

DEPARTMENT OF JUSTICE
Bureau of Alcohol, Tobacco, Firearms and Explosives

Firearms & Explosives Services Division

Import/Export Conference

August 5, 2014



FESD MISSION

Promote the ATF mission to prevent terrorism, reduce violent crime and protect the public by:

1. Ensuring that only qualified persons get access to firearms and explosives through stringent license screening;
2. Ensuring that only lawful defense articles are imported into the U.S. from lawful foreign countries for lawful purposes; and
3. Ensuring that possession of Federally-restricted weapons such as machineguns, silencers, short-barreled rifles and shotguns, and destructive devices is limited to lawful owners for lawful purposes.

Other FESD functions

4. Industry Outreach/Customer Service
5. Field investigative and intelligence support
6. Revenue collection for U.S. Treasury Fund

FESD BRANCHES & PROGRAMS

BRANCHES

1. National Firearms Act Branch (NFA)
2. Firearms and Explosives Import Branch (FEIB)
3. Federal Firearms Licensing Center (FFLC)
4. Federal Explosives Licensing Center (FELC)

NATIONAL PROGRAMS

1. AFMER Program
 - Firearms Commerce in the U.S. Publication

FESD Staffing Highlights

Management Updates

- *Gary R. Taylor – FESD Deputy Division Chief*
- *William J. Boyle, III – NFA Branch Chief*
- *Kimberly Ramsburg – NFA Section Chief*

Examiner/Specialist Updates

- *Two (2) Imports Specialists retired*
- *Two (2) Imports Examiners have moved on to other ATF positions*
- *Two (2) new Imports Specialist selectees*
- *Three (3) new Imports Examiners on-boarded since October 1.*
- *Eleven (11) new NFA Examiners on-boarded since October 1.*

NATIONAL FIREARMS ACT BRANCH (NFA)

- Out of the approximately 200,000 applications received in FY13, NFA processed 163,542 applications to manufacture, import, transfer, and export National Firearms Act Firearms (NFA). Over 72,033 applications submitted involved an non-licensed/exempt entity (e.g., trust, corporation, etc.)
- Average monthly revenue collected in FY 13 was \$1,578,000. Full year NFA revenue collections was \$22,475,251. **In FY 2014 (December 2013) we hit an all time high of revenue collections of \$2.5M in one month.**
- Responded to an average of 8,838 calls per month from industry members, public and law enforcement community inquiring about the rules, policies and application status of NFA applications.
- FY 13, NFA received 44 congressional inquiries in addition to 80 freedom of information act (FOIA) requests. This FY by midyear we have received over 44 congressional inquiries.
- The average processing time for forms 1 & 4 have been reduced to slightly less than 9 months.

NATIONAL FIREARMS ACT BRANCH (NFA)

NFA Staffing Level as of 7/21/2014:

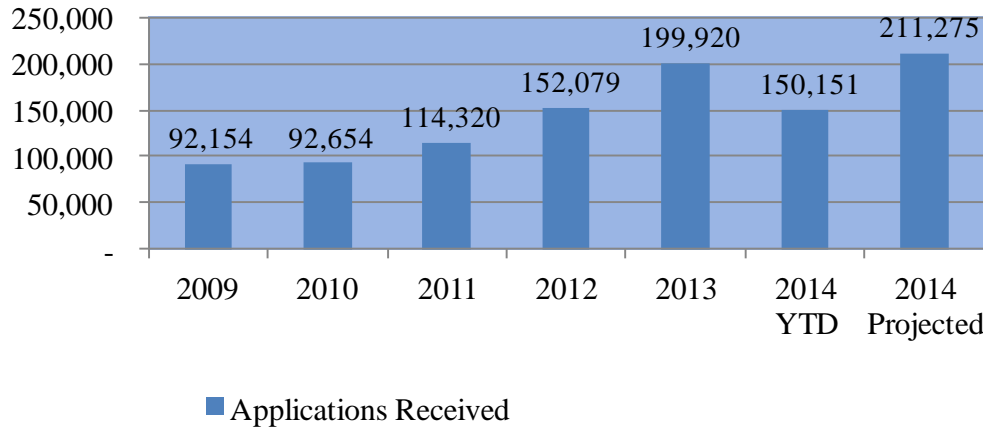
- Branch Chief: 1
- Legal Instruments Examiners: 21
- Supervisory Legal Instruments Examiner: 2
- ATF Specialists: 8
- CSR Contractors: 4.5
- DE Contractors: 13
- RA Contractors: 13

NFA SOT Membership 2009-2014

- 2009 3,605 FFLs
- 2010 4,280 FFLs
- 2011 4,729 FFLs
- 2012 5,598 FFLs
- 2013 6,275 FFLs
- 2014 6,322 FFLs

