

# STATE OF NEW YORK

2673

2017-2018 Regular Sessions

## IN SENATE

January 17, 2017

Introduced by Sens. GIANARIS, ADDABBO, AVELLA, BRESLIN, KRUEGER, MONTGOMERY, PERKINS, RIVERA, SERRANO, SQUADRON, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to regulating firearms and ammunition sellers

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general business law is amended by adding a new article 38-B to read as follows:

### ARTICLE 38-B

#### FIREARMS AND AMMUNITION DEALERS

##### Section 825. Definitions.

826. Dealer permit.

827. Application for dealer permit.

828. Investigation by division.

829. Grounds for denial of permit.

830. Issuance of dealer permit.

831. Revocation.

832. Report of revocation.

833. Display of dealer permit.

834. Inspection.

835. Security.

836. Insurance.

837. Location of business.

838. Public warning.

839. Duties upon sale, lease or transfer.

840. Sales records and reporting.

841. Firearms acquisition records and reporting.

842. Inventory reports.

843. Lost or stolen ammunition reporting.

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

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1       844. Restricted admittance.

2       845. Criminal penalty.

3       § 825. Definitions. As used in this article:

4       1. "Applicant" means any person who applies for a dealer permit or the  
5 renewal thereof, to sell, lease or transfer firearms or ammunition.

6       2. "Commissioner" means the commissioner of criminal justice services.

7       3. "Division" means the division of criminal justice services.

8       4. "Engage in the business of selling, leasing or transferring  
9 firearms or ammunition" means:

10       (a) conducting the business of selling, leasing or transferring  
11 firearms or ammunition;

12       (b) holding oneself out as engaged in the business of selling, leasing  
13 or transferring firearms or ammunition; or

14       (c) the sale, lease or transfer of firearms or ammunition in quantity,  
15 in series, in individual transactions.

16       5. "Firearm" has the same meaning as that term is defined in subdivi-  
17 sion three of section 265.00 of the penal law.

18       § 826. Dealer permit. No person shall engage in the business of sell-  
19 ing, leasing or transferring firearms or ammunition without a dealer  
20 permit issued pursuant to this article.

21       § 827. Application for dealer permit. 1. A person who is required to  
22 obtain a dealer permit pursuant to this article shall:

23       (a) appear in person at a time and place designated by the commission-  
24 er;

25       (b) complete and submit to the division an application, in writing,  
26 signed under penalty of perjury, on a form prescribed by the commission-  
27 er;

28       (c) provide all information required by the commissioner, including:

29       (i) the applicant's full name and any other name by which the appli-  
30 cant has ever been known;

31       (ii) the home address and telephone number of the applicant;

32       (iii) the occupation, business address and business telephone number  
33 of the applicant;

34       (iv) the license and permit numbers of all federal, state and local  
35 licenses and permits held by the applicant that authorize the applicant  
36 to sell, lease or transfer firearms or ammunition, if any;

37       (v) such information as may be required by the commissioner relating  
38 to every other license or permit to sell, lease, transfer, purchase or  
39 possess firearms and ammunition which is held by or was sought by the  
40 applicant from the federal, or any state or local government, including,  
41 but not limited to, the type of license or permit held or sought, the  
42 date of each application and whether it resulted in the issuance of the  
43 license or permit, and the date and circumstances of any revocation or  
44 suspension;

45       (vi) the address of the location for which the permit is sought, if  
46 different than the applicant's business address;

47       (vii) the business name, and the name of any person, corporation,  
48 partnership, limited liability company or other entity that has any  
49 ownership in or control over the business;

50       (viii) the names, dates of birth and addresses of all persons who will  
51 have access to or control of workplace firearms or ammunition, including  
52 but not limited to, the applicant's employees, agents and supervisors,  
53 if any;

54       (ix) proof of a possessory interest in the property at which the busi-  
55 ness is or will be conducted, as owner, lessee or other legal occupant,  
56 and, if the applicant is not the owner of record of the real property

1 upon which the applicant's business is or is to be located and  
2 conducted, the written consent of the owner of record of such real prop-  
3 erty to the applicant's business;

4 (x) a floor plan of the business which illustrates the applicant's  
5 compliance with security requirements of this article;

6 (xi) proof of compliance with all applicable federal, state and local  
7 licensing, zoning, land use and other business laws;

8 (xii) certification of satisfaction of the insurance requirements of  
9 this article; and

10 (xiii) the dates, locations and nature of all criminal convictions of  
11 the applicant, if any, in any jurisdiction in the United States.

