

**NSSF**<sup>®</sup>  
*The Firearm Industry  
Trade Association*

**COMPLIANCE UNVEILED**  
**KEY COMPLIANCE UPDATES**  
**FROM SHOT 2026**

**2026 Firearm Industry  
Compliance Webinar Series**



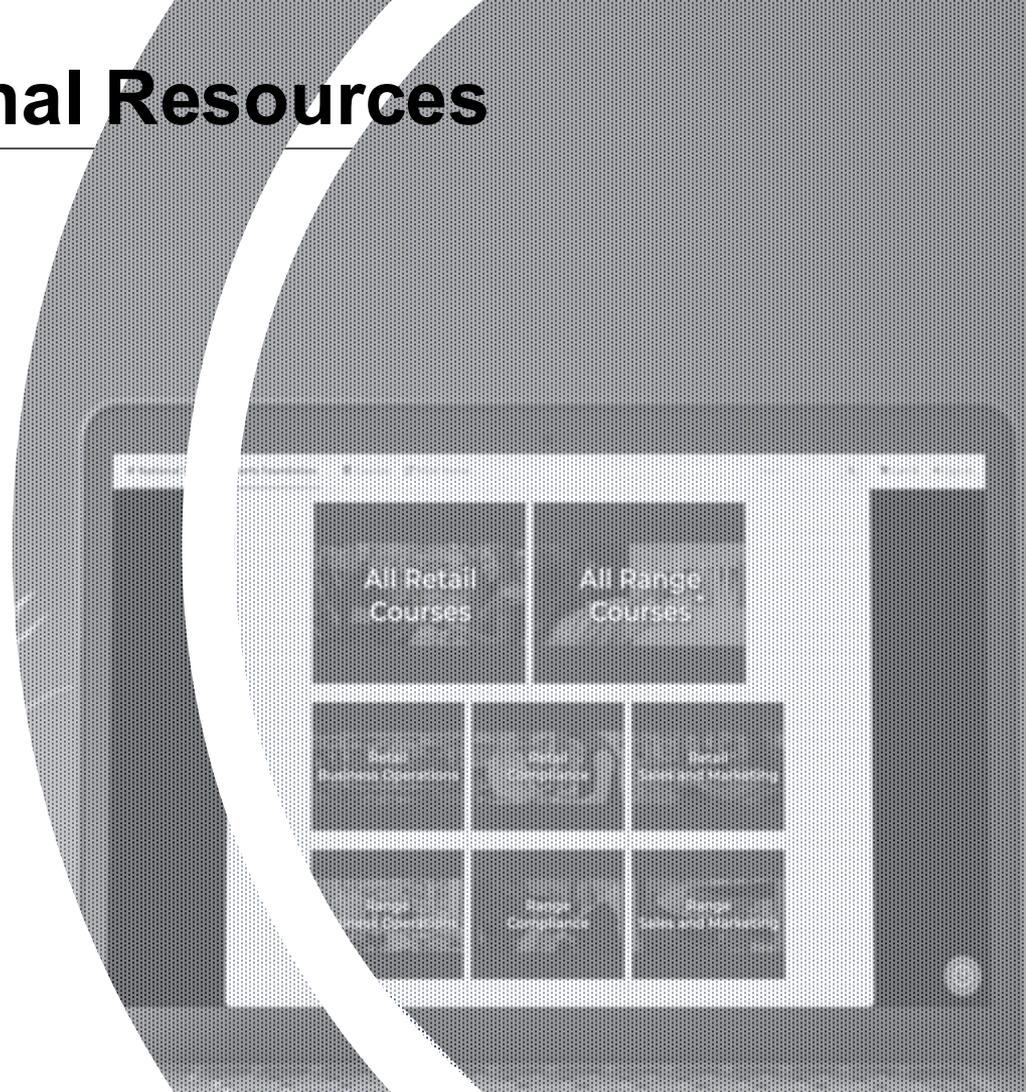
# Additional Educational Resources



## Industry Compliance Courses & More!

- Firearm E-Commerce Blueprint
- Unlocking Success in the NFA Space
- Winning at ATF Inspections
- Completing the Form 4473
- Multiple Sales Report

[NSSF.org/Education](https://www.nssf.org/education)



**NSSF**<sup>®</sup>  
*The Firearm Industry  
Trade Association*

**COMPLIANCE UNVEILED**  
**KEY COMPLIANCE UPDATES**  
**FROM SHOT 2026**

**2026 Firearm Industry  
Compliance Webinar Series**



# Today's Agenda

---

- NSSF Compliance Updates
- ATF & FBI/NICS Town Hall Highlights
- ATF Interim Final Rule 2025R-54T, controlled substances users update
- NICS Enhancements
- Questions

# Results of ATF's Firearms Compliance Inspections for Fiscal Years 2023-2025

INSPECTION OUTCOME	FY-2023 Inspections Resulting in that Outcome	FY-2023 % of All Inspections	FY-2024 Inspections Resulting in that Outcome	FY-2024 % of All Inspections	FY-2025 Inspections Resulting in that Outcome	FY-2025 % of All Inspections
No Violations	4,644	53.4	5,207	53.7	4,604	54.3
Report of Violations	1,531	17.6	1,689	17.4	1,553	18.3
Warning Letter	667	7.7	721	7.4	677	8.0
Warning Conference	166	1.9	214	2.2	547	6.5
License Surrendered/ OOB	1,343	15.5	1,488	15.4	912	10.8
Revocation	170	2.0	195	2.0	89	1.0
Other Dispositions	168	1.9	182	1.9	91	1.1
Totals	8,689	100.0	9,696	100.0	8,473	100.0

