

Department of Justice  
Bureau of Alcohol, Tobacco, Firearms and Explosives

Supporting Statement  
Information Collection Requirement 1140-0018  
Application for Federal Firearms License  
ATF F 7(5310.12)/ 7CR(5310.16)

**A. Justification:**

1. Section 922 of Chapter 44 of Title 18, United States Code, specifies a number of unlawful activities involving firearms in interstate and foreign commerce. Many of these activities cease to be unlawful when persons are licensed under the provisions of Section 923. Examples of unlawful acts legitimized by licensing are: engaging in the business of selling firearms and shipping, receiving, and transporting firearms in interstate or foreign commerce, as well as acquiring firearms classified as curios and relics in interstate or foreign commerce to facilitate personal collections. This collection of information is necessary to insure that the person who wishes to be licensed as required by Section 923 meets the requirements of the section for the license. This revised application (collection 1140-0018) will eliminate the need for a separate application form just for Type 03, Collector of Curios and Relics, applicants (collection 1140-0038). This makes it easier to apply for an FFL, because now there will be no question as to which form should be used. Only having 1 form can also make application processing quicker for ATF personnel since they only have to be familiar with 1 FFL application. Because this one application will be used to apply for all FFL types (01, 02, 03, 06, 07, 08, 09, 10 and 11), careful scrutiny was taken to ensure the verbiage and content is suitable for all applicants.

The significant changes are as follows:

CHANGE	PURPOSE
Collections 1140-0018 and 1140-0038 were combined- This form (collection 1140-0018) will now also be used to apply for a Type 03, Collector of Curios and Relics FFL	Applicants will no longer need to determine which application they should be using or have to fill out 2 separate applications if they would like a Type 03 FFL and another FFL type. Additionally, the use of 1 application for an FFL is beneficial to field personnel, as they only need to be familiar with a single FFL application. Furthermore, it makes changes in applicant's license types much easier (i.e. if an applicant applies for a type 03 FFL but it's determined by the field that they really need a type 01 FFL, the applicant can simply change what they've checked in item #10; it will no longer be necessary to fill out another entire form)

CHANGE	PURPOSE
<p>RP-specific questions are now grouped together in Part B of the application</p> <p>New item: All of Part B Current item: 3- SSN, 14, 14a, 15, 22, 23, 24, 25, 26, and photograph in 28</p>	<p>All personal information questions will now be asked in part B of the revised Form 7. A separate Part B must be completed and signed (this section has its own certification statement) by each RP. This will ensure each responsible person answers and certifies qualification questions themselves. This change will directly hold each RP accountable for all qualifying questions, thus making it easier for ATF to prove falsification of information.</p> <p>Additionally, having all RP-related questions grouped together in a separate part of the form affords licensees an easy way to add additional RPs. They can now simply have the RP complete and submit Part B of the ATF Form 7/7CR, whereas before, licensees typically just submitted written correspondence to add an RP, which was often missing pertinent information needed to add the responsible person, which in turn caused more work for ATF Examiners and an overall longer processing times to get the RP added.</p>
<p>Questions relevant to businesses only, have been grouped into a separate section which applicants applying for a Type 03 FFL only can skip</p> <p>New item: Part A #13-17 Current item: #16-21</p>	<p>To make the form easy to use for all applicants. It's easily identifiable which questions Type 03 applicants don't have to answer.</p>
<p>Former item #8 became item #1 and boxes for "LLC" and "Collector" were added</p>	<p>This is a very important question that applicants should determine when they first begin to apply. Further, during inspections and investigations, how a licensee answered this question when they originally applied for their FFL, is a question that field personnel often ask the FFLC to determine by retrieving an FFL's original application. By having this question at the top of the application, the answer can be quickly and easily identified.</p>
<p>Former item #1 is now item #2. The wording changed slightly to help clarify what is being asked of the applicant.</p>	<p>Items 1 &amp; 2 (formally item #8 &amp; #1) are supposed to correspond. By keeping the items together, applicants are more apt to make this connection (i.e. if Guns LLC is written as the applicant name, then "LLC" should be selected for the new question #1, not corporation or individual owner). Furthermore, because this is a frequently misunderstood question, revising how it's written will help to clarify exactly what the applicant should put for this item.</p>

