



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

Firearm Dealers Safety Act (HB 1257) Fact Sheet

The Firearm Dealers Safety Act will require Maryland firearms dealers to employ best practices at their stores including employee background checks; insurance coverage; reports of stolen merchandise; locks and storage; electronic record keeping and more.

*Background:*

In recent years, the Federal Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) has reported a sharp increase in the number of thefts from federal firearms licensees (FFL).

According to the most recent data, there were 427 FFL burglaries and 36 FFL robberies in the year 2018 alone. From these incidences, 5,981 firearms were reported as stolen.<sup>1</sup> While these numbers were slightly down from the previous year, the statistics have been rapidly trending up over the past five years. The state of Maryland has not been immune from this national problem. Between 2012 and 2018, 603 guns were stolen from gun dealers in the state of Maryland.

Legislation is needed to protect Marylanders and prevent guns from being stolen and diverted to the criminal market. Below is a breakdown of the number of guns lost or stolen in Maryland from 2012 to 2019, along with specific instances of burglaries and robberies at Maryland FLLs:

Year	Total (lost or stolen)	Total (stolen)
2019	186	71
2018	348	141
2017	305	121
2016	169	55
2015	122	56
2014	231	97
2013	93	35

<sup>1</sup> The Bureau of Alcohol, Tobacco, Firearms, and Explosives “Federal Firearms Licensee Burglary and Robbery Statistics - Calendar Year 2014-2018” available at <https://www.atf.gov/infographics/federal-firearms-licensee-burglary-and-robbery-statistics-calendar-year-2014-2018> (published February 4, 2019).

2012	984	98
------	-----	----

- June 2019—A group of burglars stole firearms from both Fox’s Firearms in Fulton and United Gun Shop in Rockville. For United Gun Shop, this was the third time the shop has fallen victim to burglars since 2017 when a pair a burglars stole 30 guns in 90 seconds.<sup>2</sup>
- August 2016—36 guns were stolen during an armed robbery at Blue Fins in Dundalk<sup>3</sup>
- February 2014—More than 70 handguns were stolen by burglars from Fred’s Sport and Furniture in Waldorf.<sup>4</sup>

The trend in gun thefts is not expected to slow down, as firearms are very lucrative on the black market.<sup>5</sup> This is a major concern to law enforcement. According to the ATF’s Baltimore field office, stolen guns are easily diverted to individuals that are not able to purchase guns legally and are most often recovered at crime scenes. In the examples listed above, ATF was not able to recover all of the stolen weapons. The ATF considers licensed firearms dealers to be “the first line in maintaining the security and lawful of firearms” and issues detailed guidance on safe business practices and security measures that FFLs can adopt to reduce instances of theft.<sup>6</sup>

However, the ATF urges FFLs to adopt safe business practices and security measures on a voluntary basis. There are no federal laws that mandate adoption, leaving the decision to state and local governments. The Firearm Dealers Safety Act will codify these practices, consistent with ATF guidelines, to help prevent these types of weapons from ending up on the black market.

The purpose of The Firearm Dealers Safety Act is to prevent firearm theft and loss through the implementation of commonsense security measures and safe business practices. The effect will be to keep firearms off the black market and reduce gun violence in the state of Maryland.

---

<sup>2</sup> WJLA “WATCH: Masked suspects enter Md. gun shop, smash cases, steal multiple handguns and rifles” available at <https://wjla.com/news/crime/police-multiple-handguns-rifles-stolen-from-md-gun-shop> (March 9, 2017).

<sup>3</sup>Center for American Progress “Stolen Guns in America” available at <https://www.americanprogress.org/issues/guns-crime/reports/2017/07/25/436533/stolen-guns-america/> (published July 25, 2017).

<sup>4</sup> Center for American Progress “Stolen Guns in America” available at <https://www.americanprogress.org/issues/guns-crime/reports/2017/07/25/436533/stolen-guns-america/> (published July 25, 2017).

<sup>5</sup> WJLA “ATF: Licensed gun store burglaries/robberies up 52 percent nationwide” available at <https://wjla.com/news/local/atf-reports-increase-in-gun-store-robberies-nationwide-including-va-md> (published March 10, 2017).

<sup>6</sup> Bureau of Alcohol, Tobacco, Firearms and Explosives, *Safety and Security Information for Federal Firearms Licensees*, ATF Pub. 3317.2 (2010) available at <https://www.atf.gov/firearms/docs/guide/safety-and-security-information-federal-firearms-licensees-atf-p-33172/download>

Other states have made progress in combating firearm theft from dealers by passing legislation to regulate FFLs. Nine states and the District of Columbia have already passed laws requiring FFLs to comply with security measures determined by the states. Four states require FFLs to report lost or stolen firearms.<sup>7</sup> By passing the Firearm Dealers Safety Act, Maryland would join these states in the fight prevent legal guns from being diverted to the criminal market.

*Provisions:*

The Firearm Dealers Safety Act promotes reasonable safe business practices and requires the implementation of the following security measures to recognize and deter theft and loss:

- Safe Business Practices that Require Licensed Firearm Dealers To:
  - Have employees who handle guns take and pass background checks and repeat such background checks annually;
  - Obtain business and liability insurance to cover third-party liability to individuals harmed by a firearm transferred negligently or in violation of federal or state law by the dealer; and
  - Report stolen firearms immediately upon discovery of theft to local law enforcement.
  
- Security Measures to Deter Theft and Loss Required of Licensed Firearm Dealers To:
  - Ensure that firearms displayed during business hours are locked and not able to be used.
  - Lock firearms in a secure vault outside of business hours;
  - Use electronic record-keeping of inventory, sales, and temporarily held guns including the make, model, caliber or gauge, and serial number; and
  - Use of standard operating procedures for site security including locks; exterior lighting; surveillance cameras; and an alarm system.

These measures will be enforced by the Maryland State Police through their existing biannual inspection authority. In the absence of legislative action on the State level, several counties are taking steps to better regulate firearm dealers. The Baltimore County Council recently passed the SAFE Act to institute new security standards at firearm stores and temporary gun shows. Among other safety requirements, the legislation mandates that firearms would have to be locked in a safe and secure room when the business is closed.<sup>8</sup> Additionally, some Maryland counties such as Montgomery have their own regulations for safe practices.

---

<sup>7</sup> Giffords Law Center “Gun Dealers” available at <https://lawcenter.giffords.org/gun-laws/policy-areas/gun-sales/gun-dealers/>. PLEASE DROP SEPARATE FOOTNOTES FOR THE NINE STATES AN FOUR STATES AND SPECIFY THE STATES.

<sup>8</sup> Wilborn P. Nobles III, “Baltimore County Executive Proposes New Gun Shop Security Rules to Prevent Stolen Firearms” (Baltimore Sun, December 13, 2019), <https://www.baltimoresun.com/maryland/baltimore-county/bs-md-co-county-gun-shops-20191126-3567tkcvjfeopacrgotra7kugm-story.html>

*Conclusion:*

The Firearm Dealers Safety Act addresses the challenge of gun dealer security by implementing measures that will make it more difficult for criminals to rob or burglarize gun stores. Because many of these illegally obtained firearms end up in the hands of criminals and/or on the unregulated black market, legislation that prevents or limits firearm theft should be considered a vital step in combating gun violence in Maryland.