NFA Applications Received vs. NFA Staffing Levels

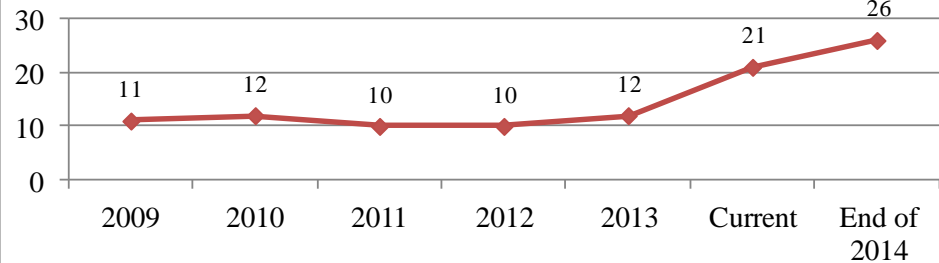
NFA Applications Received by FY



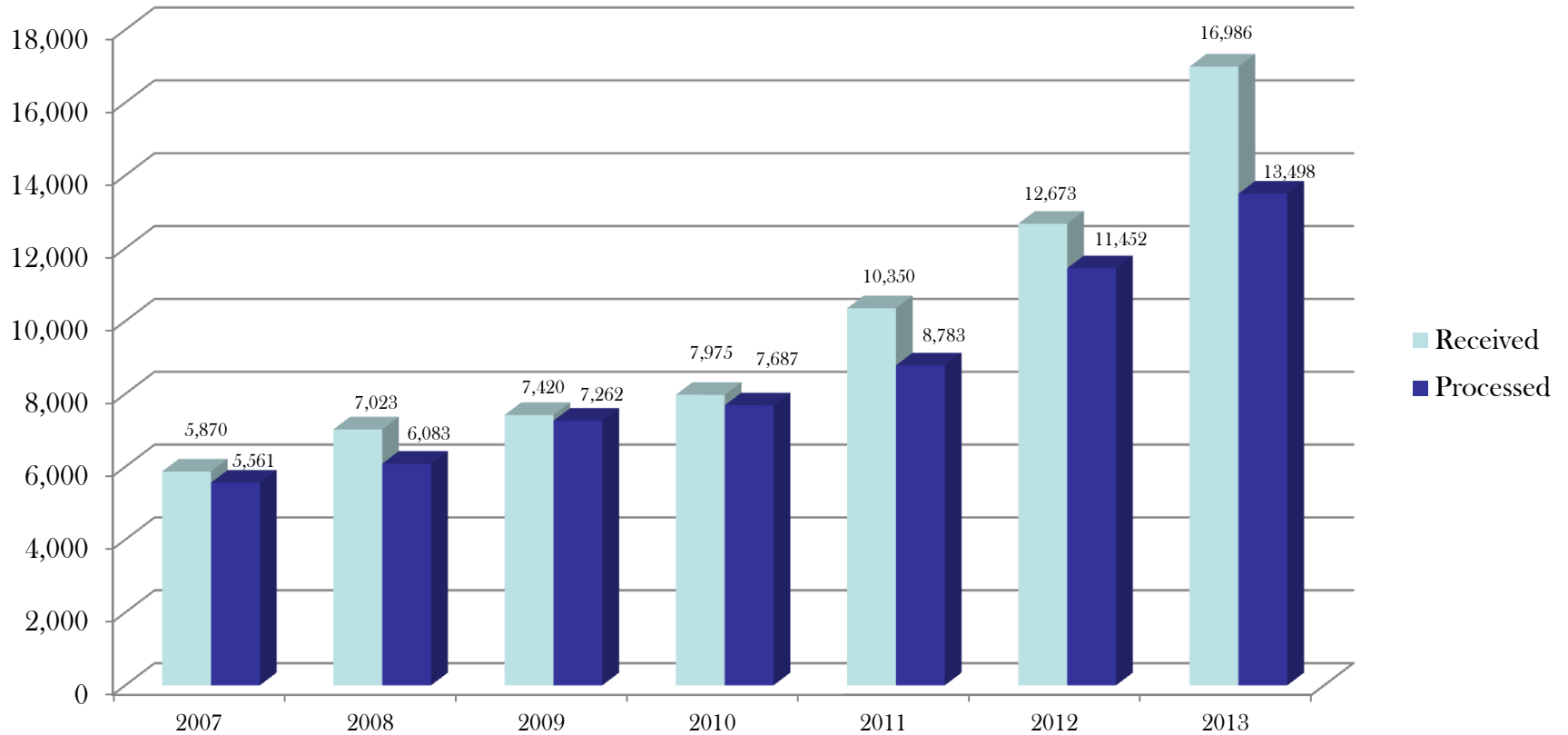
- Since FY 11, NFA Application receipts have consistently exceeded what could be physically processed.
- During this same period, ATF has experienced a 30% year-over-year increase in application receipts.
- ATF is projected to receive approximately 211,275 applications by the end of FY 14.

- LIE staffing levels remained relatively constant from FY 09 to FY 13.
- Without an increase in staff through FY 2013, ATF examiners have been only able to continually process more applications each FY through allocated OT resources.

