

Requested by Representative KROPF

**PROPOSED AMENDMENTS TO
HOUSE BILL 3076**

1 In line 2 of the printed bill, after “licenses” insert “; creating new pro-
2 visions; amending ORS 166.433, 166.436, 166.438 and 166.441; and declaring an
3 emergency”.

4 Delete lines 4 through 9 and insert:

5 **“SECTION 1. As used in sections 1 to 9 of this 2025 Act:**

6 **“(1)(a) ‘Dealer’ means a person or business engaged in the wholesale**
7 **or retail business of selling firearms, frames, receivers or unfinished**
8 **frames or receivers, and who has, or who is required under federal law**
9 **to have, a federal firearms license under 18 U.S.C. 923(a).**

10 **“(b) ‘Dealer’ does not include a person or business that sells, on**
11 **average, 10 or fewer firearms, frames, receivers or unfinished frames**
12 **or receivers, within any 12-month period that the person or business**
13 **has engaged in such sales.**

14 **“(2) ‘Department’ means the Department of Justice.**

15 **“(3) ‘Federal firearms license’ means a license to import, manufac-**
16 **ture or deal in firearms issued pursuant to 18 U.S.C. 923.**

17 **“(4) ‘Firearm’ has the meaning given that term in ORS 166.210.**

18 **“(5) ‘Frame’ has the meaning given that term in ORS 166.210.**

19 **“(6) ‘Receiver’ has the meaning given that term in ORS 166.210.**

20 **“(7) ‘Retailer’ means a dealer who operates a store open to the**
21 **public from which the dealer engages in the business of selling,**

1 transferring or facilitating the sale or transfer of firearms.

2 “(8) ‘State license’ means the state firearms dealer license issued
3 under sections 2 and 3 of this 2025 Act.

4 “(9) ‘Unfinished frame or receiver’ has the meaning given that term
5 in ORS 166.210.

6 **“SECTION 2.** (1) Beginning January 1, 2027, a state license is re-
7 quired for all dealers to sell firearms, frames, receivers and unfinished
8 frames and receivers in this state.

9 “(2) The Department of Justice shall issue state firearms dealer li-
10 censes in accordance with this section and section 3 of this 2025 Act.

11 “(3)(a) The department shall adopt rules necessary for the imple-
12 mentation of this section and section 3 of this 2025 Act, including rules
13 establishing the process for applying for and obtaining a state license.

14 “(b) The department may not adopt a rule that modifies the eligi-
15 bility criteria for obtaining a state license under this section and sec-
16 tion 3 of this 2025 Act, but the rules may authorize the collection of
17 any information the department deems necessary to verify an
18 applicant’s eligibility.

19 “(4) The department shall develop an application form for initial
20 state license applications and state license renewals.

21 “(5)(a) The department is authorized to establish and collect a state
22 license application fee, based on the department’s actual costs, to
23 reasonably reimburse the department for the costs of carrying out the
24 provisions of sections 1 to 9 of this 2025 Act.

25 “(b) The department may establish a reduced fee for state license
26 renewal applications.

27 “(c) The department shall deposit all fees collected under this sec-
28 tion into the Firearm Dealer License Fund established by section 10
29 of this 2025 Act.

30 “(6)(a) For state licenses issued before January 1, 2027, the fee for

1 the initial issuance of the license shall be based upon the average an-
2 nual firearm sales of the dealer during the prior three years as de-
3 scribed in paragraph (b) of this subsection. If the dealer has not been
4 in business for three years, the fee shall be the amount described in
5 paragraph (b) of this subsection based upon the average annual
6 firearm sales over the time the dealer has been in business. If the
7 dealer has not previously sold firearms prior to the application, the fee
8 shall be \$500, or the amount described in paragraph (b) of this sub-
9 section based on the dealer's good faith estimate of projected sales,
10 whichever amount is smaller.

11 “(b) The fee based on actual or projected sales is as follows:

12 “(A) \$50 for the sale of 11 to 50 firearms per year.

13 “(B) \$250 for the sale of 51 to 250 firearms per year.

14 “(C) \$500 for the sale of 251 to 750 firearms per year.

15 “(D) \$1,000 for the sale of 751 to 1,000 firearms per year.

16 “(E) \$1,500 for the sale of 1,001 or more firearms per year.

17 “(c) The department shall annually review the fees described in this
18 subsection and, for licenses issued or renewed on and after January
19 1, 2027, may annually adjust the fee based on the costs of carrying out
20 the provisions of sections 1 to 9 of this 2025 Act. The department may
21 not adjust any fee more than once per year and may not increase any
22 fee by more than 20 percent per year.

23 “(d) The department shall ensure that the current fees for the ini-
24 tial issuance and renewal of state licenses are published on the
25 department's website.

26 “SECTION 3. (1) A person is eligible for a state firearms dealer li-
27 cense if the person:

28 “(a) Currently holds and is eligible for a valid federal firearms li-
29 cense;

30 “(b) Has never had a permit or license to sell, lease, transfer, pur-

1 chase or possess a firearm or ammunition from the federal govern-
2 ment, any state or any subdivision of a state, or an application for
3 such a permit or license, revoked, suspended or denied for good cause
4 within the five years prior to submitting an application for a state li-
5 cense;

6 “(c) Has not been convicted of violating any federal or state law
7 concerning the possession, purchase or sale of firearms within the 10
8 years prior to submitting an application; and

9 “(d) Provides proof of residence in Oregon and the physical address
10 of the place where business will be conducted.

