

1715

2009-2010 Regular Sessions

I N S E N A T E

February 5, 2009

Introduced by Sens. SCHNEIDERMAN, ADAMS, DIAZ, DUANE, FOLEY, KRUEGER,
PARKER, PERKINS, SAMPSON, SERRANO -- read twice and ordered printed,
and when printed to be committed to the Committee on Codes

AN ACT to amend the general business law and the penal law, in relation
to preventing the sale of firearms, rifles, and shotguns to criminals

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY,
DO ENACT AS FOLLOWS:

1 Section 1. Legislative findings and declaration. The legislature here-
2 by finds and declares as follows:
3 1. Firearms, rifles and shotguns are used to kill nearly 30,000 indi-
4 viduals in the United States every year, including 1,000 individuals in
5 New York state alone. Additionally, there are 100,000 non-fatal injuries
6 across the country. The federal government has largely ignored this
7 public health crisis and has left it up to state and local governments
8 to protect its citizens. Firearm violence also costs millions of dollars
9 and causes incalculable emotional damage, devastating families and
10 communities throughout the country. Therefore, the state of New York
11 has a strong interest in reducing violence and crimes that involve the
12 use of firearms and the illegal trafficking of firearms. Illegal guns
13 obtained throughout the state end up in the hands of criminals, youth
14 and violent individuals who use them to threaten, maim and kill.
15 2. There is a thriving underground market for illegal firearms, large-
16 ly driven by demand from drug gangs and other criminals. A highly effi-
17 cient and continuous business practice exists in which firearms are
18 moved from legal manufacture and sale to prohibited purchasers, making
19 them illegal firearms. In 2001, approximately 12,000 illegal firearms,
20 rifles and shotguns were seized in New York state. From November 2000
21 to April 2002, 2700 crime guns were entered into the state crime gun
22 database. One thousand of these were long guns which, outside of New
23 York City, are sold without a permit. A significant portion of guns
24 involved in crimes upstate originate within the state. In fact, youth

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 data reveals that in 2000, 40% of the crime guns in Buffalo originated
2 within a five-mile radius of that city.

3 3. A substantial portion of illegal firearms are diverted to the ille-
4 gal market through licensed gun dealers. Rogue gun dealers play a key
5 role in this market. These rogue dealers funnel guns to the illegal
6 market through a variety of channels. One of the most common means is to
7 allow "straw purchases". A straw purchase occurs when a person purchases
8 a gun on behalf of a prohibited person. The federal bureau of alcohol,
9 tobacco and firearms (ATF) conducted an investigation of gun trafficking
10 from July 1996 to December 1998 and found that almost 26,000 trafficked
11 firearms were associated with investigations in which there was a straw
12 purchaser. Almost 50% of all trafficking investigations involved straw
13 purchasers, with an average of 37 firearms trafficked per investigation.
14 Although most gun dealers operate their businesses legally and responsi-
15 bly, some gun dealers who are corrupt or maintain shoddy recordkeeping
16 practices flood the streets with illegal weapons as a result of their
17 unrestricted access to new gun inventory and the unwillingness of gun
18 manufacturers to terminate their supply to these rogue dealers. Current
19 federal and state regulation has not curbed the business practice of
20 illegal gun dealers. According to a 2004 study by Americans for Gun
21 Safety, of the 120 worst gun dealers in the country, namely those deal-
22 ers with an average of 500 crime guns traced to them, 96 were still in
23 operation.

24 4. Moreover, this problem is not limited to unlicensed sellers, and
25 clearly includes federal firearms licensees (FFLs). Indeed, although
26 FFLs were involved in under 10% of the trafficking investigations under-
27 taken by ATF, they were associated with the largest number of diverted
28 firearms--over 40,000 guns, which is nearly half of the total number of
29 trafficked firearms documented during the two-year period of ATF's
30 investigation.

31 5. Current New York state laws governing firearm dealers are inade-
32 quate to prevent the diversion of firearms to the illegal marketplace.
33 Additional protections that are needed include, but are not limited to,
34 better gun dealer internal compliance procedures, programs to eliminate
35 straw purchases, increased liability insurance, improved security meas-
36 ures, reducing youth access, mandatory training for gun dealer employ-
37 ees, and improved recordkeeping requirements. The additional protections
38 set forth in this act will greatly enhance the state's efforts to reduce
39 criminal activity in the state.

