AMENDMENT NO.______ Calendar No.______

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—113th Cong., 1st Sess.

S. 649

Viz:

1 Strike all after the enacting clause and insert the following:

3 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

4 (a) SHORT TITLE.—This Act may be cited as the “Gun Rights and Safety Act of 2013”.

6 (b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Rule of construction.

TITLE I—CONSOLIDATING FEDERAL PROGRAMS AND ENSURING THAT ALL INDIVIDUALS WHO SHOULD BE PROHIBITED FROM BUYING A GUN ARE LISTED IN THE NATIONAL INSTANT CRIMINAL BACKGROUND CHECK SYSTEM

Sec. 101. Reauthorization of the National Criminal History Records Improvement Program.
Sec. 102. Improvement of metrics and incentives.
Sec. 103. Grants to states for improvement of coordination and automation of nics record reporting.
Sec. 104. Relief from disabilities program.
Sec. 105. Protecting the Second Amendment rights of veterans.
Sec. 106. Clarification that federal court information is to be made available to the national instant criminal background check system.
Sec. 107. Publication of NICS Index Statistics.
Sec. 108. Effective date.

TITLE II—EXPANDING NICS CHECKS FOR THE SAFE TRANSFER OF FIREARMS

Sec. 201. Purpose.
Sec. 202. Firearms transfers.
Sec. 203. Prohibition on national gun registry; limitation on authorization to seize, copy, or reproduce records and documents.
Sec. 204. Authority to conduct interstate firearms transactions.
Sec. 205. Consolidating unnecessary duplicative and overlapping DOJ programs.
Sec. 207. Amendment to section 923(g)(5).
Sec. 208. Effective date.

1 SEC. 2. FINDINGS.

Congress finds the following:

(1) Congresssupports and respects the right to bear arms guaranteed by the Second Amendment to the Constitution of the United States.

(2) Congress supports the privacy rights of gun owners in the United States, including the existing prohibition on a national firearms registry.

(3) Congress supports longstanding Federal law that prohibits convicted felons and those with dangerous mental illnesses from purchasing or pos-
sessing a firearm, along with the national instant
criminal background check system to help prevent
these persons from procuring firearms in the pri-
mary market.

(4) Congress recognizes an inconsistency in
Federal law, where a prohibited purchaser is prohib-
ited from accessing firearms at a gun store, but can
easily procure a firearm at a gun show, flea market,
or through an Internet advertisement.

(5) Congress and the citizens of the United
States agree that in order to promote safe and re-
sponsible gun ownership, violent criminals and the
dangerously mentally ill should be prohibited from
possessing firearms and therefore, it should be in-
cumbent upon Congress to empower law abiding citi-
zens to prevent the transfer of weapons to such peo-
ple.

(6) There are deficits in the background check
system in existence prior to the date of enactment
of this Act and the Department of Justice should
make it a top priority to work with States to swiftly
input missing records, including mental health
records.
SEC. 3. RULE OF CONSTRUCTION.

Nothing in this Act, or any amendment made by this Act, shall be construed to—

(1) expand in any way the enforcement authority or jurisdiction of the Bureau of Alcohol, Tobacco, Firearms, and Explosives;

(2) allow the establishment, directly or indirectly, of a Federal firearms registry; or

(3) infringe on the right of law-abiding citizens to keep and bear arms as explicitly guaranteed by the Second Amendment to the Constitution of the United States, which every Member of Congress has taken an oath to support and defend.
TITLE I—CONSOLIDATING FEDERAL PROGRAMS AND ENSURING THAT ALL INDIVIDUALS WHO SHOULD BE PROHIBITED FROM BUYING A GUN ARE LISTED IN THE NATIONAL INSTANT CRIMINAL BACKGROUND CHECK SYSTEM

SEC. 101. REAUTHORIZATION OF THE NATIONAL CRIMINAL HISTORY RECORDS IMPROVEMENT PROGRAM.

Section 106(b)(2) of Public Law 103–159 (18 U.S.C. 922 note) is amended by striking "a total of $200,000,000 for fiscal year 1994 and all fiscal years thereafter" and inserting "$25,000,000 for each of fiscal years 2014 through 2017".

SEC. 102. IMPROVEMENT OF METRICS AND INCENTIVES.

(a) IN GENERAL.—Section 102(b) of the NICS Improvement Amendments Act of 2007 (18 U.S.C. 922 note) is amended to read as follows:

"(b) IMPLEMENTATION PLAN.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Gun Rights and Safety Act of 2013, States and Indian tribal government, in
coordination with the Attorney General, may establish for each State or Indian tribal government desiring a grant under section 103 a 4-year implementation plan to ensure maximum coordination and automation of the reporting of records or making records available to the National Instant Criminal Background Check System.

