

.....
(Original Signature of Member)

115TH CONGRESS
1ST SESSION

H. R.

To authorize the Director of the Bureau of Justice Assistance to make grants to States, units of local government, and gun dealers to conduct gun buyback programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. PAYNE introduced the following bill; which was referred to the Committee on _____

A BILL

To authorize the Director of the Bureau of Justice Assistance to make grants to States, units of local government, and gun dealers to conduct gun buyback programs, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Safer Neighborhoods Gun Buyback Act of 2017”.

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—GUN BUYBACK GRANT PROGRAM

- Sec. 101. Program authorized.
- Sec. 102. Applications.
- Sec. 103. Term of grant.
- Sec. 104. Smart prepaid cards.
- Sec. 105. Uses of funds.
- Sec. 106. Definitions.
- Sec. 107. Authorization of appropriations.

TITLE II—CRIMINAL PROVISION

Sec. 201. Use of smart prepaid card to buy or sell a firearm.

1 **TITLE I—GUN BUYBACK GRANT**
2 **PROGRAM**

3 **SEC. 101. PROGRAM AUTHORIZED.**

4 (a) IN GENERAL.—The Director of the Bureau of
5 Justice Assistance (referred to in this title as the “Direc-
6 tor”) may make grants to eligible entities to conduct gun
7 buyback programs.

8 (b) ELIGIBLE ENTITY DEFINED.—In this title, the
9 term “eligible entity” means—

- 10 (1) a State;
- 11 (2) a unit of local government; or
- 12 (3) a gun dealer if neither the unit of local gov-
13 ernment nor the State where such dealer is located
14 receives a grant under this title.

15 **SEC. 102. APPLICATIONS.**

16 (a) GRANTS.—The chief executive of an eligible entity
17 seeking a grant under this title shall submit an application
18 to the Director at such time and containing such informa-
19 tion as the Director may reasonably require.

1 (b) SUBGRANTS.—A gun dealer located in a unit of
2 local government or State that does receive a grant under
3 this title seeking a subgrant shall submit an application
4 to the chief executive of such unit of local government or
5 State at such time and containing such information as the
6 chief executive may reasonably require, including proof of
7 such dealer’s license under section 923 of title 18, United
8 States Code.

9 **SEC. 103. TERM OF GRANT.**

10 (a) TERM.—The term of a grant awarded under this
11 title shall be two years.

12 (b) AVAILABILITY OF GRANT FUNDS.—

13 (1) STATES OR UNITS OF LOCAL GOVERN-
14 MENT.—A State or unit of local government that re-
15 ceives a grant under this title shall return to the Di-
16 rector any remaining smart prepaid cards and any
17 unused portion of such grant at the end of the two-
18 year and 270-day period beginning on the date that
19 the grant was awarded.

20 (2) GUN DEALERS.—A gun dealer that receives
21 a grant or subgrant under this title shall return to
22 the Director any remaining smart prepaid cards and
23 any unused portion of such grant or subgrant that
24 was allocated to be used to buy back guns—

1 (A) in the case of a gun dealer receiving a
2 grant, at the end of the two-year period begin-
3 ning on the date that the grant was awarded;
4 or

5 (B) in the case of a gun dealer receiving
6 a subgrant, at the end of the two-year period
7 beginning on the date that the grant was
8 awarded to the State or unit of local govern-
9 ment from which the gun dealer received a
10 subgrant.

11 (c) AMOUNTS RETURNED.—The Director shall re-
12 turn to the general fund of the Treasury any amounts re-
13 turned under subsection (b).

14 **SEC. 104. SMART PREPAID CARDS.**

15 (a) IN GENERAL.—In conducting the grant program
16 authorized under section 101, the Director may reserve
17 such funds as may be necessary to acquire and distribute
18 smart prepaid cards to eligible entities that receive grants
19 under this title. The Director shall distribute the smart
20 prepaid cards without any funds loaded onto the cards.

21 (b) MARKET VALUE OF GUNS.—The Director shall
22 determine the market value of each gun that the Director
23 determines should be included in the gun buyback pro-
24 gram and make such information publicly available.