40 S 2. Article 40 and sections 900 and 901 of the general business law,
41 as renumbered by chapter 407 of the laws of 1973, are renumbered article
42 50 and sections 1001 and 1002 and a new article 40 is added to read as
43 follows:

44 ARTICLE 40

45 PREVENTING THE SALE OF FIREARMS, 46 RIFLES, AND SHOTGUNS TO CRIMINALS

47 SECTION 900. DEFINITIONS.

48 901. REASONABLE MEASURES TO PREVENT SALES AND 49 TRANSFERS TO CRIMINALS.

50 902. INSURANCE.

51 903. SECURITY.

52 904. ACCESS TO FIREARMS, RIFLES, AND SHOTGUNS.

53 905. LOCATION OF FIREARM, RIFLE, AND SHOTGUN SALES.

54 906. EMPLOYEE TRAINING.

55 907. RETAIL SALES OF FIREARMS, RIFLES, AND SHOTGUNS.

56 908. MAINTENANCE OF RECORDS.

909. COOPERATION WITH LAW ENFORCEMENT.

910. INTERNAL COMPLIANCE AND CERTIFICATION.

911. RULES AND REGULATIONS.

912. VIOLATIONS.

S 900. DEFINITIONS. FOR THE PURPOSES OF THIS ARTICLE:

1. "DEALER" MEANS ANY PERSON, FIRM, PARTNERSHIP, CORPORATION, OR COMPANY WHO ENGAGES IN THE BUSINESS OF PURCHASING, SELLING, KEEPING FOR SALE, LENDING, LEASING, OR IN ANY MANNER DISPOSING OF, ANY FIREARM, RIFLE, OR SHOTGUN.

2. "DISPOSE OF" MEANS TO DISPOSE OF, GIVE, GIVE AWAY, LEASE, LEND, KEEP FOR SALE, OFFER, OFFER FOR SALE, SELL, TRANSFER, OR OTHERWISE DISPOSE OF.

3. "FIREARM" HAS THE SAME MEANING AS THAT TERM IS DEFINED IN SUBDIVISION THREE OF SECTION 265.00 OF THE PENAL LAW.

4. "FIREARM EXHIBITOR" MEANS ANY PERSON, FIRM, PARTNERSHIP, CORPORATION, OR COMPANY THAT EXHIBITS, SELLS, OFFERS FOR SALE, TRANSFERS, OR EXCHANGES FIREARMS, RIFLES, OR SHOTGUNS AT A GUN SHOW.

5. "GUN SHOW" MEANS AN EVENT SPONSORED, WHETHER FOR PROFIT OR NOT, BY AN INDIVIDUAL, NATIONAL, STATE, OR LOCAL ORGANIZATION, ASSOCIATION, OR OTHER ENTITY DEVOTED TO THE COLLECTION, COMPETITIVE USE, SPORTING USE, OR ANY OTHER LEGAL USE OF FIREARMS, RIFLES, OR SHOTGUNS, OR AN EVENT AT WHICH: (A) TWENTY PERCENT OR MORE OF THE TOTAL NUMBER OF EXHIBITORS ARE FIREARM EXHIBITORS; (B) TEN OR MORE FIREARM EXHIBITORS ARE PARTICIPATING; (C) A TOTAL OF TWENTY-FIVE OR MORE PISTOLS OR REVOLVERS ARE OFFERED FOR SALE OR TRANSFER; OR (D) A TOTAL OF FIFTY OR MORE FIREARMS, RIFLES, OR SHOTGUNS ARE OFFERED FOR SALE OR TRANSFER. THE TERM "GUN SHOW" SHALL INCLUDE ANY BUILDING, STRUCTURE, OR FACILITY WHERE FIREARMS, RIFLES, OR SHOTGUNS ARE OFFERED FOR SALE OR TRANSFER AND ANY GROUNDS USED IN CONNECTION WITH THE EVENT.

6. "RETAIL DEALER" MEANS ANY DEALER ENGAGED IN THE RETAIL BUSINESS OF SELLING FIREARMS, RIFLES, OR SHOTGUNS.

7. "RIFLE" HAS THE SAME MEANING AS THAT TERM IS DEFINED IN SUBDIVISION ELEVEN OF SECTION 265.00 OF THE PENAL LAW.

8. "SHOTGUN" HAS THE SAME MEANING AS THAT TERM IS DEFINED IN SUBDIVISION TWELVE OF SECTION 265.00 OF THE PENAL LAW.

9. "STRAW PURCHASE" MEANS THE PURCHASE, OR ATTEMPT TO PURCHASE, BY A PERSON OF A FIREARM, RIFLE, OR SHOTGUN FOR, ON BEHALF OF, OR FOR THE USE OF ANOTHER PERSON, KNOWING THAT IT WOULD BE UNLAWFUL FOR SUCH OTHER PERSON TO POSSESS SUCH FIREARM, RIFLE, OR SHOTGUN, OR AN ATTEMPT TO MAKE SUCH A PURCHASE.

