

116TH CONGRESS
2D SESSION

H. R. 8929

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

DECEMBER 9, 2020

Mr. SCHNEIDER (for himself, Mr. QUIGLEY, Mr. PANETTA, and Mr. DEUTCH) 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.—

6 (1) IN GENERAL.—Section 922(t) of title 18,
7 United States Code, is amended by adding at the
8 end the following:

9 “(7) A licensed importer, licensed manufacturer, or
10 licensed dealer who transfers a firearm in compliance with
11 paragraph (1), but before the national instant criminal
12 background check system provides the licensee with a
13 unique identification number, shall report the transfer to
14 the Federal Bureau of Investigation within 24 hours. If
15 a State or local law enforcement authority is conducting
16 the related background check, the Federal Bureau of In-
17 vestigation shall transmit the report to that authority.”.

18 (2) CREATION OF ONLINE PORTAL AND TELE-
19 PHONE HOTLINE.—Within 180 days after the date
20 of the enactment of this Act, the Attorney General
21 shall create an online portal and telephone hotline,
22 that are to be used exclusively for the purpose of re-
23 porting sufficient information to allow the Federal
24 Bureau of Investigation to prioritize background
25 checks in accordance with section 40901(j) of title
26 34, United States Code.

1 (b) PRIORITIZATION OF NICS BACKGROUND CHECKS
2 RELATING TO DEFAULT FIREARM TRANSFERS.—Section
3 103 of the Brady Handgun Violence Prevention Act (34
4 U.S.C. 40901) is amended by redesignating subsections
5 (j) and (k) as subsections (k) and (l) and inserting after
6 subsection (i) the following:

7 “(j) PRIORITIZATION OF BACKGROUND CHECKS RE-
8 LATED TO DEFAULT FIREARM TRANSFERS.—In the case
9 of a transfer referred to in section 922(t)(7) of title 18,
10 United States Code, the system established under this sec-
11 tion shall give priority to completing the background check
12 relating to the transfer.”

13 (c) PROHIBITION ON DESTRUCTION OF RECORDS
14 RELATING TO FIREARM TRANSFER BEFORE COMPLETION
15 OF BACKGROUND CHECK.—Section 103 of the Brady
16 Handgun Violence Prevention Act (34 U.S.C. 40901), as
17 amended by subsection (b)(1) of this section, is amended
18 by redesignating subsections (k) and (l) as subsections (l)
19 and (m) and inserting after subsection (j) the following:

20 “(k) PROHIBITION ON DESTRUCTION OF RECORDS
21 RELATING TO FIREARM TRANSFER BEFORE COMPLETION
22 OF RELATED BACKGROUND CHECK.—The system estab-
23 lished under this section may not destroy any records of
24 the system relating to a proposed or completed firearm
25 transfer, before completion of the criminal background

1 check with respect to the prospective or actual trans-
2 feree.”.

3 **SEC. 3. ANNUAL REPORTS ON DEFAULT FIREARM TRANS-**
4 **FERS.**

5 (a) IN GENERAL.—Within 300 days after the date
6 of the enactment of this Act and annually thereafter, the
7 Director of the Federal Bureau of Investigation shall
8 make accessible to the public a written report on—

9 (1) the number of firearms transferred as de-
10 scribed in section 922(t)(7) of title 18, United
11 States Code, during the period covered by the re-
12 port, disaggregated by State;

13 (2) the number of the firearms described in
14 paragraph (1) of this subsection with respect to
15 which the national instant criminal background
16 check system established under section 103 of the
17 Brady Handgun Violence Prevention Act completed
18 the background check;

19 (3) of the number described by paragraph (2)
20 of this subsection—

21 (A) the number with respect to which the
22 system provided the unique identification num-
23 ber under section 922(t)(1)(B)(i) of such title;
24 and

1 (B) the number with respect to which in-
2 formation available to the system demonstrated
3 that receipt of a firearm by the transferee
4 would violate subsection (g) or (n) of section
5 922 of such title or State law; and

6 (C) in each case described by subpara-
7 graph (B) of this paragraph, the reason for in-
8 dicating that the receipt would be a violation re-
9 ferred to in such subparagraph (B), including
10 any specific prohibiting criteria that would bar
11 the transferee from receipt of a firearm;

12 (4) of the number described by paragraph
13 (3)(B) of this subsection, the number of firearms
14 that were retrieved from the transferee, and the
15 number of firearms that were not retrieved from the
16 transferee, with each number broken down by the
17 field division of the Bureau of Alcohol, Tobacco,
18 Firearms, and Explosives and the State involved;

19 (5) in the case of the first report under this
20 section, the number of requests for criminal back-
21 ground checks received by the system in the pre-
22 ceding 5 years the records of which were purged
23 from the system without resolution; and

24 (6) the number of licensed importers, licensed
25 manufacturers, or licensed dealers who transferred

1 firearms as described in section 922(t)(7) of such
2 title during the period covered by the report,
3 disaggregated by the State of sale.

4 (b) IN GENERAL.—Within 300 days after the date
5 of the enactment of this Act and annually thereafter, the
6 Director of the Bureau of Alcohol, Tobacco, Firearms, and
7 Explosives shall make accessible to the public a written
8 report on—

9 (1) the average time between receipt and recov-
10 ery of a firearm transferred as described in section
11 922(t)(7) of title 18, United States Code, during the
12 period covered by the report, where receipt by the
13 transferee violated subsection (g) or (n) of section
14 922 of such title or State law;

15 (2) the number of firearms transferred as de-
16 scribed in such section 922(t)(7) during the period
17 covered by the report, that were recovered as part of
18 a criminal investigation, where receipt by the trans-
19 feree violated such subsection (g) or (n) or State
20 law, disaggregated by State; and

21 (3) of the number described by paragraph (2)
22 of this subsection—

23 (A) the total number of firearms that were
24 recovered by law enforcement in States other
25 than the State the firearm was transferred by

1 a licensed importer, licensed manufacturer, or
2 licensed dealer as described in such section
3 922(t); and

4 (B) the information outlined in subpara-
5 graph (A) of this paragraph, disaggregated
6 by—

7 (i) the State where the firearm was
8 recovered; and

9 (ii) the State where the firearm was
10 transferred as described in such section
11 922(t).

12 (c) RULE OF INTERPRETATION.—A report under
13 subsection (a) shall be considered an annual statistical re-
14 port and statistical aggregate data for purposes of the
15 sixth proviso under the heading “BUREAU OF ALCOHOL,
16 TOBACCO, FIREARMS AND EXPLOSIVES—SALARIES AND
17 EXPENSES” in the Department of Justice Appropriations
18 Act, 2012 (title II of division B of Public Law 112–55).

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