11 “(2) A person applying for or renewing a state license under this
12 section shall complete a Department of Justice application and pay the
13 fee established by the department under section 2 of this 2025 Act.

14 “(3)(a) The department shall make a determination on a state li-
15 cense application within 60 days after the application is received.

16 “(b) Notwithstanding paragraph (a) of this subsection, the depart-
17 ment may for good cause extend the determination time period by an
18 additional 60 days.

19 “(4) The department shall issue a state license to an applicant un-
20 less the applicant does not meet the eligibility requirements described
21 in subsection (1) of this section or the applicant makes a false state-
22 ment on the application.

23 “(5) A state license issued under this section is valid for three years
24 and is not transferable.

25 “(6)(a) A licensee may apply for renewal of a state license at any
26 time within the 90 days prior to expiration of the state license. The
27 department may not accept a renewal application after the state li-
28 cense has expired.

29 “(b) The department shall notify a licensee of the state license ex-
30 piration date 90 days prior to the expiration.

1 “(c) Notwithstanding section 2 (1) of this 2025 Act, a licensee who
2 submits a timely and sufficiently complete renewal application may
3 continue to engage in the business of dealing in firearms until the
4 department has made a determination on the renewal application. For
5 purposes of this paragraph, an application is sufficiently completed if
6 the application includes all information necessary to make a determi-
7 nation that the applicant is eligible for state license renewal and the
8 licensee has not made any false statements on the application.

9 “(d) The department shall make a determination on a state license
10 renewal application within 60 days after the renewal application is re-
11 ceived.

12 “(7) The decision by the department to refuse to issue or renew a
13 state license under this section may be appealed as a contested case
14 under ORS chapter 183.

15 “SECTION 4. (1) The Department of Justice shall conduct on-site
16 inspections, in accordance with this section, of each state license
17 holder’s place of business to ensure that the licensee is complying with
18 the requirements to hold a state license described in sections 5a and
19 6 of this 2025 Act and rules adopted pursuant to sections 5a and 6 of
20 this 2025 Act.

21 “(2)(a) The department may conduct reasonable periodic unan-
22 nounced inspections of a retailer licensee’s place of business during
23 the retailer licensee’s regular business hours.

24 “(b) The department may conduct inspections of licensees other
25 than retailer licensees after providing at least 24 hours’ notice.

26 “(3)(a) The department shall adopt rules concerning the notice re-
27 quirements and the scope of inspections conducted under this section.

28 “(b) The department shall adopt rules concerning the frequency of
29 inspections conducted under this section. The rules must require that
30 each licensee be inspected at least once every three years.

1 **“SECTION 5. (1) Except as provided in subsection (2) of this section,**
2 **if the Department of Justice determines that a licensee transferred a**
3 **firearm in violation of ORS 166.400, failed to comply with any of the**
4 **requirements of section 5a or 6 of this 2025 Act or rules adopted pur-**
5 **suant to section 5a or 6 of this 2025 Act, or violated any other state,**
6 **federal or local law for which the penalty includes revocation of the**
7 **licensee’s federal firearm license, the department may:**

8 **“(a) For a first offense, issue a warning to the licensee that includes**
9 **a description of the offense and the penalty for subsequent offenses,**
10 **or impose a civil penalty of up to \$1,000 per violation.**

11 **“(b) For a second or subsequent offense, suspend or revoke the**
12 **licensee’s state license, issue a warning or impose a civil penalty of**
13 **up to \$5,000 per violation.**

14 **“(2)(a) The department shall revoke a state license if the licensee:**

15 **“(A) No longer holds a valid federal firearms license;**

16 **“(B) Knowingly employs a person in violation of section 5a of this**
17 **2025 Act;**

18 **“(C) Is prohibited from possessing or purchasing firearms under**
19 **federal or state law;**

20 **“(D) Is no longer a resident of this state; or**

21 **“(E) Is convicted of any of the following:**

22 **“(i) A felony under state or federal law;**

23 **“(ii) A state or federal crime that results in the licensee being pro-**
24 **hibited from purchasing or possessing a firearm or ammunition;**

25 **“(iii) A crime containing as an element purchasing or otherwise**
26 **obtaining a firearm on behalf of, or for transfer to, a person who**
27 **cannot lawfully purchase or possess a firearm;**

28 **“(iv) A conviction under ORS 166.412 (14) or 166.418;**

29 **“(v) Providing false information in connection with a transfer of a**
30 **firearm under ORS 166.416; or**

1 “(vi) Trafficking in firearms under 18 U.S.C. 933.

2 “(b) A dealer whose state license is revoked solely because the
3 dealer no longer holds a valid federal firearms license under paragraph
4 (a)(A) of this subsection may apply for a new state license any time
5 after the person obtains a valid federal firearms license.

6 “(c) A licensee whose state license is revoked under paragraph
7 (a)(B) to (E) of this subsection may apply for a new state license no
8 sooner than five years after the revocation.

9 “(3) The department may revoke a state license if the licensee un-
10 reasonably refuses to allow the department to conduct an on-site in-
11 spection pursuant to section 4 of this 2025 Act.

12 “(4)(a) If the department determines that a licensee violated state
13 or federal law related to the possession, sale or purchase of firearms,
14 the department:

15 “(A) For a first offense, shall issue a warning to the licensee that
16 includes a description of the violation.

17 “(B) For a second or subsequent offense, may revoke the licensee’s
18 state license.