10. "STRAW PURCHASER" MEANS A PERSON WHO, KNOWING THAT IT WOULD BE UNLAWFUL FOR ANOTHER PERSON TO POSSESS A FIREARM, RIFLE, OR SHOTGUN, PURCHASES OR ATTEMPTS TO PURCHASE A FIREARM, RIFLE, OR SHOTGUN FOR, ON BEHALF OF, OR FOR THE USE OF SUCH OTHER PERSON.

11. "SUPERINTENDENT" MEANS THE SUPERINTENDENT OF STATE POLICE.

S 901. REASONABLE MEASURES TO PREVENT SALES AND TRANSFERS TO CRIMINALS. EVERY DEALER SHALL ADOPT REASONABLE MEASURES TO PREVENT FIREARMS, RIFLES, AND SHOTGUNS FROM BEING DIVERTED FROM THE LEGAL STREAM OF COMMERCE, INTENTIONALLY OR OTHERWISE, FOR LATER SALE, TRANSFER, OR DISPOSAL TO INDIVIDUALS NOT LEGALLY ENTITLED TO PURCHASE OR POSSESS SUCH WEAPONS. SUCH MEASURES SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, PROGRAMS TO ELIMINATE SALES TO STRAW PURCHASERS AND TO OTHERWISE THWART ILLEGAL GUN TRAFFICKING. THE SUPERINTENDENT SHALL DEVELOP PROGRAMS DESIGNED TO ELIMINATE SALES TO STRAW PURCHASERS AND TO OTHERWISE THWART ILLEGAL GUN TRAFFICKING. WITHIN SIX MONTHS OF THE EFFECTIVE DATE OF THIS ARTICLE, THE SUPERINTENDENT SHALL SUBMIT A REPORT TO THE LEGISLATURE

1 DETAILING SUCH PROGRAMS, INCLUDING ESTABLISHING MINIMUM REQUIREMENTS FOR
2 SUCH PROGRAMS.

3 S 902. INSURANCE. EVERY DEALER SHALL CARRY INSURANCE COVERAGE AGAINST
4 LIABILITY FOR DAMAGE TO PROPERTY AND FOR INJURY TO OR DEATH OF ANY
5 PERSON AS A RESULT OF THE SALE, DELIVERY, LEASE, OR TRANSFER OF A
6 FIREARM, RIFLE, OR SHOTGUN IN AMOUNTS APPROPRIATE TO ITS LEVEL OF SALES,
7 BUT NO LESS THAN ONE MILLION DOLLARS FOR EACH INCIDENT OF DAMAGE, INJU-
8 RY, OR DEATH.

9 S 903. SECURITY. EVERY DEALER SHALL IMPLEMENT A SECURITY PLAN FOR
10 SECURING FIREARMS, RIFLES AND SHOTGUNS, INCLUDING FIREARMS, RIFLES AND
11 SHOTGUNS IN SHIPMENT. THE PLAN MUST SATISFY AT LEAST THE FOLLOWING
12 REQUIREMENTS:

13 1. DISPLAY CASES SHALL BE LOCKED AT ALL TIMES EXCEPT WHEN REMOVING A
14 SINGLE FIREARM, RIFLE OR SHOTGUN TO SHOW A CUSTOMER, AND CUSTOMERS SHALL
15 HANDLE FIREARMS, RIFLES OR SHOTGUNS ONLY UNDER THE DIRECT SUPERVISION OF
16 AN EMPLOYEE;

17 2. ALL FIREARMS, RIFLES AND SHOTGUNS SHALL BE SECURED, OTHER THAN
18 DURING BUSINESS HOURS, IN A LOCKED FIREPROOF SAFE OR VAULT IN THE
19 LICENSEE'S BUSINESS PREMISES OR IN A SIMILAR SECURED AND LOCKED AREA;
20 AND

21 3. AMMUNITION SHALL BE STORED SEPARATELY FROM THE FIREARMS, RIFLES AND
22 SHOTGUNS AND OUT OF REACH OF THE CUSTOMERS.

23 S 904. ACCESS TO FIREARMS, RIFLES, AND SHOTGUNS. EVERY RETAIL DEALER
24 SHALL EXCLUDE ALL PERSONS UNDER EIGHTEEN YEARS OF AGE FROM THOSE
25 PORTIONS OF ITS PREMISES WHERE FIREARMS, RIFLES, SHOTGUNS, OR AMMUNITION
26 ARE STOCKED OR SOLD, UNLESS SUCH PERSON IS ACCOMPANIED BY A PARENT OR
27 GUARDIAN.