"(2) BENCHMARK REQUIREMENTS.—Each 4-year plan established under paragraph (1) shall include annual benchmarks, including both qualitative goals and quantitative measures, to assess implementation of the 4-year plan.

"(3) PENALTIES FOR NON-COMPLIANCE.—

"(A) IN GENERAL.—During the 4-year period covered by a 4-year plan established under paragraph (1), the Attorney General shall withhold—

"(i) 10 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State does not meet the benchmark established under paragraph (2) for the first year in the 4-year period;
“(ii) 11 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State does not meet the benchmark established under paragraph (2) for the second year in the 4-year period;

“(iii) 13 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State does not meet the benchmark established under paragraph (2) for the third year in the 4-year period; and

“(iv) 15 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State does not meet the benchmark established under paragraph (2) for the fourth year in the 4-year period.
“(B) FAILURE TO ESTABLISH A PLAN.—If a State fails to establish a plan under paragraph (1)—

“(i) the Attorney General shall withhold 15 percent of the amount that would otherwise be allocated to the State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755); and

“(ii) the State shall be ineligible to receive any grant funds under section 106(b) of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note) or under section 103 of this Act.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 106(b)(1) of Public Law 103–159 (18 U.S.C. 922 note) is amended by inserting “that has established an implementation plan under section 102(b) of the NICS Improvement Amendments Act of 2007 (18 U.S.C. 922 note)” after “each State”.

SEC. 103. GRANTS TO STATES FOR IMPROVEMENT OF COORDINATION AND AUTOMATION OF NICS RECORD REPORTING.

(a) IN GENERAL.—The NICS Improvement Amendments Act of 2007 (18 U.S.C. 922 note) is amended—
(1) by striking section 103 and inserting the following:

"SEC. 103. GRANTS TO STATES FOR IMPROVEMENT OF ORDINATION AND AUTOMATION OF NICS RECORD REPORTING.

"(a) AUTHORIZATION.—

"(1) IN GENERAL.—From amounts made available to carry out this section, the Attorney General shall make grants to States, Indian Tribal governments, and State court systems, in a manner consistent with the National Criminal History Improvement Program and consistent with State plans for integration, automation, and accessibility of criminal history records, for use by the State, or units of local government of the State, Indian Tribal government, or State court system to improve the automation and transmittal of mental health records and criminal history dispositions, records relevant to determining whether a person has been convicted of a misdemeanor crime of domestic violence, court orders, and mental health adjudications or commitments to Federal and State record repositories in accordance with section 102 and the National Criminal History Improvement Program."
“(2) LIMITATION ON ELIGIBILITY.—A State may not be awarded a grant under paragraph (1) unless the State establishes an implementation plan under section 102(b).

“(b) USE OF GRANT AMOUNTS.—Grants awarded to States, Indian Tribal governments, or State court systems under this section may only be used to—

“(1) carry out, as necessary, assessments of the capabilities of the courts of the State or Indian Tribal government for the automation and transmission of arrest and conviction records, court orders, and mental health adjudications or commitments to Federal and State record repositories;

“(2) implement policies, systems, and procedures for the automation and transmission of arrest and conviction records, court orders, and mental health adjudications or commitments to Federal and State record repositories;

“(3) create electronic systems that provide accurate and up-to-date information which is directly related to checks under the National Instant Criminal Background Check System, including court disposition and corrections records;

“(4) assist States or Indian Tribal governments in establishing or enhancing their own capacities to
perform background checks using the National Instant Criminal Background Check System; and

“(5) develop and maintain the relief from disabilities program in accordance with section 105.

“(c) ELIGIBILITY.—

“(1) In general.—To be eligible for a grant under this section, a State, Indian Tribal government, or State court system shall certify, to the satisfaction of the Attorney General, that the State, Indian Tribal government, or State court system—

“(A) is not prohibited by State law or court order to submit mental health records to the National Instant Criminal Background Check System; and

“(B) subject to paragraph (2), has implemented a relief from disabilities program in accordance with section 105.

“(2) RELIEF FROM DISABILITIES PROGRAM.—

For purposes of obtaining a grant under this section, a State, Indian Tribal government, or State court system shall not be required to meet the eligibility requirement described in paragraph (1)(B) until the date that is 2 years after the date of enactment of the Gun Rights and Safety Act of 2013.

“(d) FEDERAL SHARE.—
"(1) STUDIES, ASSESSMENTS, NON-MATERIAL ACTIVITIES.—The Federal share of a study, assessment, creation of a task force, or other non-material activity, as determined by the Attorney General, carried out with a grant under this section shall be not more than 25 percent.

"(2) INFRASTRUCTURE OR SYSTEM DEVELOPMENT.—The Federal share of an activity involving infrastructure or system development, including labor-related costs, for the purpose of improving State or Indian Tribal government record reporting to the National Instant Criminal Background Check System carried out with a grant under this section may amount to 100 percent of the cost of the activity.

