New Acting Director of ATF

B. Todd Jones, U.S. Attorney for the District of Minnesota, has been named the Acting Director of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). Jones received his Juris Doctor from the University of Minnesota Law School in 1983. Following admission to the Minnesota bar, he went on active duty in the U.S. Marine Corps, where he served as both a trial defense counsel and prosecutor.

Prior to becoming a U.S. Attorney, Jones was a partner with a national law firm in Minneapolis, where his practice focused on business litigation. He also has served as special counsel to various boards of directors of public and privately held companies. In that capacity, he has led internal investigations and provided guidance on compliance and governance issues. During his initial tenure as a Federal prosecutor, Jones conducted grand jury investigations and was the lead trial lawyer in a number of Federal prosecutions involving drug trafficking, financial fraud, firearms, and violent crime.

As the Acting Director, he is responsible for ATF’s enforcement of Federal firearms, explosives, and arson laws, as well as its jurisdiction relative to the Federal alcohol and tobacco diversion laws. Acting Director Jones succeeds Acting Director Kenneth Melson, who has become Senior Advisor to the Assistant Attorney General for the Office of Legal Policy (OLP) where he specializes in forensic science policy issues at the Department of Justice.

New Publications

ATF has issued several new pamphlets concerning explosives magazine construction and record-keeping requirements for Federally licensed manufacturers, importers, dealers and permittees. These new web publications include information on inventory requirements, using commercial records or record books,
Limited Permittee Transaction Reporting, distribution of surplus materials, and manufacturing for one’s own use. They are:

ATF P 5400.17, Explosives Magazine Construction Requirements
ATF P 5400.18, Daily Summary of Magazine Transactions (DSMT)
ATF P 5400.19, Recordkeeping Requirements for Explosive Material Manufacturers
ATF P 5400.20, Recordkeeping Requirements for Explosives Permittees and Limited Permittees
ATF P 5400.21, Recordkeeping Requirements for Explosive Material Importers

They may be found at [http://www.atf.gov/publications/explosives-arson/](http://www.atf.gov/publications/explosives-arson/). The pamphlets are intended as general guidance. The Federal explosives regulations at 7 CFR, Part 555 provide specific regulatory requirements for explosive materials. The overviews are intended as aids to compliance with those regulatory requirements—not as replacements.

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### Open Letter—Definition of Display Fireworks

Display fireworks, as defined in the Federal regulations at 27 CFR 555.11, include salutes containing more than 2 grains (130 mg) of explosive materials, aerial shells containing more than 40 grams of pyrotechnic compositions, and other display pieces which exceed the limits of explosive materials for classification as “consumer fireworks.”

ATF has issued an open letter clarifying that the 40-gram limit for aerial shells applies to all explosive materials in the aerial shell, exclusive of the lift charge. Therefore, aerial shells that contain more than 40 grams of pyrotechnic composition (including any break charge and visible/audible effect composition), exclusive of lift charge, are classified as display fireworks if they otherwise meet the definition of “display fireworks” at 27 CFR 555.11. Aerial shells containing 40 grams or less of pyrotechnic compositions, excluding the lift charge, are not display fireworks, and would be considered consumer fireworks if they otherwise meet the definition of “consumer fireworks” at 27 CFR 555.11. The full text of the open letter may be found at [http://www.atf.gov/explosives/open-letters/](http://www.atf.gov/explosives/open-letters/).

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### ATF Ruling 2011-3, Alternate Locks Authorized for Explosives Magazines

In June, ATF issued ATF Ruling 2011-3, authorizing explosives licensees and permittees to secure explosives magazines with specific alternate locks under specific circumstances. This is in response to recent advances in locking technologies that provide the explosives industry with more options for securing their explosives storage magazines. In general, explosives licensees and permittees may use the following locks without an individual variance approval if they meet all of the requirements stated in ATF Ruling 2011-3 at all times.

**Padlocks with Boron Alloy Steel Shackles In Lieu of Casehardened Shackles**

The manufacture of casehardened shackles required by the Federal explosives regulations involves hardening the surface of low carbon steel by infusing carbon into the steel’s surface, mainly through flame or induction hardening. Casehardening is usually conducted after the steel shackle has been formed into its final shape and while its center remains tough and malleable. Manufacturing boron alloy shackles involves hardening the entire shackle by heat treating medium carbon steel, thereby creating a consistent hardness throughout the steel. Common testing methods used in the manufacturing industry to test the strength of different materials reveal that boron alloy steel is stronger than casehardened steel and thus provides shackle protection equivalent to traditional casehardened padlocks.

