

Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Supporting Statement
Information Collection Request
OMB 1140-0036
FFL Out of Business Records Request – ATF Form 5300.3A

A. Justification

1. Necessity of Information Collection

Federal firearms licensees (FFLs) are required to keep records of the acquisition and disposition of firearms. These records remain with the licensee as long as the business is operational and are vital for tracing firearms suspected of being used in crimes. Per 18 U.S.C. § 923(g)(4), as implemented by 27 CFR § 478.127, when an FFL’s business is discontinued, they are required to send their firearms records to the ATF Out-of-Business Records Center (OBRC), so they are available to ATF for firearms tracing when necessary. If the business is succeeded by a new licensee, the successor has the option to maintain the previous FFL’s records on site or send them to the OBRC.

ATF requests approval to make the following changes to the FFL Out of Business Records Request – ATF Form 5300.3A (ATF Form 5300.3A):

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- Paragraph 1 was reworded as follows: “Your Federal firearms license has expired, but ATF has not received your firearms records. Please read the information below before completing the form on the reverse.”
- “ATF National Services Center” was added to the Mailing Address in Paragraph 2.
- The following sentence was added to Paragraph 2: “Contact the local ATF Office prior to sending records. Licensed Collectors of Curios and Relics (Type 03) are NOT required to turn in records”
- Paragraph 4 was reworded to align with the recent update of ATF Order 1346.6A: “If you maintained electronic firearms records pursuant to ATF Ruling 2016-1 (or a predecessor ruling) or an ATF-approved variance, these records must be shipped/delivered to ATF as described above in addition to any paper firearms records. Electronic firearms records may be 1) printed; 2) downloaded to a physical storage device (e.g., hard drive, USB flash drive, DVD, CD); or 3) emailed to NTC-OBRRReceivingSection@atf.gov, if the file size permits. Electronic records should be in PDF, ASCII text file, or MS Excel/CSV (comma separated value or other tab delimited file) format.”

- Paragraph 5 was re-worded as follows: “Your acquisition and disposition records must be complete as of the date your firearms business is discontinued. There must be an acquisition entry for all firearms acquired under the Federal firearms license. There must also be a corresponding disposition of these firearms, whether by sale or by transfer to a non-licensee or a Federal firearms licensee.”
- The extension listed in Paragraph 6 was changed to: “01590.”

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- “ATF National Services Center” was added to the Mailing Address in Paragraph 2.
- The NTC Secure Fax Line was changed to: “1-800-578-7223”

2. Needs and Uses

Under Federal law, an FFL has 30 days from the date it discontinues its firearms business to surrender its firearms records to the ATF OBRC. If this deadline has passed and the records have not been submitted, ATF Form 5300.3A is generated. ATF Form 5300.3A notifies the FFL of its obligation to surrender their firearms records to ATF, if discontinuance of the business is absolute. If discontinuance of the business is not absolute, the FFL can use ATF Form 5300.3A to notify ATF of a successor business that will maintain control of the firearms records, which facilitates firearms tracing continuity by law enforcement.

Firearms records to be surrendered should be delivered or shipped to the Out-of-Business Records Center, ATF National Services Center, 244 Needy Road, Martinsburg, West Virginia 25405, or to the ATF field office nearest the FFL’s business location. If the out-of-business FFL intends to send or deliver their records to the nearest ATF office, it is strongly recommended that they contact office personnel to coordinate the submission beforehand. However, the Chief of the ATF Federal Firearms Licensing Center may arrange for delivery of these records to another responsible authority when required by State law or local ordinance.

3. Use of Information Technology

ATF Form 5300.3A is electronically generated by the ATF Firearms Licensing System in Martinsburg, West Virginia, when a license is designated as “expired.” The form is unavailable to the public on the ATF website. A license is automatically designated as expired if an FFL has not renewed the license within 30 days of expiration, and/or the required firearms records have not been submitted to ATF following discontinuance of the business, as required by Federal law. Respondents can submit their completed ATF Form 5300.3A by email or fax. An FFL that maintained electronic firearms records pursuant to ATF rulings or in accordance with an approved variance may also submit

records via an electronic storage device (e.g., USB flash drive, DVD, CD). Finally, if the file size is not too large, records can be emailed to the OBRC at NTC-OBRRReceivingSection@atf.gov.

4. Efforts to Identify Duplication

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

5. Minimizing Burden on Small Businesses

This collection of information has no significant impact on small businesses.

6. Consequences of Not Conducting or Less Frequent Collection

ATF would be unable to fulfill its law enforcement mission of tracing firearms and providing critical data to firearms investigations without this information collection.

