
21 theft, or other mishap.

22 (D) SECURITY PLAN.—

23 (i) FIREARMS ON DISPLAY DURING  
24 BUSINESS HOURS.—The licensee shall keep  
25 each firearm display case locked except

1 when removing a single firearm to show a  
2 customer. The licensee shall not permit a  
3 customer to handle a firearm except under  
4 the direct supervision of an employee of  
5 the licensee.

6 (ii) FIREARMS ON DISPLAY OUTSIDE  
7 OF BUSINESS HOURS.—Other than during  
8 business hours, the licensee shall store all  
9 firearms in a locked fireproof safe or vault  
10 in the licensee’s business premises or in  
11 another secured and locked area.

12 (iii) AMMUNITION.—The licensee shall  
13 store ammunition separately from all fire-  
14 arms and in a manner inaccessible to cus-  
15 tomers.

16 (E) JUVENILE PROTECTION.—

17 (i) CHILD SAFETY LOCKS.—The li-  
18 censee shall not transfer possession or title  
19 to a handgun to a person not licensed  
20 under chapter 44 of title 18, United States  
21 Code, unless the transferee is provided  
22 with a secure gun storage or safety device  
23 for the handgun.

24 (ii) ADULT SUPERVISION.—The li-  
25 censee shall not permit an individual who

1 has not attained 18 years of age to be in  
2 any portion of the business premises of the  
3 licensee in which a firearm or ammunition  
4 is displayed, stored, offered for sale, or  
5 sold, unless the individual is accompanied  
6 by a parent or guardian of the individual.

7 (F) MULTIPLE HANDGUN SALES.—

8 (i) DUTIES ON DATE OF SALE.—On  
9 any date on which the licensee sells 2 or  
10 more handguns to a purchaser who is not  
11 licensed under chapter 44 of title 18,  
12 United States Code, the licensee—

13 (I) shall not transfer to the pur-  
14 chaser possession of more than 1 of  
15 the handguns; and

16 (II) shall file with the Bureau of  
17 Alcohol, Tobacco and Firearms a mul-  
18 tiple sales report with respect to the  
19 sale.

20 (ii) RELEASE OF REMAINING HAND-  
21 GUNS AFTER 14 DAYS.—During the 14-day  
22 period that begins with the date of such a  
23 sale, the licensee shall not transfer to the  
24 purchaser possession of any of the remain-  
25 ing handguns.

1 (G) CODE OF RESPONSIBLE BUSINESS  
2 PRACTICES.—

3 (i) QUARTERLY REPORTING OF HAND-  
4 GUN SALES DATA TO BATF.—The licensee  
5 shall provide to the Bureau of Alcohol, To-  
6 bacco and Firearms quarterly reports of  
7 the firearm sales data of the licensee,  
8 downstream firearm sales data, and the  
9 volume of firearm sales by make, model,  
10 caliber, and gauge.

11 (ii) BAN ON HANDGUNS READILY  
12 CONVERTIBLE INTO MACHINE GUNS.—The  
13 licensee shall not import, manufacture, or  
14 offer for sale a handgun that can be read-  
15 ily converted into a machinegun.

16 (iii) BAN ON HANDGUNS DESIGNED  
17 TO BE FINGERPRINT-RESISTANT.—The li-  
18 censee shall not import, manufacture, or  
19 offer for sale a firearm which is designed  
20 to be resistant to fingerprints.

21 (iv) NO MARKETING TO MINORS OR  
22 FOR USE IN CRIME.—The licensee shall not  
23 market a firearm in a way that would  
24 make the firearm particularly appealing to  
25 individuals who have not attained 18 years

1 of age, or by advertising the firearm as  
2 “fingerprint-resistant”.

3 (v) BAN ON NONIMPORTABLE PIS-  
4 TOLS.—The licensee shall not manufacture  
5 or offer for sale a pistol which it would be  
6 unlawful to import into the United States.

7 (vi) NO FIREARM ADVERTISEMENTS  
8 NEAR SCHOOLS OR PUBLIC HOUSING.—The  
9 licensee shall not cause any advertisement  
10 for a firearm to be placed within 1,000  
11 feet of any school or public housing prop-  
12 erty.