**Hidden-Shackle “Hockey Puck” Locks**

Explosives licensees and permittees may use hidden-shackle locks if they meet all of the following conditions at all times:
Each magazine door must be secured with the same number of hidden-shackle puck locks as prescribed in the regulations (e.g., 2 hidden-shackle locks on outdoor type 4 magazines, one hidden-shackle lock on mobile type 3 and type 5 magazines).

The lock body must be constructed of hardened steel and contain at least a five-pin tumbler cylinder. The lock shackle must be constructed of a casehardened steel or boron alloy and measure a minimum nominal diameter of \( \frac{1}{2} \) inch.

Each lock must be protected within a solid steel hasp and shroud, or by a \( \frac{1}{4} \)-inch thick steel hood that prevents prying of the lock.

The steel hasp must contain a \( \frac{1}{4} \)″ thick steel shroud that surrounds the lock. Openings in the shroud to access the lock keyway and open the magazine door must be small enough to prevent sawing, levering, prying of the lock.

The spaces between the steel hasps and locks, and steel shrouds and locks, must be small enough to prevent sawing, levering, or prying of the lock.

The hasp or hood must be attached to the magazine doors by welding, or installed with at least \( \frac{1}{8} \)-inch thick carriage bolts (with the nuts on the inside of the door) so that they cannot be removed when the doors are closed and locked.

**Recessed Padlocks**

Explosives licensees and permittees may use recessed padlocks if they meet all of the following conditions at all times:

- Each magazine door (lid) must be secured with two recessed padlocks that have at least five tumblers and a casehardened steel or boron alloy shackle of at least \( \frac{3}{8} \)″ diameter.

- The recessed opening that houses the locks must be small enough to prevent sawing, levering, or prying of the locks when installed.

- The lock shackles must be securely affixed to the interior staples so the padlocks cannot be removed without gaining access to the magazine interior.

Industry members using, or planning to use, any of these locks should read ATF Ruling 2011-3, found in its entirety at [http://www.atf.gov/regulations-rulings/rulings/](http://www.atf.gov/regulations-rulings/rulings/). This ruling supersedes all previous variance approvals for explosives magazines secured with hidden-shackle “hockey puck” locks or recessed padlocks.

**Nonsparking Metals**

Regulations under 27 CFR, Subpart K-Storage, prescribe explosives storage magazine construction standards that include a general requirement for the walls and floors of magazines to be constructed of, or covered with, a nonsparking material. Section 555.207(a)(11) requires that no sparking material be exposed to contact with stored explosive materials. Further, spark producing devices are not permitted in any magazine. In type 1 magazines, all ferrous metal nails in the floor and side walls, which might be exposed to contact with explosive materials, must be blind nailed, countersunk, or covered with a nonsparking lattice work or other nonsparking material. Under §555.214(d), tools used for opening or closing containers of explosive materials are to be of nonsparking materials, except that metal slitters may be used for opening fiberboard containers. Metal tools other than nonsparking transfer conveyors are not to be stored in any magazine containing high explosives. Nonsparking materials include epoxy paint, plastic, and wood. ATF has received inquiries regarding what qualifies as a nonsparking metal.

Metals with high thermal conductivity do not spark easily. (Metals with low thermal conductivity, such as titanium and zirconium used in fireworks, are very good at producing sparks). Metals such as brass, bronze, and copper alloys (copper-nickel, copper-aluminum, or copper-beryllium) are examples of nonsparking metals often used to make safety tools which will not spark easily.

To reduce the risk of explosion and fire, manufacturers of nonsparking tools recommend the following:

- Ensure that all “nonsparking” tools are kept clean and free from ferrous or other contaminants, which may hamper the nonsparking properties. (Rusted tools should not be kept in an explosives storage magazine.)
Do not use nonsparking hand tools in direct contact with acetylene, which may form explosive acetylides, especially in the presence of moisture.