19 “(b) A licensee whose state license is revoked under this subsection
20 may apply for a new state license no sooner than three years after the
21 revocation.

22 “(5)(a) Unless the department determines that revocation is appro-
23 priate for a specific violation, when a licensee has engaged in conduct
24 for which revocation of the licensee’s state license is authorized under
25 this section, the licensee shall be provided notice of the violation and
26 information concerning how to remedy the violation, and given the
27 opportunity to remedy the violation and submit proof of the remedy
28 to the department within 90 days of receiving the notice.

29 “(b) The failure to remedy a violation as described in this sub-
30 section constitutes independent grounds for the department to revoke

1 the licensee's state license.

2 “(6) If the department revokes a state license under this section,
3 the department shall notify the Bureau of Alcohol, Tobacco, Firearms
4 and Explosives of the revocation within 48 hours of the revocation
5 becoming effective. The notification shall occur by both phone call and
6 a subsequent letter documenting the reason for the revocation and
7 describing what action will be taken concerning the licensee's inven-
8 tory and records.

9 “(7)(a) Civil penalties under subsection (1) of this section shall be
10 imposed in the manner provided by ORS 183.745.

11 “(b) All penalties recovered under subsection (1) of this section shall
12 be deposited into the Firearm Dealer License Fund established under
13 section 10 of this 2025 Act.

14 “(8) A decision by the department to revoke or suspend a state li-
15 cense under this section may be appealed as a contested case under
16 ORS chapter 183.

17 “(9) The department shall adopt rules concerning the specific vio-
18 lations and corresponding penalties described in this section.

19 “SECTION 5a. (1)(a) The Department of Justice shall develop a
20 training course, or approve training courses provided by other entities,
21 for licensees and persons who are employed by, volunteer for or con-
22 tract with licensees who will handle or engage in the sale or other
23 transfer of firearms as part of the person's official duties. The training
24 must be available in an online format. The department shall adopt
25 rules concerning the format of the training, the testing administered
26 upon completion of the training, the passing score for the testing and
27 the format of the proof of completion of the training.

28 “(b) The training described in this subsection must include in-
29 struction on the following subjects:

30 “(A) Federal and state laws governing the sale and transfer of

1 **firearms and ammunition;**

2 **“(B) Recognizing and identifying straw purchasers, firearm traf-**
3 **ficking and fraudulent activity;**

4 **“(C) Recognizing and identifying indicators that a person is at-**
5 **tempting to purchase a firearm unlawfully;**

6 **“(D) Recognizing and identifying indicators that an individual in-**
7 **tends to use a firearm for unlawful purposes or self-harm;**

8 **“(E) Preventing theft or burglary of firearms and ammunition;**

9 **“(F) Responding to circumstances described in subparagraphs (A)**
10 **to (E) of this paragraph, and any applicable reporting requirements;**
11 **and**

12 **“(G) Any other reasonable business practices that the department**
13 **determines will deter firearm trafficking or the unlawful use of**
14 **firearms.**

15 **“(c) A licensee shall, within 30 days after the date of being issued**
16 **a state license under sections 2 and 3 of this 2025 Act, complete the**
17 **training course described in paragraph (a) of this subsection, and an-**
18 **nually thereafter so long as the licensee holds the state license.**

19 **“(d) An employee, volunteer or contractor of a licensee who, in the**
20 **course of the person’s duties, handles a firearm or processes the sale,**
21 **loan or other transfer of a firearm shall, within 30 days after the first**
22 **day of work for the licensee, or within 30 days after the licensee is**
23 **issued a state license, complete the training course described in para-**
24 **graph (a) of this subsection.**

25 **“(e) An employee, volunteer or contractor of a licensee required to**
26 **complete an initial training course under this subsection is also re-**
27 **quired to annually thereafter complete the training course while em-**
28 **ployed by, volunteering for or contracting with the licensee.**

29 **“(f) A licensee shall maintain the training records of the licensee**
30 **and each employee, volunteer or contractor of the licensee who han-**

1 dles or engages in the sale or other transfer of firearms as part of the
2 person's official duties, and shall make the records available to the
3 department during an on-site inspection of the licensee's place of
4 business conducted pursuant to section 4 of this 2025 Act.

5 “(2)(a) For an employee, volunteer or contract position that, in the
6 course of the person's duties, involves handling or engaging in the sale
7 or other transfer of firearms, a licensee may not allow a person to
8 occupy the position who:

9 “(A) Is prohibited from possessing or purchasing firearms under
10 state or federal law;

11 “(B) Has been convicted of an offense described in ORS 166.250 or
12 166.470 (1), or a violent felony as defined in ORS 147.500, within five
13 years prior to the date the person applies to work for the licensee; or

14 “(C) Has had the person's own state license or federal firearms li-
15 cense revoked within the previous 10 years.

16 “(b) In order to determine whether a licensee may allow a person
17 to be employed or work as a volunteer or contractor in a capacity in
18 which the person will handle or engage in the sale or other transfer
19 of firearms consistent with this subsection, the licensee shall require
20 the person to submit to a criminal history record check as described
21 in subsection (3) of this section. A licensee shall only accept the re-
22 sults of a criminal history record check completed within seven days
23 prior to the person's first day of work.

24 “(3)(a) Before a person begins employment for, volunteers for or
25 contracts with a licensee in a capacity in which the person will handle
26 or engage in the sale or transfer of firearms, the person shall submit
27 to a fingerprint-based criminal history record check.

