

108TH CONGRESS
1ST SESSION

H. R. 1540

To ensure greater accountability by licensed firearms dealers.

IN THE HOUSE OF REPRESENTATIVES

APRIL 1, 2003

Mr. LANGEVIN (for himself, Mr. ABERCROMBIE, Ms. CORRINE BROWN of Florida, Mr. CASE, Mr. CLAY, Mr. CONYERS, Ms. DELAURO, Mr. FRANK of Massachusetts, Mr. JACKSON of Illinois, Mr. LEWIS of Georgia, Ms. LOFGREN, Mrs. MCCARTHY of New York, Ms. MCCOLLUM, Mr. MEEHAN, Mr. MORAN of Virginia, Ms. NORTON, Mr. PASCRELL, Ms. SCHAKOWSKY, Mr. SERRANO, Mr. LANTOS, Mr. WAXMAN, Mr. WEXLER, and Ms. WOOLSEY) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To ensure greater accountability by licensed firearms dealers.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Crackdown on Dead-
5 beat Dealers Act of 2003”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

1 (1) a small number of licensed firearms dealers
2 account for a large proportion of the firearms traced
3 from crimes;

4 (2) in 1998, 1.2 percent of licensed firearms
5 dealers—1,020 of the approximately 83,200 licensed
6 retail firearms dealers and pawnbrokers—accounted
7 for over 57 percent of the crime guns traced to li-
8 censed firearms dealers; and

9 (3) in 1998, just over 450 licensed firearms
10 dealers had traced to them 10 or more guns that
11 were used in crimes within 3 years after they sold
12 the guns.

13 **SEC. 3. INCREASING THE NUMBER OF ALLOWED COMPLI-**
14 **ANCE INSPECTIONS OF FIREARMS DEALERS.**

15 Section 923(g)(1)(B)(ii)(I) of title 18, United States
16 Code, is amended by striking “once” and inserting “3
17 times”.

18 **SEC. 4. INCREASING PENALTIES ON FIREARMS LICENSEES.**

19 Section 924(a)(3) of title 18, United States Code is
20 amended by striking “one year” and inserting “5 years”.

21 **SEC. 5. SERIOUS RECORDKEEPING OFFENSES THAT AID**
22 **GUN TRAFFICKING.**

23 Section 924(a)(3) of title 18, United States Code, is
24 amended by striking the period and inserting “; but if the
25 violation is in relation to an offense under subsection

1 (a)(6) or (d) of section 922, shall be fined under this title,
2 imprisoned not more than 10 years, or both.”.

3 **SEC. 6. SUSPENSION OF FIREARMS DEALER'S LICENSE AND**
4 **CIVIL PENALTIES FOR VIOLATIONS OF THE**
5 **GUN CONTROL ACT.**

6 Subsections (e) and (f) of section 923 of title 18,
7 United States Code, are amended to read as follows:

8 “(e) The Attorney General may, after notice and op-
9 portunity for hearing, suspend or revoke any license issued
10 under this section, or may subject the licensee to a civil
11 penalty of not more than \$10,000 per violation, if the
12 holder of the license has willfully violated any provision
13 of this chapter or any rule or regulation prescribed by the
14 Attorney General under this chapter or fails to have secure
15 gun storage or safety devices available at any place in
16 which firearms are sold under the license to persons who
17 are not licensees (except that in any case in which a secure
18 gun storage or safety device is temporarily unavailable be-
19 cause of theft, casualty loss, consumer sales, backorders
20 from a manufacturer, or any other similar reason beyond
21 the control of the licensee, the dealer shall not be consid-
22 ered to be in violation of the requirement to make available
23 such a device). The Attorney General may, after notice
24 and opportunity for hearing, suspend or revoke the license
25 of, or assess a civil penalty of not more than \$10,000 on,

1 a dealer who willfully transfers armor piercing ammuni-
2 tion. The Attorney General may at any time compromise,
3 mitigate, or remit the liability with respect to any willful
4 violation of this chapter or any rule or regulation pre-
5 scribed by the Attorney General under this chapter. The
6 Attorney General's actions under this subsection may be
7 reviewed only as provided in subsection (f).

8 “(f)(1) Any person whose application for a license is
9 denied and any holder of a license which is suspended or
10 revoked or who is assessed a civil penalty shall receive a
11 written notice from the Attorney General stating specifi-
12 cally the grounds upon which the application was denied
13 or upon which the license was suspended or revoked or
14 the civil penalty assessed. Any notice of a suspension or
15 revocation of a license shall be given to the holder of the
16 license before the effective date of the suspension or rev-
17 ocation.

18 “(2) If the Attorney General denies an application
19 for a license, or suspends or revokes a license, or assesses
20 a civil penalty, the Attorney General shall, upon request
21 by the aggrieved party, promptly hold a hearing to review
22 the denial, suspension, revocation, or assessment. In the
23 case of a suspension or revocation of a license, the Attor-
24 ney General shall, on the request of the holder of the li-
25 cense, stay the effective date of the suspension or revoca-

1 tion. A hearing under this paragraph shall be held at a
2 location convenient to the aggrieved party.

3 “(3) If after a hearing held under paragraph (2) the
4 Attorney General decides not to reverse the decision to
5 deny an application or suspend or revoke a license or as-
6 sess a civil penalty, the Attorney General shall give notice
7 of the decision to the aggrieved party. The aggrieved party
8 may at any time within 60 days after the date notice is
9 given under this paragraph file a petition with the United
10 States district court for the district in which party resides
11 or in which the party’s principal place of business is lo-
12 cated for a de novo judicial review of the denial, suspen-
13 sion, revocation, or assessment. In a proceeding conducted
14 under this subsection, the court may consider any evidence
15 submitted by the parties to the proceeding whether or not
16 such evidence was considered at the hearing held under
17 paragraph (2). If the court decides that the Attorney Gen-
18 eral was not authorized to deny the application or to sus-
19 pend or revoke the license or to assess the civil penalty,
20 the court shall order the Attorney General to take such
21 action as may be necessary to comply with the judgment
22 of the court.”.

1 **SEC. 7. TERMINATION OF FIREARMS DEALER'S LICENSE**
 2 **UPON FELONY CONVICTION.**

3 Section 925(b) of title 18, United States Code, is
 4 amended by striking “until any conviction pursuant to the
 5 indictment becomes final” and inserting “until the date
 6 of any conviction pursuant to the indictment”.

7 **SEC. 8. HIRING AND TRAINING OF ADDITIONAL INSPEC-**
 8 **TORS FOR THE BUREAU OF ALCOHOL, TO-**
 9 **BACCO, FIREARMS, AND EXPLOSIVES.**

10 (a) LIMITATIONS ON AUTHORIZATION OF APPRO-
 11 PRIATIONS.—For the hiring and training of 500 additional
 12 inspectors for the Bureau of Alcohol, Tobacco, Firearms,
 13 and Explosives of the Department of Justice, there are
 14 authorized to be appropriated—

15 (1) not more than \$100,000,000 for fiscal year
 16 2004; and

17 (2) not more than \$55,000,000 for each of fis-
 18 cal years 2005 through 2008.

19 (b) AVAILABILITY OF APPROPRIATIONS.—Amounts
 20 appropriated under subsection (a) are authorized to re-
 21 main available until expended.

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