This article is intended to provide general guidance and examples of “nonsparking” metals, not an all inclusive list. For additional information on nonsparking tools, FM Approvals LLC—a Nationally Recognized Testing Laboratory for scientific research and product certification—has issued Standard 7910 for evaluating tools intended for use in environments where there is a risk of ignition of flammable materials, dusts, or vapors resulting from sparks created by iron or steel hand tools slipping or striking a surface. For a tool to be certified “spark resistant” it must be approved by the Factory Mutual Research Corporation [FM 7910] and marked as such.

Attended “Day-Box” Reminders

The Federal explosives regulations require explosive materials to be kept in a locked magazine unless the explosive materials meet certain criteria. This would include explosive materials that are:

a) In the process of manufacture;
b) Being physically handled in the operating process of a licensee or user;
c) Being used; or
d) Being transported to a place of storage or use by a licensee or permittee or by a person who has lawfully acquired explosive materials.

The explosive regulations also allow for the temporary storage of high explosives in a type 3 magazine while attended—also known as a “day-box”—at a job site. Type 3 magazines are subject to location, quantity, and storage restrictions outlined in 27 CFR 555.206 and 555.213. A type 3 magazine must be fire-resistant, weather-resistant, and theft-resistant.

However, while 27 CFR 555.209 provides details concerning type 3 magazine construction and locking requirements, proper construction will not prevent the theft of the day-box itself, and locks offer little protection if they are not used. A day box must be both locked and attended, however, attending the magazine does not mean that it may be left unlocked. The practice of storing explosives in an unattended, locked day-box exposes the day-box and the explosives stored therein to theft and illegal use. Explosive materials may not be stored in unattended type 3 magazines, whether locked or unlocked, but must be removed to type 1 or type 2 magazines for unattended storage.

Smokeless Powder Exemption

The Federal explosives laws (Title 18, U.S.C., Chapter 40), and the implementing regulation at 27 CFR 555.141(a)(4), generally exempt small arms ammunition and components of small arms ammunition. The regulation at 27 CFR 555.11 defines “Ammunition” as, “Small arms ammunition or cartridge cases, primers, bullets, or smokeless propellants designed for use in small arms, including percussion caps, and \( \frac{1}{32} \) and other external burning pyrotechnic hobby fuses. The term does not include black powder.”

Notwithstanding this exemption, importers and manufacturers engaged in the business of importing and/or manufacturing smokeless powder must possess an ATF explosives license. Further, importers of smokeless powder designed for use in small arms ammunition must also possess an ATF firearms importers license (Type 08 or 11); must register with ATF under the provisions of the Arms Export Control Act; and must submit (to ATF) and receive an approved ATF Form 6—Part I (5330.3A), Application and Permit for Importation of Firearms Ammunition and Implements of War.

To be entitled to the exemption, the smokeless powder must be designed for use in small arms ammunition. Packaging that readily identifies the smokeless powder as being designed for use in small arms ammunition is a factor ATF will consider in determining whether it is entitled to the exemption. Smokeless powder that is not designed for use in small arms ammunition must be stored in an explosives storage magazine pursuant to the regulations at 27 CFR 555, Subpart K—Storage.

Individuals can contact ATF’s Firearms and Explosives Imports Branch at 304-616-4550 for more information on smokeless powder import requirements or visit ATF’s website at www.atf.gov.

Binary Exploding Targets

ATF has recently received inquiries about the applicability of the Federal explosives law to binary exploding targets. The components of these binary targets (typically an oxidizer like ammonium nitrate and a fuel such as aluminum or another metal) are not separately listed on the List of Explosive Materials and do not meet the definition of “Explosives” in 27 CFR 555.11. Therefore, ATF does not regulate the sale and distribution of these component chemicals, even when sold together in binary target “kits.”
However, when the binary components are combined, the resulting mixture is an explosive material subject to the regulatory requirements found in 27 CFR, Part 555. Accordingly, all such exploding targets must be stored in an explosives storage magazine as prescribed in the regulations found in 27 CFR, Part 555, Subpart K—Storage, unless they are in the process of being used.

