

1                   **JOINT RESOLUTION CALLING FOR REFORM OF THE**  
2                   **INTERNATIONAL TRAFFIC IN ARMS REGULATIONS**

3                                   2017 GENERAL SESSION

4                                   STATE OF UTAH

5                                   **Chief Sponsor: Karianne Lisonbee**

6                                   Senate Sponsor: Lincoln Fillmore

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8                   **LONG TITLE**

9                   **General Description:**

10                   This joint resolution urges that gunsmith operations be removed from being labeled as  
11                   manufacturing activities.

12                   **Highlighted Provisions:**

13                   This resolution:

14                   ▶ expresses concern over the Directorate of Defense Trade Controls' interpretation of  
15                   gunsmith activities as manufacturing activities; and

16                   ▶ urges the President and Congress to take action to cease labeling gunsmithing  
17                   activities and to define the term "engaged in business" as found in the Gun Control  
18                   Act of 1968.

19                   **Special Clauses:**

20                   None

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22                   *Be it resolved by the Legislature of the state of Utah:*

23                   WHEREAS, the United States Department of State's Directorate of Defense Trade  
24                   Controls is responsible for the export and temporary import of defense articles and services  
25                   governed by the Arms Export Control Act and Executive Order 13637;

26                   WHEREAS, the International Traffic in Arms Regulations implements the Arms  
27                   Export Control Act;

28                   WHEREAS, the Arms Export Control Act requires a person engaged in manufacturing  
29                   defense articles to register with the Directorate of Defense Trade Controls, pay an exorbitant

30 fee, and be subject to onerous paperwork whether or not they import or export defense-related  
31 articles and services;

32 WHEREAS, gunsmiths have not previously been subject to the types of fees and  
33 paperwork required by the Directorate of Defense Trade Controls, such as the guidelines on the  
34 applicability of the International Traffic in Arms Regulations registration requirement, which  
35 were issued in a Directorate of Defense Trade Controls letter on July 22, 2016, to firearms  
36 manufacturers and gunsmiths;

37 WHEREAS, these guidelines define many common gunsmith operations as  
38 "manufacturing" when they clearly are not and subject gun owners to the regulations for  
39 performing these same common gunsmith operations on their privately owned guns, including  
40 such innocuous activities as drilling into the receiver of their gun to install a new sight;

41 WHEREAS, the Directorate of Defense Trade Controls began labeling commercial  
42 gunsmiths as "manufacturers" for performing relatively simple work such as threading a barrel  
43 or fabricating a small custom part for an older firearm;

44 WHEREAS, under the Arms Export Control Act "manufacturers" are required to  
45 register with the Directorate of Defense Trade Controls at significant expense or risk onerous  
46 criminal penalties;

47 WHEREAS, the guidance letter states that the Directorate of Defense Trade Controls  
48 applies "the ordinary, contemporary, common meaning for manufacturing," however, it  
49 neglects to define manufacturing and instead lists a wide variety of gunsmith activities while  
50 declaring arbitrarily that they constitute manufacturing;

51 WHEREAS, none of these activities are considered manufacturing activities by  
52 common definition or by the Bureau of Alcohol, Tobacco, Firearms and Explosives;

53 WHEREAS, the International Traffic in Arms Regulations state that "deemed export"  
54 violations are committed by providing any regulated good or service or any regulated technical  
55 information to a "non-US-person," even within the United States, such that a gunsmith doing  
56 routine gunsmithing for a "non-US-person" would constitute a violation;

57 WHEREAS, neither ignorance of nor lack of intention to violate arcane and

58 complicated provisions buried in over 100 pages of legal statute, with ever-changing lists of  
59 regulated materials and information, is a defense to any violation;

60 WHEREAS, violations of the International Traffic in Arms Regulations can result in  
61 civil penalties of more than \$1,000,000 per incident and criminal penalties of up to \$1,000,000  
62 and 20 years in prison, both of which can be levied against individual gunsmithing business  
63 employees;

64 WHEREAS, the International Traffic in Arms Regulations have been applied in a  
65 manner not intended, such as regulating information related to general scientific, mathematical,  
66 or engineering principles that are commonly taught in schools and colleges or information that  
67 is in the public domain; and

68 WHEREAS, subjecting gunsmithing activities to the International Traffic in Arms  
69 Regulations will result in small gunsmith businesses being forced out of business due to  
70 regulatory costs and the significant risks of committing technical violations of extremely  
71 complex laws and regulations:

72 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah  
73 urges the United States Congress to enact legislation to remove common gunsmithing activities  
74 listed on the July 22, 2016, Directorate of Defense Trade Controls letter as activities that  
75 constitute manufacturing under the International Traffic in Arms Regulations.

76 BE IT FURTHER RESOLVED that the President of the United States is urged to direct  
77 the United States Department of State's Directorate of Defense Trade Controls to cease labeling  
78 gunsmiths as manufacturers.

79 BE IT FURTHER RESOLVED that the United States Congress is urged to define the  
80 term "engaged in business" under the International Traffic in Arms Regulations as found in the  
81 Gun Control Act of 1968, which is "a person who devotes time, attention, and labor to  
82 manufacturing firearms as a regular course of trade or business with the principal objective of  
83 livelihood and profit through the sale or distribution of the firearms manufactured."

84 BE IT FURTHER RESOLVED that copies of this resolution be sent to the President of  
85 the United States, the Majority Leader of the United States Senate, the Speaker of the United

86 States House of Representatives, and the members of Utah's congressional delegation.