13 (vii) VERIFY VALIDITY OF FEDERAL  
14 FIREARMS LICENSE.—Before transferring  
15 a firearm to a person who claims to be li-  
16 censed under chapter 44 of title 18, United  
17 States Code, the licensee shall verify with  
18 the Bureau of Alcohol, Tobacco and Fire-  
19 arms that the person is so licensed.

20 (viii) NO TRANSFERS TO CERTAIN  
21 INDICTEES.—The licensee shall not trans-  
22 fer a firearm to another licensee if the li-  
23 censee knows or has reasonable cause to  
24 believe that the other licensee is under in-  
25 dictment for a violation of chapter 44 of

1 title 18, United States Code, or chapter 53  
2 of the Internal Revenue Code of 1986.

3 (ix) IMPLEMENTATION OF SECURITY  
4 PLAN.—The licensee shall implement a se-  
5 curity plan for securing all firearms of the  
6 licensee, including firearms being shipped  
7 by the licensee, which includes the fol-  
8 lowing:

9 (I) CONTROLLED MOVEMENT OF  
10 EMPLOYEES AND VISITORS.—The li-  
11 censee shall ensure that employee and  
12 visitor movement into and out of the  
13 manufacturer’s facility is only through  
14 designated security control points,  
15 that a visitor is admitted only after  
16 positive identification and confirma-  
17 tion of the purpose of the visit, and  
18 that each employee and each visitor  
19 passes through a metal detector be-  
20 fore leaving.

21 (II) DESIGNATION OF RE-  
22 STRICTED AREAS.—The licensee shall  
23 designate any area where a firearm is  
24 assembled or stored as a restricted  
25 area, authorize access to such a re-

1           stricted area only for an employee  
2           whose work requires the employee to  
3           enter the area or for an escorted vis-  
4           itor, and install any protective barrier  
5           necessary to deny or impede unau-  
6           thorized access to any restricted area.

7                   (III) ENTRY DETECTION SYS-  
8           TEM.—The licensee shall ensure that  
9           there is a system to detect unauthor-  
10          ized entry into any facility or area  
11          where a firearm, ammunition, or a  
12          component of a firearm is stored.

13                   (IV) SHIPPING RULES.—The li-  
14          censee shall not ship a firearm except  
15          in a secure carton that does not bear  
16          an identifying mark or word indi-  
17          cating that the carton contains a fire-  
18          arm. The licensee shall—

19                   (aa) secure a large carton in  
20                  which a firearm is shipped with  
21                  steel strapping in 2 different di-  
22                  rections;

23                   (bb) ship a firearm only by  
24                  carrier or freight forwarder who  
25                  warrants in writing that the car-

1 rier or forwarder conducts crimi-  
2 nal background checks on all de-  
3 livery personnel and reports all  
4 thefts or losses of firearms to the  
5 Bureau of Alcohol, Tobacco and  
6 Firearms within 48 hours after  
7 discovery; and

8 (cc) inspect periodically the  
9 local facilities of any such carrier  
10 or forwarder.

11 (x) BACKGROUND CHECKS.—The li-  
12 censee shall not transfer a firearm to a  
13 person who is not licensed under chapter  
14 44 of title 18, United States Code, unless  
15 the national instant criminal background  
16 check system established under section 103  
17 of the Brady Handgun Violence Prevention  
18 Act notifies the licensee that the informa-  
19 tion available to the system does not dem-  
20 onstrate that the receipt of a firearm by  
21 the prospective transferee would violate  
22 subsection (g) or (n) of section 922 of such  
23 title or State law.

24 (xi) QUALIFIED PURCHASERS.—The  
25 licensee shall not transfer a firearm to a

1 person who is not licensed under chapter  
2 44 of title 18, United States Code, unless  
3 the person demonstrates to the licensee, in  
4 such manner as the Secretary of the  
5 Treasury shall by regulations prescribe  
6 that the person knows how to load, oper-  
7 ate, unload, and safely store the firearm,  
8 and how to engage and disengage all safety  
9 devices on or transferred with the firearm.

10 (xii) NO SALE TO STRAW PUR-  
11 CHASER.—The licensee shall not sell a fire-  
12 arm to any individual who the licensee  
13 knows or has reasonable cause to believe is  
14 purchasing the firearm for a person who is  
15 prohibited by law from receiving a firearm.