28 S 905. LOCATION OF FIREARM, RIFLE, AND SHOTGUN SALES. EVERY DEALER
29 SHALL SELL OR OTHERWISE DISPOSE OF FIREARMS, RIFLES, AND SHOTGUNS ONLY
30 AT THE LOCATION LISTED ON THE DEALER'S FEDERAL FIREARMS LICENSE OR AT
31 GUN SHOWS.

32 S 906. EMPLOYEE TRAINING. EVERY RETAIL DEALER SHALL PROVIDE TRAINING
33 TO ALL EMPLOYEES AND OTHER PERSONNEL ENGAGED IN THE RETAIL SALE OF
34 FIREARMS, RIFLES, AND SHOTGUNS RELATING TO:

35 1. THE LAW GOVERNING FIREARM, RIFLE, AND SHOTGUN TRANSFERS BY FEDERAL
36 FIREARMS LICENSEES AND INDIVIDUALS;

37 2. HOW TO RECOGNIZE STRAW PURCHASES AND OTHER ATTEMPTS TO PURCHASE
38 FIREARMS, RIFLES, OR SHOTGUNS ILLEGALLY;

39 3. HOW TO TEACH CONSUMERS RULES OF GUN SAFETY, INCLUDING BUT NOT
40 LIMITED TO THE SAFE HANDLING AND STORAGE OF FIREARMS, RIFLES, AND SHOT-
41 GUNS; AND

42 4. HOW TO COMPLY WITH PROVISIONS OF SECTION NINE HUNDRED SEVEN OF THIS
43 ARTICLE.

44 NO EMPLOYEE OR AGENT OF ANY RETAIL DEALER SHALL PARTICIPATE IN THE
45 SALE OR DISPOSITION OF FIREARMS, RIFLES, OR SHOTGUNS UNLESS SUCH PERSON
46 IS AT LEAST TWENTY-ONE YEARS OF AGE AND HAS FIRST RECEIVED THE TRAINING
47 REQUIRED BY THIS SECTION. THE SUPERINTENDENT SHALL PROMULGATE REGU-
48 LATIONS SETTING FORTH MINIMUM REQUIREMENTS FOR THE MAINTENANCE OF
49 RECORDS OF SUCH TRAINING.

50 S 907. RETAIL SALES OF FIREARMS, RIFLES, AND SHOTGUNS. 1. NO RETAIL
51 DEALER SHALL SELL, DELIVER, LEASE, OR TRANSFER ANY FIREARM, RIFLE, OR
52 SHOTGUN TO ANY RETAIL CUSTOMER UNLESS SUCH RETAIL DEALER HAS: (A)
53 CONDUCTED THE REQUIRED NATIONAL INSTANT CRIMINAL BACKGROUND CHECK AND
54 COMPLIED WITH THE PROVISIONS OF 18 U.S.C. 922(T); (B) SHOWN THE TRANS-
55 FERE HOW TO LOAD AND UNLOAD THE FIREARM, RIFLE, OR SHOTGUN, HOW TO
56 ENGAGE AND DISENGAGE ALL SAFETY DEVICES, AND HOW TO SAFELY STORE THE

1 WEAPON; (C) PROVIDED THE TRANSFEREE WITH A GUN LOCKING DEVICE AS
2 REQUIRED BY SECTION THREE HUNDRED NINETY-SIX-EE OF THIS CHAPTER; (D)
3 PROVIDED THE TRANSFEREE WITH A COPY OF THE SAFE STORAGE WARNING NOTICE
4 SET FORTH IN SUBDIVISION TWO OF THIS SECTION AND A COPY OF THE FEDERAL
5 BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS DISPOSITION OF FIREARMS NOTICE;
6 (E) OBTAINED THE TRANSFEREE'S SIGNATURE ON A FORM PROMULGATED BY THE
7 SUPERINTENDENT CERTIFYING THAT THE TRANSFEREE HAS RECEIVED THE INSTRUC-
8 TION AND NOTICE REQUIRED BY THIS SECTION; AND (F) PROVIDED THE TRANSFER-
9 EE WITH A WRITTEN RECORD OF THE MAKE, MODEL, CALIBER OR GAUGE, AND SERI-
10 AL NUMBER OF EACH FIREARM, RIFLE, OR SHOTGUN TRANSFERRED TO ENABLE THE
11 TRANSFEREE TO ACCURATELY DESCRIBE THE WEAPON TO LAW ENFORCEMENT IN THE
12 EVENT THAT IT IS SUBSEQUENTLY LOST OR STOLEN.