12 2. The division may impose a fee for the submission of an application  
13 pursuant to this section.

14 § 828. Investigation by division. 1. The division shall conduct an  
15 investigation of the applicant to determine whether a dealer permit may  
16 be issued or renewed. The division shall require: (a) the applicant; and  
17 (b) all persons who will have access to or control of workplace firearms  
18 or ammunition, including but not limited to the applicant's employees,  
19 agents and/or supervisors, if any, to provide fingerprints, a recent  
20 photograph, a signed authorization for the release of pertinent records,  
21 and any additional information which the commissioner deems necessary to  
22 complete the investigation.

23 2. Prior to issuance or renewal of a dealer permit, the division shall  
24 inspect the premises of the applicant business to ensure compliance with  
25 this article.

26 3. The division may grant or renew a dealer permit if the applicant is  
27 in compliance with the provisions of this article and all other applica-  
28 ble federal, state and local laws.

29 § 829. Grounds for denial of permit. 1. The division shall deny an  
30 application for the issuance or renewal of a dealer permit if the opera-  
31 tion of the business would not or does not comply with federal, state  
32 and local laws, or if the applicant:

33 (a) is under twenty-one years of age;

34 (b) is not licensed as required by all applicable federal, state and  
35 local laws;

36 (c) has made a false or misleading statement of a material fact or  
37 omission of a material fact in the application for such permit, or in  
38 any other documents submitted to the division. If a permit is denied on  
39 this ground, the applicant is prohibited from reapplying for a permit  
40 for a period of five years;

41 (d) has had a license or permit to sell, lease, transfer, purchase or  
42 possess firearms or ammunition from the federal or any state or local  
43 government revoked, suspended or denied for good cause within the  
44 preceding five years;

45 (e) is prohibited by any federal, state or local law from purchasing  
46 or possessing firearms or ammunition, or has been convicted of:

47 (i) a crime relating to the manufacture, sale, possession or use of a  
48 firearm, rifle, shotgun, dangerous deadly weapon or ammunition;

49 (ii) a crime involving the use of force or violence upon the person of  
50 another;

51 (iii) a crime involving theft, fraud, dishonesty or deceit; or

52 (iv) a crime involving the sale or possession of a controlled  
53 substance; or

54 (f) is currently or has been within the preceding five years, an  
55 unlawful user of or addicted to a controlled substance.

2. The employees, agents and supervisors of an applicant shall not have access to or control over workplace firearms or ammunition until the division has conducted an investigation pursuant to section eight hundred twenty-eight of this article, and verified that none of the conditions listed in subdivision one of this section exist, as applied to those employees, agents or supervisors. A new law enforcement investigation and background verification of such persons must be conducted each time the applicant renews his or her permit, or applies for a new permit.

§ 830. Issuance of dealer permit. A dealer permit shall be valid for a period of three years from the date of its issuance. A permit may be renewed prior to its expiration if the permittee submits a timely application for renewal, accompanied by a nonrefundable renewal fee established by the commissioner. Renewal of a permit shall be contingent upon the permittee's compliance with the terms and conditions of the original application and permit and any additional conditions arising pursuant to law. Any police officer may inspect the business premises for compliance with the provisions of this article prior to renewal of the permit. The renewal application and the renewal fee must be received by the division no later than forty-five days before the expiration of the current permit.

§ 831. Revocation. The division may revoke the dealer permit of any permittee found to be in violation of any provision of this article, or any applicable federal, state or local law.

§ 832. Report of revocation. In addition to any other penalty or remedy, the division shall report the revocation of any dealer permit to the Bureau of Alcohol, Tobacco, Firearms and Explosives.

