

HOUSE BILL REPORT

SHB 1133

As Passed House:

January 12, 1996

Title: An act relating to firearm dealers.

Brief Description: Revising provisions relating to firearm dealers' licenses.

Sponsors: By House Committee on Finance (originally sponsored by Representatives Campbell, Stevens, Padden, Benton, Sheldon, Crouse, Carlson and Sherstad).

Brief History:

Committee Activity:

Law & Justice: 1/27/95, 2/7/95 [DPS];

Finance: 2/28/95, 3/3/95 [DPS(LJ)].

Floor Activity:

Passed House: 3/8/95, 80-18;

Passed House: 1/12/96, 72-20.

HOUSE COMMITTEE ON LAW & JUSTICE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Padden, Chairman; Delvin, Vice Chairman; Hickel, Vice Chairman; Campbell; Carrell; Chappell; Lambert; McMahan; Morris; Robertson; Sheahan and Smith.

Minority Report: Do not pass. Signed by 5 members: Representatives Appelwick, Ranking Minority Member; Costa, Assistant Ranking Minority Member; Cody; Thibaudeau and Veloria.

Staff: Bill Perry (786-7123).

HOUSE COMMITTEE ON FINANCE

Majority Report: The substitute bill by Committee on Law & Justice be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives B. Thomas, Chairman; Boldt, Vice Chairman; Carrell, Vice Chairman; Morris, Ranking Minority Member; Hymes; Mason; Mulliken; Pennington; Schoesler; Sheldon and Van Luven.

Minority Report: Do not pass. Signed by 1 member: Representative Dickerson, Assistant Ranking Minority Member.

Staff: Rick Peterson (786-7150).

Background: Under state law, a firearms dealer is defined as a person engaged in the business of selling firearms at wholesale or retail who has, or is required to have, a federal firearms license. Collectors making occasional sales are excluded.

A person engaged in selling firearms or ammunition, who holds or is required to hold a federal license, must obtain a state dealer's license and register with the Department of Revenue. The person must specifically be licensed to sell pistols, other types of firearms, or ammunition, and may be licensed to sell all three. The Department of Licensing is to provide a single application for all types of dealers' licenses, and a single license form which is to indicate the type or types of licenses granted. The total annual license fee is \$125, regardless of how many types of dealers' licenses are granted to the applicant.

To apply for a dealer's license, an applicant must have a federal license and must undergo fingerprinting and a background check. A dealer must be eligible for a concealed pistol license, even if he or she does not have one. A dealer also must require every employee who may sell a firearm in the course of his or her employment to undergo fingerprinting and a background check. Before being permitted to sell a firearm, an employee must be eligible to possess a firearm and must not have been convicted of a crime that would disqualify the employee for a concealed pistol license. In addition, every employee selling firearms must comply with the requirements concerning purchase applications and restrictions on delivery of pistols that are applicable to dealers.

The dealer must post his or her license in the area of the store where firearms are sold. A dealer may conduct business from a temporary location for a gun show and must post his or her license at that temporary location. However, the law expressly does not authorize a dealer to conduct business from a motor vehicle.

A basic federal firearms dealer's license costs \$200 for three years, with a fee of \$90 for a three-year renewal of a valid license. It is unlawful under federal law for anyone who has been convicted of a felony, who is a fugitive from justice, who is an illegal drug user, or who is a mental defective or has been committed to a mental institution, to possess a firearm. An applicant for a federal dealer's license must be at least 21 years old and must not have violated the federal firearms law. Under a recent federal enactment, the requirements for a federal firearms dealer's license include certification by an applicant that his or her business is not prohibited under state law. Federal law also now requires an applicant to provide fingerprints and a

photograph as part of an application. There is no federal requirement for a dealer's license in order to sell ammunition.

Summary of Bill: A firearms "dealer" is redefined as a person who has or is required to have a federal dealer's license. There is no separate state definition of a "dealer."

The requirements for obtaining a state license are that the applicant have a federal license and that the applicant not have had his or her state license permanently revoked for illegal delivery of firearms. The requirements for fingerprinting and background checks of applicants and of dealers' employees are removed.

The fee remains \$125 for a state license; however, a license is good for five years. There is no state license required for ammunition sales. Only one license is required for dealing in all firearms, including pistols. Dealers remain subject to the license posting and location of business restrictions.

The number of days that the Department of Licensing has to process an application is reduced from 30 to seven.

Dealers are authorized to conduct business from a motor vehicle so long as business is conducted at a gun club, gun show, or competitive shooting event.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: (Law & Justice) Federal licensing standards are more than adequate. A federal license now requires fingerprinting. The state requirements are duplicative and unnecessary.

(Finance) Same as before Law & Justice Committee.

Testimony Against: (Law & Justice) None.

(Finance) None.

Testified: (Law & Justice) Rep. Campbell, prime sponsor; Darryl Jones, Washington Firearms Coalition (pro); Joyce Boss, Women for Defense Rights (pro); Brian Judy, National Rifle Association (pro); David Reynard, Olympic Sportsman's

Alliance (pro); Barry Shaw, Executive Director, Washington Ceasefire (con); and Chris Chamberlin, Washington Ceasefire (con).

(Finance) Representative Tom Campbell, prime sponsor; Col. Mel Pfankuche, Col. Mel Pfankuche & Associates; and David Reynard, citizen.