28 “(b) The person shall have the person's fingerprints taken by a local
29 law enforcement agency or any third party approved by the Depart-
30 ment of State Police for the purpose of obtaining a fingerprint-based

1 criminal history record check. The person shall authorize the entity
2 taking the fingerprints to submit, and the entity shall submit, the
3 complete set of fingerprints to the Department of State Police.

4 “(c) If an approved third party obtains the fingerprints, the finger-
5 prints may be electronically captured using equipment approved by the
6 Department of State Police.

7 “(d) The Department of State Police shall first use the person’s
8 fingerprints to conduct a criminal history record check using the re-
9 cords of the Department of State Police. If authorized by federal law,
10 the Department of State Police shall then forward the fingerprints to
11 the Federal Bureau of Investigation for the purpose of conducting a
12 fingerprint-based criminal history record check. The Department of
13 State Police, the Department of Justice, the person and the entity that
14 obtained the fingerprints shall comply with the Federal Bureau of
15 Investigation’s requirements to conduct a criminal history record
16 check.

17 “(e) The Department of State Police shall return the results of the
18 criminal history record check to the Department of Justice, and the
19 Department of Justice is authorized to receive the results of the Fed-
20 eral Bureau of Investigation’s criminal history record check. The de-
21 partment shall use the information resulting from the criminal history
22 record check to determine whether a person is qualified for employ-
23 ment under this subsection, and shall notify the licensee of the results
24 of the investigation within a reasonable amount of time.

25 “(f) If the Federal Bureau of Investigation is unable to complete a
26 fingerprint-based criminal history record check of a person, the De-
27 partment of State Police shall inform the Department of Justice, and
28 the Department of State Police may use the criminal history record
29 check of the person conducted using the records of the Department
30 of State Police as a substitute.

1 “(g) If the results of a criminal history record check performed
2 under this subsection reveal a record of arrest without a disposition,
3 the Department of Justice shall require the person to submit to a
4 name-based judicial record check.

5 “(h) An employee, volunteer or contractor of a licensee who handles
6 or engages in the sale or other transfer of firearms as part of the
7 person’s official duties shall annually submit to a fingerprint-based
8 criminal history record check as described in this subsection.

9 “(i) A licensee shall maintain a copy of the notice following each
10 criminal history record check conducted under this subsection indi-
11 cating that a person is qualified for employment, volunteering or
12 contracting. The licensee shall maintain a copy of the notice for the
13 duration of the person’s employment, or during the time period that
14 the person volunteers for or contracts with the licensee, and shall
15 make the notice available to the department during an on-site in-
16 spection of the licensee’s place of business.

17 “(4) If a licensee knows or has reason to believe an employee, vol-
18 unteer or contractor is involved in the theft of a firearm from the
19 licensee’s place of business, the licensee shall report the theft within
20 48 hours after having knowledge of the theft, or reason to believe a
21 theft occurred, to a law enforcement agency with jurisdiction over the
22 licensee’s place of business.

23 “(5) The department may adopt rules necessary to carry out the
24 provisions of this section.

25 “SECTION 6. (1)(a) The Department of Justice shall adopt rules for
26 the secure storage of firearms and ammunition by retailer licensees
27 and other licensees in a manner that prevents unauthorized access.
28 The rules must include but are not limited to:

29 “(A) Provisions concerning the locations where firearms may be
30 stored;

1 **“(B) Provisions concerning how firearms must be stored, including**
2 **specifications for secure rooms, safes, locking devices and physical**
3 **barriers; and**

4 **“(C) Specifications for securing buildings, doors and windows of the**
5 **licensee’s place of business to prevent unauthorized entry.**

6 **“(b) The department shall consider industry standards and best**
7 **practices when adopting rules described in this subsection.**

8 **“(2) A licensee may not conduct business or store firearms or am-**
9 **munition at the licensee’s place of business unless the licensee**
10 **securely stores firearms and ammunition in accordance with the rules**
11 **described in subsection (1) of this section.**

12 **“(3)(a) A licensee may not sell or store firearms at the licensee’s**
13 **place of business, or any place that firearms are sold or otherwise**
14 **transferred, unless the location is equipped with a security alarm**
15 **system.**

16 **“(b) The department shall adopt rules concerning the specifications**
17 **for alarm systems described in this subsection.**

18 **“(c) It is not a violation of this subsection if the alarm system be-**
19 **comes temporarily inoperable through no fault of the licensee, pro-**
20 **vided that the licensee takes reasonable steps to ensure that the alarm**
21 **system becomes operable within 30 days of having notice of the inop-**
22 **erability.**

23 **“(4)(a) A licensee shall ensure that the licensee’s business premises,**
24 **or any place that firearms are sold or otherwise transferred, is moni-**
25 **tored by a digital video surveillance system as described in this sub-**
26 **section.**

27 **“(b) A retailer licensee or a licensee who sells more than 50 firearms**
28 **per year shall ensure that the video surveillance system is capable of**
29 **operating 24 hours a day, either recording continuously or upon mo-**
30 **tion activation. A licensee other than a retailer who sells 50 or fewer**

1 **firearms per year shall ensure that the video surveillance system re-**
2 **ords a customer at any time that the customer is on the premises.**

3 **“(c) The video surveillance system must operate in a manner that**
4 **deters theft and that enables the system to record:**