Further, mixing the binary components together constitutes manufacturing explosives. Persons manufacturing explosives for their own personal, non-business use only (e.g., personal target practice) are not required to have a Federal explosives license or permit. However, individuals or companies must obtain a Federal explosives manufacturing license if they intend to engage in the business of manufacturing explosives for sale or distribution, or for their own business use. Such business uses include manufacturing binary targets for demonstration or product testing purposes.

Licensed manufacturers of exploding targets are subject to Federal recordkeeping requirements and must comply with regulations concerning records of manufacture or acquisition, distribution, exportation, use, inventory and daily summaries of magazine transactions found in 27 CFR, Part 555, Subpart G—Records and Reports.

In addition, a Federal explosives license or permit is required for the transport of explosive materials. Therefore, a person must obtain a Federal explosives license or permit if they mix binary exploding targets and subsequently transport them to a shooting range or to any other location.

**Binary Explosives Security**

ATF strives to work and consult with the explosives industry and the businesses, agencies, and groups that affect it. For instance, ATF formed an alliance (“Be Aware for America”) in 1995 with The Fertilizer Institute and others to encourage the agricultural industry to report any suspicious activities or thefts of ammonium nitrate, a precursor chemical often sought by those with criminal intent.

Similarly, we would like to remind those who manufacture, import, use, or store binary explosives of the vital importance of security safeguards for these materials. Binary explosives are pre-packaged products consisting of two separate components—usually a fuel and an oxidizer. The individual components are not classified as explosives by themselves but become explosives when mixed together. As such, the individual binary components are not subject to ATF regulation until they are mixed.

We encourage all persons involved with binary explosives to report any suspicious behavior or unusual activity surrounding these materials to ATF and to local law enforcement authorities. (Suspicious behavior may include a customer attempting to purchase large quantities of binary explosive materials while knowing little about the product, or a customer who acts nervously or behaves in an unusual manner.) Although ATF does not require persons to report the theft of precursor or binary explosives components, we respectfully request that everyone report any theft or loss of binary explosive products to the local law enforcement authority and to the United States Bomb Data Center at 800-461-8841 (after hours, call the ATF 24-hour hotline at 800-800-3855).

ATF is committed to keeping explosives out of the hands of those with criminal intent and investigating those who illegally obtain or misuse explosives. Whether the explosive materials are in the process of manufacture, in storage, or in use, we urge everyone to use all necessary measures to safeguard explosive materials and prevent them from falling into the hands of those who may use them in criminal or terrorist acts. Thank you for your continued vigilance and help in keeping America safe!

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**Certain Pest Control Devices Exempted as “Articles Pyrotechnic”**

ATF has received numerous inquiries regarding alternative pest control devices which do not require the possession of a Federal explosives license or permit. Explosive pest control devices (EPCDs) generally fall under ATF regulation because they contain regulated explosive materials. However, there are devices which ATF has determined to meet the criteria for the articles pyrotechnic exemption found at 27 CFR 555.141(a)(7).

Regarding articles pyrotechnic, the Federal explosives regulations generally exempt the importation, distribution, and storage of items classified as UN0431 or UN0432 explosives—by the U.S. Department of Transportation at 49 CFR 172.101—and generally known as “articles pyrotechnic.” The regulation at 27 CFR 555.11 defines “articles pyrotechnic” as “Pyrotechnic devices for professional use similar to consumer fireworks in chemical composition and construction but not intended for consumer use. Such articles meeting the weight limits.
for consumer fireworks but not labeled as such and classified by U.S. Department of Transportation regulations in 49 CFR 172.101 as UN0431 or UN0432.”

In evaluating whether a particular device is exempt under 27 CFR 555.141(a)(7), ATF considers, in part, the intended use and function of the device, net explosive weight, chemical composition, and construction. EPCD manufacturers may contact the Explosives Industry Programs Branch at eipb@atf.gov for additional information regarding the articles pyrotechnic determination criteria.

Manufacturers and importers of EPCDs should obtain an ATF determination letter for any EPCDs they believe are exempted under the definition of “articles pyrotechnic.” To aid in verification and documentation of the exemption, suppliers and dealers of exempt EPCDs should obtain a copy of ATF’s determination letter from device manufacturers—for business records and to provide to consumers. Consumers are encouraged to consult with EPCD suppliers about the availability of any pest control device products that ATF has determined to be exempt from the Federal explosives regulations as articles pyrotechnic.