13 2. NO RETAIL DEALER SHALL SELL, DELIVER, LEASE, OR TRANSFER ANY
14 FIREARM, RIFLE, OR SHOTGUN TO ANY PERSON UNLESS AT THE TIME OF SALE,
15 DELIVERY, LEASE, OR TRANSFER SUCH FIREARM, RIFLE, OR SHOTGUN IS ACCOMPA-
16 NIED BY THE FOLLOWING WARNING, WHICH SHALL APPEAR IN CONSPICUOUS AND
17 LEGIBLE TYPE IN CAPITAL LETTERS, AND WHICH SHALL BE PRINTED ON A LABEL
18 AFFIXED TO SUCH FIREARM, RIFLE, OR SHOTGUN AND PLACED IN THE CONTAINER
19 IN WHICH SUCH FIREARM, RIFLE, OR SHOTGUN IS SOLD, DELIVERED, LEASED OR
20 TRANSFERRED: "THE USE OF A LOCKING DEVICE OR SAFETY LOCK IS ONLY ONE
21 ASPECT OF RESPONSIBLE FIREARM STORAGE. FIREARMS SHOULD BE STORED AND
22 LOCKED IN A LOCATION THAT IS BOTH SEPARATE FROM THEIR AMMUNITION AND
23 INACCESSIBLE TO CHILDREN AND OTHER UNAUTHORIZED PERSONS. MORE THAN
24 200,000 FIREARMS LIKE THIS ONE ARE STOLEN FROM THEIR OWNERS EVERY YEAR
25 IN THE UNITED STATES. IN ADDITION, THERE ARE MORE THAN A THOUSAND
26 SUICIDES EACH YEAR BY YOUNGER CHILDREN AND TEENAGERS WHO GET ACCESS TO
27 FIREARMS. HUNDREDS MORE DIE FROM ACCIDENTAL DISCHARGE. IT IS LIKELY THAT
28 MANY MORE CHILDREN SUSTAIN SERIOUS WOUNDS, OR INFLICT SUCH WOUNDS ACCI-
29 DENTALLY ON OTHERS. IN ORDER TO LIMIT THE CHANCE OF SUCH MISUSE, IT IS
30 IMPERATIVE THAT YOU KEEP THIS WEAPON LOCKED IN A SECURE PLACE AND TAKE
31 OTHER STEPS NECESSARY TO LIMIT THE POSSIBILITY OF THEFT OR ACCIDENT.
32 FAILURE TO TAKE REASONABLE PREVENTIVE STEPS MAY RESULT IN INNOCENT LIVES
33 BEING LOST, AND IN SOME CIRCUMSTANCES MAY RESULT IN YOUR LIABILITY."

34 S 908. MAINTENANCE OF RECORDS. EVERY DEALER SHALL ESTABLISH AND MAIN-
35 TAIN SUCH PURCHASE, SALE, INVENTORY, AND OTHER RECORDS AT THE DEALER'S
36 PLACE OF BUSINESS IN SUCH FORM AND FOR SUCH PERIOD AS THE SUPERINTENDENT
37 SHALL REQUIRE, AND SHALL AT A MINIMUM INCLUDE THE FOLLOWING:

38 1. EVERY DEALER SHALL RECORD THE MAKE, MODEL, CALIBER OR GAUGE, AND
39 SERIAL NUMBER OF ALL FIREARMS, RIFLES, AND SHOTGUNS THAT ARE ACQUIRED OR
40 DISPOSED OF NOT LATER THAN ONE BUSINESS DAY AFTER THEIR ACQUISITION OR
41 DISPOSITION. MONTHLY BACKUPS OF THESE RECORDS SHALL BE MAINTAINED IN A
42 SECURE CONTAINER DESIGNED TO PREVENT LOSS BY FIRE, THEFT, OR OTHER
43 MISHAP;

44 2. ALL FIREARMS, RIFLES, AND SHOTGUNS ACQUIRED BUT NOT YET DISPOSED OF
45 MUST BE ACCOUNTED FOR THROUGH AN INVENTORY CHECK PREPARED ONCE EACH
46 MONTH AND MAINTAINED IN A SECURE LOCATION;

47 3. FIREARM, RIFLE, AND SHOTGUN SALES INFORMATION, INCLUDING THE SERIAL
48 NUMBERS OF FIREARMS, RIFLES, AND SHOTGUNS SOLD, DATES OF SALE, AND IDEN-
49 TITY OF PURCHASERS, SHALL BE MAINTAINED AND MADE AVAILABLE TO GOVERNMENT
50 LAW ENFORCEMENT AGENCIES AND TO THE MANUFACTURER OF THE WEAPON OR ITS
51 DESIGNEE; AND