5 **“(A) Individuals involved in firearms transactions;**

6 **“(B) All areas where firearms are handled or transferred; and**

7 **“(C) The entrance or access area to any firearm storage location.**

8 **“(d) The department shall adopt rules concerning the specifications**
9 **for video surveillance systems described in this subsection. The rules**
10 **must contain specifications concerning the lighting of recorded lo-**
11 **cations, the type of video and audio recordings required, locations that**
12 **must be surveilled, reporting to law enforcement agencies, public no-**
13 **tice requirements and verification of surveillance compliance.**

14 **“(e) It is not a violation of this subsection if the video surveillance**
15 **system becomes temporarily inoperable through no fault of the**
16 **licensee, provided that the licensee takes reasonable steps to ensure**
17 **that the system becomes operable within 30 days of having notice of**
18 **the inoperability.**

19 **“(f) Video surveillance system recordings must be maintained for a**
20 **minimum of three years.**

21 **“(g) A licensee may not use, share, allow access or otherwise re-**
22 **lease video surveillance system recordings to any person except as**
23 **follows:**

24 **“(A) A licensee shall allow access to the surveillance system to an**
25 **agent of the department conducting an inspection of the licensee’s**
26 **premises, for the purpose of inspecting the system for compliance with**
27 **this subsection under circumstances in which a search warrant or**
28 **court order is not required.**

29 **“(B) A licensee shall allow access to the surveillance system pur-**
30 **suant to a search warrant or other court order.**

1 **“(C) A licensee may allow access to the surveillance system or may**
2 **release recordings to any person in response to an insurance claim or**
3 **as part of the civil discovery process, including but not limited to in**
4 **response to a subpoena, a request for production or inspection or other**
5 **court order.**

6 **“(5)(a) A licensee shall carry a general liability insurance policy**
7 **providing at least \$1 million of coverage per incident.**

8 **“(b) This subsection does not preclude any local authority or local**
9 **governing body from enacting or enforcing a more stringent require-**
10 **ment regarding the maintenance of liability insurance.**

11 **“(6) A licensee may not sell or transfer a firearm:**

12 **“(a) Outside of the licensee’s posted business hours, except that a**
13 **licensee may sell or transfer a firearm at a gun show as defined in**
14 **ORS 166.432 outside of the licensee’s posted business hours.**

15 **“(b) To a person the licensee knows or has reason to believe is un-**
16 **der the influence of alcohol or a controlled substance as defined in**
17 **ORS 475.005.**

18 **“(7)(a) A licensee may temporarily conduct business at a location**
19 **other than the place of business designated in the license if the tem-**
20 **porary location is within Oregon and is the location of a gun show as**
21 **defined in ORS 166.432. Nothing in this paragraph authorizes a licensee**
22 **to conduct business in or from a motorized or towed vehicle.**

23 **“(b) When temporarily conducting business under this subsection,**
24 **the licensee shall comply with all other requirements imposed on**
25 **licensees by this section. The failure of a licensee to comply with the**
26 **other requirements of this section while conducting business at a**
27 **temporary location may result in the licensee’s state license being re-**
28 **voked.**

29 **“(8)(a) A licensee shall establish and maintain a record book or an**
30 **electronic record of all acquisitions and dispositions, inventory and**

1 other records at the licensee's place of business, in such form and for
2 such a period of time as the department shall require by rule. The
3 licensee shall submit copies of the records to the department on a
4 schedule established by the department by rule. The records must at
5 a minimum include the following:

6 “(A) The make, model, caliber or gauge, manufacturer's name and
7 serial number of all firearms that are acquired or disposed of, recorded
8 no later than one business day after the acquisition or disposal.

9 “(B) A monthly inventory of firearms acquired but not yet disposed
10 of.

11 “(C) Firearm disposition information, including the serial numbers
12 of firearms sold, dates of sale, the identity of purchasers and details
13 of the permit to purchase issued under ORS 166.505.

14 “(D) Criminal firearm traces initiated by the Bureau of Alcohol,
15 Tobacco, Firearms and Explosives.

16 “(b) If the records described in paragraph (a)(A) of this subsection:

17 “(A) Are kept in a record book, the licensee shall maintain a
18 monthly backup of the records in a secure container designed to pre-
19 vent loss by fire, theft or flood.

20 “(B) Are kept electronically, the licensee shall back up the records
21 on an external server or over the Internet at the close of each business
22 day.

23 “(c) A licensee shall maintain the records described in paragraph
24 (a)(B) of this subsection in a secure location.

25 “(d) A licensee shall maintain the records described in paragraph
26 (a)(C) of this subsection and, unless otherwise provided by law, make
27 the records available at any time to a law enforcement agency and to
28 the manufacturer of the firearm or the manufacturer's designee.

29 “(e) A licensee shall retain all ATF Form 4437 transaction records
30 in the licensee's place of business in a secure container designed to

1 prevent loss by fire, theft or flood.

2 “(f) Notwithstanding paragraph (a) of this subsection, a licensee
3 operating a retail location that sells more than 10 firearms per year
4 must implement an electronic record-keeping system to keep track of
5 changing inventory that updates the make, model, caliber or gauge
6 and serial number of each firearm received or sold by the licensee.
7 Each retail sale or purchase must be recorded in the electronic system
8 within 24 hours of the transaction. A shipment of firearms from a
9 manufacturer or wholesaler must be recorded in the electronic system
10 no later than five business days after the shipment is received or
11 within 24 hours after the firearms are entered into inventory, which-
12 ever occurs first. The licensee shall maintain the electronic records
13 described in this paragraph for at least the time period required by 27
14 C.F.R. 478.129 or any successor federal law regulating the retention of
15 records.