§ 833. Display of dealer permit. The dealer permit of a permitted business shall be conspicuously displayed upon the premises of such business in a location visible to the public.

§ 834. Inspection. Permitted places of business shall be open for inspection by any police officer during all hours of operation. The division shall conduct an inspection of the business in connection with the initial issuance of a permit, and thereafter conduct an inspection in connection with each renewal of the permit. Permittees shall maintain all records, documents, firearms and ammunition in a manner and place accessible for inspection by law enforcement officers.

§ 835. Security. 1. All firearms and ammunition in the inventory of a permittee shall be kept at the permitted business location.

2. If the business location is to be used at least in part for the sale of firearms, all perimeter doorways, windows, and heating, ventilating, air-conditioning and service openings shall be secured in a manner prescribed by the commissioner.

3. Any time a permitted business location is not open to the public, every firearm shall be stored in one of the following ways:

(a) in a locked fireproof safe or vault in the permittee's business premises that meets Underwriters Laboratories Residential Security Container rating standards by a Nationally Recognized Testing Laboratory; or

(b) secured with a hardened steel rod or cable of at least one-fourth inch in diameter through the trigger guard of the firearm. No more than five firearms may be affixed to any one rod or cable at any time.

4. Any time a permitted business location is open to the public, all firearms shall be kept unloaded and all firearms and ammunition shall be kept in an area of the permitted business inaccessible to the public,

1 except when in the immediate presence of and under the direct super-  
2 vision of the permittee or his or her employees.

3 5. The permitted business locations shall be secured by an alarm  
4 system that is installed and maintained by an alarm company operator  
5 properly licensed pursuant to law. The alarm system must be monitored by  
6 a central station listed by Underwriters Laboratories, Inc., and covered  
7 by an active Underwriters Laboratories, Inc. alarm system certificate  
8 with a #3 extent of protection.

9 6. Each permitted business location shall be equipped with a video  
10 surveillance system sufficient to monitor the critical areas of the  
11 business premises including, but not limited to, all places where  
12 firearms or ammunition are stored, handled, sold, transferred or  
13 carried. The video surveillance system shall operate continuously, with-  
14 out interruption, whenever the permitted business location is open to  
15 the public. Whenever the permitted business location is not open to the  
16 public, the system shall be triggered by a motion detector and begin  
17 recording immediately upon detection of any motion within the monitored  
18 area. In addition, the sale or transfer of a firearm or ammunition shall  
19 be recorded by the video surveillance system in such a way that the  
20 facial features of the purchaser or transferee are clearly visible. The  
21 stored images shall be maintained at the permitted business location for  
22 a period not less than one year from the date of recordation, and shall  
23 be made available for inspection by a police officer upon request. The  
24 permittee shall post a sign in a conspicuous place at each entrance to  
25 the premises that states in block letters not less than one inch in  
26 height: "THESE PREMISES ARE UNDER VIDEO SURVEILLANCE. YOUR IMAGE MAY BE  
27 RECORDED."

28 § 836. Insurance. 1. If a business location is to be used for the sale  
29 of firearms, no dealer permit shall be issued or renewed unless there is  
30 in effect a policy of insurance in a form approved by the department of  
31 financial services and executed by an insurance company approved by such  
32 department, insuring the applicant against liability for damage to prop-  
33 erty and for injury to, or death of, any person as a result of the  
34 theft, sale, lease or transfer or offering for sale, lease or transfer  
35 of a firearm or ammunition, or any other operations of the business.  
36 The limits of liability shall not be less than one million dollars for  
37 each incident of damage to property or incident of injury or death to a  
38 person; provided, however, that increased limits of liability may be  
39 required by the division if deemed necessary.

40 2. The policy of insurance shall contain an endorsement providing that  
41 the policy shall not be cancelled until written notice has been given to  
42 the division at least thirty days prior to the time the cancellation  
43 becomes effective.

44 3. Upon expiration of the policy of insurance, and if no additional  
45 insurance is obtained, the dealer permit shall be considered revoked  
46 without further notice.

