

REFERENCE TITLE: firearms dealers; firearms transfers; requirements

State of Arizona  
House of Representatives  
Fifty-sixth Legislature  
Second Regular Session  
2024

## **HB 2240**

Introduced by  
Representatives Longdon: Austin, Crews, Gutierrez, Ortiz, Schwiebert,  
Stahl Hamilton

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 PURCHASERS AND FIREARMS  
35 TRAFFICKERS, INCLUDING QUESTIONING 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 TRANSFERS WITH INDICATORS THAT THE TRANSFERS MAY BE SUPPLYING THE  
42 CRIMINAL MARKET, INCLUDING IDENTIFYING THE NAMES OF TRANSFEREES THAT  
43 BOUGHT A FIREARM THAT IS LATER TRACED TO CRIMINAL CONDUCT, AND THE  
44 PATTERNS OF THOSE TRANSFERS.

1           3. IF A NAME IS PROVIDED ON THE METHOD OF PAYMENT FOR A TRANSFER OF  
2 A FIREARM, ENSURING THAT THE NAME ON THE METHOD OF PAYMENT MATCHES THE  
3 NAME OF THE PROSPECTIVE TRANSFEREE.

4           4. FOR TRANSFERS OF FIREARMS THAT ARE PURCHASED OVER THE INTERNET  
5 OR BY TELEPHONE OR 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 PERSONNEL OF THE FIREARMS DEALER FROM DIRECTING  
9 CUSTOMERS HOW TO ANSWER QUESTIONS ON FORMS THAT MUST BE COMPLETED IN  
10 CONNECTION WITH THE TRANSFER.

11           6. LIMITING TRANSFERS OF FIREARMS TO ONE TRANSFER EVERY THIRTY DAYS  
12 PER CIVILIAN CUSTOMER WHO IS NOT A LAW ENFORCEMENT OFFICER.

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 A FIREARM OR AMMUNITION TO AN INDIVIDUAL  
20 WHO EXHIBITS SIGNS OF ALCOHOL INTOXICATION, DRUG USE OR POSSESSION OR  
21 MENTAL 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 TRANSFERS AT THE SHOWS ARE CONDUCTED ONLY ON COMPLETION OF A BACKGROUND  
30 CHECK.

31           6. PERFORMING BACKGROUND CHECKS FOR PRIVATE SELLERS FOR A  
32 REASONABLE FEE.

33           C. A FIREARMS DEALER THAT SELLS A FIREARM OVER THE INTERNET OR BY  
34 TELEPHONE OR OTHER ELECTRONIC MEANS AND THAT TRANSFERS THE FIREARM TO AN  
35 IN-STATE FIREARMS DEALER FOR TRANSFER TO A CUSTOMER SHALL TAKE REASONABLE  
36 MEASURES TO PREVENT STRAW PURCHASERS, FIREARMS TRAFFICKERS, PROHIBITED  
37 POSSESSORS AND OTHER DANGEROUS INDIVIDUALS FROM ACQUIRING THE FIREARM,  
38 INCLUDING:

39           1. ESTABLISHING ADEQUATE SAFEGUARDS ON THE FIREARMS DEALER'S  
40 WEBSITE AND SCREENING PROCESSES FOR TELEPHONIC OR OTHER ELECTRONIC SALES  
41 THAT ARE DESIGNED TO IDENTIFY POTENTIAL STRAW TRANSACTIONS AND ILLEGAL  
42 INTENDED USES OF THE FIREARM.

43           2. REFUSING TO TRANSFER A FIREARM IF THE NAME ON THE CUSTOMER'S  
44 ACCOUNT DOES NOT MATCH THE NAME ON THE METHOD OF PAYMENT.

1           3. REFUSING TO TRANSFER A FIREARM IF THE FIREARMS DEALER HAS A  
2 REASONABLE SUSPICION THAT THE TRANSFER MAY BE A STRAW PURCHASE, THE  
3 CUSTOMER WILL ILLEGALLY USE THE FIREARM OR THE BUYER EXHIBITS SIGNS OF  
4 SUBSTANCE ABUSE OR MENTAL INSTABILITY.

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

8           5. LIMITING PURCHASES OF FIREARMS TO ONE PURCHASE EVERY THIRTY DAYS  
9 PER CIVILIAN CUSTOMER WHO IS NOT A LAW ENFORCEMENT OFFICER.

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

13           1. DEVELOPING AND IMPLEMENTING A PLAN TO PROTECT THE FIREARMS  
14 DEALER'S INVENTORY THAT INCLUDES ADEQUATE LOCKS, EXTERIOR LIGHTING,  
15 SURVEILLANCE CAMERAS, ALARM SYSTEMS AND OTHER ANTITHEFT MEASURES AND  
16 PRACTICES AND THAT ADDRESSES THE SAFE STORAGE OF WEAPONS AND AMMUNITION  
17 THAT ARE DISPLAYED DURING BUSINESS HOURS.

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

26           3. PROVIDING IMMEDIATE NOTIFICATION OF LOSS OR THEFT OF ANY FIREARM  
27 TO LOCAL AND FEDERAL LAW ENFORCEMENT AUTHORITIES.

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

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

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

43           3. REQUIRING EACH FIREARMS DEALER EMPLOYEE WHO TRANSFERS FIREARMS  
44 TO REVIEW THE CIRCUMSTANCES SURROUNDING EACH FIREARM AT ISSUE IN EACH

1 TRACE REQUEST THAT IS RECEIVED, INCLUDING A REVIEW OF THE VIDEOTAPE OR  
2 ELECTRONIC RECORDING OF THE SALE.

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

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

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

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

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

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

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

29 G. A FIREARMS DEALER THAT TRANSFERS FIREARMS TO INDIVIDUALS SHALL  
30 MAINTAIN A LIABILITY INSURANCE POLICY WITH A MINIMUM POLICY LIMIT OF  
31 \$1,000,000 TO COMPENSATE POTENTIAL VICTIMS FOR DAMAGE TO PROPERTY AND FOR  
32 INJURY TO OR DEATH OF ANY INDIVIDUAL AS A RESULT OF A FIREARMS DEALER'S  
33 WRONGFUL CONDUCT IN THE TRANSFER OF ANY FIREARM OR AMMUNITION.

34 H. THIS SECTION DOES NOT APPLY IF THE FIREARMS TRANSFER IS EITHER:

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

36 2. NECESSARY TO PREVENT IMMINENT DEATH OR SEVERE PHYSICAL INJURY TO  
37 THE TRANSFEREE AND BOTH OF THE FOLLOWING APPLY:

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

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

42 44-7863. Violation; civil penalty

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