16 “(9) The department shall adopt rules concerning licensee require-
17 ments for suicide risk education outreach, which may include but are
18 not limited to requirements to display signs at the licensee’s place of
19 business or offer pamphlets to firearm purchasers.

20 “(10) The department may adopt rules necessary to carry out any
21 provision of this section.

22 “SECTION 7. (1) A licensee shall:

23 “(a) Maintain for six years copies of all firearm trace requests re-
24 ceived, including notations for trace requests received by phone.

25 “(b) Provide an annual report to the Attorney General concerning
26 trace requests that includes at a minimum the following information:

27 “(A) The total number of trace requests received;

28 “(B) For each trace request, the make and model of the firearm and
29 date of sale; and

30 “(C) Whether the licensee was inspected by the Bureau of Alcohol,

1 Tobacco, Firearms and Explosives, and copies of any reports of vio-
2 lation notifications or letters received from the bureau.

3 “(2) Beginning no later than January 15, 2027, and annually there-
4 after, the Attorney General shall publish a report in a manner avail-
5 able to the public outlining the information provided under this
6 section.

7 **“SECTION 8. (1) A person who is a dealer and who knowingly sells**
8 **firearms without a valid state license issued under sections 2 and 3 of**
9 **this 2025 Act commits a Class C felony.**

10 “(2) Any firearm transferred or possessed in violation of this section
11 is an instrumentality of the crime and subject to forfeiture under ORS
12 chapter 131A.

13 **“SECTION 9. (1) Beginning no later than January 15, 2027, and an-**
14 **nually thereafter, the Department of Justice shall submit a report to**
15 **the Legislative Assembly, in the manner provided in ORS 192.245,**
16 **concerning firearm dealer licensing under sections 1 to 9 of this 2025**
17 **Act within the prior fiscal year. The report must include, at a mini-**
18 **mum:**

19 “(a) The number of state license applications received, including
20 renewal applications and the number of state licenses granted, re-
21 newed and denied;

22 “(b) The number of state licenses revoked and the reason for each
23 revocation;

24 “(c) The number of licensee inspections conducted;

25 “(d) The number of warnings issued to licensees for violating the
26 requirements of sections 1 to 9 of this 2025 Act and the basis for each
27 warning;

28 “(e) The amount of fees collected and deposited into the Firearm
29 Dealer License Fund established under section 10 of this 2025 Act and
30 the amount expended from the fund; and

1 “(f) The total amount spent by the department on licensing costs
2 and inspection costs.

3 “(2) The report described in this section may include information
4 about the race, gender and geographic location of persons who applied
5 for a state license, including whether the application was granted or
6 denied, and persons whose state licenses were revoked.

7 “(3) The report described in this section shall be made available to
8 the public no later than three months after submission to the Legis-
9 lative Assembly.

10 “SECTION 10. The Firearm Dealer License Fund is created, sepa-
11 rate and distinct from the General Fund. The Firearm Dealer License
12 Fund consists of moneys deposited into the fund under sections 2 and
13 5 of this 2025 Act and any other moneys that the Legislative Assembly
14 may appropriate or transfer to the fund. Interest earned by the fund
15 shall be credited to and deposited in the fund. Moneys in the fund are
16 continuously appropriated to the Department of Justice for the pur-
17 pose of carrying out the provisions of sections 1 to 9 of this 2025 Act.

18 “SECTION 11. (1)(a) A state license is required for all dealers to sell
19 firearms, frames, receivers and unfinished frames and receivers in this
20 state on and after January 1, 2027.

21 “(b) Notwithstanding paragraph (a) of this subsection, for a dealer
22 who holds only a Type 02 Federal Firearms License, a state license is
23 required for the dealer to sell firearms, frames, receivers and unfin-
24 ished frames and receivers in this state on and after October 15, 2027.

25 “(2)(a) Notwithstanding subsection (1)(a) of this section, a dealer
26 who submits a sufficiently completed application prior to January 1,
27 2027, may continue to engage in the business of dealing in firearms
28 until the Department of Justice has made a determination on the ap-
29 plication.

30 “(b) Notwithstanding subsection (1)(b) of this section, a dealer who

1 holds only a Type 02 Federal Firearms License and who submits a
2 sufficiently completed application prior to October 15, 2027, may con-
3 tinue to engage in the business of dealing in firearms until the De-
4 partment of Justice has made a determination on the application.

5 “(c) For purposes of this subsection, an application is sufficiently
6 completed if the application includes all information necessary to
7 make a determination that the applicant is eligible for a state license.

8 “(3)(a) The Department of Justice shall adopt the initial set of rules
9 required by section 2 of this 2025 Act by no later than February 1, 2026.

10 “(b) The department shall open the application process for state li-
11 censing on or before July 1, 2026.

12 “(c) A state license applicant must apply for a state license by
13 September 1, 2026, in order to be eligible to be issued a state license
14 prior to January 1, 2027.

15 “(d) Notwithstanding section 3 (3) of this 2025 Act, the department
16 shall make a determination on a state license application received
17 prior to September 1, 2026, by no later than December 31, 2026.

18 “(4) A person who is an employee, volunteer or contractor of a
19 licensee on January 1, 2027, and who, in the course of the person’s
20 duties, handles or engages in the sale or other transfer of a firearm
21 shall complete the training course described in section 5a (1)(a) of this
22 2025 Act no later than January 1, 2027, unless granted an extension by
23 the department.