47 § 837. Location of business. 1. The permitted business shall be  
48 carried on only in the building located at the street address shown on  
49 the permit. This requirement shall not prohibit the permittee from  
50 participating in a gun show or event as defined under federal law that  
51 is authorized by federal, state or local law upon compliance with those  
52 laws.

53 2. The permitted business premises shall not be located in any  
54 district or area that is zoned for residential use, or within fifteen  
55 hundred feet of any school, pre-school, day-care facility, park, commu-  
56 nity center, place of worship, liquor store, bar, youth center, video

1 arcade, amusement park (not including a temporary carnival or similar  
2 event), or residentially zoned district or area.

3 § 838. Public warning. Each permittee shall post conspicuously within  
4 the permitted premises the following warning in block letters not less  
5 than one inch in height: "CHILDREN ARE ATTRACTED TO AND CAN OPERATE  
6 FIREARMS THAT MAY CAUSE SEVERE INJURIES OR DEATH. PREVENT CHILD ACCESS  
7 BY ALWAYS KEEPING GUNS LOCKED AWAY AND UNLOADED WHEN NOT IN USE, WITH  
8 AMMUNITION STORED SEPARATELY."

9 § 839. Duties upon sale, lease or transfer. 1. No permittee or agent,  
10 employee or other person acting under the permittee's authority shall  
11 sell, transfer, lease or loan any firearm or ammunition from the  
12 permittee's inventory until he or she has viewed the transferee's driv-  
13 er's license or other government-issued identification card that  
14 contains the transferee's signature, photograph and age.

15 2. No permittee or agent, employee or other person acting under the  
16 permittee's authority shall sell, transfer, lease or loan any firearm or  
17 ammunition to any person the permittee or agent, employee or other  
18 person acting under the permittee's authority knows or has reasonable  
19 cause to believe is prohibited by federal, state or local law from  
20 purchasing or possessing the firearm or ammunition.

21 § 840. Sales records and reporting. 1. No permittee or agent, employee  
22 or other person acting under the permittee's authority shall sell,  
23 transfer, lease or loan any firearm or ammunition from the permittee's  
24 inventory without recording the following information in written or  
25 electronic form to be provided by the division:

26 (a) the date of the transaction;

27 (b) the name, address, telephone number and date of birth of the  
28 transferee;

29 (c) the number of the transferee's current driver's license or other  
30 government-issued identification card containing a photograph of the  
31 transferee and the name of the governmental authority that issued it;

32 (d) the make, model, caliber and serial number of any firearm trans-  
33 ferred, and the brand, type, caliber or gauge, and quantity of any ammu-  
34 nition transferred;

35 (e) the transferee's signature; and

36 (f) the name of the permittee's agent or employee who processed the  
37 transaction.

38 2. The permittee and any agent, employee or other person acting under  
39 the permittee's authority shall also, at the time of purchase or trans-  
40 fer, obtain the right thumbprint of the transferee on the form described  
41 in subdivision one of this section.

42 3. Within twenty-four hours of a transfer, the permittee or any  
43 agents, employees or other persons acting under the permittee's authori-  
44 ty shall electronically transmit to the division all such information.  
45 The electronic transmittal shall be by a method, and in a format,  
46 approved by the division. The division shall maintain such records for  
47 at least ten years.

48 4. The records created in accordance with this section must be perma-  
49 nently maintained on the business premises of the permittee and shall be  
50 made available for inspection by any police officer upon request.

51 § 841. Firearms acquisition records and reporting. 1. The permittee or  
52 an agent, employee or other person acting under the permittee's authori-  
53 ty shall record the following information regarding every firearm  
54 received or acquired for the permittee's inventory on a form to be  
55 established by the division:

56 (a) the name of the permittee;



1 (b) the particular make, model, caliber and serial number of each  
2 firearm received or acquired;

3 (c) the date each firearm was received or acquired; and

4 (d) the name, address and telephone number of the person from whom  
5 each firearm was received or acquired.

6 2. Within twenty-four hours of the receipt or acquisition of any  
7 firearm, the permittee and any agents, employees or other persons acting  
8 under the permittee's authority shall electronically transmit to the  
9 division all of the information required by this section. The electronic  
10 transmittal shall be by a method, and in a format, established by the  
11 division. The division shall maintain these records for at least ten  
12 years.