The articles pyrotechnic exemption, as applicable to specific EPCDs, is valid only for finished products. Although consumers are not required to obtain a Federal explosives license or permit to acquire pest control devices that meet the articles pyrotechnic criteria, ATF recommends that distributors continue customer verification to ensure that these devices are being purchased only for legitimate pest control purposes. Also, any person who intends to engage in the business of manufacturing these devices for sale, distribution, or for business use must possess a Federal explosives license.

Hobby Pyrotechnics in a Regulated Environment

When the Federal explosives laws and regulations were first promulgated in 1971, an individual could purchase explosive materials in their State of residence without a Federal explosives license or permit, and a purchaser could receive fireworks and other explosives from a distributor by filling out a form. However, the increased use of explosive materials in criminal and terrorist activities led to changes in the Federal explosives law and regulations.

Protecting the public from hazards arising from the misuse or accidental initiation of explosive materials is an integral part of ATF’s mission. We require strict adherence to the regulations to ensure the safety, security, and accountability of explosive materials and to aid in criminal investigations. But ATF is also committed to minimizing the burden to commercial and hobby operations, provided appropriate safety and security levels are maintained.

While the volume of explosives used by pyrotechnics hobbyists is relatively low compared to that used by the commercial industry, the materials used in even small fireworks operations can be very dangerous if they fall into the wrong hands. Security is every bit as important for fireworks as it is for other explosives. Further, the manufacture of flash powder, fireworks shells, and other explosive devices are tasks for skilled and experienced operators.

There is no question of the need for proper training and procedures for individuals in pyrotechnics operations. ATF recognizes that most hobbyists accept these responsibilities and qualification requirements proudly. We also believe that along with this status comes the responsibility to step into a more prominent role as explosives industry members with respect to public safety and regulations. Many pyrotechnics hobbyists do not see themselves as fully-fledged members of the regulated industry. ATF urges hobbyists to consider their activities from this perspective.

ATF believes that a Federal explosives permit is often appropriate for even hobby operators with limited operations. A permit costs $100 for 3 years ($50 for renewals) and allows a person to purchase and transport fireworks and component materials. (Commercial transport requires compliance with U.S. Department of Transportation requirements, regardless of ATF permit status.)

Storage requirements for permittees are the same as for non-permitted individuals. Although everyone has long been required to properly store their explosive materials, the Safe Explosives Act requires that ATF inspect each permittee’s storage. ATF investigators are professional and courteous, and will make every effort to assist you with your questions and any issues that arise with your operations. Some hobbyists may need to upgrade or replace magazines. ATF recognizes that hobbyists may operate on a strict budget and will consider variance requests for alternate magazine construction if the proposed construction affords security and protection that are substantially equivalent to those prescribed by Federal explosives law and regulations.
Reporting RPs and EPs

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<th>Reporting Responsible Persons and Employee Possessor</th>
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<tr>
<td>Responsible Person (RP)</td>
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<td>• Fingerprint Card</td>
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<td>• 2 X 2” Photo</td>
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<td>• Identifying Information on Application Form ATF F 5400.13 (Questions 11 and 14)</td>
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When to Report to ATF

- Report new RPs to the Federal Explosives Licensing Center within 30 days.
- Submit EPQs with original or renewal applications for explosives licenses and within 30 days of a new hire.
- Report departing RPs—where change affects control of the company—to the Federal Explosives Licensing Center within 30 days.

Where to Send

- If submitting with license or permit applications, send to:
  - Bureau of Alcohol, Tobacco, Firearms and Explosives PO Box 409567 Atlanta, Georgia 30384-9567
- If reporting RP at other times, send to:
  - Bureau of Alcohol, Tobacco, Firearms and Explosives Federal Explosives Licensing Center 244 Needy Road Martinsburg, WV 25405

Explosives Licensing and Transfers

In 2005, ATF published a final rule that amended Subpart D—Licenses and Permits, by removing 27 CFR 555.55, which required licensees and permittees to file an amended application if they intended to change the class of explosive materials described on their license or permit from a lower to a higher classification (e.g., black powder to dynamite).