24 “(5) A person who is employed by, is volunteering for or is con-
25 tracted to work with a licensee, in a capacity in which the person
26 handles or engages in the sale or other transfer of firearms, on Janu-
27 ary 1, 2027, who is required to obtain a criminal history record check
28 under section 5a of this 2025 Act, and who submits fingerprints for the
29 criminal history record check prior to January 1, 2027, may continue
30 with employment, volunteering or working pursuant to the contract

1 **until the department determines whether the employee is qualified for**
2 **employment.**

3 **“(6) The definitions in section 1 of this 2025 Act apply to this sec-**
4 **tion.**

5 **“SECTION 12. (1) Section 6 of this 2025 Act becomes operative on**
6 **January 1, 2027.**

7 **“(2) The Department of Justice may adopt rules and take any other**
8 **action before the operative date specified in subsection (1) of this sec-**
9 **tion that is necessary to enable the department, on and after the op-**
10 **erative date specified in subsection (1) of this section, to undertake**
11 **and exercise all of the duties, functions and powers conferred on the**
12 **department by section 6 of this 2025 Act.**

13 **“SECTION 13. ORS 166.433 is amended to read:**

14 **“166.433. The people of this state find that[:]**

15 **“[(1) *The laws of Oregon regulating the sale of firearms contain a loophole***
16 ***that allows people other than gun dealers to sell firearms at gun shows without***
17 ***first conducting criminal background checks; and]***

18 **“[(2)] it is necessary for the safety of the people of Oregon that any per-**
19 **son who transfers a firearm at a gun show be required to request a criminal**
20 **background check before completing the transfer of the firearm.**

21 **“SECTION 14. ORS 166.436 is amended to read:**

22 **“166.436. (1) The Department of State Police shall make the telephone**
23 **number established under ORS 166.412 (5) available for requests for criminal**
24 **background checks under this section from persons who [*are not gun***
25 ***dealers*] **have a state license as defined in section 1 of this 2025 Act** and**
26 **who are transferring firearms at gun shows.**

27 **“(2) Prior to transferring a firearm at a gun show, a transferor [*who is***
28 ***not a gun dealer*] shall by telephone verify that the transferee has a valid**
29 **[*permit-to-purchase*] **permit to purchase** a firearm under ORS 166.505, and**
30 **request that the department conduct a criminal background check on the**

1 recipient upon providing the following information to the department:

2 “(a) The name, address and telephone number of the transferor;

3 “(b) The make, model, caliber and manufacturer’s number of the firearm
4 being transferred;

5 “(c) The name, date of birth, race, sex and address of the recipient;

6 “(d) The Social Security number of the recipient if the recipient volun-
7 tarily provides that number;

8 “(e) The address of the place where the transfer is occurring; and

9 “(f) The type, issuer and identification number of a current piece of
10 identification bearing a recent photograph of the recipient presented by the
11 recipient. The identification presented by the recipient must meet the re-
12 quirements of ORS 166.412 (4)(a).

13 “(3)(a) Upon receipt of a request for a criminal background check under
14 this section, the department shall immediately, during the telephone call or
15 by return call:

16 “(A) Determine from criminal records and other information available to
17 it whether the recipient is disqualified under ORS 166.470 from completing
18 the transfer or is otherwise prohibited by state or federal law from possess-
19 ing a firearm; and

20 “(B) Notify the transferor when a recipient is disqualified from complet-
21 ing the transfer or provide the transferor with a unique approval number
22 indicating that the recipient is qualified to complete the transfer. The unique
23 approval number is a permit valid for 24 hours for the requested transfer. If
24 the firearm is not transferred from the transferor to the recipient within 24
25 hours after receipt of the unique approval number, a new request must be
26 made by the transferor.

27 “(b) If the department is unable to determine whether the recipient is
28 qualified for or disqualified from completing the transfer within 30 minutes
29 of receiving the request, the department shall notify the transferor and pro-
30 vide the transferor with an estimate of the time when the department will

1 provide the requested information.

2 “(c) The transferor may not transfer the firearm unless the transferor
3 receives a unique approval number from the department and, within 48 hours
4 of the completed transfer, the transferor shall notify the state that the
5 transfer to the permit holder was completed.

6 “(4) A public employee or public agency incurs no criminal or civil li-
7 ability for performing the criminal background checks required by this sec-
8 tion, provided the employee or agency acts in good faith and without malice.

9 “(5)(a) The department may retain a record of the information obtained
10 during a request for a criminal background check under this section for the
11 period of time provided in ORS 166.412 (7)[, *as amended by section 6, chapter*
12 *1, Oregon Laws 2023*].

13 “(b) The record of the information obtained during a request for a crimi-
14 nal background check under this section is exempt from disclosure under
15 public records law.

16 “(c) If the department determines that a recipient is prohibited from pos-
17 sessed a firearm under ORS 166.250 (1)(c), the department shall report the
18 attempted transfer, the recipient’s name and any other personally identifiable
19 information to all federal, state and local law enforcement agencies and
20 district attorneys that have jurisdiction over the location or locations where
21 the attempted transfer was made and where the recipient resides.

22 “(d) If the department determines that, based on the judgment of con-
23 viction, the recipient is prohibited from possessing a firearm as a condition
24 of probation or that the recipient is currently on post-prison supervision or
25 parole, the department shall report the attempted transfer to the recipient’s
26 supervising officer and the district attorney of the county in which the con-
27 viction occurred.

28 “(e) If the department determines that the recipient is prohibited from
29 possessing a firearm due to a court order described in ORS 166.255 (1)(a), the
30 department shall report the attempted transfer to the court that issued the

1 order.