"(e) GRANTS TO INDIAN TRIBES.—Up to 2 percent of the grant funding available under this section may be reserved for reservation-based Indian tribal governments for use by Indian tribal judicial systems.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2014 through 2017.");

(2) by striking title III; and

(3) in section 401(b), by inserting after “of this Act” the following: “and 18 months after the date
of enactment of the Gun Rights and Safety Act of 2013.”

(b) TECHNICAL AND CONFORMING AMENDMENT.—
The table of sections in section 1(b) of the NICS Improve-
ment Amendments Act of 2007 (18 U.S.C. 922 note) is
amended by striking the item relating to section 103 and
inserting the following:

“Sec. 103. Grants to States for improvement of coordination and automation of NICS record reporting.”.

SEC. 104. RELIEF FROM DISABILITIES PROGRAM.
Section 105 of the NICS Improvement Amendments
Act of 2007 (18 U.S.C. 922 note) is amended by adding
at the end the following:

“(c) PENALTIES FOR NON-COMPLIANCE.—

“(1) 10 PERCENT REDUCTION.—During the 1-
year period beginning 1 year after the date of enact-
ment of the Gun Rights and Safety Act of 2013, the
Attorney General shall withhold 10 percent of the
amount that would otherwise be allocated to a State
under section 505 of the Omnibus Crime Control
and Safe Streets Act of 1968 (42 U.S.C. 3755) if
the State has not implemented a relief from disabil-
ities program in accordance with this section.

“(2) 11 PERCENT REDUCTION.—During the 1-
year period after the expiration of the period de-
scribed in paragraph (1), the Attorney General shall
withhold 11 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State has not implemented a relief from disabilities program in accordance with this section.

“(3) 13 PERCENT REDUCTION.—During the 1-year period after the expiration of the period described in paragraph (2), the Attorney General shall withhold 13 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State has not implemented a relief from disabilities program in accordance with this section.

“(4) 15 PERCENT REDUCTION.—After the expiration of the 1-year period described in paragraph (3), the Attorney General shall withhold 15 percent of the amount that would otherwise be allocated to a State under section 505 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3755) if the State has not implemented a relief from disabilities program in accordance with this section.”
SEC. 105. PROTECTING THE SECOND AMENDMENT RIGHTS
OF VETERANS.

(a) IN GENERAL.—Chapter 55 of title 38, United
States Code, is amended by adding at the end the fol-
lowing new section:

§ 5511. Conditions for treatment of certain persons
as adjudicated mentally incompetent for
certain purposes

“(a) IN GENERAL.—In any case arising out of the
administration by the Secretary of laws and benefits under
this title, a person who is determined by the Secretary to
be mentally incompetent shall not be considered adju-
dicated pursuant to subsection (d)(4) or (g)(4) of section
922 of title 18, until—

“(1) in the case in which the person does not
request a review as described in subsection (c)(1),
the end of the 30-day period beginning on the date
on which the person receives notice submitted under
subsection (b); or

“(2) in the case in which the person requests a
review as described in paragraph (1) of subsection
(c), upon an assessment by the board designated or
established under paragraph (2) of such subsection
or court of competent jurisdiction that a person can-
not safely use, carry, possess, or store a firearm due
to mental incompetency.
“(b) NOTICE.—Notice submitted under this sub-
section to a person described in subsection (a) is notice
submitted by the Secretary that notifies the person of the
following:

“(1) The determination made by the Secretary.
“(2) A description of the implications of being
considered adjudicated as a mental defective under
subsection (d)(4) or (g)(4) of section 922 of title 18.
“(3) The person’s right to request a review
under subsection (c)(1).

“(c) ADMINISTRATIVE REVIEW.—(1) Not later than
30 days after the date on which a person described in sub-
section (a) receives notice submitted under subsection (b),
such person may request a review by the board designed
or established under paragraph (2) or a court of com-
petent jurisdiction to assess whether a person cannot safe-
ly use, carry, possess, or store a firearm due to mental
incompetency. In such assessment, the board may consider
the person’s honorable discharge or decoration.

“(2) Not later than 180 days after the date of enact-
ment of the Gun Rights and Safety Act of 2013, the Sec-
retary shall designate or establish a board that shall, upon
request of a person under paragraph (1), assess whether
a person cannot safely use, carry, possess, or store a fire-
arm due to mental incompetency.
“(d) JUDICIAL REVIEW.—A person may file a petition with a Federal court of competent jurisdiction for judicial review of an assessment of the person under subsection (c) by the board designated or established under paragraph (2).

