

116<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7702

To establish a grant program through the Department of Justice to incentivize States to establish point-of-contact systems for firearm sales subject to a background check, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 21, 2020

Ms. DEAN introduced the following bill; which was referred to the Committee on the Judiciary

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## A BILL

To establish a grant program through the Department of Justice to incentivize States to establish point-of-contact systems for firearm sales subject to a background check, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Background Check  
5 Point of Contact Act of 2020”.

6       **SEC. 2. GRANTS ESTABLISHED.**

7       (a) IN GENERAL.—

1           (1) ESTABLISHMENT.—The Attorney General  
2           may make an annual grant of not more than  
3           \$1,000,000 to each eligible State that has conformed  
4           to the requirements of this Act. Such grant may be  
5           renewed for each year that the State remains in  
6           such conformity. The grant shall be used for the es-  
7           tablishment, operation, and maintenance of a point-  
8           of-contact system as set forth in section 3.

9           (2) AUTHORIZATION OF APPROPRIATIONS.—  
10          There are authorized to carry out this program not  
11          more than \$10,000,000 each fiscal year.

12          (3) MATCHING REQUIREMENT.—The Federal  
13          share of the cost of a point-of-contact system carried  
14          out using grant funds may not exceed 25 percent.

15          (b) PREFERENCE FOR OTHER GRANTS.—The Attor-  
16          ney General shall give preference in awards of any discre-  
17          tionary grant administered by the Bureau of Justice As-  
18          sistance to a State that has conformed its laws in accord-  
19          ance with this Act.

20       **SEC. 3. POINT-OF-CONTACT SYSTEMS REQUIRED.**

21          To be in compliance with this section, a State shall  
22          conform its laws to the following:

23               (1) A point-of-contact system for the sale or  
24               transfer of a firearm shall be established or main-  
25               tained, under which a person licensed under section

1 923 of title 18, United States Code, may verify that  
2 the sale or transfer would be lawful.

3 (2) A sale or transfer of a firearm may not be  
4 completed unless the parties to the sale or transfer  
5 receive an approval number issued by the point-of-  
6 contact system not later than 10 days after the sale  
7 or transfer is initiated.

8 (3) The point-of-contact system may not issue  
9 an approval number if the system cannot confirm  
10 that the sale or transfer would be lawful.

11 (4) A hotline shall be established, to be oper-  
12 ated by the State, to be used by a person licensed  
13 under section 923 of title 18, United States Code,  
14 for purposes of contacting the national instant crimi-  
15 nal background check system.

16 (5) A fund shall be established by the State for  
17 the operation of the point-of-contact system.

18 (6) An appeals process in the case of any fail-  
19 ure by the point-of-contact system to issue an ap-  
20 proval number, with the burden of proof on the  
21 State to prove that there was a valid basis for fail-  
22 ure to issue shall be established.

23 (7) For each denial, the information will be  
24 transferred to the state or local law enforcement

1 agency responsible for investigating the denial as a  
2 violation of law.

3 **SEC. 4. REPORTING REQUIREMENT.**

4 To be in compliance with this section, a State that  
5 receives a grant under this Act shall publish an annual  
6 report that contains information substantially similar to  
7 the information included in a NICS operations report  
8 made by the Director of the Federal Bureau of Investiga-  
9 tion and additionally includes the following:

10 (1) The number of investigations resulting from  
11 failures to issue approval numbers.

12 (2) Results of investigations reported.

13 (3) Denied appeals that were overturned.

14 (4) Total number of hours where point of con-  
15 tact system was not functional resulting in a halt in  
16 processing checks.

17 (5) The number of persons arrested as a result  
18 of an information transfer under section 3(7).

19 **SEC. 5. ANNUAL AUDIT.**

20 To be in compliance with this section, a State shall  
21 submit to an annual audit by the Director of the Federal  
22 Bureau of Investigation of the point-of-contact system es-  
23 tablished under section 3.

24 **SEC. 6. DEFINITIONS.**

25 In this Act:

1           (1) The term “firearm” has the meaning given  
2 such term in section 921 of title 18, United States  
3 Code.

4           (2) The terms “law enforcement agency” and  
5 “unit of local government” have the meanings given  
6 such terms in section 901 of the Omnibus Crime  
7 Control and Safe Streets Act of 1968 (34 U.S.C.  
8 10251).

9           (3) The term “State” includes each of the sev-  
10 eral States, the District of Columbia, the Common-  
11 wealth of Puerto Rico, and any other territory of the  
12 United States.

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