

REFERENCE TITLE: **firearm dealers; firearms transfers; requirements**

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HB 2181

Introduced by
Representatives Longdon: Gutierrez, Schwiebert, Seaman, Stahl Hamilton,
Terech, Travers, Senator Alston

AN ACT

AMENDING TITLE 44, CHAPTER 36, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 2; RELATING TO FIREARMS TRANSFERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 44, chapter 36, Arizona Revised Statutes, is
3 amended by adding article 2, to read:

4 ARTICLE 2. FIREARMS DEALERS

5 44-7861. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "FIREARMS DEALER" MEANS A PERSON THAT IS ANY OF THE FOLLOWING:

8 (a) ENGAGED IN THE BUSINESS OF SELLING FIREARMS AT WHOLESALE OR
9 RETAIL.

10 (b) ENGAGED IN THE BUSINESS OF REPAIRING FIREARMS OR OF MAKING OR
11 FITTING SPECIAL BARRELS, STOCKS OR TRIGGER MECHANISMS TO FIREARMS.

12 (c) A PAWNBROKER AS DEFINED IN SECTION 44-1621.

13 (d) A HOLDER OF A FEDERAL FIREARMS LICENSE.

14 2. "FIREARMS TRAFFICKER" MEANS A PERSON THAT SELLS OR RESELLS
15 FIREARMS WITHOUT A FEDERAL FIREARMS LICENSE.

16 3. "IMMEDIATE FAMILY MEMBER" MEANS A SPOUSE, DOMESTIC PARTNER,
17 PARENT, CHILD, SIBLING, GRANDPARENT, GRANDCHILD, NIECE, NEPHEW, FIRST
18 COUSIN, AUNT OR UNCLE, WHETHER BY ADOPTION OR BLOOD.

19 4. "PERSON":

20 (a) MEANS AN INDIVIDUAL, CORPORATION, COMPANY, ASSOCIATION, FIRM,
21 PARTNERSHIP, SOCIETY OR JOINT STOCK COMPANY.

22 (b) DOES NOT INCLUDE A HOLDER OF A FEDERAL FIREARMS LICENSE.

23 5. "STRAW PURCHASER" MEANS A PERSON THAT ILLEGALLY OBTAINS A
24 FIREARM FOR ANOTHER PERSON.

25 6. "TRACE REQUEST" MEANS AN INQUIRY FROM A LAW ENFORCEMENT AGENCY
26 ABOUT THE ACQUISITION OR DISPOSITION, OR BOTH, OF A SPECIFICALLY
27 IDENTIFIED FIREARM.

28 7. "TRANSFER" INCLUDES SELLING, ASSIGNING, PLEDGING OR LEASING A
29 FIREARM.

30 44-7862. Firearms dealers; required actions; exceptions

31 A. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO PERSONS IN THIS
32 STATE SHALL TAKE REASONABLE MEASURES TO PREVENT THE TRANSFER OF FIREARMS
33 TO STRAW PURCHASERS OR FIREARMS TRAFFICKERS, INCLUDING:

34 1. SCREENING FOR INDICATORS OF STRAW PURCHASES AND FIREARMS
35 TRAFFICKERS, INCLUDING ASKING QUESTIONS OF ALL PROSPECTIVE TRANSFEREES TO
36 DETERMINE WHETHER THE PROSPECTIVE TRANSFEREE IS A LEGITIMATE, RESPONSIBLE
37 PURCHASER, HAS OR WILL OBTAIN SUFFICIENT TRAINING AND KNOWLEDGE OF THE
38 FIREARM AND INTENDS TO PROVIDE THE FIREARM TO ANOTHER PERSON.

39 2. MAINTAINING AND REVIEWING RECORDS OF ALL TRACE REQUESTS RECEIVED
40 FROM ANY FEDERAL, STATE OR LOCAL LAW ENFORCEMENT AGENCY TO DETERMINE AND
41 AVOID SALES WITH INDICATORS THAT THE SALES MAY BE SUPPLYING THE CRIMINAL
42 MARKET, INCLUDING IDENTIFYING THE NAMES OF TRANSFEREES THAT BOUGHT A
43 FIREARM THAT IS LATER TRACED TO CRIMINAL CONDUCT, AND THE PATTERNS OF
44 THOSE SALES.