“(e) PROTECTING RIGHTS OF VETERANS WITH EXISTING RECORDS.—Not later than 90 days after the date of enactment of the Gun Rights and Safety Act of 2013, the Secretary shall provide written notice of the opportunity for administrative review and appeal under subsection (c) to all persons who, on the date of enactment of the Gun Rights and Safety Act of 2013, are considered adjudicated pursuant to subsection (d)(4) or (g)(4) of section 922 of title 18 as a result of having been found by the Department of Veterans Affairs to be mentally incompetent.

“(f) FUTURE DETERMINATIONS.—

“(1) IN GENERAL.—Not later than 180 days after the enactment of the Gun Rights and Safety Act of 2013, the Secretary shall review the policies and procedures by which individuals are determined to be mentally incompetent, and shall revise such policies and procedures as necessary to ensure that any individual who is competent to manage his own financial affairs, including his receipt of Federal
benefits, but who voluntarily turns over the manage-
ment thereof to a fiduciary is not considered adju-
dicated pursuant to subsection (d)(4) or (g)(4) of
section 922 of title 18.

“(2) REPORT.—Not later than 30 days after
the Secretary has made the review and changes re-
quired under paragraph (1), the Secretary shall sub-
mit to Congress a report detailing the results of the
review and any resulting policy and procedural
changes.”.

(b) CLERICAL AMENDMENT.—The table of sections
at the beginning of chapter 55 of such title is amended
by adding at the end the following new item:

“5511. Conditions for treatment of certain persons as adjudicated mentally in-
competent for certain purposes.”.

(c) APPLICABILITY.—Section 5511 of title 38, United
States Code (as added by this section), shall apply only
with respect to persons who are determined by the Sec-
retary of Veterans Affairs, on or after the date of the en-
actment of this Act, to be mentally incompetent, except
that those persons who are provided notice pursuant to
section 5511(e) of such title shall be entitled to use the
administrative review under section 5511(c) of such title
and, as necessary, the subsequent judicial review under
section 5511(d) of such title.
SEC. 106. CLARIFICATION THAT FEDERAL COURT INFORMATION IS TO BE MADE AVAILABLE TO THE NATIONAL INSTANT CRIMINAL BACKGROUND CHECK SYSTEM.

Section 103(e)(1) of the Brady Handgun Violence Prevention Act (18 U.S.C. 922 note), is amended by adding at the end the following:

"(F) Application to Federal Courts.—In this subsection—

"(i) the terms ‘department or agency of the United States’ and ‘Federal department or agency’ include a Federal court;

and

"(ii) for purposes of any request, submission, or notification, the Director of the Administrative Office of the United States Courts shall perform the functions of the head of the department or agency."

SEC. 107. PUBLICATION OF NICS INDEX STATISTICS.

Not later than 180 days after the date of enactment of this Act, and biannually thereafter, the Attorney General shall make the National Instant Criminal Background Check System index statistics available on a publically accessible Internet website.
20

1 SEC. 108. EFFECTIVE DATE.
2 The amendments made by this title shall take effect
3 180 days after the date of enactment of this Act.

4 TITLE II—EXPANDING NICS
5 CHECKS FOR THE SAFE
6 TRANSFER OF FIREARMS

7 SEC. 202. PURPOSE.
8 The purpose of this title is to extend check proce-
9 dures under the National Instant Criminal Background
10 Check System to promote the safe transfer of firearms in
11 the secondary market.

12 SEC. 202. FIREARMS TRANSFERS.
13 (a) IN GENERAL.—Section 922 of title 18, United
14 States Code, is amended—
15 16
16 (1) by repealing subsection (s);
17 (2) by redesignating subsection (t) as sub-
18 section (s);
19 (3) in subsection (s), as redesignated—
20 (A) in paragraph (3)(C)(ii), by striking
21 "(as defined in subsection (s)(8))"; and
22 (B) by adding at the end the following:
23 "(7) In this subsection, the term 'chief law en-
24 forcement officer' means the chief of police, the
25 sheriff, or an equivalent officer or the designee of
26 any such individual.
“(8) The Federal Bureau of Investigation shall not charge a user fee for a background check conducted pursuant to this subsection.”; and

(4) by inserting after subsection (s), as redesignated, the following:

“(t)(1) In this subsection, the term ‘covered transfer’—

“(A) means a transfer that the transferor, the transferee, or both intends to be permanent, including a transfer by sale, pledge, trade, gift, or consignment; and

“(B) does not include—

“(i) a transfer between spouses, between parents or spouses of parents and their children or spouses of their children, between siblings or spouses of siblings, or between grandparents or spouses of grandparents and their grandchildren or spouses of their grandchildren, or between aunts or uncles or their spouses and their nieces or nephews or their spouses, or between first cousins, if the transferor does not know or have reasonable cause to believe that the transferee is prohibited from receiving or possessing a firearm under Federal, State, or local law;
“(ii) a transfer made from a decedent’s estate by bequest, intestate succession, or by operation of law; or

“(iii) a temporary transfer of a firearm, unless the transferor knows or has reason to believe that the transferee is prohibited from receiving or possessing a firearm under Federal, State, or local law.