16 (4) EMPLOYEE TRAINING.—The licensee shall  
17 require—

18 (A) all employees of the licensee to attend  
19 annual training developed in consultation with  
20 the Bureau of Alcohol, Tobacco and Firearms  
21 that includes training in—

22 (i) the law governing firearms trans-  
23 fers;

24 (ii) how to recognize an individual  
25 who may be purchasing a firearm for a

1 person who is prohibited by law from re-  
2 ceiving a firearm and other means by  
3 which unlawful firearms purchases are at-  
4 tempted, how to recognize indications that  
5 a firearm may be diverted for later sale or  
6 transfer to a person who may not lawfully  
7 receive a firearm, and how to respond to  
8 such attempts and indications; and

9 (iii) the safe handling and storage of  
10 firearms; and

11 (B) new employees of the licensee—

12 (i) before handling or selling a firearm  
13 on behalf of the licensee, to attend training  
14 on the topics set forth in subparagraph  
15 (A), based on materials developed for the  
16 annual training; and

17 (ii) thereafter, to attend the annual  
18 training.

19 (b) EXEMPTIONS RELATING TO LAW ENFORCEMENT  
20 AGENCIES AND THE MILITARY.—Subsection (a)(1) shall  
21 not apply to—

22 (1) the importation or manufacture of a firearm  
23 for transfer to, or possession by, the United States  
24 or a department or agency of the United States, or

1 a State or a department, agency, or political subdivi-  
2 sion of a State; or

3 (2) the transfer of a firearm to, or the posses-  
4 sion of a firearm by, a law enforcement officer em-  
5 ployed by an entity referred to in paragraph (1) of  
6 this subsection, for a law enforcement purpose, re-  
7 gardless of whether the law enforcement officer is on  
8 or off-duty.

9 (c) DEFINITIONS.—In this section, the terms  
10 “State”, “firearm”, “licensed importer”, “licensed manu-  
11 facturer”, “ammunition”, “Secretary”, “handgun”, “large  
12 capacity ammunition feeding device”, “machinegun”, and  
13 “secure gun storage or safety device” shall have the mean-  
14 ings given in section 921(a) of title 18, United States  
15 Code.

16 **SEC. 6. DISPOSITION OF FIREARMS BY LAW ENFORCEMENT**  
17 **AGENCIES.**

18 (a) IN GENERAL.—The law enforcement agency shall  
19 not dispose of a firearm except by destroying the firearm  
20 or transferring the firearm to another law enforcement  
21 agency.

22 (b) PROVISION OF INFORMATION TO NATIONAL  
23 TRACING CENTER.—The law enforcement agency, on ac-  
24 quiring or disposing of a firearm, shall notify the Bureau  
25 of Alcohol, Tobacco and Firearms of—

1           (1) the make, model, and serial number of the  
2           firearm; and

3           (2) the date of the acquisition or disposition.

4           (c) MAINTENANCE OF INFORMATION ON FIREARMS  
5 TRANSFERS BY LAW ENFORCEMENT AGENCIES; USE OF  
6 INFORMATION TO TRACE FIREARMS USED IN CRIME.—  
7 The Bureau of Alcohol, Tobacco and Firearms shall collect  
8 and maintain the information provided pursuant to sub-  
9 section (b), and may use the information to assist a law  
10 enforcement agency to trace firearms used in crime.

11 **SEC. 7. INSPECTION AUTHORITY.**

12           Section 923(g)(1)(B) of title 18, United States Code,  
13 is amended—

14           (1) in clause (ii)(II), by striking “or”;

15           (2) in clause (iii), by striking the period and in-  
16           serting “; or”; and

17           (3) by adding at the end the following:

18           “(iv) for evaluating compliance of a licensed im-  
19           porter or licensed manufacturer with section 5 of the  
20           Safer Guns for Safer Communities Act.”.

21 **SEC. 8. EVALUATION.**

22           The National Institute of Justice shall, to the extent  
23           practicable, evaluate the effect, if any, of the grant pro-

- 1 gram in reducing gun-related crime in the jurisdictions in
- 2 which the recipients of grants under this Act are located.

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