MYTHS AND FACTS

Myth: Transferring control of firearms from State to Commerce will result in deregulation of U.S. firearms exports, increasing numbers of U.S.-manufactured small arms around the world, and contributing to conflicts in places such as Africa or Central America or those involving gangs and non-state actors.

Fact: The transfer of certain firearms to the control of the Department of Commerce does not deregulate the export of firearms. All firearms moved from the jurisdiction of the Department of State to the jurisdiction of the Department of Commerce will continue to require U.S. Government authorization. The U.S. Government is not removing the export authorization requirements for any firearms regardless of which agency has licensing jurisdiction or the proposed destination.

Myth: Publication on the internet of technology and software capable of producing firearms via 3-D printing will cease to be controlled when these rules go into effect.

Fact: Certain technology and software posted on the internet that is capable of 3-D printing firearms previously controlled by State will continue to be controlled by the Department of Commerce, meaning the U.S. Government will continue to maintain restrictions. Commerce's controls under the EAR will help ensure that U.S. national security and foreign policy interests are not undermined by foreign persons' access to firearms production technologies.

• The Departments of Commerce and State regulate exports and the transfer of controlled technologies to foreign persons in the United States; the domestic manufacture or possession of 3-D printed firearms by U.S. persons in the United States is beyond the purviews of the Departments of Commerce and State and will fall within the jurisdiction of existing domestic law.

Myth: Transferring control to Commerce will remove the requirement of U.S. Government authorization for firearms to many countries under License Exception Strategic Trade Authorization (STA).

Fact: The Commerce License Exception STA may not be used for the firearms and shotguns that transition from the U.S. Munitions List (USML). Only long barreled shotguns that were previously controlled by Commerce may be exported using License Exception STA.

• Additionally, the receivers, detachable magazines, and other significant parts and components of these formerly USML firearms, such as the barrels, cylinders, barrel extensions, mounting blocks (trunnions), bolts, bolt carriers, operating rods, gas

pistons, trigger housings, triggers, hammers, sears, disconnectors, pistol grips that contain fire control "parts" or "components," and buttstocks that contain fire control "parts" or "components" are similarly ineligible for export under License Exception STA.

Myth: Even after this change, small U.S. gunsmiths will continue to be burdened by export licensing fees.

Fact: Most gunsmiths are not required to register as manufacturers under the International Traffic in Arms Regulations (ITAR) today. Moreover, Commerce does not have a registration requirement for manufacturers and exporters of the items under its jurisdiction, including items transferred to EAR control under the final rules. Therefore, small gunsmiths who do not manufacture, export, or broker the automatic weapons and other sensitive items that remain on the USML will, upon the effective date, no longer need to determine if they are required to register under the ITAR, but they may still be required to comply with Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) licensing requirements.

- These final rules will help to clarify what is controlled on which list, ending jurisdictional confusion and making it easier for exporters, especially small businesses, to comply with U.S. export controls.
- For those items moved from the USML to the Commerce Control List (CCL), the export licensing requirements and process implemented by the Department of Commerce will be calibrated both to the sensitivity of the item and the proposed destination.
- As a result, foreign manufacturers will enjoy a greater opportunity to source from small U.S. companies. This is good for: U.S. manufacturing, the defense industrial base, security of supply to the U.S. military, and interoperability with allies, to name but a few benefits.

Myth: The transfer of items from State Department export control to Commerce Department export control will also change items that are controlled for permanent import.

Fact: The State and Commerce Department final rules do not alter permanent import controls.

- The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) administers permanent import controls for Arms Export Control Act defense articles on the U.S. Munitions Import List.
- The transfer of items to the Commerce Department for export control does not change ATF permanent import controls.

Myth: The licensing of U.S. arms by the Commerce Department will lead to less regulation, resulting in U.S.-origin items being more widely available for use in human rights abuses.

Fact: The movement of certain firearms to the Commerce Department will allow for more tailored export controls of items while at the same time increasing resources to identify and investigate violations.

- The U.S. Government will continue its longstanding end-use monitoring efforts, including vetting of potential end-users, to help prevent human rights abuses. The U.S. Government is not removing the requirements of export authorization for firearms or ammunition.
- In addition to these efforts, Commerce has enforcement analysts and Special Agents dedicated to identifying and investigating violations, including through use of criminal and administrative enforcement authorities.
- The Department of Defense and the Department of State will remain active in the process of determining how an item is controlled and reviewing export license applications for national security and foreign policy reasons, including the prevention of human rights abuses.

Myth: The Commerce Department has a lack of subject matter experts in firearms licensing and control, making it a poor choice to control small arms exports.

Fact: The Commerce Department has been licensing shotguns and shotgun ammunition for decades. The Commerce Department has investigated and disrupted numerous diversion rings and will bring that expertise to bear on small arms.

Myth: U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) will lose the authority and jurisdiction to investigate the illegal export of those items being transferred (firearms, firearms parts, and ammunition) when this transfer of authority occurs.

Fact: This transfer does not affect ICE HSI's authority or jurisdiction in any way. ICE HSI will continue to enforce the regulations governing the export of firearms, firearms parts, and ammunition.

For further information, please contact the <u>Bureau of Political-Military Affairs</u>, Office of Congressional and Public Affairs at <u>PM-CPA@state.gov</u> and follow us on Twitter @StateDeptPM.