

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Handgun Dealer Licensing Act.

6 Section 5. Definitions. In this Act:

7 "Department" means the Department of State Police.

8 "Handgun dealer" means any person who is:

9 (1) engaged in the business of selling concealable
10 firearms at wholesale or retail;

11 (2) engaged in the business of repairing concealable
12 firearms or making or fitting special barrels, stocks, or
13 trigger mechanisms to concealable firearms; or

14 (3) a pawnbroker whose business or occupation includes
15 the taking or receiving, by way of pledge or pawn, of any
16 concealable firearm as security for the payment or
17 repayment of money.

18 "Licensed dealer" means any firearms dealer who is
19 licensed under both this Act and Section 923 of the federal Gun
20 Control Act of 1968 (18 U.S.C. 923).

21 "Person" means an individual, firm, association, society,
22 partnership, limited liability company, corporation, or other
23 entity.

1 "Engaged in the business" means the devotion of time,
2 attention, and labor to engaging in the activity as a regular
3 course of trade or business with the principal objective of
4 livelihood and profit. "Engaged in the business" does not
5 include the making of occasional repairs of concealable
6 firearms, or the occasional fitting of special barrels, stocks,
7 or trigger mechanisms to concealable firearms.

8 "Firearm" has the meaning given to that term in the Firearm
9 Owners Identification Card Act.

10 "Transfer" means the actual or attempted transfer of a
11 concealable firearm or concealable firearm ammunition, with or
12 without consideration. "Transfer" does not include the lease of
13 a concealable firearm, or the provision of ammunition
14 specifically for that firearm, if the firearm and the
15 ammunition are to be used on the lessor's premises, and does
16 not include any transfer of possession when the transferor
17 maintains supervision and control over the concealable firearm
18 or ammunition.

19 "With the principal objective of livelihood and profit"
20 means that the intent underlying the sale or disposition is
21 predominantly one of obtaining livelihood and pecuniary gain,
22 as opposed to other intents, such as improving or liquidating a
23 personal firearms collection; however, proof of profit shall
24 not be required as to a person who engages in the regular and
25 repetitive purchase and disposition of firearms for criminal
26 purposes or terrorism.

1 Section 10. Unlicensed dealing; exemption.

2 (a) No person may sell or otherwise transfer, expose for
3 sale or transfer, or have in his or her possession with the
4 intent to sell or transfer any concealable firearm without
5 being licensed under this Act.

6 (b) This Section does not apply to a person who makes
7 occasional sales, exchanges, or purchases of concealable
8 firearms for the enhancement of a personal collection or as a
9 hobby, or who sells all or part of his or her personal
10 collection of firearms.

11 Section 15. License application; fees; penalty.

12 (a) The Department may grant a handgun dealer license to an
13 applicant who satisfies the following requirements:

14 (1) he or she is at least 21 years of age;

15 (2) he or she possesses a valid Firearm Owner's
16 Identification Card; and

17 (3) he or she submits to a background check conducted
18 by the Department that includes the initiation and
19 completion of an automated search of its criminal history
20 record information files and those of the Federal Bureau of
21 Investigation, including the National Instant Criminal
22 Background Check System, and of the files of the Department
23 of Human Services relating to mental health and
24 developmental disabilities to obtain any felony conviction

1 or patient hospitalization information that would
2 disqualify a person from obtaining licensure under this
3 Act.

4 (b) An application for a handgun dealer license must be
5 made on forms prescribed by the Department. The application
6 must be verified by the applicant under oath and must be
7 accompanied by the required fee.

8 (c) The applicant must submit to the Department a license
9 fee of \$300, payable at the time of application, and an
10 additional \$300 payable every 3 years thereafter for so long as
11 the license is in effect.

12 (d) The applicant must submit to fingerprinting and must
13 pay a fingerprint processing fee in the amount set by the
14 Department.

15 (e) A person who knowingly makes a false statement or
16 knowingly conceals a material fact or uses false information or
17 identification in any application for a license under this Act
18 commits a Class A misdemeanor.

19 Section 20. Duration of licensure. A license granted under
20 this Act remains in effect until it is revoked, suspended, or
21 otherwise withdrawn by the Department or until it is
22 surrendered by the licensee.

23 Section 25. License retention requirements. A license
24 granted under this Act is subject to all of the following

1 requirements:

2 (1) A licensed dealer may only transact business under
3 this Act at an address that has a zoning classification
4 that permits the operations of a retail establishment.

5 (2) A licensed dealer may not transact business in any
6 place other than the premises specified on his or her
7 license, except that a licensed dealer may display, sell,
8 or transfer firearms at a gun show open to the general
9 public or at any regular meeting of an incorporated
10 collectors club in accordance with this Act and federal
11 law.

12 (3) A licensed dealer may not violate any provision of
13 any federal or State law pertaining to the possession, use,
14 sale, or delivery of firearms.

15 (4) A licensed dealer must strictly adhere to the
16 provisions of all applicable federal and State laws and
17 local ordinances and local business license requirements.

18 (5) A separate license must be obtained for each
19 separate place of business. Before a licensed dealer moves
20 his or her place of business, he or she must promptly apply
21 to the Department for an amended license.

22 (6) The license, or a copy of the license certified by
23 the Department, must be conspicuously displayed at the
24 business premises.

25 (7) No concealable firearm may be displayed in any
26 outer window of the business premises or in any other place

1 where it can readily be seen from the outside.

2 (8) Every concealable firearm must be unloaded when
3 delivered.

4 (9) A licensee must obtain a certificate of
5 registration issued under the Retailers' Occupation Tax
6 Act.