52 4. EVERY DEALER SHALL MAINTAIN RECORDS OF CRIMINAL FIREARM, RIFLE, AND
53 SHOTGUN TRACES INITIATED BY THE FEDERAL BUREAU OF ALCOHOL, TOBACCO,
54 FIREARMS AND EXPLOSIVES ("ATF"). ALL ATF FORM 4473 TRANSACTION RECORDS
55 SHALL BE RETAINED ON THE DEALER'S BUSINESS PREMISES IN A SECURE CONTAIN-
56 ER DESIGNED TO PREVENT LOSS BY FIRE, THEFT, OR OTHER MISHAP.

S 909. COOPERATION WITH LAW ENFORCEMENT. EVERY DEALER SHALL:

1. PROVIDE GOVERNMENT LAW ENFORCEMENT AGENCIES WITH FULL ACCESS TO ANY DOCUMENTS RELATED TO THE ACQUISITION AND DISPOSITION OF FIREARMS OR EMPLOYEE TRAINING DEEMED NECESSARY BY SUCH AGENCY;

2. PARTICIPATE IN AND COMPLY WITH ALL MONITORING OF FIREARM, RIFLE, AND SHOTGUN DISTRIBUTION BY MANUFACTURERS OR GOVERNMENT LAW ENFORCEMENT AGENCIES;

3. REPORT ALL ATF TRACE REQUESTS BY MAKE, MODEL, AND SERIAL NUMBER OF FIREARM, DATE OF TRACE, AND DATE OF SALE TO THE MANUFACTURER OF THE FIREARM, RIFLE, OR SHOTGUN ON A MONTHLY BASIS, UNLESS ATF DIRECTS THE LICENSEE NOT TO REPORT CERTAIN TRACES, AND ALSO REPORT SUCH TRACES TO THE SUPERINTENDENT FOR USE IN CONJUNCTION WITH THE CRIMINAL GUN CLEARINGHOUSE ESTABLISHED PURSUANT TO SECTION TWO HUNDRED THIRTY OF THE EXECUTIVE LAW;

4. ANALYZE ALL ATF TRACE REQUESTS TO DETERMINE WHETHER THERE IS A PATTERN OF FIREARMS, RIFLES, OR SHOTGUNS SOLD BY THE DEALER BEING USED FOR CRIMINAL PURPOSES, AND, IF SUCH PATTERN EXISTS, TAKE CORRECTIVE ACTION AND REPORT SUCH FINDINGS AND SUCH CORRECTIVE ACTION TO THE SUPERINTENDENT; AND

5. REPORT ANY FIREARM, RIFLE, OR SHOTGUN SALES THAT APPEAR TO BE STRAW PURCHASES OR OTHERWISE CREATE A REASONABLE SUSPICION THAT THE FIREARM, RIFLE, OR SHOTGUN MAY BE DIVERTED FROM THE LEGAL STREAM OF COMMERCE.

S 910. INTERNAL COMPLIANCE AND CERTIFICATION. 1. EVERY DEALER SHALL:

(A) IMPLEMENT AND MAINTAIN SUFFICIENT INTERNAL COMPLIANCE PROCEDURES TO ENSURE COMPLIANCE WITH THE REQUIREMENTS OF THIS ARTICLE AND ALL APPLICABLE FEDERAL, STATE, AND LOCAL LAWS AND REGULATIONS GOVERNING THE SALE, TRANSFER, AND DISPOSAL OF FIREARMS, RIFLES, AND SHOTGUNS; AND

(B) ANNUALLY CERTIFY TO THE SUPERINTENDENT THAT SUCH DEALER HAS COMPLIED WITH ALL OF THE REQUIREMENTS OF THIS ARTICLE. THE SUPERINTENDENT SHALL BY REGULATION DETERMINE THE FORM AND CONTENT OF SUCH ANNUAL CERTIFICATION.

2. THE SUPERINTENDENT OF STATE POLICE SHALL PROMULGATE REGULATIONS ESTABLISHING PERIODIC INSPECTIONS, DURING REGULAR AND USUAL BUSINESS HOURS, BY THE DIVISION OF STATE POLICE OF THE PREMISES OF EVERY DEALER TO DETERMINE COMPLIANCE BY SUCH DEALER WITH THE REQUIREMENTS OF THIS ARTICLE. EVERY DEALER SHALL PROVIDE THE DIVISION OF STATE POLICE WITH FULL ACCESS TO SUCH DEALER'S PREMISES FOR SUCH INSPECTIONS.

