SENATE BILL NO. 853

March 18, 2026, Introduced by Senators CHANG, BAYER, MOSS, POLEHANKI and SANTANA and referred to Committee on Civil Rights, Judiciary, and Public Safety.

A bill to amend 1927 PA 372, entitled

"An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms, gas ejecting devices, and electro-muscular disruption devices; to prohibit the buying, selling, or carrying of certain firearms, gas ejecting devices, and electro-muscular disruption devices without a license or other authorization; to provide for the forfeiture of firearms and electro-muscular disruption devices under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to

carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act,"

(MCL 28.421 to 28.435) by adding section 12c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 12c. (1) Beginning 18 months after the effective date of the initial rules promulgated under this section, a dealer shall possess a license issued under this section.

(2) A person shall obtain a license for each location in which the person is dealing firearms in this state.

(3) A person seeking to deal firearms shall, for each location in which the person plans to sell firearms, pay a fee of $250.00 to the department and submit an application to the department on a form and in a manner prescribed by the department. A fee collected under this subsection must be deposited in the licensing and regulation fund created in section 3 of the state license fee act, 1979 PA 152, MCL 338.2203.

(4) The department shall issue a license to an applicant that meets all of the following:

(a) Has been granted and holds a federal firearms license.

(b) Possesses every license required by the local unit of government where the person is dealing firearms.

(c) Submits to the department an affidavit signed by the applicant that states that the applicant and each of the applicant's employees or agents who will handle or have access to a firearm at the place of business meet all of the following:

(*i*) Are not less than 21 years of age.

(*ii*) Are eligible to possess a firearm under state and federal law.

(*iii*) Do not have a criminal history related to firearms, theft,

assault, or a violent crime.

(5) An applicant for a license under this section shall certify the accuracy of the information provided in the application.

(6) A license is not transferable.

(7) The department shall issue a certificate of licensure to a person that is granted a license.

(8) A dealer shall display the certificate of licensure prominently and where visible to the public on the premises where the dealer is dealing firearms.

(9) A license expires 1 year after the date of issuance. A dealer may renew the dealer's license before the dealer's license expires by submitting a renewal application to the department with a renewal fee of $200.00, proof acceptable to the department that the dealer holds a valid federal firearms license, and the most recent inventory reconciliation record described under section 14b(1)(k). A renewal fee collected under this subsection must be deposited in the licensing and regulation fund created in section 3 of the state license fee act, 1979 PA 152, MCL 338.2203.

(10) A dealer that does not renew a dealer's license under subsection (9) on or before the expiration date of the dealer's license shall not deal firearms. If a dealer does not renew a dealer's license under subsection (9) on or before the expiration date of the dealer's license, that dealer must apply for a new dealer's license under this section to deal firearms.

(11) The department shall develop or approve a training course for a dealer and the dealer's employees and agents who handle or access firearms at the business location that covers all of the following topics:

(a) State and federal law governing the sale and transfer of firearms and ammunition.

(b) Recognizing and identifying straw purchasers, firearms trafficking, and fraudulent activities.

(c) Indicators that an individual is attempting to purchase a firearm illegally.

(d) Recognizing and identifying indicators that an individual intends to use a firearm for unlawful purposes.

(e) Recognizing and identifying indicators that an individual intends to use the firearm for self-harm.

(f) Preventing theft or burglary of firearms and ammunition.

(g) Responding to the circumstances in subdivisions (a) to (f) and any applicable reporting requirements.

(h) Effectively teaching individuals firearm safety rules, including safe handling and storage.

(i) Any other reasonable business practices the department determines will deter firearm trafficking or the unlawful use of firearms.

(12) Each year, a dealer and the dealer's employees and agents who handle or access firearms in the course of the employee's or agent's duties must successfully complete the training course under subsection (11). The dealer and the dealer's employees and agents must pass a written examination provided by the department that is related to the training required under subsection (11) with a score of not less than 70%.

(13) The department, after notice and an opportunity for an evidentiary hearing under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, may deny, limit, suspend, or revoke a dealer's license if the dealer does any of the

following:

(a) Violates this section or a rule promulgated under this section.

(b) Violates section 14b.

(c) Does not properly maintain all appropriate records required in accordance with a federal firearms license for 4 years.

(14) Not later than January 1, 2027, the department shall promulgate rules to implement this section and section 14b under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. In promulgating rules under this subsection, the department may consult academic experts with resources on best practices for dealers dealing firearms. The department shall develop and administer a written examination related to the training requirements under subsection (11).

(15) As used in this section and sections 14b and 14c:

(a) "Dealer" means a person that is located in this state that is engaged in the wholesale or retail business of selling firearms, frames, receivers, or unfinished frames or receivers and that has, or that is required under federal law to have, a federal firearms license under 18 USC 923. Dealer does not include a person that sells 8 or fewer firearms, frames, receivers, or unfinished frames or receivers within any 12-month period that the person has engaged in those sales.

(b) "Dealing firearms" means devoting time, attention, and labor to selling firearms as a regular course of trade or business. Dealing firearms does not include either of the following:

(*i*) Making occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection or for a hobby or that sells all or part of a personal collection of

firearms.

(*ii*) Engaging only in the business of gunsmith services, including, but not limited to, engraving, customizing, refinishing, or repairing firearms.

(c) "Department" means the department of licensing and regulatory affairs.

(d) "License" means an authorization granted by the department to deal firearms in this state.

(e) "Person" means an individual or a partnership, corporation, limited liability company, association, governmental entity, or other legal entity.

(f) "Violent crime" includes, but is not limited to, murder, rape, robbery, aggravated assault, or stalking.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 854 of the 103rd Legislature is enacted into law.