

# Explosives Industry Webinar

Federal Explosives Licensing Center  
Firearms and Explosive Services Division  
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# FELC MISSION

The Federal Explosives Licensing Center (FELC) is responsible for reviewing and acting upon new and renewal applications.

- Process and perfect in a timely fashion in accordance with ATF Regulations 27 CFR part 555.
- Ensure that explosive applications and renewals are completed properly. (555.45)
- Processing background checks to ensure prohibited persons are not allowed access to explosive materials. (555.33)

# FELC Staff

- Branch Chief
- Industry Liaison (1)
- Program Analyst (2)
  
- Supv. Legal Instruments Examiner (1)
- Legal Instruments Examiner (8)

# FEL DYNAMICS

- Approximately 9,500 FEL/Ps
- Approximately 140,000 active Employee Possessors
- Approximately 25,000 active Responsible Persons
- Average of 75,000 background checks per year\*
- Average of 3,000 applications processed per year\*

# License/Permit Types (555.41)

- There are only 4 license/permit types
  - Manufacturers
  - Dealers
  - Importers
  - Users (\*includes limited)

# License/Permit Populations

- Manufacturers ~2100
- Importers ~ 500
- Dealers ~ 900
- User Permits ~ 6000

# Application Process

- Application is usually received in the FELC from the PO Box aka “The Lockbox” which is the banking institution that processes the funds.
- Application is then received and entered into our FLS database by our data entry group.
- Application will then be forwarded to an examiner to process application then further forwarded to the field for inspection
- Once inspected the examiner will issue the license upon request from the Area office.



# Application Process

It is the FELC's goal to respond to requests from explosives industry members within 90 days of receipt. Please note that although we generally exceed this goal, our ability to respond to industry-related inquiries is impacted by a number of factors, such as available staffing resources, the sufficiency of information received from the requestor, necessary technical research, and any applicable legal review process.

# Change in Ownership vs Change in Control

Change in Control – actual or legal changes, directly or indirectly, by stock ownership, control, operation of law, or any other manner. (555.57)

- Corporations or Associations
- Requires a new application form (5400.13/16) at renewal
- Renewal fees are charged

License and Permit not transferrable (555.53)

- Licenses and permits issued under this part are not transferable to another person.
- Lease, sale, or other transfer of the business or operations covered by the license or permit, must obtain a new license or permit

## Responsible Persons vs Employee Possessors

ATF has two types of individuals associated with a license or permit

- Responsible Person (RP) – an individual who has the power to direct the management and policies of the applicant pertaining to explosive materials. Generally, the term includes partners, sole proprietors, site managers, corporate officers and directors, and majority shareholders. (555.11)
- Employee Possessor (EP) – An individual who will be authorized to possess explosives during the course of his/her employment ***by a licensee or permittee***

# Responsible Persons vs Employee Possessors

- An employee possessor must be an employee of the licensee or permittee
- Individuals who are not employees of the licensees or permittee, may not ship, cause to be transported or receive explosives on behalf of the licensee or permittee - are in violation of federal law (555.26)
- Each person holding a license or permit must report to FELC any new employee possessors. Therefore, EP status cannot be transferred between companies. (555.57)
- Complete RP list and EPQ forms for all new and current RP/EPs are to be provided with the Renewal Applications. (555.46)

## Alien Employee Possessors (18 U.S.C. 842(i))

- Only US, Naturalized, and Lawful Permanent Residents can be employee possessors.
- A “statement of residency” is required. A copy of the permanent resident card can be received in lieu of a statement.

# Background Check Process

- ✓ ATF receives RP list and/or EPQs
- ✓ Once entered, the information is submitted to the FBI/NICS to be run through their database.
- ✓ Fingerprints received for responsible persons are processed through our Fingerprint Card Submission System.
- ✓ Results are returned to the ATF as Proceed, Denied, or Delayed

# Background Check Process

- ✓ Based on the results from both the FBI/NICS and fingerprints, Clearance, Additional Information or Denied letters/notices are sent
  - ✓ Proceeded individuals receive a Letter of Clearance
  - ✓ Delayed individuals with possible prohibitors are sent an addition information letter requesting a final disposition of a charge/charges and if a response is not provided within 45 days, that person is deactivated from the license and cannot handle explosives. A letter of deactivation is sent to the employer.
  - ✓ Denied results are reviewed and a letter of denial is sent to both the employee and the employer.

# Background Check Process

- ✓ Denials can be appealed
  - ✓ If an individual believes the denial letter is in error and he/she is not prohibited from transporting, shipping, receiving or possessing explosives, he/she may challenge the basis for the denial or accuracy of the record. 27 CFR 555.33(b)
  - ✓ For additional information on appeal procedures, please contact ATF's Appeal Section at (877) 283-3352 or [FELC@atf.gov](mailto:FELC@atf.gov).



# Background Check Process

- ✓ Prohibited persons can apply for explosive relief of disabilities
- ✓ If an individual believes he/she is prohibited from transporting, shipping, receiving or possessing explosives under Section 842(i), he/she may apply for relief from Federal explosives disabilities under 18 USC 845(b) and implementing regulations at 27 CFR 555.142. For information on relief procedures, email the Explosives Relief of Disability Section at [EROD@atf.gov](mailto:EROD@atf.gov) or contact them at 256-261-7640, and request a relief of disabilities application package.

# Background Check Issues

## Background Check Delays

- NICS background check completed by FBI/NICS Unit
  - One unit completes checks for NFA, Firearms and Explosives Licensing
  - Brady Act – Requirement of 3 business days to process checks for firearms sales
  - During times of high volume of firearm sales the FBI NICS unit is pulled from completing ATF explosives background checks.

# Background Check Issues

- All NICS checks start off as a name based search. To assist in this process submission of a FULL middle name can eliminate “hits” in a background check.
- Once an EPQ/RP is submitted, a RP/EP can work with explosives until they otherwise notified by ATF
- Unfortunately, some court records are incomplete and do not have a final disposition of charges. Letters are sent certified to employees. If no information is received back within 45 days, that individual is deactivated and employer notified EP cannot handle explosive material.

# Magazine Description Worksheets

- Required with the original Application for Explosives License or Permit (ATF F 5400.13/5400.16)
- Not required to resubmit current magazine description worksheets with a Renewal Application.
- Worksheets for new magazines should be sent in with the Renewal Application.

# QUESTIONS?

Contact [FELC@atf.gov](mailto:FELC@atf.gov) or (877) 283-3352