S 911. RULES AND REGULATIONS. THE SUPERINTENDENT MAY PROMULGATE SUCH ADDITIONAL RULES AND REGULATIONS AS THE SUPERINTENDENT SHALL DEEM NECESSARY TO PREVENT FIREARMS, RIFLES, AND SHOTGUNS FROM BEING DIVERTED FROM THE LEGAL STREAM OF COMMERCE.

S 912. VIOLATIONS. ANY PERSON, FIRM, OR CORPORATION WHO KNOWINGLY VIOLATES ANY PROVISION OF THIS ARTICLE SHALL BE GUILTY OF A CLASS A MISDEMEANOR PUNISHABLE AS PROVIDED FOR IN THE PENAL LAW, AND SHALL BE GUILTY OF A CLASS E FELONY FOR A SECOND VIOLATION OCCURRING WITHIN FIVE YEARS OF A PRIOR CONVICTION FOR A VIOLATION OF ANY PROVISION OF THIS ARTICLE.

S 3. Subdivision 1 of section 396-ee of the general business law, as added by chapter 189 of the laws of 2000, is amended to read as follows:

(1) No person, firm or corporation engaged in the retail business of selling rifles, shotguns or firearms, as such terms are defined in section 265.00 of the penal law, shall sell, deliver or transfer any such rifle, shotgun or firearm to another person unless the transferee is provided at the time of sale, delivery or transfer with a gun locking device and a label containing the quoted language specified in subdivision two of [this] section [is either] NINE HUNDRED SEVEN OF THIS CHAP-

1 TER, WHICH SHALL APPEAR IN CONSPICUOUS AND LEGIBLE TYPE IN CAPITAL
2 LETTERS, AND SHALL BE affixed to such rifle, shotgun or firearm [or] AND
3 placed in the container in which such rifle, shotgun or firearm is sold,
4 delivered or transferred. For the purposes of this section, the term
5 "gun locking device" shall mean an integrated design feature or an
6 attachable accessory that is resistant to tampering and is effective in
7 preventing the discharge of such rifle, shotgun or firearm by a person
8 who does not have access to the key, combination or other mechanism used
9 to disengage the device. The division of state police shall develop and
10 promulgate rules and regulations setting forth the specific devices or
11 the minimum standards and criteria therefor which constitute an effective gun locking device.

13 S 4. Subdivision 1 of section 400.00 of the penal law, as amended by
14 chapter 189 of the laws of 2000, is amended to read as follows:

15 1. Eligibility. No license shall be issued or renewed pursuant to this
16 section except by the licensing officer, and then only after investigation and finding that all statements in a proper application for a
17 license are true. No license shall be issued or renewed except for an
18 applicant (a) twenty-one years of age or older, provided, however, that
19 where such applicant has been honorably discharged from the United
20 States army, navy, marine corps, air force or coast guard, or the
21 national guard of the state of New York, no such age restriction shall
22 apply; (b) of good moral character; (c) who has not been convicted
23 anywhere of a felony or a serious offense; (d) who has stated whether he
24 or she has ever suffered any mental illness or been confined to any
25 hospital or institution, public or private, for mental illness; (e) who
26 has not had a license revoked or who is not under a suspension or ineligibility order issued pursuant to the provisions of section 530.14 of
27 the criminal procedure law or section eight hundred forty-two-a of the
28 family court act; (f) in the county of Westchester, who has successfully
29 completed a firearms safety course and test as evidenced by a certificate of completion issued in his or her name and endorsed and affirmed
30 under the penalties of perjury by a duly authorized instructor, except
31 that: (i) persons who are honorably discharged from the United States
32 army, navy, marine corps or coast guard, or of the national guard of the
33 state of New York, and produce evidence of official qualification in
34 firearms during the term of service are not required to have completed
35 those hours of a firearms safety course pertaining to the safe use,
36 carrying, possession, maintenance and storage of a firearm; and (ii)
37 persons who were licensed to possess a pistol or revolver prior to the
38 effective date of this paragraph are not required to have completed a
39 firearms safety course and test; and (g) concerning whom no good cause
40 exists for the denial of the license. No person shall engage in the
41 business of gunsmith or dealer in firearms unless licensed pursuant to
42 this section, AND NO PERSON SHALL ENGAGE IN THE BUSINESS OF DEALER IN
43 FIREARMS UNLESS SUCH PERSON COMPLIES WITH THE PROVISIONS OF ARTICLES
44 THIRTY-NINE-DD AND FORTY OF THE GENERAL BUSINESS LAW. An applicant to
45 engage in such business shall also be a citizen of the United States,
46 more than twenty-one years of age and maintain a place of business in
47 the city or county where the license is issued. For such business, if
48 the applicant is a firm or partnership, each member thereof shall comply
49 with all of the requirements set forth in this subdivision and if the
50 applicant is a corporation, each officer thereof shall so comply.