- 1 3. IF A NAME IS PROVIDED ON THE METHOD OF PAYMENT, ENSURING THAT
2 THE NAME ON THE METHOD OF PAYMENT MATCHES THE NAME OF THE PROSPECTIVE
3 TRANSFEREE.
- 4 4. FOR TRANSFERS OF FIREARMS THAT ARE PURCHASED OVER THE INTERNET
5 OR TELEPHONE OR BY OTHER ELECTRONIC MEANS, ENSURING THAT THE INDIVIDUAL
6 WHO ORDERS AND PAYS FOR THE FIREARM IS THE SAME INDIVIDUAL WHO COMPLETES
7 THE TRANSFER IN PERSON.
- 8 5. PROHIBITING FIREARMS DEALER PERSONNEL FROM DIRECTING A CUSTOMER
9 ON HOW TO ANSWER QUESTIONS ON FORMS THAT MUST BE COMPLETED IN CONNECTION
10 WITH THE SALE.
- 11 6. LIMITING PURCHASES OF FIREARMS TO ONE PURCHASE PER THIRTY DAYS
12 PER CIVILIAN, NONLAW ENFORCEMENT CUSTOMER.
- 13 B. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO INDIVIDUALS SHALL
14 TAKE REASONABLE MEASURES TO PREVENT THE TRANSFER OF FIREARMS TO
15 INDIVIDUALS WHO ARE PROHIBITED FROM PURCHASING FIREARMS AND INDIVIDUALS
16 WHO ARE TOO DANGEROUS TO POSSESS FIREARMS, INCLUDING:
- 17 1. REFUSING TO TRANSFER A FIREARM UNTIL A BACKGROUND CHECK HAS BEEN
18 COMPLETED AND THE TRANSFEREE IS CLEARED TO PURCHASE THE FIREARM.
- 19 2. REFUSING TO TRANSFER FIREARMS OR AMMUNITION TO AN INDIVIDUAL WHO
20 EXHIBITS SIGNS OF ALCOHOL INTOXICATION, DRUG USE OR POSSESSION OR MENTAL
21 INSTABILITY.
- 22 3. SEARCHING AVAILABLE STATE COURT AND DEPARTMENT OF PUBLIC SAFETY
23 DATABASES THAT MAY PROVIDE INFORMATION ON WHETHER THE PROSPECTIVE
24 TRANSFEREE IS A PROHIBITED POSSESSOR.
- 25 4. REFUSING TO TRANSFER A FIREARM TO AN INDIVIDUAL IF THE FIREARMS
26 DEALER HAS INFORMATION THAT THE INDIVIDUAL MAY BE A DANGER TO SELF OR
27 OTHERS.
- 28 5. REFUSING TO SELL FIREARMS AT FIREARMS SHOWS UNLESS ALL FIREARMS
29 SALES AT THE SHOWS ARE CONDUCTED ONLY ON COMPLETION OF A BACKGROUND CHECK.
- 30 6. PERFORMING BACKGROUND CHECKS FOR PRIVATE SELLERS FOR A
31 REASONABLE FEE.
- 32 C. A FIREARMS DEALER THAT SELLS A FIREARM OVER THE INTERNET OR
33 TELEPHONE OR THROUGH OTHER ELECTRONIC MEANS AND THAT TRANSFERS THE FIREARM
34 TO AN IN-STATE FIREARMS DEALER FOR TRANSFER TO A CONSUMER SHALL TAKE
35 REASONABLE MEASURES TO PREVENT STRAW PURCHASERS, FIREARMS TRAFFICKERS,
36 PROHIBITED POSSESSORS AND OTHER DANGEROUS INDIVIDUALS FROM ACQUIRING
37 FIREARMS, INCLUDING:
- 38 1. ESTABLISHING ADEQUATE SAFEGUARDS ON ITS WEBSITE AND SCREENING
39 PROCESSES FOR TELEPHONIC OR OTHER ELECTRONIC SALES THAT ARE DESIGNED TO
40 IDENTIFY POTENTIAL STRAW TRANSACTIONS AND ILLEGAL INTENDED USES OF THE
41 FIREARM.
- 42 2. REFUSING TO TRANSFER A FIREARM IF THE NAME ON THE CUSTOMER'S
43 ACCOUNT DOES NOT MATCH THE NAME ON THE METHOD OF PAYMENT.
- 44 3. REFUSING TO TRANSFER A FIREARM IF THE FIREARMS DEALER HAS A
45 REASONABLE SUSPICION THAT THE TRANSFER MAY BE A STRAW PURCHASE, THE BUYER

1 WILL ILLEGALLY USE THE FIREARM OR THE BUYER EXHIBITS SIGNS OF SUBSTANCE
2 ABUSE OR MENTAL INSTABILITY.

3 4. CLEARLY INFORMING THE IN-STATE FIREARMS DEALER OF THE NAME OF
4 THE INDIVIDUAL WHO ORDERED AND PAID FOR THE FIREARM AND IDENTIFYING THAT
5 INDIVIDUAL AS THE ONLY INDIVIDUAL WHO MAY COMPLETE THE TRANSFER.