**NFA Branch
Legal Instruments Examiner (LIE) Staffing Level by FY**

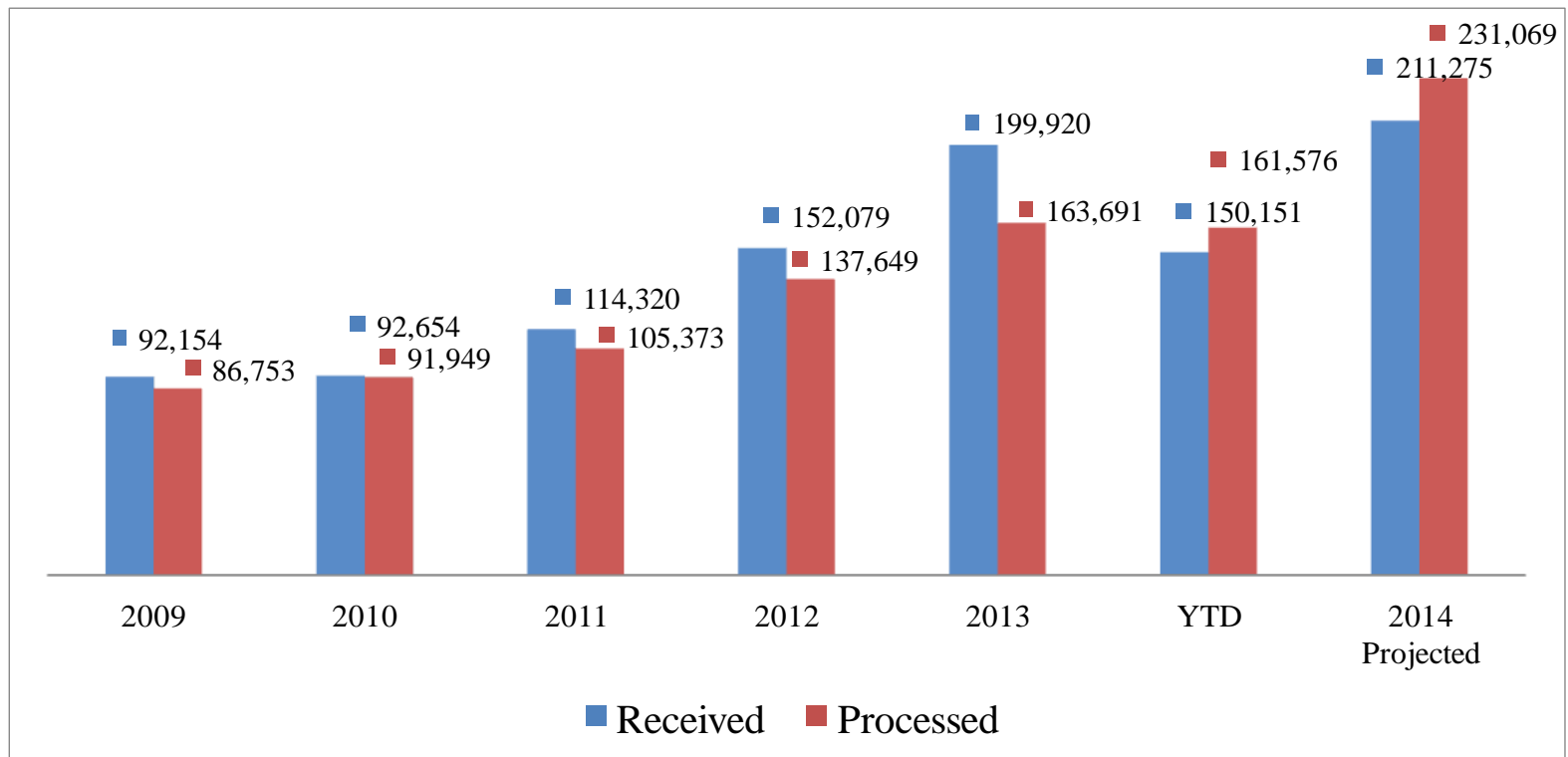


Monthly Average Number of Forms Received vs. Average Number Processed by Fiscal Year