1 (c) PROHIBITION ON USE OF CARDS TO BUY
2 GUNS.—

3 (1) IN GENERAL.—A person may not use a
4 smart prepaid card in the acquisition of a gun or
5 ammunition, and a person may not accept a smart
6 prepaid card in the transfer (including a loan) of a
7 gun or ammunition.

8 (2) PENALTY.—A person that violates para-
9 graph (1) shall pay to the Director an amount that
10 is equal to the value of the prohibited sale.

11 **SEC. 105. USES OF FUNDS.**

12 (a) STATES AND UNITS OF LOCAL GOVERNMENT.—
13 A State or unit of local government receiving a grant
14 under this title shall use such funds to do the following:

15 (1) GUN BUYBACK PROGRAM.—Use such funds
16 to—

17 (A) conduct a gun buyback program; or

18 (B) make subgrants to gun dealers in such
19 State or unit of local government to conduct
20 gun buyback programs, and distribute the
21 smart prepaid cards such State or unit of local
22 government receives to gun dealers receiving
23 subgrants.

24 (2) GUN AND AMMUNITION RECYCLING PRO-
25 GRAM.—Use not more than 10 percent of such funds

1 to recycle the guns and ammunition that such State
2 or unit of local government collects or receives from
3 gun dealers.

4 (3) ADMINISTRATIVE COSTS.—Use not more
5 than 15 percent of such funds for the administrative
6 costs of carrying out the grant program under this
7 title, including the criminal database checks under
8 subsection (f).

9 (b) GUN DEALERS.—

10 (1) IN GENERAL.—A gun dealer receiving a
11 grant or subgrant under this title shall use such
12 funds to conduct a gun buyback program.

13 (2) SMART PREPAID CARD AMOUNTS.—

14 (A) In order to purchase a gun through a
15 gun buyback program, a gun dealer shall load
16 onto a smart prepaid card 125 percent of the
17 market value of the gun that the individual
18 wishes to dispose of (as determined by the Di-
19 rector under section 104(b)).

20 (B) A gun dealer may increase the pur-
21 chase price of a gun and load an amount onto
22 a smart prepaid card that is greater than 125
23 percent of the market value of the gun if the
24 gun dealer determines that the gun has been al-
25 tered in a way that would increase the market

1 value of the gun (such as an altered grip, or the
2 addition of a scope).

3 (3) GUNS RECEIVED.—

4 (A) In the case of a gun dealer receiving
5 a grant under this title, the gun dealer shall de-
6 liver a gun or ammunition the dealer receives
7 under the gun buyback program to the closest
8 office of the Bureau of Alcohol, Tobacco, Fire-
9 arms and Explosives not later than 60 days
10 after receiving such gun.

11 (B) In the case of a gun dealer receiving
12 a subgrant under this title, the gun dealer shall
13 deliver a gun or ammunition the dealer receives
14 under the gun buyback program to the State or
15 unit of local government from which it receives
16 the subgrant not later than 60 days after re-
17 ceiving such gun.

18 (c) AMMUNITION COLLECTION.—A State, unit of
19 local government, or gun dealer conducting a gun buyback
20 program under this title may accept ammunition from in-
21 dividuals wishing to dispose of it, which shall be recycled
22 in accordance with paragraph (3), but may not use smart
23 prepaid cards to purchase ammunition under the gun
24 buyback program.

1 (d) INCENTIVES FOR GUN DEALER PARTICIPA-
2 TION.—To the extent that the Director determines nec-
3 essary to facilitate participation of gun dealers in the gun
4 buyback program, grant funds may be used to provide
5 monetary or other incentives to gun dealers to participate
6 in such program. For purposes of subsection (a), any such
7 incentives shall be treated as part of the subgrant to the
8 gun dealer described in paragraph (1)(B) thereof.

9 (e) RESALE OF GUNS PROHIBITED.—A State, unit
10 of local government, or gun dealer conducting a gun
11 buyback program under this title may not sell a gun or
12 ammunition received under such program.