51 S 5. Subdivisions 11 and 12 of section 400.00 of the penal law, subdivision
52 11 as amended by chapter 210 of the laws of 1999 and subdivision

1 12 as amended by chapter 449 of the laws of 1993, are amended to read as
2 follows:

3 11. License: revocation and suspension. The conviction of a licensee
4 anywhere of a felony or serious offense shall operate as a revocation of
5 the license. A license may be revoked or suspended as provided for in
6 section 530.14 of the criminal procedure law or section eight hundred
7 forty-two-a of the family court act. Except for a license issued pursu-
8 ant to section 400.01 of this article, a license may be revoked and
9 cancelled at any time in the city of New York, and in the counties of
10 Nassau and Suffolk, by the licensing officer, and elsewhere than in the
11 city of New York by any judge or justice of a court of record; a license
12 issued pursuant to section 400.01 of this article may be revoked and
13 cancelled at any time by the licensing officer or any judge or justice
14 of a court of record. A LICENSE TO ENGAGE IN THE BUSINESS OF DEALER MAY
15 BE REVOKED OR SUSPENDED FOR ANY VIOLATION OF THE PROVISIONS OF ARTICLE
16 THIRTY-NINE-DD OR FORTY OF THE GENERAL BUSINESS LAW. The official revok-
17 ing a license shall give written notice thereof without unnecessary
18 delay to the executive department, division of state police, Albany, and
19 shall also notify immediately the duly constituted police authorities of
20 the locality.

21 12. Records required of gunsmiths and dealers in firearms. [Any] IN
22 ADDITION TO THE REQUIREMENTS SET FORTH IN ARTICLES THIRTY-NINE-DD AND
23 FORTY OF THE GENERAL BUSINESS LAW, ANY person licensed as gunsmith or
24 dealer in firearms shall keep a record book approved as to form, except
25 in the city of New York, by the superintendent of state police. In the
26 record book shall be entered at the time of every transaction involving
27 a firearm the date, name, age, occupation and residence of any person
28 from whom a firearm is received or to whom a firearm is delivered, and
29 the calibre, make, model, manufacturer's name and serial number, or if
30 none, any other distinguishing number or identification mark on such
31 firearm. Before delivering a firearm to any person, the licensee shall
32 require him to produce either a license valid under this section to
33 carry or possess the same, or proof of lawful authority as an exempt
34 person pursuant to section 265.20 OF THIS CHAPTER. In addition, before
35 delivering a firearm to a peace officer, the licensee shall verify that
36 person's status as a peace officer with the division of state police.
37 After completing the foregoing, the licensee shall remove and retain the
38 attached coupon and enter in the record book the date of such license,
39 number, if any, and name of the licensing officer, in the case of the
40 holder of a license to carry or possess, or the shield or other number,
41 if any, assignment and department, unit or agency, in the case of an
42 exempt person. The original transaction report shall be forwarded to the
43 division of state police within ten days of delivering a firearm to any
44 person, and a duplicate copy shall be kept by the licensee. The record
45 book shall be maintained on the premises mentioned and described in the
46 license and shall be open at all reasonable hours for inspection by any
47 peace officer, acting pursuant to his special duties, or police officer.
48 In the event of cancellation or revocation of the license for gunsmith
49 or dealer in firearms, or discontinuance of business by a licensee, such
50 record book shall be immediately surrendered to the licensing officer in
51 the city of New York, and in the counties of Nassau and Suffolk, and
52 elsewhere in the state to the executive department, division of state
53 police.

54 S 6. Severability. If any clause, sentence, paragraph, section or part
55 of this act shall be adjudged by any court of competent jurisdiction to
56 be invalid, such judgment shall not affect, impair or invalidate the

1 remainder thereof, but shall be confined in its operation to the clause,
2 sentence, paragraph, section or part thereof directly involved in the
3 controversy in which such judgment shall have been rendered.

4 S 7. This act shall take effect on the ninetieth day after it shall
5 have become a law; provided that the superintendent of the division of
6 state police is authorized and directed to immediately adopt, amend, and
7 promulgate such rules and regulations as may be necessary and desirable
8 to effectuate the purposes of section two of this act.