Increased NFA Workload

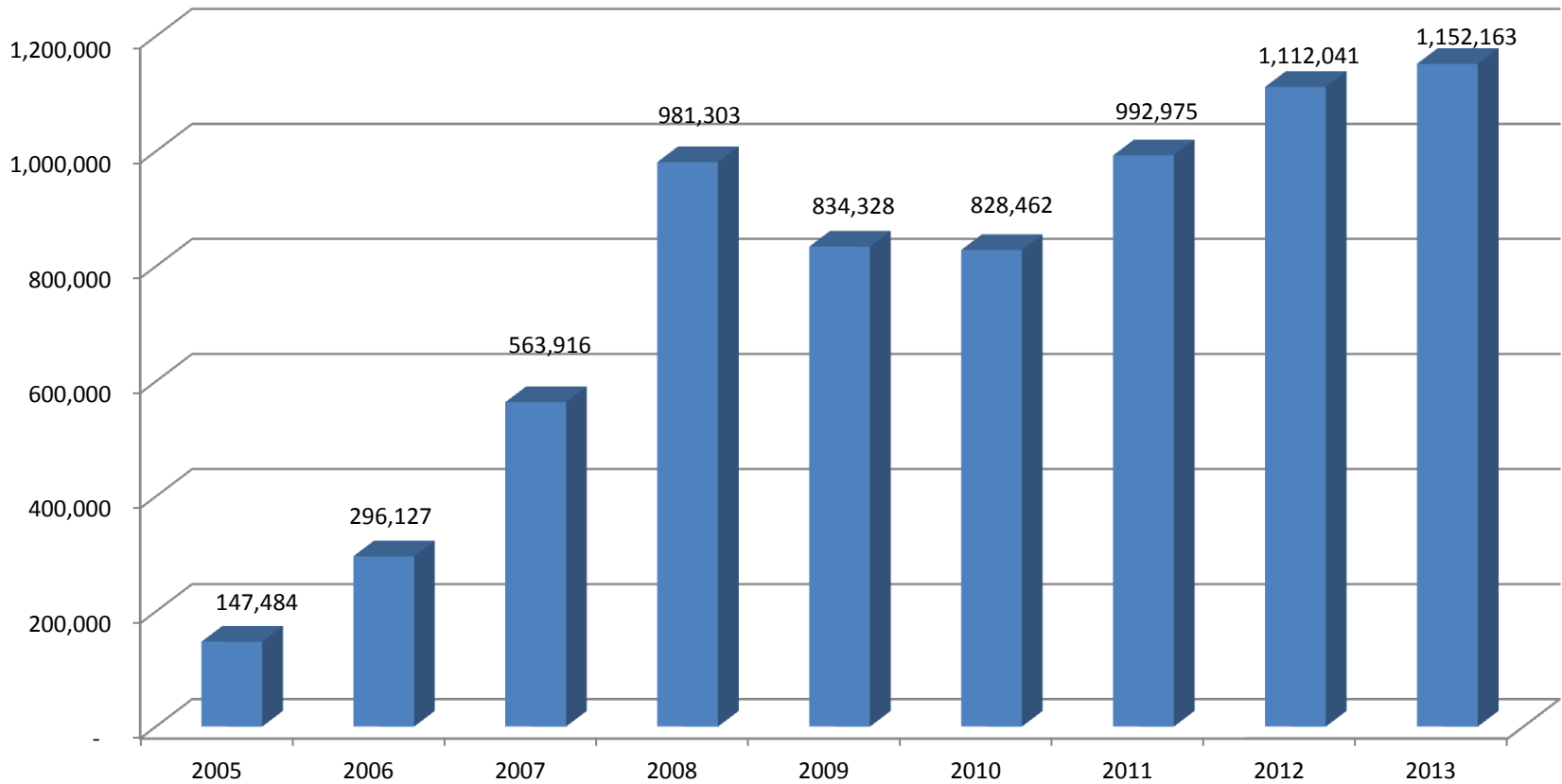
(Applications Received vs. Processed by FY)



- 1,152,163 weapons processed in FY 13 with already 0.87 million weapons processed in FY 14.
- Addressed over 106,000 customer service calls in FY 13 and averaging over 9,000 calls per month in FY 14.
- In excess of 72,000 of the applications received in FY 13 were from an exempt entity such as a Trust, unlicensed LLC, or corporation.
- Licensed NFA SOT Taxpayers have increased from 3,605 in FY 09 to 6,322 presently marking a 75% increase in membership.

CURRENT TRENDS

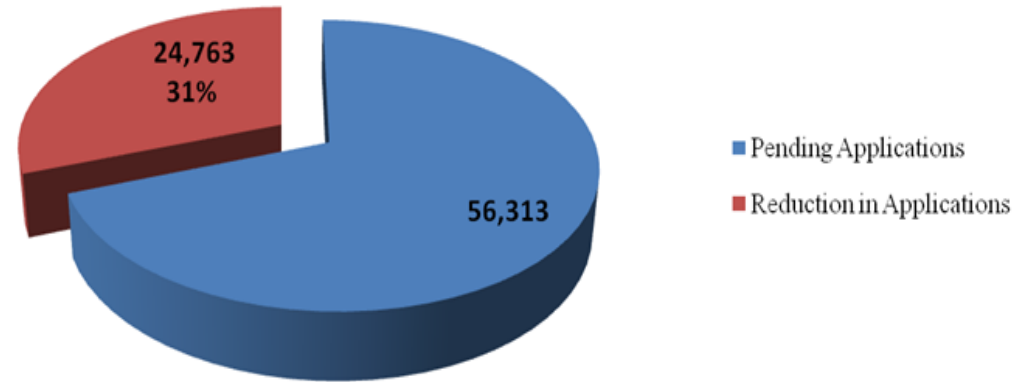
Weapons Processed by Fiscal Year





ATF Efforts to Reduce NFA Pending Applications

NFA Pending Application Reduction since reaching its pinnacle of 81,076 applications on 2/25/2014



- In FY 14, mitigating the workload increase & staffing shortfalls with overtime use, cross training of non- NFA personnel to assist with processing, initiation of data entry contract surges and modifications to increase level of effort have all contributed to the 31% pending application reduction.
- 15 new examiners selectees are in the employment pipeline; background check process has been our largest reason for delayed on-boarding (9 have commenced work with ATF).
- Business processes are continually adjusted to maximize efficiency; increase in personnel resources will be required in FY 15 to ensure productivity exceeds incoming projected workload.

Firearms and Explosives Imports Branch (FEIB) Highlights

International Imports Certificate

ATF provided comment to the U.S. Department of Commerce in December 2013 regarding the renewal/revision of the International Import Certificate.

Recommended several technical amendments to include properly identifying ATF under the U.S. Dept of Justice.