CHANGE	PURPOSE
<p>Added “(s)” at the end of “Trade or Business Name(s), if any”</p> <p>Proposed item: Part A #3 Current item: #2</p>	<p>ATF legal counsel determined that an FFL may have more than one trade/business name.</p>
<p>All applicants must now provide at least one hour of operation/availability in which they can be contacted by ATF personnel</p> <p>Proposed item: Part A #12 Current item: #13</p>	<p>Having a documented hour or more of operation and/or availability will be beneficial for ATF field personnel. Per § 478.23(a), a warrant obtained to authorize entry to an FFL’s premises allows ATF to “enter during business hours (or in the case of a licensed collector, the hours of operation)”</p>
<p>Current Form 7, Item #14 and 14a were removed</p>	<p>This information will be captured in Part B, item #20, on the proposed form.</p>
<p>Current Form 7, Item #15 was removed</p>	<p>Collecting this information is not necessary as the response provides no value in determining issuance of a license.</p>
<p>Current Form 7, Item #18 was removed</p>	<p>Question 18 on the current Form 7 asks “Do You Intend To Make a Profit from Your Business?” and further states “If no, do not submit application.” The decision was made to remove this question, as reasons for acquiring a license are clearly defined in the form instructions. Further, licenses are not revoked if licensees do not make a profit or conduct business, as it is not a violation of the GCA.</p>
<p>Current Form 7, Item #18a was modified</p> <p>Proposed item: Part A #16</p>	<p>Question 18a on the current Form 7 asks “Do You Intend To Sell Firearms <b>Only</b> at Gun Shows?” and further states “If yes, do not submit application.” The decision was made to modify this question, to remove the word “<b>Only</b>” and to remove the instruction “If yes, do not submit application,” since individuals conducting business only at gun shows should still be licensed. The question remains so that the field can be aware of the intentions of the dealer.</p>
<p>Moved the information statement for the Chief Law Enforcement Officer (CLEO) above the certification section</p> <p>Now after item: Part A #19</p>	<p>This helps eliminate applicant confusion about who is to sign the certification section. Historically, this has been a frequent misunderstanding, resulting in CLEOs signing and dating the application, instead of the applicant.</p>
<p>Added a 6<sup>th</sup> Certification Item</p> <p>Proposed item: Part A #20f</p>	<p>Helps ensure Part B of the form is completed by and submitted for each responsible person.</p>

CHANGE	PURPOSE
<p>The Certification section now has a line for applicants to print their name, instead of putting their title</p> <p>Proposed item: Part A #21 Current item: #28</p>	<p>By having the applicant print their name, in addition to signing the application, it becomes more irrefutable who completed and certified/signed the application. Positions/titles will now be asked of all RPs in Part B #5.</p>
<p>Minor edits to the application status section (at the bottom of Part A of the form)</p>	<p>A checkbox for “Abandoned” and a checkbox for “Withdrawn” statuses were added, to more accurately reflect the application’s final status.</p>
<p>Added block for RP email address</p> <p>Proposed item: Part B #11</p>	<p>Email is a common, convenient way of corresponding to licensees, as well as transmitting documents. An email address offers another means to contact an RP.</p>
<p>Added blocks for RP height, weight, eye color, and hair color</p> <p>Proposed item: Part B #14-17</p>	<p>This information is useful when conducting background checks on RPs- this information helps to discern if convictions that are found in doing the background check, really belong to the RP, or someone else. Additionally, by collecting this information on the form, if an RP forgets to complete this information on their fingerprint card, ATF Examiners can simply refer to the Form 7/7CR to obtain this information, instead of having to make contact with or return the fingerprint card back to the RP for completion.</p>
<p>Current Form 7, Item #23 was removed</p>	<p>The NIA Certification of Compliance questions have been removed. Part B #38 and #39 on the new form now address this.</p>
<p>Edits to Instruction Sheet</p>	<p>To clarify frequently asked questions/common applicant errors, and to be consistent with revisions made to the form. 12 definitions were also added to provide additional clarity for applicants.</p>

2. The information collection requirement is satisfied by submission of an application for a Federal Firearms License to ATF. ATF personnel analyze this application to determine the applicant’s eligibility to receive the requested license. With payment of the required fee under 18 U.S.C. Section 923(a)(1), the application must be approved, and the license issued so long as the applicant meets the provisions of 923(d)(1).

A detailed analysis of responses to the application is made by ATF personnel to make sure that: 1) the applicant has not willfully failed to disclose any material information or has not made any false statements as to any material fact, and 2) the person seeking a license to conduct business (All FFL types except for Type 03) has a suitable premises from which operations will be conducted, and hours of operations allowing for contact

for compliance inspections and the tracing of firearms suspected by law enforcement authorities of being used in criminal activities.

As long as 18 U.S.C. Section 923 requires a person wishing to transport, ship, or receive firearms in interstate or foreign commerce to pay a fee, to file an application, and to obtain a license before engaging in business, this form or one like it will be necessary. Additionally, as long as 18 U.S.C. § 923 requires a person wishing to transport, ship, or receive curio and relic firearms in interstate or foreign commerce to pay a fee, to file an application and to obtain a license before obtaining curios and relics firearms interstate, this form or one like it will be necessary.