6 5. LIMITING PURCHASES OF FIREARMS TO ONE PURCHASE PER THIRTY DAYS
7 PER CIVILIAN, NONLAW ENFORCEMENT CUSTOMER.

8 D. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO INDIVIDUALS SHALL
9 TAKE REASONABLE MEASURES TO PREVENT THE THEFT OF FIREARMS AND AMMUNITION,
10 INCLUDING:

11 1. DEVELOPING AND IMPLEMENTING A PLAN TO PROTECT ITS INVENTORY THAT
12 INCLUDES ADEQUATE LOCKS, EXTERIOR LIGHTING, SURVEILLANCE CAMERAS, ALARM
13 SYSTEMS AND OTHER ANTI-THEFT MEASURES AND PRACTICES. THE PLAN SHALL ALSO
14 ADDRESS THE SAFE STORAGE OF WEAPONS AND AMMUNITION THAT ARE DISPLAYED
15 DURING BUSINESS HOURS.

16 2. ELECTRONICALLY RECORDING THE MAKE, MODEL, CALIBER OR GAUGE AND
17 SERIAL NUMBER OF ALL FIREARMS THAT ARE ACQUIRED NOT LATER THAN ONE
18 BUSINESS DAY AFTER THE ACQUISITION AND ELECTRONICALLY RECORDING THE
19 PURCHASER NOT LATER THAN ONE BUSINESS DAY AFTER THE DISPOSITION. THE
20 FIREARMS DEALER SHALL MAINTAIN MONTHLY BACKUPS OF THESE RECORDS IN A
21 SECURE CONTAINER. THE FIREARMS DEALER MUST ACCOUNT FOR ALL FIREARMS THAT
22 ARE ACQUIRED BUT THAT ARE NOT YET DISPOSED OF THROUGH A DAILY ELECTRONIC
23 INVENTORY CHECK THAT IS MAINTAINED AT A SECURE LOCATION.

24 3. PROVIDING IMMEDIATE NOTIFICATION OF LOSS OR THEFT OF ANY
25 FIREARMS TO LOCAL AND FEDERAL LAW ENFORCEMENT AUTHORITIES.

26 E. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO INDIVIDUALS SHALL
27 ADOPT REASONABLE EMPLOYMENT PRACTICES AND POLICIES TO ENSURE MAXIMUM
28 COMPLIANCE WITH THE LAW, INCLUDING:

29 1. REQUIRING EACH FIREARMS DEALER EMPLOYEE TO PASS A PREEMPLOYMENT
30 BACKGROUND CHECK, INCLUDING A CRIMINAL HISTORY CHECK THAT IS THE SAME AS
31 THE CRIMINAL HISTORY CHECK THAT FIREARMS PURCHASERS MUST COMPLETE, AND
32 CONTACTING A PROSPECTIVE EMPLOYEE'S REFERENCES AND PRIOR EMPLOYERS.

33 2. REQUIRING EACH FIREARMS DEALER EMPLOYEE WHO TRANSFERS FIREARMS
34 TO ATTEND AN INITIAL TRAINING SESSION BEFORE TRANSFERRING FIREARMS. THE
35 INITIAL TRAINING SESSION SHALL COVER THE LAW GOVERNING FIREARM TRANSFERS,
36 HOW TO RECOGNIZE STRAW PURCHASES, HOW TO RECOGNIZE INDICATORS THAT A
37 PERSON IS ATTEMPTING TO PURCHASE FIREARMS ILLEGALLY AND MAY BE DIVERTING
38 THOSE FIREARMS FOR LATER SALE OR TRANSFER, AND HOW TO RESPOND TO THOSE
39 ATTEMPTS. EACH FIREARMS DEALER EMPLOYEE SHALL ATTEND A SIMILAR REFRESHER
40 TRAINING SESSION ON AN ANNUAL BASIS.