“(2) Beginning on the date that is 18 months after the date of enactment of the Gun Rights and Safety Act of 2013 or 30 days after the date on which the consumer portal established under paragraph (3) is operational, whichever is later, it shall be unlawful for any person who is not licensed under this chapter to make a covered transfer of a firearm to any other person who is not licensed under this chapter, unless—

“(A) the covered transfer is made after a licensed importer, licensed manufacturer, or licensed dealer has first taken possession of the firearm for the purpose of complying with subsection (s), if upon taking possession of the firearm, the licensee complies with all requirements of this chapter as if the licensee were transferring the firearm from the licensee’s business inventory to the unlicensed transferee;
“(B) the covered transfer is made in accordance with regulations promulgated by the Attorney General under paragraph (3) and after the unlicensed transferee has undergone a background check;

“(C) the covered transfer is made—

“(i) after the transferee has presented to the transferor a permit for transfer of a firearm that—

“(I) allows the transferee to possess, acquire, or carry a firearm; and

“(II) was issued not more than 5 years earlier by the State, or political subdivision thereof, in which the transfer is to take place; and

“(ii) in a State in which the law of the State allows the transferee to possess, acquire, or carry a firearm, if the law of the State, or political subdivision of a State, that issued the permit requires that such permit is issued only after an authorized government official has verified that the information available to such official does not indicate that possession of a firearm by the unlicensed transferee would be in violation of Federal, State, or local law; or
“(D) if the State in which the covered transfer takes place has enacted legislation that requires an unlicensed transferor to comply with subsection (s) before the transfer takes place to assure the unlicensed transferee is not prohibited from receiving or possessing a firearm—

“(i) the covered transfer is made between an unlicensed transferor and an unlicensed transferee who reside in the same State, and takes place in such State; or

“(ii) if the unlicensed transferor and the unlicensed transferee reside in different States and the States have entered into a reciprocal agreement, the covered transfer takes place in either of such States.

“(3)(A) Not later than 2 years after the date of enactment of the Gun Rights and Safety Act of 2013, the Attorney General shall, using competitive bidding practices, authorize the establishment of an Internet-based, consumer portal that will allow a person who is not licensed under this chapter to run a self-background check using the National Instant Criminal Background Check System for the purpose of conducting a covered transfer under this subsection.
“(B) In authorizing the establishment of the consumer portal required under subparagraph (A), the Attorney General shall ensure that—

“(i) the consumer portal may be accessed through an Internet website, mobile application, or other means determined appropriate by the Attorney General;

“(ii) an unlicensed transferee who completes a background check using the consumer portal and would not be in violation of subsection (g) or (n) of section 922 or of State law by receiving a firearm shall be provided a temporary permit, valid for a 30-day period beginning on the date on which the background check is completed, that—

“(I) signifies that the unlicensed transferee is not prohibited from legally purchasing or possessing a firearm; and

“(II) may be used, during the 30-day period, by the unlicensed transferee for a covered transfer of a firearm under this subsection, in compliance with any applicable State or Federal law;

“(iii) the temporary permit described in clause (ii) shall—
“(I) be made available to the unlicensed transferee as an electronic printable document and be accessible through an Internet website, mobile application, or other means determined appropriate by the Attorney General; and

“(II) contain—

“(aa) the name of the unlicensed transferee;

“(bb) the date of expiration of the permit;

“(cc) a unique pin number that can be used to verify the validity of the permit by the unlicensed transferor of a firearm; and

“(dd) any other protections necessary to prevent fraud;

“(iv) the consumer portal be designed in a manner that allows for maximum privacy and security protections so that a user of the consumer portal may only run a self-background check and not run a background check on any other person;

“(v) any personally identifiable information obtained by the consumer portal from an individual, including names, physical locations, mailing addresses, Internet protocol addresses, and other unique
identifiers, shall be destroyed within 24 hours from the time at which the information was obtained, except for—

“(I) information required for the unlicensed transferor to verify the validity of the permit, including—

“(aa) the unique serial number assigned to a temporary permit; and

“(bb) the date of birth associated with the unique serial number; and

“(II) any record of a person who—

“(aa) attempts to complete a background check; and

“(bb) would be in violation of subsection (g) or (n) of section 922 if the person received or possessed a firearm; and

“(vi) any information described in clause (v)(I) shall be destroyed at the end of the 30-day period described in clause (ii).

“(4)(A) Notwithstanding any other provision of this chapter, except for section 923(m), the Attorney General may implement this subsection with regulations.