3. ATF Form 7/7CR and fingerprint cards can be ordered on-line thru the ATF Distribution Center at <https://www.atf.gov/content/distribution-center-order-form> or by phone at 703-870-7526 or (703) 870-7528. The ATF Distribution Center is located in Herndon, Virginia. Application packages have all of the documents needed to apply for a license to include the form, instructions, and fingerprint cards, which makes the process very user friendly. The applicant may also request the package from the ATF Federal Firearms Licensing Center via email at [FFLC@atf.gov](mailto:FFLC@atf.gov), or by phone at 1-866-662-2750. The FD258 fingerprint cards may also be obtained from any other available source; many local law enforcement agencies have them. In addition, the form is available on the ATF website as an electronic fillable form. The form and instructions can be downloaded from ATF's website, but the form cannot be submitted electronically at this time. ATF currently offers e-forms for National Firearms Act (NFA) related forms; once this system is successfully established and maintained, funding will be sought to add Federal Firearms Licensing forms to the e-forms system. It is estimated in 3 years the form will be available as an e-form, which can be electronically submitted.

4. ATF uses a uniform subject classification system to identify duplication and to ensure that any similar information already available cannot be used or modified for use for the purpose of this information collection.

5. The collection of information has no significant impact on small businesses or other small entities.

6. Less frequent collection of this information would pose a threat to public safety. Without the information required by statute and the background information necessary to verify certain elements, ATF might issue licenses to persons prohibited by law from engaging in business or obtaining Curio and Relic firearms in interstate or foreign commerce.

7. The information collection is conducted in a manner consistent with 5 C.F.R. § 1320.6.

8. ATF Counsel was consulted to ensure that the requirements of the law were addressed for this information collection. A 60-day notice was published and generated public

comments, which were resolved. A 30-day Federal Register Notice will now be published in order to solicit additional public comments.

9. No decision of payment or gift is associated with this collection.

10. In accordance with System of records notice (SORN) Justice/ATF-008 Regulatory Enforcement Record System FR Vol. 68 No. 16 3558 dated January 24, 2003, records are stored in file folders in file cabinets and in electronic media. Direct access is restricted to personnel in the Department of Justice in the performance of their duty. Records are transmitted to routine users on a need to know basis and others upon verification of the substance and propriety of the request. Records are stored in file cabinets in rooms that are locked during non-duty hours. The records stored in electronic media are password protected. Disclosure of ATF Form 7/7CR is governed by 26 U.S.C. § 6103, for the period the applicant does not have a license, the Privacy Act of 1974, 5 U.S.C. 552a, and the Freedom of Information Act, 5 U.S.C. § 552. The information identifying the applicant would not be disclosed except as provided by the Privacy and Freedom of Information Acts.

11. Questions of a sensitive nature have been grouped together in Part B of the form. Part B of the form is required for all Responsible Persons; each Responsible Person will individually input their personal information and certify to its authenticity. Using this format ensures each responsible person answers and certifies qualification questions themselves, thereby holding each RP directly accountable for the accuracy of the personal information and qualifying questions.

12. The number of respondents associated with this collection is 15,000. Specifically, in 2015, approximately 10,000 Form 7 applications and 5,000 Form 7CR applications were received. Each respondent will complete the form one time. The total number of responses is 15,000. It takes 60 minutes to complete the form. Total annual burden hours are 15,000.

13. No new cost is associated with this collection. The annual cost has decreased due to postage decreasing from \$0.49 to \$0.47. The new postage cost will be reported as \$7,050.00

14. Annual cost to ATF is estimated as follows:

Printing	\$1,800
Distribution	1,000
<u>Postal Costs</u>	<u>7,050</u>
<b>Total</b>	<b>\$9,850</b>

15. There are adjustments associated with this information collection. We have consolidated collection 1140-0018 and 1140-0038 into one collection (1140-0018). Thus, approximately 5,000 more respondents will be using this collection (last year, in 2015, 5,000 Form 7CR applications/collection 1140-0038 were received). The estimated

time to complete this collection has been reduced from 1 hour and 15 minutes, to 60 min (1 hour). The 15 minute reduction in completion time stems from clearer, more precisely written questions and instructions. Certain frequently misunderstood/confusing questions were modified, and some formatting changes were made to make the form easier to complete. In addition, several helpful definitions have been added, and references to both definitions and instructions have been added throughout the form in an effort to aide in the completion of the questions.

16. The results of this collection will not be published.

17. ATF requests authorization to omit printing the expiration date for ATF Form 7/7CR, Application for Federal Firearm License. Printing the expiration date on the form will result in increased cost because of the need to replace inventories that become obsolete by passage of the expiration date each time OMB approval is renewed. The time period during which the current edition of the form in this package will continue to be usable cannot be predicted. It could easily span several cycles of review and OMB clearance renewal. In addition, usage fluctuates unpredictably. This makes it necessary to maintain a substantial inventory of the form in the supply line at all times. For these reasons, we request authorization to omit printing the expiration date on the form.

18. There are no exceptions to the certification statement.

## **B. Collections of Information Employing Statistical Methods**

This collection does not involve statistical methods.