Recommended term of validity for the certificate to be at least 12 months.

ATF will continue to process IICs for defense articles enumerated on the USMIL and/or commodities requiring an ATF Form 6. IICs will be processed by Dept of Commerce for those not falling under ATF jurisdiction.

Firearms and Explosives Imports Branch (FEIB) Highlights

Import restrictions & required authorizations

U.S. State Department waivers are required in certain circumstances prior to ATF approving an importation. The following falls under State Department jurisdiction and will require a Letter of Authorization to accompany ATF Import Permit application:

- Proscribed Countries waivers
- Re-Transfer Authorizations

Firearms and Explosives Imports Branch (FEIB)

Requests for Expedites Division-wide

The Imports & NFA Branches have seen an overwhelming influx of expedite requests. Expediting ATF Forms 6 or other responsive forms for processing will only be considered for the following:

- United States Government
- State and local Governments
- Law Enforcement Agencies

Branch Chief evaluation and approval required

The Federal Firearms Licensing Center (FFLC)

FFLC MISSION

- Issuing Federal Firearms Licenses (FFLs)
- Printing Products for FFLC and sister Branches
 - Firearms Licenses
 - Firearms Renewal Applications
 - SOT Tax Stamps
 - Explosives Licenses & Permits
 - Letters of Clearance
- Major Call Center
- Archival Unit for Licensee Information

The Federal Firearms Licensing Center (FFLC)

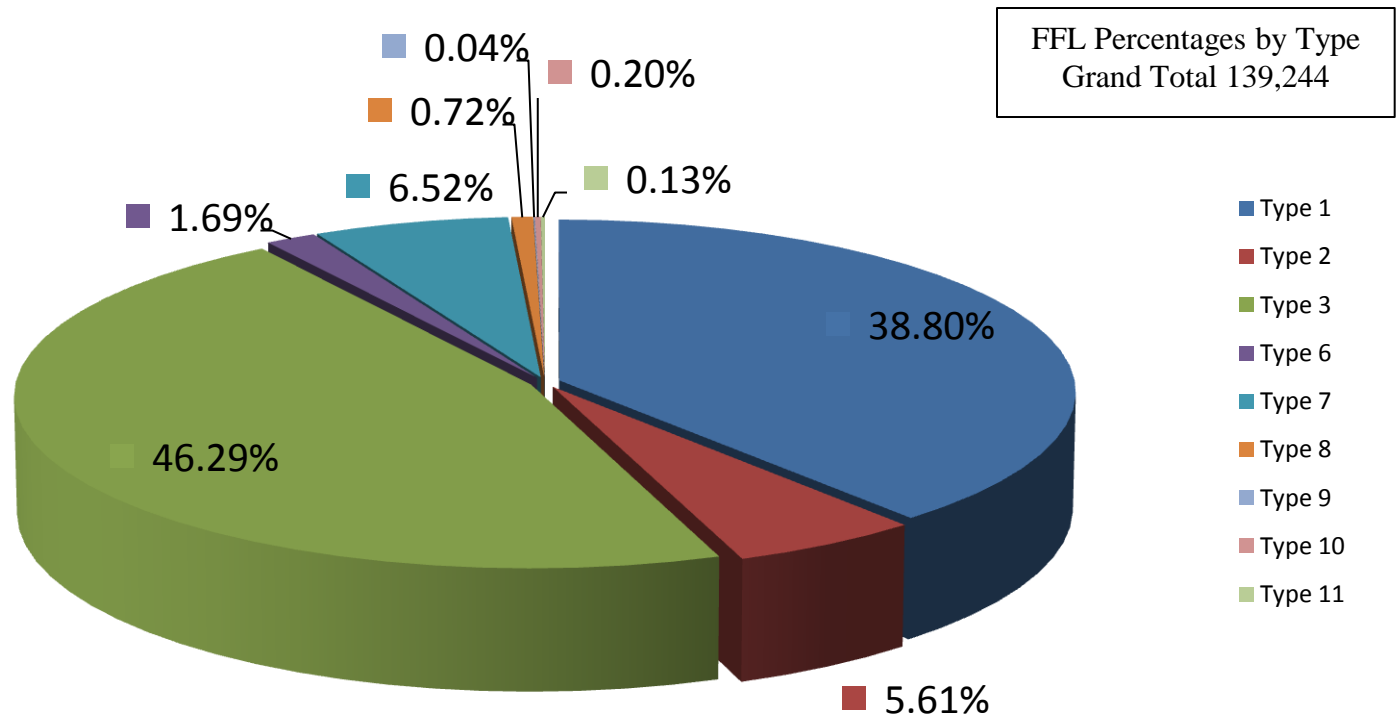
- In FY12, serviced over 130,956 Federal firearms licensees
- In FY 13, serviced over 139,244 Federal firearms licensees.
- 60 day statutory processing requirement.
- Licenses issued for a term of 3 years

The Federal Firearms Licensing Center (FFLC)

FY13 STATISTICS

<u>Description</u>	<u>Number</u>
Blue Ribbon Certifications	319
Congressional Inquiries	27
FOIA Requests	53
Issued New Licenses	23,242
Issued Renewed Licenses	29,973
Issued LOAs	3,931
Processed Refunds	3,184
Phone Calls Processed	67,510
Printed & Mailed Products	312,608
Background Checks	75,814