13 3. The records created in accordance with this section must be perma-  
14 nently maintained on the business premises of the permittee and shall be  
15 made available for inspection by any police officer upon request.

16 § 842. Inventory reports. Within the first five business days of April  
17 and October of each calendar year, each permittee shall cause a physical  
18 inventory to be taken that includes a listing of each firearm held by  
19 the permittee by make, model, caliber and serial number, together with a  
20 listing of each firearm the permittee has sold since the last inventory  
21 period. In addition, the inventory shall include a listing of each  
22 firearm lost or stolen since the last inventory period. Immediately upon  
23 completion of the inventory, the permittee shall forward a copy of the  
24 inventory to the address specified by the division, by such means as  
25 specified by the division. The division shall maintain a copy of the  
26 inventory for at least ten years. With each copy of the inventory, the  
27 permittee shall include an affidavit signed by an authorized agent or  
28 employee on behalf of the permittee under penalty of perjury stating  
29 that within the first five business days of that April or October, as  
30 the case may be, the signer personally confirmed the presence of the  
31 firearms reported on the inventory. The permittee shall maintain a copy  
32 of the inventory on the premises for which the dealer permit was issued  
33 for a period of not less than five years from the date of the inventory  
34 and shall make the copy available for inspection by any police officer  
35 upon request.

36 § 843. Lost or stolen ammunition reporting. A permittee shall report  
37 to the division the loss or theft of any quantity of ammunition from the  
38 permitted premises within forty-eight hours after he or she knows or  
39 reasonably should have known of such loss or theft.

40 § 844. Restricted admittance. 1. Where firearm sales activity is the  
41 primary business performed at the permitted business location, no  
42 permittee or any of his or her agents, employees or other persons acting  
43 under the permittee's authority shall allow any person under the age of  
44 twenty-one years to enter into or remain on the premises, unless accom-  
45 panied by his or her parent or legal guardian, provided that this  
46 provision shall not prevent a supervisory agent or employee who has the  
47 right to control activities at the business premises from keeping a  
48 single handgun on the business premises for purpose of lawful self-de-  
49 fense.

50 2. Where firearm sales activity is the primary business performed at  
51 the permitted business location, the permittee and any of his or her  
52 agents, employees or other persons acting under the permittee's authori-  
53 ty shall be responsible for requiring clear evidence of age and identity  
54 of persons to prevent the entry of persons not permitted to enter the  
55 premises pursuant to subdivision one of this section by reason of age.  
56 Clear evidence of age and identity shall be a current driver's license

1 or other government-issued identification card containing the bearer's  
2 signature, photograph and date of birth.

3 3. Each permittee shall post the following notice conspicuously at  
4 each entrance to the permitted business location in block letters not  
5 less than one inch in height, "FIREARMS ARE KEPT, DISPLAYED OR OFFERED  
6 FOR SALE ON THE PREMISES, AND PERSONS UNDER THE AGE OF 21 ARE EXCLUDED  
7 UNLESS ACCOMPANIED BY A PARENT OR LEGAL GUARDIAN."

8 4. Where firearm sales activity is the primary business performed at  
9 the permitted business location, no permittee or any of his or her  
10 agents, employees or other persons acting under the permittee's authori-  
11 ty shall allow any person to enter into or remain on the premises who  
12 the permittee or any of his or her agents, employees or other persons  
13 acting under the permittee's authority knows or has reason to know is  
14 prohibited from possession or purchasing firearms, rifles, shotguns or  
15 ammunition pursuant to federal, state or local law.

16 § 845. Criminal penalty. Any violation of this article shall be a  
17 class A misdemeanor.

18 § 2. This act shall take effect on the first of January next succeed-  
19 ing the date on which it shall have become a law; provided, however,  
20 that the provisions of this act shall not apply to any person engaged in  
21 the business of selling, leasing or transferring firearms or ammunition  
22 on the effective date of this act, until the ninetieth day after such  
23 date.