



Policy Option:
HB 796 & SB 1919: Licensing Handgun Dealers

What does it mean?

Handgun dealers in Illinois are not required to obtain a license from the state in order to do business here. While the state licenses many businesses, from manicure shops to liquor stores, to ensure that they comply with state laws and safeguard health and safety, handgun dealers are exempt from any state licensing requirement.

Although gun dealers are licensed by the federal government, federal oversight of dealers is inadequate.¹ While the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has found that federally licensed firearms dealers (FFLs) who violate federal laws are a major source of trafficked firearms,² ATF lacks the resources to conduct regular inspections of FFLs. FFLs' access to large numbers of firearms makes them a particular threat to public safety when they do not comply with the law.³

What would it *really* do?

Requiring handgun dealers to obtain a state license would treat them like many other categories of businesses that are licensed by the state. Licensed dealers would be required to undergo a background check to confirm they are eligible to possess firearms, document every handgun transfer, and submit records of each sale to the State Police.

State licensing of handgun dealers would implement commonsense requirements that would ensure that dealers are complying with the law, and enable state police to inspect dealers and enforce the law against them if they fail to do so. It would also aid law enforcement in tracing weapons used in crimes.

What does the public think?

- 96% of Illinois voters support laws requiring handgun dealers to obtain a state license. To read more polling results from the 2007 Voter Survey on Gun Regulations, go to www.icpgv.org/icpgv_polling.html.
- A January 2007 Greenberg Quinlan Rosner Research and The Tarrance Group survey, on behalf of Mayors Against Illegal Guns, found that 82% of Americans favor either tougher enforcement of existing gun laws or tough new gun laws.⁴
- 71% of Americans think that laws covering handgun sales should be stricter (CBS News/New York Times Poll, May 2000).⁵

What are the facts?

- According to the Bureau of Alcohol, Tobacco, Firearms and Explosives, as of October 19, 2006, there were 1,845 FFLs in Illinois.

- Of the 120 highest crime gun dealers in the U.S. between 1996 and 2000, 13 were Illinois dealers – the second highest concentration of any state in the U.S. Of these 13 dealers, only 2 had been inspected by ATF agents during the 1996-2000 period. Four of the 13 dealers had at least 500 crime gun traces, yet none of these were inspected by ATF during this period.⁶
- ATF conducted 4,581 FFL compliance inspections in FY 2002, or about 4.5% of the approximately 104,000 FFLs nationwide. At that rate it would take ATF more than 22 years to inspect all FFLs.⁷

Have Other States or Jurisdictions Enacted Similar Legislation?

Seventeen states and the District of Columbia license gun dealers. California, Hawaii, Massachusetts, New Jersey, Pennsylvania, Rhode Island, Washington and the District of Columbia license all firearms dealers. Alabama, Connecticut, Delaware, Georgia, Indiana, New Hampshire, South Carolina and Wisconsin license handgun dealers. Maryland and New York license sellers of handguns and assault weapons. Alabama, California, Connecticut, Maryland, Massachusetts, Michigan, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, and Washington all require the reporting of firearm sales to state and/or local law enforcement.⁸ In Illinois, Arlington Heights, Bensenville, Berwyn, Calumet City, Chicago, Chicago Ridge, Cicero, Cook County, Crest Hill, Des Plaines, Franklin Park, Glenwood, Hoffman Estates, Lockport, Norridge, Northbrook, Riverdale, Rolling Meadows, Schaumburg, Tinley Park and Wheaton require a local dealer's license to engage in the business of transferring firearms. Bolingbrook, Elmwood Park, Galesburg, Homewood, Melrose Park, Oak Park, Peoria, Posen, Rockford, Waukegan and Zion require a local dealer's license for any person engaged in the business of transferring handguns.⁹

Final Thought

Licensing handgun dealers will allow the state police to better protect community health and safety by ensuring that handgun sellers are complying with the law. Requiring dealers to report handgun transfers will help law enforcement officials trace ownership of weapons used in crimes.

Pending Legislation

HB 796 (Sponsored by Rep Deborah Graham)

SB 1919 (Sponsored by Senator Don Harmon)

This bill would require all handgun dealers to be licensed by the state, and require dealers to submit reports of all handgun transfers to the Department of State Police within 24 hours.

¹ Office of the Inspector General, Evaluation and Inspections Division, U.S. Department of Justice, *Inspections of Firearms Dealers by the Bureau of Alcohol, Tobacco, Firearms and Explosives* i (July 2004).

² Bureau of Alcohol, Tobacco and Firearms, U.S. Department of the Treasury, *Following the Gun: Enforcing Federal Laws Against Firearms Traffickers* ix (June 2000).

³ *Id.* at x.

⁴ Mayors Against Illegal Guns, *Strong Public Support for Tough Enforcement of Common Sense Gun Laws*, January 2007, page 12, at http://www.mayorsagainstilllegalguns.org/downloads/pdf/maig_slides.pdf

⁵ Mike Dorning, *Happy To Bear Arms*, Chicago Tribune, May 23, 2000, at 12.

⁶ Americans for Gun Safety Foundation, *Selling Crime: High Crime Gun Stores Fuel Criminals* 1 (Jan. 2004)

⁷ *Inspection of Firearms Dealers by the Bureau of Alcohol, Tobacco, Firearms and Explosives*, *supra* note 1 at iii.

⁸ Legal Community Against Violence, *Regulating Guns in America: An Evaluation and Comparative Analysis of Federal, State and Selected Local Gun Laws*, Aug. 2006, at 87-88, at http://www.lcav.org/library/reports_analyses/regulating_guns.asp

⁹ Legal Community Against Violence, *Illinois Local Ordinance Summary, Dealer Regulations Section*, at <http://www.lcav.org/states/illocalord.asp#DealerRegulationsPermitting>.