In response to this change, ATF updated ATF F 5400.13/5400.16, Application for Explosives License or Permit, to reflect only the general categories of Manufacturer, Importer, Dealer, User, User (Limited), and Limited Permit. ATF has amended the licenses and permits to reflect general categories rather than individual classes of explosives (e.g., Type 34, User of Low Explosives).

Therefore, explosives licensees can transfer high explosives to a company or individual who holds any Federal explosives license or permit (e.g., Type 34, User of Low Explosives). Keep in mind that individuals or companies must still possess the proper type of license or permit for their desired explosives activity (e.g., importing, manufacturing, etc.), and store the explosives in a magazine sufficient for the type of explosives acquired. Further, the Limited Permit is valid for intrastate transfers only.

U.S. Geological Survey Mineral Yearbook

The U.S. Department of the Interior, U.S. Geological Survey (USGS) publishes an annual explosives report as a part of their mineral yearbook. While the information contained in the report is not all-inclusive, the report does include information concerning explosives production and consumption, legislation and government programs, and statistical information on industrial explosives and blasting agents for the entire United States and individual states. The 2010 report and prior years’ reports are available at the USGS website http://minerals.usgs.gov/minerals/pubs/commodity/explosives/.

While explosives are used in many of the manufacturing and major construction industries, the predominant use of explosives is in the mining industry, both in underground mining and surface quarrying operations.
According to the USGS 2010 report, coal mining accounted for 71% of total explosives consumption, followed by construction (9%), quarrying (9%), and metal mining (8%) in 2010. Wyoming, West Virginia, and Kentucky account for almost half of all the explosives used in the United States, primarily for coal mining operations. The following charts represent explosives use in the U.S. according to USGS current and prior year figures.

### Explosives Sales in the United States (Metric Tons)

![Explosives Sales Chart]

### Explosives Consumption in the U.S. for 2010

![Explosives Consumption Map]

Alabama | 92,000  
Alaska | 14,100  
Arizona | 39,500  
Arkansas | 19,800  
California | 23,700  
Colorado | 62,900  
Connecticut | 3,710  
Delaware | 0  
Florida | 13,300  
Georgia | 18,600  
Hawaii | 478  
Idaho | 11,600  
Illinois | 41,400  
Indiana | 160,000  
Iowa | 20,200  
Kansas | 11,700  
Louisiana | 2,910  
Maine | 3,080  
Maryland | 15,200  
Massachusetts | 4,390  
Minnesota | 84,000  
Mississippi | 40  
Missouri | 62,700  
Montana | 55,800  
Nebraska | 2,420  
Nevada | 116,000  
New Hampshire | 3,280  
New Jersey | 4,060  
New York | 13,900  
North Carolina | 18,100  
North Dakota | 2,620  
Ohio | 49,400  
Oklahoma | 21,600  
Pennsylvania | 101,000  
Rhode Island | 1,390  
South Carolina | 5,500  
Texas | 34,900  
Utah | 63,100  
Vermont | 1,830  
Virginia | 114,000  
Washington | 19,200  
Wisconsin | 10,100
The Explosives Industry Newsletter is now available online and is no longer distributed to licensees and permittees in “hard copy” format unless specifically requested. Current and previous issues of the newsletter are available on-line at http://www.atf.gov/publications/newsletters/. Licensees and permittees are encouraged to use ATF’s new email update subscription service to receive notice whenever a new newsletter is posted to the ATF site at www.atf.gov.

To receive email notices whenever new Explosives Industry Newsletters are posted to the ATF website, licensees and permittees should go to http://www.atf.gov/publications/newsletters/, click on the Receive FEL Newsletter Updates link and complete the requested e-mail and preference information.

Licensees and permittees who do not have Internet access, or who otherwise wish to continue receiving the newsletter by mail, must write to the ATF Distribution Center, 1519 Cabin Branch Dr., Cheverly MD 20785 and ask to be placed on the mailing list for the ATF M 5400.3, ATF Explosives Industry Newsletter.

Name: ____________________________________________

Company: __________________________________________

Address: ____________________________________________

City/State: ___________________________ Zip Code: _________

Phone No.: (optional) ____________________________ E-mail: (optional) ____________________________

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Federal Explosives Licensing Center
244 Needy Road
Martinsburg, West Virginia 25405