“(B) Regulations promulgated under this paragraph may not include any provision requiring licensees to facilitate transfers in accordance with paragraph (2)(A).
“(C) Regulations promulgated under this paragraph may not include any provision requiring persons not licensed under this chapter to keep records of background checks or firearms transfers.

“(D) Regulations promulgated under this paragraph may not include any provision placing a cap on the fee licensees may charge to facilitate transfers in accordance with paragraphs (2)(A).

“(5) No department, agency, officer, or employee of the United States may—

“(A) require that any record or portion thereof generated by a consumer portal be recorded at or transferred to a facility owned, managed, or controlled by the United States or any State or political subdivision thereof; or

“(B) use a consumer portal to establish any system for the registration of firearms, firearm owners, or firearm transactions or dispositions, except with respect to persons, prohibited by section 922 (g) or (n) of title 18, United States Code or State law, from receiving a firearm.

“(6) The Attorney General shall establish, and make available to the public, a sample form, which may be used, on a voluntary basis, by a transferor to document information relating to each firearm transfer conducted by the
transferor, for the purpose of assisting law enforcement
officers during a criminal investigation.

“(7)(A) If the consumer portal established under this
subsection is shut down for a period of more than 7 days,
this subsection shall have no force or effect during the pe-
riod for which the consumer portal is non-operational.

“(B) If the consumer portal established under this
subsection is ever permanently shut down or defunded,
this subsection shall have no force or effect beginning on
the date on which the consumer portal is non-operational.

“(8)(A) Subject to subparagraph (B), paragraph (2)
shall not apply to a covered transfer described in subpara-
graph (D) in a State that has enacted legislation that—

“(i) establishes requirements for background
checks for covered transfers described in subpara-
graph (D) that are similar to the requirements de-
scribed in this subsection; and

“(ii) allows for the State to have primary en-
forcement authority of covered transfers described in
subsection (D) occurring within the State.

“(B) If the Attorney General determines that legisla-
tion enacted by a State does not establish requirements
for background checks for covered transfers described in
subsection (D) that are similar to the requirements de-
scribed in this subsection—
“(i) the Attorney General shall notify the State of the determination; and

“(ii) beginning on the date that is 1 year after the date on which the Attorney General notifies the State under clause (i), paragraph (2) shall apply to a covered transfer in the State unless the State has enacted legislation that establishes requirements for background checks for covered transfers that are, in the determination of the Attorney General, similar to the requirements described in this subsection.

“(C) In establishing requirements that are similar to the requirements under this subsection, a State—

“(i) may allow for geographic or technological exemptions for rural areas within the State that are remote and lack the technological capabilities needed to access the consumer portal; and

“(ii) may impose penalties for violations of the requirements established by the State that are stronger than the penalties imposed under this chapter for violations of the requirements under this subsection.

“(D) A covered transfer described in this subparagraph is a covered transfer between an unlicensed transferor and an unlicensed transferee that occurs—
“(i) at any venue where firearms transactions take place or where firearms transferors or transferees are brought together, including at a gun show or event, or on the curtilage thereof; or

“(ii) pursuant to an advertisement, posting, display, or other public listing on the Internet, in a publication, at a forum, or in any manner accessible to the general public by the transferor of his intent to transfer, or the transferee of his intent to acquire, the firearm.”.

(b) ACCOUNTABILITY.—

(1) IN GENERAL.—

(A) AUDITS OF BACKGROUND CHECKS CONDUCTED FOR LICENSEE SALES.—Not later than 90 days after the date of enactment of this Act, and every 90 days thereafter until the date on which the Inspector General of the Department of Justice begins conducting audits under subparagraph (B), the Inspector General of the Department of Justice shall conduct an audit of the process of background checks conducted for the purposes of a transfer of a firearm under subsection (s) of section 922 of title 18, United States Code, as redesignated by subsection (a)(2) of this section, to—
(i) prevent waste, fraud, and abuse of
the background check system; and

(ii) ensure compliance with the re-
requirement to destroy certain information
within 24 hours under section 511 of title
V of division B of the Consolidated and
Further Continuing Appropriations Act,

(B) Audits of all background
checks.—Not later than 90 days after the
date on which the prohibition under subsection
(t)(2) of section 922 of title 18, United States
Code, (as added by subsection (a)(4) of this
section) takes effect, and every 90 days there-
after, the Inspector General of the Department
of Justice shall conduct an audit of the process
of background checks conducted for the pur-
poses of a transfer of a firearm under sub-
section (s) or (t) of section 922 of title 18,
United States Code, as amended by subsection
(a) of this section, to—

(i) prevent waste, fraud, and abuse of
the background check system; and
(ii) ensure compliance with the requirement to destroy certain information within 24 hours under—

(I) section 922(t)(3)(B)(v) of title 18, United States Code; and


(2) REPORT TO CONGRESS.—The Inspector General of the Department of Justice shall—

(A) submit a report describing the results of each audit conducted under this paragraph to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives; and

(B) publish each report submitted under subparagraph (A) on the homepage of the official public website of the Department of Justice.