2 “(f) If the department determines that the recipient is under the jurisdic-
3 tion of the Psychiatric Security Review Board, the department shall report
4 the attempted transfer to the board.

5 “(g) Reports required by paragraphs (c) to (f) of this subsection shall be
6 made within 24 hours after the determination is made, unless a report would
7 compromise an ongoing investigation, in which case the report may be de-
8 layed as long as necessary to avoid compromising the investigation.

9 “(h) On or before January 31 of each year, a law enforcement agency or
10 a prosecuting attorney’s office that received a report pursuant to paragraph
11 (c) of this subsection during the previous calendar year shall inform the de-
12 partment of any action that was taken concerning the report and the out-
13 come of the action.

14 “(i) The department shall annually publish a written report, based on any
15 information received under paragraph (h) of this subsection, detailing the
16 following information for the previous year:

17 “(A) The number of recipients whom the department determined were
18 prohibited from possessing a firearm under ORS 166.250 (1)(c), arranged by
19 category of prohibition;

20 “(B) The number of reports made pursuant to paragraph (c) of this sub-
21 section;

22 “(C) The number of investigations arising from the reports made pursuant
23 to paragraph (c) of this subsection, the number of investigations concluded
24 and the number of investigations referred for prosecution, all arranged by
25 category of prohibition; and

26 “(D) The number of criminal charges arising from the reports made pur-
27 suant to paragraph (c) of this subsection and the disposition of the charges,
28 both arranged by category of prohibition.

29 “(6) The recipient of the firearm must be present when the transferor re-
30 quests a criminal background check under this section.

1 “(7)(a) Except as otherwise provided in paragraph (b) of this subsection,
2 a transferor who receives notification under this section that the recipient
3 is qualified to complete the transfer of a firearm, has the recipient fill out
4 the form required by ORS 166.438 (1)(a) and retains the form as required by
5 ORS 166.438 (2) is immune from civil liability for any use of the firearm from
6 the time of the transfer unless the transferor knows, or reasonably should
7 know, that the recipient is likely to commit an unlawful act involving the
8 firearm.

9 “(b) The immunity provided by paragraph (a) of this subsection does not
10 apply:

11 “(A) If the transferor knows, or reasonably should know, that the recipi-
12 ent of the firearm intends to deliver the firearm to a third person who the
13 transferor knows, or reasonably should know, may not lawfully possess the
14 firearm; or

15 “(B) In any product liability civil action under ORS 30.900 to 30.920.

16 “**SECTION 15.** ORS 166.438 is amended to read:

17 “166.438. (1) A transferor [*who is not a gun dealer*] may not transfer a
18 firearm at a gun show unless the transferor **has a state license as defined**
19 **in section 1 of this 2025 Act and:**

20 “[*(a)(A)*] **(a)** Verifies with the Department **of State Police** that the re-
21 cipient has a valid permit-to-purchase issued under ORS 166.505;

22 “[*(B)*] **(b)** Requests a criminal background check under ORS 166.436 prior
23 to completing the transfer;

24 “[*(C)*] **(c)** Receives a unique approval number from the department indi-
25 cating that the recipient is qualified to complete the transfer; and

26 “[*(D)*] **(d)** Has the recipient complete the form described in ORS
27 166.441[; or]

28 “[*(b) Completes the transfer through a gun dealer*].

29 “(2) The transferor shall retain the completed form referred to in sub-
30 section (1) of this section for at least five years and shall make the completed

1 form available to law enforcement agencies for the purpose of criminal in-
2 vestigations.

3 “(3) A person who organizes a gun show shall post in a prominent place
4 at the gun show a notice explaining the requirements of subsections (1) and
5 (2) of this section. The person shall provide the form required by subsection
6 (1) of this section to any person transferring a firearm at the gun show.

7 “[~~(4)~~ Subsection (1) of this section does not apply if the transferee is li-
8 censed as a dealer under 18 U.S.C. 923.]

9 “[~~(5)(a)~~] **(4)(a)** Failure to comply with the requirements of subsection (1),
10 (2) or (3) of this section is a Class A misdemeanor.

11 “(b) Notwithstanding paragraph (a) of this subsection, failure to comply
12 with the requirements of subsection (1), (2) or (3) of this section is a Class
13 C felony if the person has two or more previous convictions under this sec-
14 tion at the time of the offense.

15 “[~~(6)~~] **(5)** It is an affirmative defense to a charge of violating subsection
16 (1) or (3) of this section that the person did not know, or reasonably could
17 not know, that more than 25 firearms were at the site and available for
18 transfer.

19 **“SECTION 16.** ORS 166.441 is amended to read:

20 “166.441. (1) The Department of State Police shall develop a form to be
21 completed by a person seeking to obtain a firearm at a gun show from a
22 transferor [*other than a gun dealer*]. The department shall consider including
23 in the form all of the requirements for disclosure of information that are
24 required by federal law for over-the-counter firearms transactions.

25 “(2) The department shall make the form available to the public at no
26 cost.

27 **“SECTION 17.** The amendments to ORS 166.433, 166.436, 166.438 and
28 166.441 by sections 13 to 16 of this 2025 Act become operative on Janu-
29 ary 1, 2027.

30 **“SECTION 18.** This 2025 Act being necessary for the immediate

1 **preservation of the public peace, health and safety, an emergency is**
2 **declared to exist, and this 2025 Act takes effect on its passage.”.**

3
