

115TH CONGRESS
2D SESSION

H. R. 7027

To improve the procedures of the national instant criminal background check system in the case of firearm transfers by federally licensed firearms importers, manufacturers, and dealers before the completion of the related criminal background check, and to provide for annual reports on default firearm transfers.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2018

Mr. SCHNEIDER introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To improve the procedures of the national instant criminal background check system in the case of firearm transfers by federally licensed firearms importers, manufacturers, and dealers before the completion of the related criminal background check, and to provide for annual reports on default firearm transfers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Default Proceed Sale
5 Transparency Act”.

1 **SEC. 2. IMPROVEMENT OF NICS PROCEDURES IN THE CASE**
2 **OF DEFAULT FIREARM TRANSFERS.**

3 (a) REQUIREMENT THAT FEDERALLY LICENSED
4 FIREARM IMPORTERS, MANUFACTURERS, AND DEALERS
5 REPORT DEFAULT FIREARM TRANSFERS.—Section
6 922(t) of title 18, United States Code, is amended by add-
7 ing at the end the following:

8 “(7) A licensed importer, licensed manufacturer, or
9 licensed dealer who transfers a firearm in compliance with
10 paragraph (1), but before the national instant criminal
11 background check system provides the licensee with a
12 unique identification number, shall immediately report the
13 transfer to the Federal Bureau of Investigation. If a State
14 or local law enforcement authority is conducting the re-
15 lated background check, the Federal Bureau of Investiga-
16 tion shall transmit the report to that authority.”.

17 (b) PRIORITIZATION OF NICS BACKGROUND CHECKS
18 RELATING TO DEFAULT FIREARM TRANSFERS.—Section
19 103 of the Brady Handgun Violence Prevention Act (34
20 U.S.C. 40901) is amended by redesignating subsections
21 (j) and (k) as subsections (k) and (l) and inserting after
22 subsection (i) the following:

23 “(j) PRIORITIZATION OF BACKGROUND CHECKS RE-
24 LATED TO DEFAULT FIREARM TRANSFERS.—In the case
25 of a transfer referred to in section 922(t)(7) of title 18,
26 United States Code, the system established under this sec-

1 tion shall give priority to completing the background check
2 relating to the transfer.”.

3 (c) PROHIBITION ON DESTRUCTION OF RECORDS
4 RELATING TO FIREARM TRANSFER BEFORE COMPLETION
5 OF BACKGROUND CHECK.—Section 103 of the Brady
6 Handgun Violence Prevention Act (34 U.S.C. 40901), as
7 amended by subsection (b)(1) of this section, is amended
8 by redesignating subsections (k) and (l) as subsections (l)
9 and (m) and inserting after subsection (j) the following:

10 “(k) PROHIBITION ON DESTRUCTION OF RECORDS
11 RELATING TO FIREARM TRANSFER BEFORE COMPLETION
12 OF RELATED BACKGROUND CHECK.—The system estab-
13 lished under this section may not destroy any records of
14 the system relating to a proposed or completed firearm
15 transfer, before completion of the criminal background
16 check with respect to the prospective or actual trans-
17 feree.”.

18 **SEC. 3. ANNUAL REPORTS ON DEFAULT FIREARM TRANS-**

19 **FERS.**

20 (a) IN GENERAL.—Within 120 days after the date
21 of the enactment of this Act and annually thereafter, the
22 Director of the Federal Bureau of Investigation shall
23 make accessible to the public a written report on—

24 (1) the number of firearms transferred as de-
25 scribed in section 922(t)(7) of title 18, United

1 States Code, during the period covered by the re-
2 port;

3 (2) the number of the firearms described in
4 paragraph (1) of this subsection with respect to
5 which the national instant criminal background
6 check system established under section 103 of the
7 Brady Handgun Violence Prevention Act completed
8 the background check;

9 (3) of the number described by paragraph (2)
10 of this subsection—

11 (A) the number with respect to which the
12 system provided the unique identification num-
13 ber under section 922(t)(1)(B)(i) of such title;
14 and

15 (B) the number with respect to which in-
16 formation available to the system demonstrated
17 that receipt of a firearm by the transferee
18 would violate subsection (g) or (n) of section
19 922 of such title or State law; and

20 (C) in each case described by subpara-
21 graph (B), the reason for indicating that the re-
22 ceipt would be a violation referred to in sub-
23 paragraph (B), including any specific prohib-
24 iting criteria that would bar the transferee from
25 receipt of a firearm;

1 (4) of the number described by paragraph
2 (3)(B) of this subsection, the number of firearms
3 that were retrieved from the transferee, and the
4 number of firearms that were not retrieved from the
5 transferee, with each number broken down by the
6 field division of the Bureau of Alcohol, Tobacco,
7 Firearms, and Explosives and the State involved;
8 and

9 (5) in the case of the 1st report under this sec-
10 tion, the number of requests for criminal back-
11 ground checks received by the system in the pre-
12 ceding 5 years the records of which were purged
13 from the system without resolution.

14 (b) RULE OF INTERPRETATION.—A report under
15 subsection (a) shall be considered an annual statistical re-
16 port and statistical aggregate data for purposes of the 6th
17 proviso under the heading “BUREAU OF ALCOHOL, TO-
18 BACCO, FIREARMS AND EXPLOSIVES—SALARIES AND EX-
19 PENSES” in the Department of Justice Appropriations
20 Act, 2012 (title II of division B of Public Law 112–55).

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