FEDERAL FIREARMS LICENSES BY TYPE

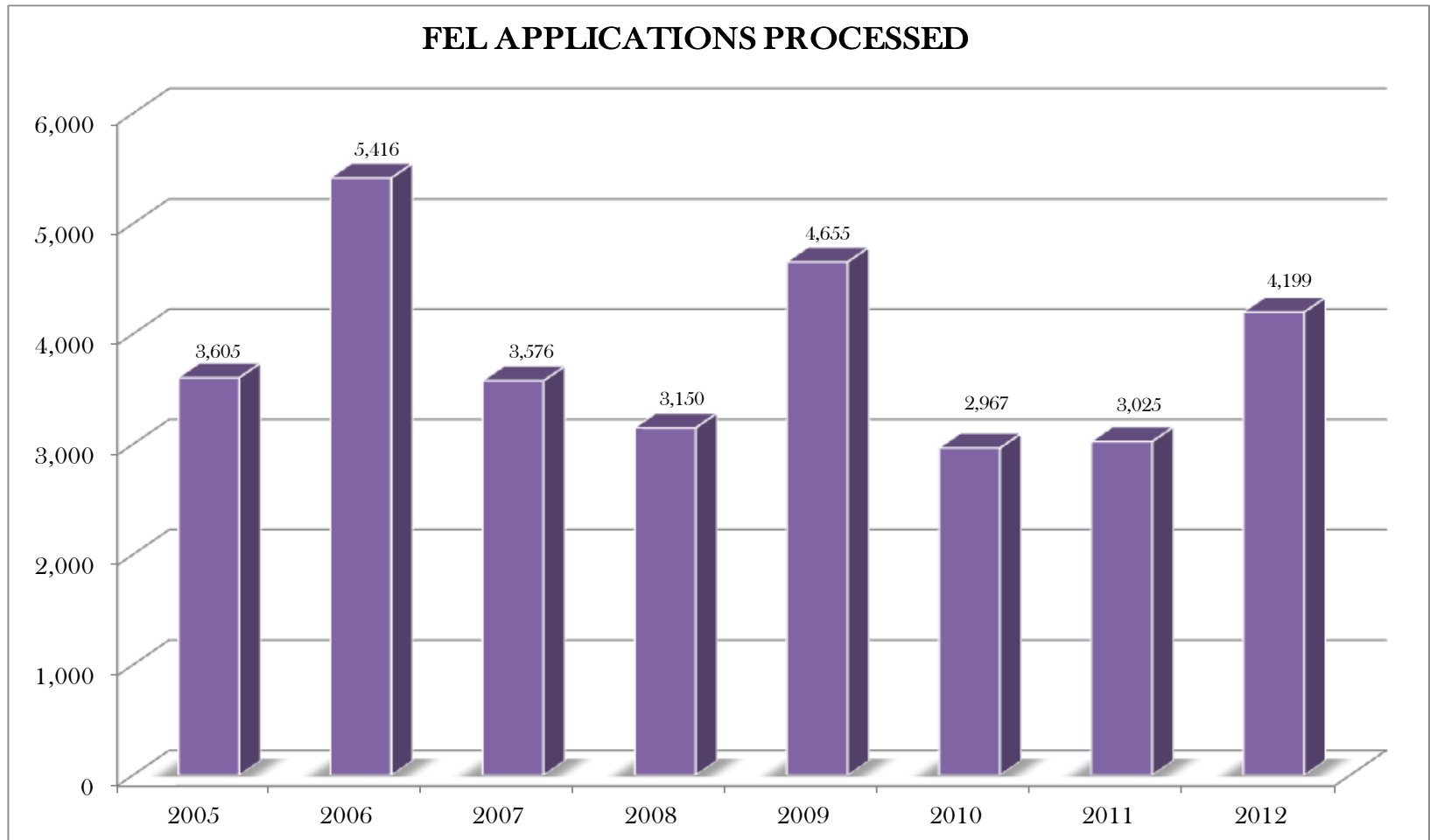


The Federal Explosives Licensing Center (FELC)

- Services over 10,496 explosives licensees and permittees.
- Performed over 70,827 background checks in FY 13.
- FY 15 marks the beginning of an SEA anniversary year; please renew as soon as possible after receiving renewal notice.
- 90 day statutory processing requirement.

