

Subject:	Resolution 31676 Police Gun Procurement
From:	Amy Tsai, Council Central Staff
То:	Gender Equity, Safe Communities and New Americans Committee
Date:	June 22, 2016

#### SUMMARY

**Resolution 31676** relates to responsible police gun procurement. It would direct steps in the City's procurement of police firearms and ammunition designed to assure that the City's firearms are acquired from responsible gun distributors and resold only to other law enforcement entities.

#### BACKGROUND

In order for a person to commit a crime with a gun, first they must acquire one. While there are many means by which this could occur, including illegally through unlicensed sellers, the federal Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has noted that "[s]ince licensed dealers have access to a large supply of firearms, they represent a significant trafficking threat if they violate the law."<sup>1</sup> The ATF has identified common violations of federal laws by licensed gun dealers that have an impact on public safety, including things like failing to conduct a background check when required, failing to report lost or stolen firearms, and failing to accurately complete paperwork with information important for gun tracing<sup>2</sup> in the event the weapon is used in a crime.<sup>3</sup>

As one illustrative example, a Washington State-licensed gun shop in Skagit County was described by the Seattle Times a couple of years ago as being perhaps "the worst gun retailer in America," with 2,396 reportedly unaccounted-for guns during a 2005 ATF inspection. According to the Times article, the company surrendered its federal license in 2013.<sup>4</sup>

The City of Seattle has contracts for the procurement of firearms and for the procurement of ammunition for use by the Seattle Police Department. According to a Washington Post review, firearm purchases by local law enforcement agencies make up 15 percent of the firearm market

<sup>&</sup>lt;sup>1</sup> U.S. Dept. of Justice (Feb. 2000). *Commerce in Firearms in the United States.* 

<sup>&</sup>lt;sup>2</sup> Tracing is the systematic tracking of the movement of a firearm through the distribution chain to the first retail purchaser. Crime gun trace information can be used to link a suspect to a firearm, identify potential gun traffickers, and detect patterns in the sources and kinds of guns used in crimes. *Ibid*.

<sup>&</sup>lt;sup>3</sup> U.S. Dept. of Justice (Aug. 2010). *ATF Federal Firearms Licensee Quick Reference and Best Practices Guide*. <sup>4</sup> Seattle Times (Apr. 27, 2014). Skagit County gun shop may have been worst in U.S.

in the United States. This creates the potential for governments collectively to have an impact on gun distributors via the use of their purchasing power to encourage safe gun practices by distributors, especially those who wish to sell to governments.

Proposed Resolution 31676 would create requirements in the City's procurement process for acquisition of police firearms and ammunition that encourage safe gun practices by gun vendors who wish to do business with the City. Specifically, under Resolution 31676 the City would do the following:

- Require that firearm and ammunition vendors wishing to do business with the City ("bidders") adhere to all applicable state and federal firearm licensee laws, ensure any necessary background checks are done before a gun sale, make efforts to deter and protect from firearm theft, and immediately report theft or loss to the appropriate governmental agencies;
- Verify each bidder's latest firearms inspection report by the ATF to the extent available; and
- Restrict the resale of unneeded Seattle Police Department handguns to law enforcement entities.

# ANALYSIS

# Applicability

The City has a contract for police firearms, which includes provisions for the trade-in of unneeded firearms back to the vendor, and a contract for ammunition. Under Resolution 31676, the City would take steps to ensure that businesses wishing to bid on a contract with the City adhere to applicable state and federal firearm licensee laws for all of their sales, not just sales to the City.

### Financial Impacts

There is no anticipated fiscal impact to the City from the requirement in Resolution 31676 that bidders follow all applicable State and federal laws. Upon adoption of Resolution 31676, next steps would entail work by the City's procurement office to develop the appropriate forms and processes. The City's current firearms contract is set to expire in October 2016, but it can be extended by mutual agreement. The City's current ammunitions contract is set to expire in March 2017.

It is worth noting that as requirements are added over time, there is the possibility that such requirements can have the cumulative effect of deterring vendors from wishing to engage in the process. If that happens, it could put upwards pressure on the resulting prices paid by the City. Vendor outreach during the development of the new requirements would be one way to encourage continued vendor engagement.

As noted in the fiscal note, there may be some fiscal impact to the City from requiring of the vendor that the City's traded-in firearms be sold only to other law enforcement entities.<sup>5</sup> The resale value of used police handguns can depend on a variety of factors such as the condition of the gun, but the Seattle Police Department estimates that the trade-in value of its firearms that might be turned in over the next three years is \$30,000 per year under the current contract. The current contract requires that guns traded in by the City and resold by the vendor must go to a well-established Glock authorized dealer not located in Washington State. To restrict resale only to law enforcement entities as proposed by Resolution 31676 would almost certainly result in a much narrower pool of potential buyers, which could have the effect of decreasing or even completely eliminating the guns' trade-in value. As a result, the highest potential fiscal impact if the trade-in value decreased to zero dollars would be an estimated \$30,000 per year.

<sup>&</sup>lt;sup>5</sup> "Entities" is presumed to mean other law enforcement agencies, not individual officers.