(e) PENALTIES.—Section 924(a)(5) of title 18, United States Code, is amended—

(1) by inserting "(A)" after "(5)";

(2) by striking "or (t)"; and

(3) by adding at the end the following:
“(B) Whoever knowingly violates subsection (t) of section 922—

“(i) shall be fined not more than $1,000; and

“(ii) in the case of a second or subsequent violation, shall be fined under this title, imprisoned not more than 3 years, or both.

“(C) Whoever knowingly uses the consumer portal established under paragraph (3) of section 922(t) for any purpose other than the purpose described in subparagraph (B)(iv) of such paragraph shall be fined under this title, imprisoned not more than 1 year, or both.”.

(d) TECHNICAL AND CONFORMING AMENDMENT.—

(1) SECTION 922.—Section 922(y)(2) of title 18, United States Code, is amended, in the matter preceding subparagraph (A), by striking “,” (g)(5)(B), and (s)(3)(B)(v)(II)” and inserting “and (g)(5)(B)”.

(2) CONSOLIDATED AND FURTHER CONTINUING APPROPRIATIONS ACT, 2012.—Section 511 of title V of division B of the Consolidated and Further Continuing Appropriations Act, 2012 (18 U.S.C. 922 note) is amended by striking “subsection 922(t)” and inserting “section 922(s)” each place it appears.
(e) **Sunset.**—Effective on the date that is 5 years after the effective date of the amendments made by this section—

   (1) this section is repealed;

   (2) each provision of law amended by this section is amended to read as such provision read on the day before the effective date of the amendments made by this section; and

   (3) section 923(m) of title 18, United States Code, as added by section 203(a) of this Act, is amended to read as follows:

   "(m) The Attorney General and any department or agency of the United States may not consolidate or centralize the records of the—

   "(1) acquisition or disposition of firearms, or any portion thereof, maintained by a person licensed under this chapter; or

   "(2) possession or ownership of a firearm, maintained by any medical or health insurance entity.".
SEC. 203. PROHIBITION ON NATIONAL GUN REGISTRY; LIMITATION ON AUTHORIZATION TO SEIZE, COPY, OR REPRODUCE RECORDS AND DOCUMENTS.

(a) Prohibition of National Gun Registry.— Section 923 of title 18, United States Code, is amended by adding at the end the following:

“(m) The Attorney General and any department or agency of the United States may not consolidate or centralize the records of the—

“(1) acquisition or disposition of firearms, or any portion thereof, maintained by—

“(A) a person licensed under this chapter;

“(B) an unlicensed transferor under section 922(t); or

“(2) possession or ownership of a firearm, maintained by any medical or health insurance entity.”.

(b) Penalty.—Section 924 of title 18, United States Code, as amended by section 202(e) of this Act, is amended by adding at the end the following:

“(q) Improper Use of Storage of Records.— Any person who knowingly violates section 923(m) shall be fined under this title, imprisoned not more than 15 years, or both.”.
(c) LIMITATION ON AUTHORIZATION TO SEIZE, COPY, OR REPRODUCE RECORDS AND DOCUMENTS.—Section 923 of title 18, United States Code, as amended by section 202(b) of this Act, is amended by adding at the end the following:

“(n)(1) An officer of the Bureau of Alcohol, Tobacco, Firearms, and Explosive may only seize, copy, or reproduce a record or document of a person licensed under this chapter, an unlicensed transferor of a firearm, or an unlicensed transferee of a firearm if the record or document—

“(A) constitutes material evidence of a violation of law; or

“(B) is necessary in the conduct of a bona fide criminal investigation.

“(2) If any officer of the Bureau of Alcohol, Tobacco, Firearms, and Explosives violates paragraph (1), the Attorney General—

“(A) shall impose a civil penalty of $1,000 on the officer for a first violation; and

“(B) shall terminate the officer for a second violation.

“(3)(A) It shall be unlawful for any person who is an officer of the Bureau of Alcohol, Tobacco, Firearms, and Explosives to violate paragraph (1).

“(B) Any person who violates subparagraph (A)—
“(i) for a first offense, shall be fined $1,000;
and
“(ii) for a subsequent offense, shall be fined
under this title, imprisoned for not less than 1 year,
or both.”.

SEC. 204. AUTHORITY TO CONDUCT INTERSTATE FIREARMS
TRANSACTIONS.