13 (f) CRIMINAL DATABASE CHECK.—A State, unit of
14 local government, or office of the Bureau of Alcohol, To-
15 bacco, Firearms and Explosives that receives a gun under
16 a gun buyback program under this title shall, not later
17 than 21 days after receiving the gun, use any database
18 accessible to the State, unit of local government, or office
19 of the Bureau of Alcohol, Tobacco, Firearms and Explo-
20 sives, as applicable, in order to determine whether the gun
21 was used in the commission of a crime. If such a gun was
22 used in the commission of a crime, the gun shall be deliv-
23 ered to the appropriate prosecuting authority.

24 **SEC. 106. DEFINITIONS.**

25 In this title:

1 (1) AMMUNITION.—The term “ammunition”
2 has the meaning given such term in section
3 921(a)(17)(A) of title 18, United States Code.

4 (2) GUN.—The term “gun” means “firearm”
5 as defined in section 921(a)(3) of title 18, United
6 States Code.

7 (3) GUN BUYBACK PROGRAM.—The term “gun
8 buyback program” means a program under which a
9 State, a unit of local government, or a gun dealer,
10 using smart prepaid cards as described in section
11 105(b)(2), purchases back from individuals wishing
12 to dispose of them, a gun identified by the Director
13 under section 104(b).

14 (4) GUN DEALER.—The term “gun dealer”
15 means a dealer of firearms licensed under section
16 923 of title 18, United States Code.

17 (5) SMART PREPAID CARD.—The term “smart
18 prepaid card” means a card issued by the Director
19 that—

20 (A) is redeemable at multiple, unaffiliated
21 merchants or service providers;

22 (B) contains a mechanism, for the purpose
23 of preventing the cardholder from using it to
24 purchase a gun or ammunition, that recognizes
25 the merchant category code of a merchant and

1 prohibits the use of such card at a place of
2 business subject to a license to deal in firearms
3 under section 923 of title 18, United States
4 Code;

5 (C) is honored, upon presentation, by mer-
6 chants solely for goods or services, except for
7 merchants described in subparagraph (B);

8 (D) is loaded on a prepaid basis by a
9 State, unit of local government, or gun dealer
10 for use in a gun buyback program;

11 (E) clearly and conspicuously bears the
12 words “THIS CARD MAY NOT BE USED
13 TO PURCHASE A GUN OR AMMUNITION”
14 in capital and raised letters on the card; and

15 (F) may not redeemed for coins or cur-
16 rency.

17 (6) STATE.—The term “State” means each of
18 the 50 States, the District of Columbia, or any com-
19 monwealth, territory, or possession of the United
20 States.

21 **SEC. 107. AUTHORIZATION OF APPROPRIATIONS.**

22 There is authorized to be appropriated \$360,000,000
23 for each of fiscal years 2018 through 2020 to carry out
24 this title.

1 **TITLE II—CRIMINAL PROVISION**

2 **SEC. 201. USE OF SMART PREPAID CARD IN THE ACQUISITION OR TRANSFER OF A FIREARM.**

3
4 (a) IN GENERAL.—Chapter 44 of title 18, United
5 States Code, is amended by adding at the end the following:
6

7 **“§ 932. Use of smart prepaid card in the acquisition
8 or transfer of a firearm**

9 “Whoever, in or affecting interstate or foreign commerce,
10 uses a smart prepaid card (as such term is defined
11 in section 106 of the Safer Neighborhoods Gun Buyback
12 Act of 2017) in connection with the acquisition of, or accepts
13 a smart prepaid card in connection with the transfer
14 (including a loan) of a firearm or ammunition shall be
15 fined under this title, imprisoned for not more than 2
16 years, or both.”.

17 (b) CLERICAL AMENDMENTS.—

18 (1) CONFORMING AMENDMENT.—Section
19 924(a)(1) of title 18, United States Code, is amended
20 ed by inserting after “section 929” the following:
21 “or section 932”.

22 (2) TABLE OF SECTIONS.—The table of sections
23 at the beginning of chapter 44, United States Code,
24 is amended by inserting after the item relating to
25 section 931 the following:

“932. Use of smart prepaid card in the acquisition or transfer of a firearm.”.