41 3. REQUIRING EACH FIREARMS DEALER EMPLOYEE WHO TRANSFERS FIREARMS
42 TO REVIEW THE CIRCUMSTANCES SURROUNDING EACH FIREARM AT ISSUE IN EACH
43 TRACE REQUEST THAT IS RECEIVED, INCLUDING A REVIEW OF THE VIDEOTAPE OR
44 ELECTRONIC RECORDING OF THE SALE.

1 4. FIRING A FIREARMS DEALER EMPLOYEE WHO PARTICIPATES IN A CLEAR OR
2 OBVIOUS STRAW PURCHASE IN VIOLATION OF THE FIREARMS DEALER'S POLICY OR LAW
3 AND SEEKING AND SUPPORTING CRIMINAL PROSECUTION, AS APPROPRIATE.

4 5. ANNUALLY REVIEWING AND UPDATING COMPLIANCE POLICIES, PROCEDURES
5 AND TRAINING MATERIALS REGARDING FIREARMS TRANSACTIONS.

6 6. PRODUCING A BIENNIAL REPORT OF THE FIREARMS DEALER'S SAFETY AND
7 COMPLIANCE RECORD AND MAKING IT AVAILABLE TO THE PUBLIC. THE REPORT SHALL
8 SPECIFICALLY STATE THE TOTAL NUMBER OF FIREARMS TRACED TO THE FIREARMS
9 DEALER IN THE PRIOR SIX MONTHS, BROKEN DOWN BY MONTH, THE NUMBER OF KNOWN
10 STRAW PURCHASES EITHER ATTEMPTED OR COMPLETED WITHIN THE PRIOR SIX MONTHS,
11 BROKEN DOWN BY MONTH, AND THE NUMBER OF VIOLATIONS CITED BY THE BUREAU OF
12 ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES DURING THE PAST ONE HUNDRED
13 EIGHTY DAYS.

14 F. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO INDIVIDUALS SHALL
15 TAKE REASONABLE MEASURES TO ASSIST LAW ENFORCEMENT IN INVESTIGATING AND
16 PREVENTING CRIMINAL ACCESS TO FIREARMS, INCLUDING:

17 1. IMMEDIATELY NOTIFYING LOCAL, STATE AND FEDERAL LAW ENFORCEMENT
18 AUTHORITIES OF SUSPECTED STRAW PURCHASERS, PROHIBITED POSSESSORS OR
19 DANGEROUS INDIVIDUALS WHO ATTEMPT TO OBTAIN FIREARMS.

20 2. IMMEDIATELY NOTIFYING LOCAL, STATE AND FEDERAL LAW ENFORCEMENT
21 AUTHORITIES OF MULTIPLE HANDGUN PURCHASES BY THE SAME CUSTOMER THAT OCCUR
22 WITHIN ANY NINETY-DAY PERIOD.

23 3. VIDEOTAPING AND AUDIO RECORDING ALL POINT-OF-SALE FIREARMS
24 TRANSACTIONS AND MAINTAINING THE VIDEOTAPES OR ELECTRONIC RECORDINGS FOR
25 AT LEAST FIVE YEARS.

26 G. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO INDIVIDUALS SHALL
27 MAINTAIN A LIABILITY INSURANCE POLICY WITH A MINIMUM POLICY LIMIT OF
28 \$1,000,000 TO POTENTIALLY COMPENSATE VICTIMS FOR DAMAGE TO PROPERTY AND
29 FOR INJURY TO OR DEATH OF ANY INDIVIDUAL AS A RESULT OF A FIREARMS
30 DEALER'S WRONGFUL CONDUCT IN THE TRANSFER OF ANY FIREARM OR AMMUNITION.

31 H. THIS SECTION DOES NOT APPLY IF THE FIREARM TRANSFER IS EITHER:

32 1. A BONA FIDE GIFT BETWEEN IMMEDIATE FAMILY MEMBERS.

33 2. NECESSARY TO PREVENT IMMINENT DEATH OR SEVERE PHYSICAL INJURY TO
34 THE TRANSFEREE AND BOTH:

35 (a) THE TRANSFER LASTS ONLY AS LONG AS IMMEDIATELY NECESSARY TO
36 PREVENT IMMINENT DEATH OR SEVERE PHYSICAL INJURY TO THE TRANSFEREE.

37 (b) THE TRANSFEREE IS NOT PROHIBITED FROM POSSESSING A FIREARM
38 UNDER STATE OR FEDERAL LAW.

39 44-7863. Violation; civil penalty

40 A FIREARMS DEALER THAT VIOLATES THIS ARTICLE IS SUBJECT TO A CIVIL
41 PENALTY OF \$500 FOR EACH VIOLATION.