7. Special Circumstances

There are no special circumstances associated with this collection since data is collected in a manner consistent with the guidelines in 5 CFR §1320.6.

8. Public Comments and Consultations

No comments were received during the 60-day Federal Register notice period. However, a 30-day FR notice will be published to solicit public comments.

9. Provision of Payments or Gifts to Respondents

No payment or gift is associated with this collection.

10. Assurance of confidentiality

Records that are sent to an ATF field office or to the ATF Out-of-Business Records Center are kept in a secured location and viewed by ATF personnel only. Confidentiality is not assured.

11. Justification for Sensitive Questions

No questions of a sensitive nature are asked.

12. Estimate Respondent's Burden

Federal laws and regulations require Federally licensed firearms business owners to submit their firearms records to ATF following discontinuance of the business. During 2020, 4,297 FFLs submitted records (722 of which included electronic records) to the OBRC. ATF also distributed 3,066 notifications of ATF Form 5300.3A to FFLs that had discontinued their firearms business but had not surrendered firearms records to ATF in the 30 days following the discontinuance of business.

The respondents who submitted files sent an average of 7 boxes of firearms records to ATF, weighing approximately 35 pounds each. It is estimated that each respondent took an average of 11 hours to package, ship/deliver their 7 boxes of firearms records to ATF. The estimated burden hours to ship/deliver firearms records are 47,267 hours, which is equal to 4,297 (# of respondents) * 11 hours (time taken for each respondent to package and ship electronic records to ATF).

When a licensee discontinues business, Federal law allows them 30 days to submit those records to ATF. If the 30-day deadline passes, ATF Form 5300.3A is automatically generated to notify the licensee about their obligation to submit those records to ATF. During 2020, ATF personnel sent 3,066 forms to firearms licensees. Each licensee completes the form once for each business that is discontinued. It took approximately five minutes for each respondent to complete ATF Form 5300.3A. Therefore, the total public burden for completing the form is 255.5/256 hours, which is equal to 3,066 (# of respondents who completed ATF Form 5300.3A) * 5 minutes (time to complete each form) = 15,330/60 min = 255.5/256.

The total number of burden hours associated with this collection is approximately 47,523 hours, which is equal to 47,267 (total hours for packaging and shipping/delivering records) + 255.5/256 (total hours to complete ATF Form 5300.3A).

13. Estimate of Cost Burden

The cost burden to the respondent is attributed to mailing ATF Form 5300.3A or packaging and shipping/delivering the firearms records. The estimated cost for the 4,297 respondents that shipped/delivered firearms records is: \$2,096,506.30, which is equal to (4,297 (respondents) * 7 (total boxes per respondent)) * \$69.70 (cost of each large package, ground delivery).^{1,2}

The estimated cost for mailing Form 5300.3A is approximately \$2,363. (4,297 respondents * \$0.55 postage).³

¹<https://postcalc.usps.com/Calculator/MailServices?country=0&ccode=US&oz=77001&omil=False&dz=25405&dmil=False&mdt=5%2F3%2F2021&mdz=11%3A29&m=7&p=35&o=0&rect=True&l=24&h=15&w=10.25&g=0>

² Based on the current addresses of FFLs, the largest number of FFLs are in Texas; therefore, a rate originating from Texas was used.

³ <https://www.usps.com/ship/first-class-mail.htm>

The estimated total annual cost of this collection is approximately \$2,098,869, which is equal to \$2,096,606.3 (total cost for shipping firearms records) + \$2,363 (total postage for mailing ATF Form 5300.3A).

14. Costs to Federal Government

Federal Government costs are calculated as follows:

Printing	\$395
Distribution	700
Clerical cost	500
Postal cost	<u>1,724</u>
Total	\$3,319

15. Reason for Change in Burden

Since the last renewal in 2018, the total number of respondents and responses to this collection declined from 4,607 to 4,297. However, the public burden increased from 27,904 to 47,523 hours because in 2020 it took FFLs more time to prepare an average of seven boxes containing out of business records, as compared to an estimated four boxes of records in 2018. However, the total public burden cost for this collection decreased from \$2,243,013 in 2018, to \$ 2,098,869 in 2020, due to fewer combined respondents.

16. Anticipated Publication Plan and Schedule

The results of this collection will not be published.

17. Display of Expiration Date

ATF will display the Office of Management and Budget expiration date for this collection.

18. Exception to the Certification Statement

There are no exceptions to the certification statement.

B. This collection does not employ statistical methods.