(a) FIREARMS DISPOSITIONS.—Section 922(b)(3) of
title 18, United States Code, is amended—

(1) in the matter preceding subparagraph (A),
by striking “located” and inserting “located or tem-
porarily located”; and

(2) in subparagraph (A)—

(A) by striking “rifle or shotgun” and in-
serting “firearm”;

(B) by striking “located” and inserting
“located or temporarily located”; and

(C) by striking “both such States” and in-
serting “the State in which the transfer is con-
ducted and the State of residence of the trans-
feree”.

(b) DEALER LOCATION.—Section 923 of title 18,
United States code, as amended by section 203(a) of this
Act, is amended—

(1) in subsection (j)—
(A) in the first sentence, by striking "", and such location is in the State which is specified on the license"; and

(B) in the last sentence—

(i) by inserting "transfer;" after "sell,"; and

(ii) by striking all that follows "Act"

and inserting a period; and

(2) by adding at the end the following:

"(a) Nothing in this chapter shall be construed to prohibit the sale, transfer, delivery, or other disposition of a firearm or ammunition—

"(1) by a person licensed under this chapter to another person so licensed, at any location in any State; or

"(2) by a licensed importer, licensed manufacturer, or licensed dealer to a person not licensed under this chapter, at a temporary location described in subsection (j) in any State."

(c) RESIDENCE OF UNITED STATES OFFICERS.—

Section 921 of title 18, United States Code, is amended by striking subsection (b) and inserting the following:

"(b) For purposes of this chapter:

"(1) A member of the Armed Forces on active duty, or a spouse of such member, is a resident of—
“(A) the State in which the person maintains legal residence;

“(B) the State in which the permanent duty station of the member is located; and

“(C) the State in which the member maintains a place of abode from which the member commutes each day to the permanent duty station.

“(2) An officer or employee of the United States (other than a member of the Armed Forces) stationed outside the United States for a period exceeding one year is a resident of the State in which the officer or employee maintains legal residence.”.

SEC. 205. CONSOLIDATING UNNECESSARY DUPLICATIVE AND OVERLAPPING DOJ PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law, not later than 150 days after the date of enactment of this Act, the Director of the Office of Management and Budget and the Attorney General shall coordinate with the heads of the relevant offices of the Department of Justice to—

(1) use available administrative authority to eliminate, consolidate, or streamline the more than 250 grant programs with duplicative and overlapping missions identified in the July 2012 Govern-
ment Accountability Office report to Congress entitled "Justice Grant Programs: DOJ Should Do More to Reduce the Risk of Unnecessary Duplication and Enhance Program Assessment" (GAO-12-517); and

(2) determine the total cost savings that shall result to each agency, office, and department from the actions described in paragraph (1).

(b) REPORT.—Notwithstanding any other provision of law, not later than 200 days after the date of enactment of this Act, the Director of the Office of Management and Budget and the Attorney General shall coordinate with the heads of the relevant offices of the Department of Justice, and submit a report to the Congress detailing—

(1) any actions taken under subsection (a)(1); and

(2) the findings determined under subsection (a)(2).

(c) RESCISSION OF FUNDS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, $200,000,000 is hereby rescinded on a pro rata basis from discretionary unobligated balances within the Department of Justice that are not designated as emergency or overseas contingency operations. The Director of the Office of Manage-
ment and Budget shall determine and identify from which appropriation accounts the rescission shall apply and the amount of such rescission that shall apply to each such account.

(2) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to the Congress of the accounts and amounts determined and identified for rescission under paragraph (1).

SEC. 206. INSPECTOR GENERAL REPORT.

(a) INITIAL REPORT.—Not later than 1 year after the date on which the consumer portal established under section 922(t)(3) of title 18, United States Code, as amended by section 202 of this Act, becomes operational, the Inspector General for the Department of Justice shall submit to Congress a report on the effectiveness of the consumer portal, which shall—

(1) take into account feedback from transferors, transferees, and government officials; and

(2) include recommendations to improve—

(A) the effectiveness of the consumer portal; and

(B) the ease of using the consumer portal.
(b) **UPDATED REPORT.**—Not later than 1 year after the date on which the Inspector General of the Department of Justice submits the report required under subsection (a), the Inspector General shall submit to Congress an updated version of the report required in subsection (a), including any additional analysis or recommendations.

**SEC. 207. AMENDMENT TO SECTION 923(g)(5).**

Section 923(g)(5) of title 18, United States Code, is amended by adding at the end the following:

"(C) The Attorney General may not issue a letter pursuant to this paragraph unless the letter is issued—

"

"(i) during the course of a bona fide criminal investigation of a person other than the licensee;

"

"(ii) to determine the disposition of 1 or more particular firearms during the course of a bona fide criminal investigation; or

"

"(iii) to request the total number of rifles, shotguns, pistols, revolvers, and other firearms manufactured in, or exported from, the United States by the licensee.".

**SEC. 208. EFFECTIVE DATE.**

The amendments made by this title shall take effect 180 days after the date of enactment of this Act.