

# SENATE BILL REPORT

## SHB 1133

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As Reported By Senate Committee On:  
Law & Justice, February 21, 1996  
Ways & Means, February 26, 1996

**Title:** An act relating to firearm dealers.

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

**Sponsors:** House Committee on Law & Justice (originally sponsored by Representatives Campbell, Stevens, Padden, Benton, Sheldon, Crouse, Carlson and Sherstad).

**Brief History:**

**Committee Activity:** Law & Justice: 3/27/95, 3/30/95 [DPA]; 2/20/96, 2/21/96 [DPA-WM, DNPA].

Ways & Means: 4/3/95 [DPA (LAW)]; 2/26/96 [DPA].

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### SENATE COMMITTEE ON LAW & JUSTICE

**Majority Report:** Do pass as amended and be referred to Committee on Ways & Means.  
Signed by Senators Smith, Chair; Goings, Hargrove, Haugen, Johnson, Long, McCaslin, Roach and Schow.

**Minority Report:** Do not pass as amended and do not be referred to Committee on Ways & Means.

Signed by Senator Fairley, Vice Chair.

**Staff:** Cynthia Runger (786-7717)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass as amended.

Signed by Senators Loveland, Vice Chair; Bauer, Cantu, Drew, Finkbeiner, Hargrove, Hochstatter, Johnson, Long, McDonald, Pelz, Quigley, Roach, Sheldon, Snyder, Strannigan, Sutherland, West and Winsley.

**Staff:** Bryon Moore (786-7726)

**Background:** Under state law, a firearms dealer is defined as a person engaged in the business of selling firearms or ammunition 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. The person must specifically be licensed to sell pistols, other types of firearms, or ammunition, and may be licensed to sell all three.

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. 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 prohibits a dealer from conducting 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 Law & Justice Amended 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 requirement of fingerprinting checks of dealers' license applicants is removed. Background checks of dealers' employees are no longer required.

The fee remains \$125 for a state license; however, a license is good for three 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.

A penalty is imposed on dealers who knowingly allow ineligible employees to sell firearms.

**Amended Bill Compared to Substitute Bill:** Instead of expanding the validity of a dealer's license to five years, the license is good for three. The provision in the bill that permits dealers to conduct business from a motor vehicle is removed. A penalty is added for dealers who knowingly allow ineligible employees to sell firearms.

**Ways & Means Amendment Compared to Law & Justice Amendment:** The Ways & Means striking amendment makes a technical modification to correct the implementation date in legislation carried over from the 1995 session.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** This bill will eliminate unnecessary duplication and restrictions on dealers. The federal law is adequate.

**Testimony Against:** The current law is necessary to ensure that people are held accountable.

**Testified:** Representative Campbell, original prime sponsor; Victoria Pearson, WA Ceasefire (con); Col. Mel Pfankuche, Col. Mel Pfankuche & Associates (pro); Brian Judy, NRA (pro); Darryl Jones, Olympia Arms, Inc. (pro); Greg Dahlgren, Citizens' Committee for the Right to Keep and Bear Arms (pro); Joe Waldron, WA State Rifle and Pistol Assn. (pro).