

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3770**

OFFERED BY M .

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Fighting Irrational
3 Regulatory Enforcement to Avert Retailers’ Misfortune
4 Act of 2025” or the “FIREARM Act of 2025”.

5 SEC. 2. FIREARM LICENSING REVOCATIONS AND DENIALS.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

9 “(39) The term ‘self-reported violation’ means a vio-
10 lation by a licensee of any provision of this chapter or any
11 implementing regulation thereof that the licensee reports
12 to the Attorney General before the Attorney General dis-
13 covers the violation during an inspection of the licensee
14 under this chapter.

15 “(40) The term ‘willfully’ has the meaning given the
16 term in section 5336(h) of title 31, except that—

1 “(A) the term only includes conduct resulting
2 from or achieved through deliberate planning or spe-
3 cific intent;

4 “(B) willfulness shall not be inferred from pre-
5 vious conduct; and

6 “(C) minor, clerical, or curable conduct is pre-
7 sumptively not willful.

8 “(41) The term ‘uncorrectable violation’ means any
9 violation that, despite best efforts, cannot be corrected by
10 the licensee, including a violation in which the licensee
11 transferred a firearm to a prohibited person.”.

12 (b) SELF-REPORTED VIOLATIONS; OPPORTUNITY TO
13 CORRECT VIOLATIONS.—Section 923(e) of title 18,
14 United States Code, is amended—

15 (1) by inserting “(1)” after “(e)”; and

16 (2) by adding at the end the following:

17 “(2)(A) The Attorney General may not bring an en-
18 forcement action to revoke, or deny a renewal of, a license
19 for a violation of any provision of this chapter or any im-
20 plementing regulation thereof on the basis of a self-re-
21 ported violation, except in the case of a violation—

22 “(i) that is not correctable after the violation
23 occurred; or

24 “(ii) in which a firearm was transferred to a
25 person who is prohibited from possessing a firearm

1 pursuant to any provision of this chapter or any im-
2 plementing regulation thereof.

3 “(B) In the case of a self-reported violation, the At-
4 torney General shall—

5 “(i) assist the licensee to correct the self-re-
6 ported violation; and

7 “(ii) provide the licensee with instructions and
8 compliance training designed to assist the licensee in
9 avoiding repetition of the self-reported violation in
10 the future.

11 “(3)(A) Before initiating an enforcement action
12 under this subsection, the Attorney General shall provide
13 the licensee with actual notice of the violation giving rise
14 to the enforcement action, which shall include, at a min-
15 imum—

16 “(i) a detailed explanation of the substance of
17 the violation;

18 “(ii) all evidence or documentation in the pos-
19 session of the Attorney General regarding the en-
20 forcement action; and

21 “(iii) a statement that the Attorney General
22 will not initiate the enforcement action if the li-
23 censee corrects the violation by the date that is 30
24 business days after the date on which the licensee
25 first receives actual notice of the violation.

1 “(B) The Attorney General may bring an enforce-
2 ment action under this subsection against a licensee de-
3 scribed in subparagraph (A) if—

4 “(i) 30 business days have elapsed since the
5 date on which the licensee received the notice of the
6 violation required under that subparagraph; and

7 “(ii) the licensee has not corrected the violation.

8 “(C) If a self-reported violation is of a nature such
9 that it cannot be corrected within the grace period and
10 with the assistance provided pursuant to paragraph (2)
11 or (3), the Attorney General may deny a licensee the op-
12 portunity to correct.

13 “(4) The Attorney General may not bring an enforce-
14 ment action on the basis of any violation of any provision
15 of this chapter or any implementing regulation thereof
16 that has been corrected pursuant to paragraph (2) or (3)
17 unless the violation involves a prohibited transfer of a fire-
18 arm or another uncorrectable violation which creates a di-
19 rect and acute risk of death or serious bodily injury as
20 a result of the uncorrectable violation.”.

21 (c) DIRECT JUDICIAL REVIEW OF LICENSE REVOCATION-
22 TIONS.—Section 923(f) of title 18, United States Code,
23 is amended—

1 (1) in paragraph (2), by striking “If” and in-
2 serting “Except as provided in paragraph (3), if”;
3 and

4 (2) by amending paragraph (3) to read as fol-
5 lows:

6 “(3)(A) If after a hearing held under paragraph (2)
7 the Attorney General decides not to reverse his or her deci-
8 sion to deny an application or revoke a license, during the
9 15-business-day period beginning on the date on which a
10 license holder or applicant receives a written notice of rev-
11 ocation or denial, that aggrieved party may file a petition
12 with the United States district court for the district in
13 which the aggrieved party resides or has his or her prin-
14 cipal place of business for a judicial review of the revoca-
15 tion or denial.

16 “(B) If a license holder files a petition with a United
17 States district court under subparagraph (A), the Attor-
18 ney General shall stay the effective date of the revocation
19 until the court issues a judgment.

20 “(C) In a proceeding conducted under this para-
21 graph, the court may consider any evidence submitted by
22 the parties to the proceeding, shall review the Attorney
23 General’s decision de novo, and shall uphold any revoca-
24 tion decision only upon a finding, by a preponderance of

1 the evidence, that the license holder willfully violated the
2 statute under this title or any implementing regulation.

3 “(D) If the court decides that the Attorney General
4 did not have a sufficient basis to revoke or deny a license,
5 the court shall order the Attorney General to take such
6 action as may be necessary to comply with the judgment
7 of the court.”.

8 **SEC. 3. RETROACTIVE APPLICATION TO LICENSES RE-**
9 **VOKED UNDER ENHANCED REGULATORY EN-**
10 **FORCEMENT POLICY.**

11 (a) **RETROACTIVE APPLICATION.**—Notwithstanding
12 any provision of law, the provisions of this Act shall apply
13 retroactively to any licensee whose license was revoked or
14 denied pursuant to the Enhanced Regulatory Enforcement
15 Policy announced on June 23, 2021.

16 (b) **RESTORATION OF LICENSES.**—In the case of any
17 licensee whose license was revoked or denied renewal pur-
18 suant to the Enhanced Regulatory Enforcement Policy, or
19 who surrendered their license at the request or suggestion
20 from an ATF Industry Operations Investigator during the
21 course of an inspection with respect to which the En-
22 hanced Regulatory Enforcement Policy was cited or dis-
23 closed to the licensee as a justification or reason for the
24 revocation or denial, the Attorney General shall provide

1 the licensee an opportunity to reapply for a license, and
2 approve such application, provided the licensee—

3 (1) has not been convicted of a violation that
4 would otherwise prohibit the issuance of a license
5 under section 923(d) of title 18, United States Code;
6 and

7 (2) submits evidence to demonstrate compliance
8 with the relevant regulations, including corrective ac-
9 tion for previously cited violations.