7 (10) The licensee must take reasonable precautions to
8 ensure that all concealable firearms that the licensee
9 sells will not be used illegally. These precautions
10 include, but are not limited to, the following:

11 (A) the refusal to sell a concealable firearm to a
12 person the licensee knows or has reason to know is
13 purchasing the firearm on behalf of another person who
14 could not legally purchase the firearm;

15 (B) the refusal to sell a concealable firearm to a
16 person who has provided a home address in a
17 municipality or county in which possession of that type
18 of concealable firearm is illegal, unless the
19 transferee presents reasonably satisfactory evidence
20 that the concealable firearm will not be used or
21 possessed unlawfully in that municipality or county;
22 and

23 (C) the refusal to sell a concealable firearm to a
24 person who has provided a home address in a
25 municipality or county that requires registration of
26 the firearm, unless the purchaser presents

1 satisfactory evidence of compliance with the
2 registration requirement.

3 (11) A licensee must make his or her records relating
4 to the sale of concealable firearms available to any
5 officer or employee of the Department or of any unit of
6 local government in this State whenever the officer or
7 employee is authorized to enforce laws or ordinances
8 pertaining to firearms, provided that no officer or
9 employee may conduct any search or seizure other than an
10 inspection of a licensee's records relating to firearms
11 sales without a warrant and that nothing in this Section
12 shall authorize any search or seizure forbidden by the
13 United States Constitution or the Illinois Constitution.

14 Section 30. Submission to Department.

15 (a) A licensed dealer must, within 24 hours after making a
16 sale or transfer of a concealable firearm to a person who is
17 not licensed as a handgun dealer, submit a report concerning
18 that sale to the Department. The report must contain the
19 following information:

20 (1) the date of the sale or transfer;

21 (2) the identity and address of the dealer;

22 (3) the name, address, age, and occupation of the
23 transferee;

24 (4) the price of the firearm; and

25 (5) the type, description, and number of the firearm.

1 (b) All records of the reports submitted under this Section
2 must be maintained by the Department on a computer database
3 capable of allowing the retrieval of information for each
4 dealer and each transferee. The computer database must also
5 contain a listing of each county or municipality that prohibits
6 one or more types of concealable firearms, and the type or
7 types of concealable firearms that are prohibited in that
8 county or municipality. Information in the database must be
9 made available to any law enforcement agency responsible for
10 the enforcement of any federal, State, or local law or
11 ordinance relating to firearms, and to any licensed dealer who
12 requests information relating to a person who is seeking to
13 purchase one or more firearms from that dealer. Except as
14 specifically provided in this Section, information in the
15 database is deemed the confidential record of the Department
16 and is not subject to disclosure under any other law.

17 (c) Any licensee who is required to keep a record of
18 transfer under subsection (b) of Section 3 of the Firearm
19 Owners Identification Card Act must report any transfer of a
20 firearm that occurred within the 24-month period immediately
21 preceding the effective date of this Act to the Department no
22 later than 30 days after the effective date of this Act. The
23 report must contain that information required by subsection (b)
24 of Section 3 of the Firearm Owners Identification Card Act. The
25 Department must include this report in the computer database
26 required to be maintained under this Section.

1 Section 35. Penalty. Any person who sells, or who possesses
2 with intent to sell, trade, or transfer, any firearm without
3 being licensed under this Act is guilty of a Class 4 felony.

4 Section 40. Enforcement; no authority to make or promulgate
5 rules.

6 (a) This Act must be enforced by the Department, and may be
7 enforced, for the purpose of determining compliance with this
8 Act, by any municipality in which the licensee is located or,
9 if the licensee is not located in a municipality, by the county
10 in which the licensee is located.

11 (b) Notwithstanding any other rulemaking authority that
12 may exist, neither the Governor nor any agency or agency head
13 under the jurisdiction of the Governor has any authority to
14 make or promulgate rules to implement or enforce the provisions
15 of this Act. If, however, the Governor believes that rules are
16 necessary to implement or enforce the provisions of this Act,
17 the Governor may suggest rules to the General Assembly by
18 filing them with the Clerk of the House and Secretary of the
19 Senate and by requesting that the General Assembly authorize
20 such rulemaking by law, enact those suggested rules into law,
21 or take any other appropriate action in the General Assembly's
22 discretion. Nothing contained in this Act shall be interpreted
23 to grant rulemaking authority under any other Illinois statute
24 where such authority is not otherwise explicitly given. For the

1 purposes of this Act, "rules" is given the meaning contained in
2 Section 1-70 of the Illinois Administrative Procedure Act, and
3 "agency" and "agency head" are given the meanings contained in
4 Sections 1-20 and 1-25 of the Illinois Administrative Procedure
5 Act to the extent that such definitions apply to agencies or
6 agency heads under the jurisdiction of the Governor.

7 Section 45. Revocation; suspension. The Department, after
8 due notice to the licensee and reasonable opportunity for the
9 licensee to be heard, may revoke a license or may suspend a
10 license for a period of time that the Department may deem
11 proper upon satisfactory proof that the licensee has violated
12 or permitted a violation of any requirement of this Act or is
13 no longer eligible to obtain a license under this Act. A person
14 whose license has been revoked by the Department is
15 disqualified from receiving a license under this Act for 10
16 years after the revocation. Any person who has substantially
17 participated in the operation or management of a licensee that
18 has had a license revoked may not be employed by or participate
19 in the business of any other licensee for 10 years after the
20 revocation. Proceedings for revocation or suspension under
21 this Section may be initiated by the Department or by any
22 municipality or county.