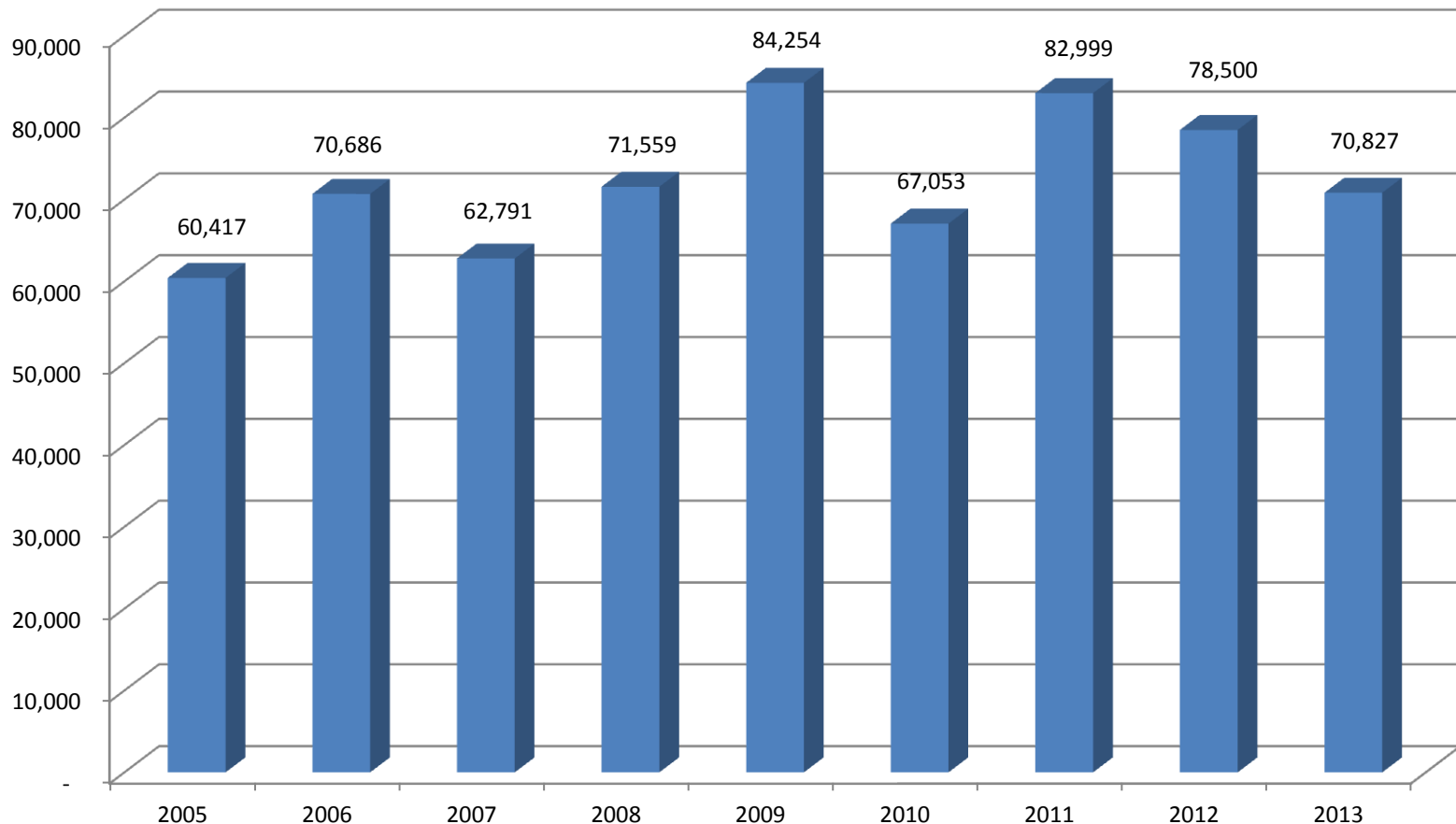
The Federal Explosives Licensing Center (FELC)

FEL APPLICATIONS PROCESSED



The Federal Explosives Licensing Center (FELC)

RP and EP Background Check Processing



AFMER

- ATF Form 5300.11 - Annual Firearms Manufacturing and Exportation Report (revision date April 2012).
- Due April 1st for the preceding calendar year's manufacturing activity.
- All licensed manufacturers must file even if they have not manufactured anything during the year.
- Refer to the recently released AFMER FAQ on www.atf.gov.

FESD Program Highlights

Electronic Forms

eForm modernization project of several FESD customer application forms

Limiting Factors

- Lack of system maintenance support
- Outsourcing of maintenance / limited in-house solutions
- Systems cannot adjust accordingly to regulatory changes

FESD Program Highlights

Handbook and Guidebook revisions

We solicit industry member input on information that needs to be revised in the NFA Handbook & Imports Guidebook (through October 1, 2014).

Informational Mailboxes (be specific):

