Russell J. Hinkle SB387 Public Safety – Untraceable Firearms Unfavorable 2/16/2022

According to this bill, titled SB387 "Public Safety - Untraceable Firearms", if the receiver was not originally produced and engraved by a manufacturer holding Federal Firearms License (FFL) type 07 or type 10, which are the only types of manufacturing licenses. If any other FFL performed the engraving service to be in compliance with this bill, the firearm is in violation of this bill as is currently written. This bill will also require any FFL willing to perform compliance measures for this bill to break federal law if a serial number is already present.

According to 18 U.S.C. § 922(k):, "It shall be unlawful for any person knowingly to transport, ship, or receive, in interstate or foreign commerce, any firearm which has had the importer's or manufacturer's serial number removed, obliterated, or altered or to possess or receive any firearm which has had the importer's or manufacturer's serial number removed, obliterated, or altered and has, at any time, been shipped or transported in*interstate or foreign commerce."

The National Firearms Act (NFA) requires that a legally-registered short-barreled rifle (SBR) must have a serial number in order to be legally federally registered. The ATF treats the person who is not federally-licensed who is legally applying to construct a SBR as the manufacturer of the SBR. The legal applicant's name therefore must be engraved on to the frame or receiver of the SBR to be in compliance with 27 CFR § 478.92.

This bill requires specific serial number parameters to be engraved- "with the first three and last five digits of the licensee's federal firearms license number, followed by a hyphen, and then followed by another number". A previously engraved and federally-registered serial number on any home-made frame or receiver will not be in compliance with this bill, and any attempt by the FFL to bring the frame into compliance would be "defacing" a serial number in direct violation of 18 U.S.C. § 922(k).

In short, in order to comply with this state law, an individual must violate federal statute. There is also no legal recourse to effectively comply with this bill for the following reasons:

1. Unless an individual is a "Federally Licensed Manufacturer or Importer" they are not the manufacturer according to the state, regardless of their federally-legal NFA lower, thus are in violation of this bill

2. Unless an individual is a "Federally Licensed Manufacturer or Importer", they may not engrave a serial number, regardless of a federally-legal NFA lower, thus an individual is in violation of this bill as only an FFL-07 ot FFL-10 may do so, but they would be defacing an existing serial number and thus in violation of 18 U.S. Code § 922

3. Per 18 U.S. Code § 922, unless an individual is a "Federally Licensed Manufacturer or Importer", they will not have a valid FFL to engrave the "first three and last five digits" of their FFL number to make part of the serial number, regardless of their legal NFA lower, thus an individual is in violation of this bill despite being federally-legal

4. No FFL may alter an existing US-made serial number or legal NFA lower's serial number, thus the federally-legal NFA lower would not be in compliance with state law and there is no avenue to be in compliance other than to surrender or destroy their federally-legal NFA lower

This bill will do nothing but criminalize law-abiding gun owners and gun enthusiasts and put already federally-registered firearms in legal jeopardy in direct opposition to federal statute.

I strongly urge an unfavorable report from the committee.