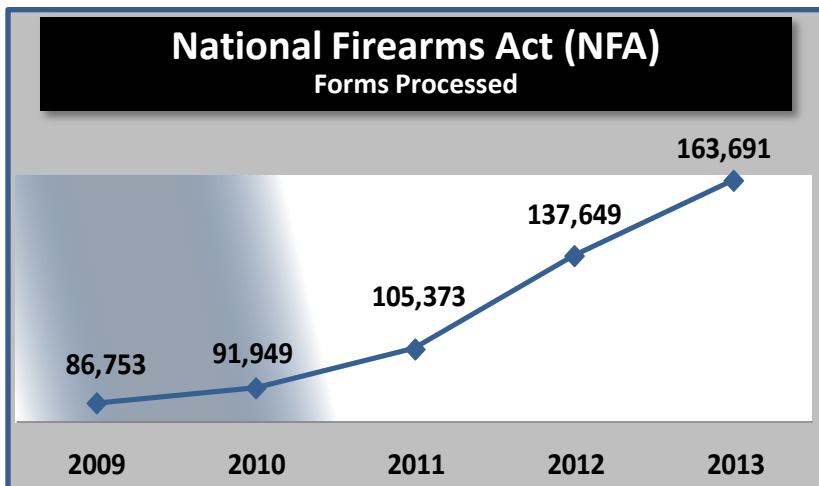
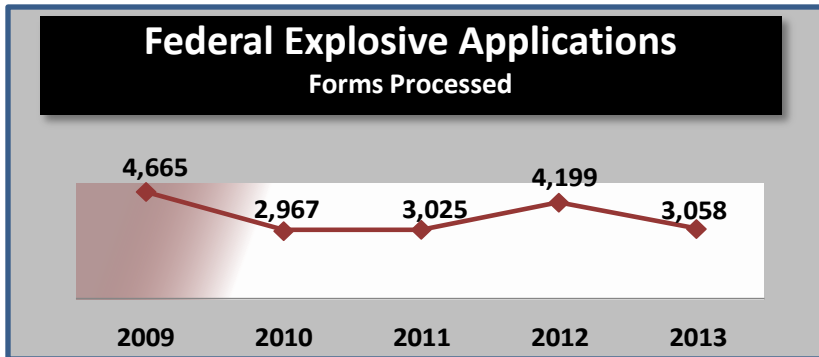
- importsguidebook@atf.gov
- nfahandbook@atf.gov

ATF – Firearms & Explosives Services Division

...promotes **ATF'S MISSIONS** of
FIGHTING VIOLENT CRIME,
PROTECTING THE PUBLIC,
and **PARTNERING WITH OTHER LAW ENFORCEMENT AGENCIES**

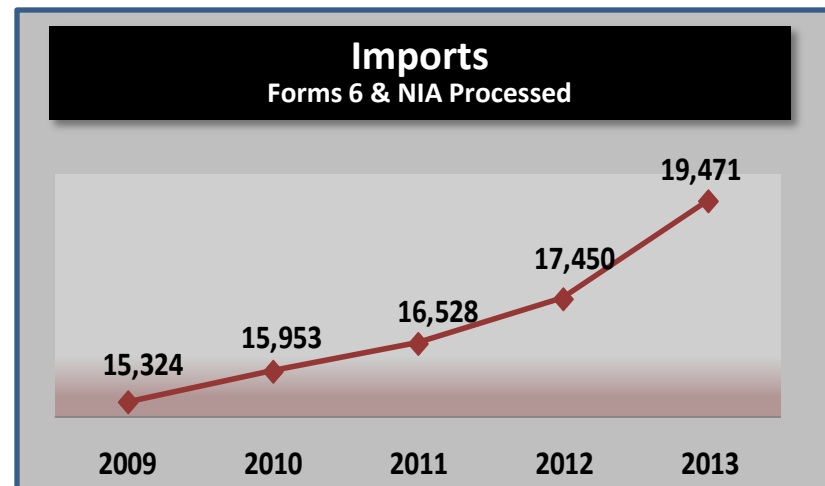
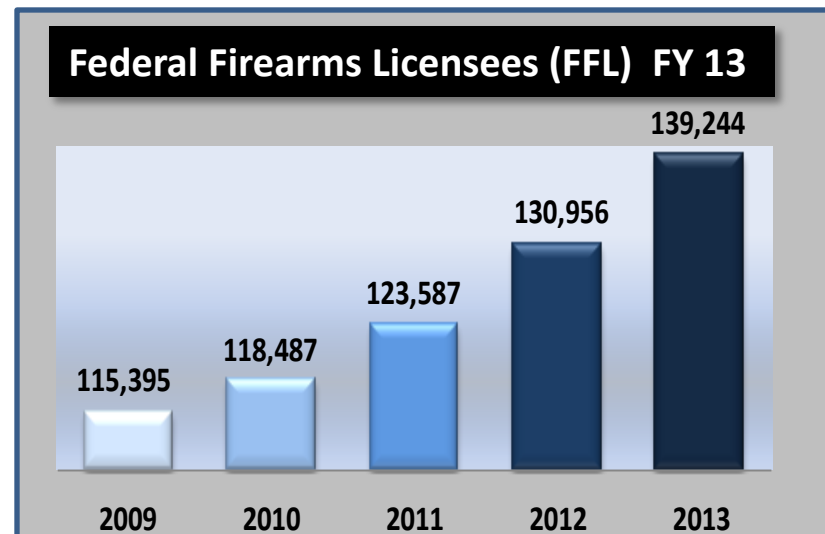
\$27.9 Million

Revenue collected in FY 13 for Licensing Fees
& NFA Tax Collection for general U.S. Treasury Fund



NFA Firearms Processed FY 13

1,152,163



CONTACT INFORMATION

DEPARTMENT OF JUSTICE

Bureau of Alcohol, Tobacco, Firearms and Explosives

Firearms and Explosives Services Division

Division Chief	Alphonso J. Hughes	304-616-4590
Deputy Division Chief	Gary R. Taylor	304-616-4590
Supervisory Analyst (FESD)	Melissa L. Mason	304-616-4590
Imports Chief	William E. Majors	304-616-4550
NFA Chief	William J. Boyle III	304-616-4500
FFLC Chief	Tracey Robertson	304-616-4600
FELC Chief	Christopher Reeves	304-616-4400