## Most Frequently Cited Violations – Fiscal Year 2025

CITATION	NATURE of VIOLATION	# of CITATIONS
27 CFR 478.125(e)	Failure to maintain an accurate/complete/timely A & D Record	41,580
27 CFR 478.21(a)	Failure to complete forms as prescribed	31,037
27 CFR 478.124(c)(1)	Failure to obtain a completed ATF Form 4473	23,433
27 CFR 478.124(c)(3)(iv)	Failure to record NICS/POC contact information on an ATF Form 4473	14,796
27 CFR 478.124(c)(5)	Failure by transferor to sign and/or date an ATF Form 4473	10,371
27 CFR 478.124(c)(3)(i)	Failure to verify or record identification document on ATF Form 4473	7,184
27 CFR 478.123(b)	Failure to maintain an accurate/complete/timely licensee disposition record	7,028
27 CFR 478.126(a)	Failure to report multiple sales or other dispositions of handguns	6,659
27 CFR 478.123(a)	Failure to maintain an accurate/complete/timely manufacture or acquisition record	5,719
27 CFR 478.124(c)(4)	Failure to record firearm information on an ATF Form 4473	5,647

## Current Administrative Action Guidelines

Any single violation, if it can be proven to be willful, can be used as the basis to issue a notice of intent to revoke a Federal Firearms License. The chart on the following slide lists violations that are specifically cited in the ATF policy as ones that could lead to a recommendation for revocation:



## Violations That May Lead to a Revocation

Transferring a firearm to a person knowing or having reasonable cause to believe that the transferee is prohibited or underage

Refusing to comply with the Brady Act's background check provisions

Failing to have or discontinuing the use of required A&D records and/or Forms 4473

Falsifying records by making a fictitious or false statement in any required records

Transferring a firearm knowing that the transferee is not the actual buyer

Repeatedly failing to respond to trace requests

Repeatedly refusing ATF right of entry and inspection during normal business hours

Allowing an employee whom you know is prohibited to possess firearms

Failing to execute or use a Form 4473 for transfers to non-licensees

Repeatedly failing to adequately mark firearms you imported or manufactured

Possessing a firearm with an obliterated serial number

Repeatedly conducting business at a location not authorized as an extension of your licensed business premises

Failing to record the disposition of firearms in the A&D records-extensive or systemic

Failing to timely report the theft or loss of firearms to ATF and to local law enforcement after being cited on a prior inspection

# ATF Updates from ATF/NICS Town Hall

---

- The ATF portion of the town hall was not the usual session. White House Counsel David Warrington, DAG Todd Blanche, AAG for Civil Rights Harmeet Dhillon, and ATF Chief Counsel Rob Leiter spoke on various issues.
- White House Counsel Warrington
  - 2<sup>nd</sup> Amendment
  - GCA regulations
- DAG Blanche
  - New 2<sup>nd</sup> Amendment section in Civil Rights Division
  - New ATF GCA regulations coming out for review soon
  - Form 4 approval is 2-4 days (prior to Jan 1 deluge), working on faster
  - DOJ creating a new Relief from Disabilities Section set to be active around March 1<sup>st</sup>
  - DOJ is joining the fights against state laws that restrict firearms rights (Hawaii public carry)
  - DOJ is lobbying Congress to get funds for ATF NFA to modernize equipment and processes
  - Interim final rule defining an unlawful user of or addicted to any controlled substance

# ATF Updates from ATF/NICS Town Hall (cont)

---

- AAG Dhillon
  - CRD now suing governments on behalf of firearms owners
  - Wolford case out of Hawaii
  - Illinois assault weapons ban
  - New California ammunition regulations
  - Virgin Islands carry permit restrictions
- ATF Chief Counsel Leiter
  - Came to ATF to fix the ATF regulatory framework
  - ATF should regulate fairly and consistently
  - ATF is not in the business of revoking firearms licenses
  - Improve the ATF firearms classification process to ensure correct and consistent classifications
  - ATF is looking at possibly going back to a 20-year records retention rule
  - ATF Ruling 2025-1: Importing dual-use barrels
  - ATF Ruling 2025-2: Importing training rounds

# ATF Updates from ATF/NICS Town Hall (cont)

---

- Interim Final Rule 2025R-54T defining a person who is an unlawful user of or addicted to any controlled substance
  - The IFR was effective January 22, 2026
  - There is a Federal Register comment period that ends June 30, 2026
  - A “person who uses a controlled substance and demonstrates a pattern of compulsive use of the controlled substance, characterized by impaired control over use”
  - A person is not considered an unlawful user, “if the person has ceased regularly unlawfully using the substance, or if the person’s unlawful use is isolated or sporadic or does not otherwise demonstrate a pattern of ongoing use”
  - This ruling is certain to be the subject of legal challenges and could be impacted by the United States v. Hemani case, which should soon see a decision from the Supreme Court
  - ATF may add Q’s & A’s to their website on this topic in the future (no target date)
  - From NICS: “We are making changes on our side. Our legal is still ironing things out.”
    - (No specifics on the changes that are being made)

# ATF Updates from ATF/NICS Town Hall (cont)

---

- Interim Final Rule 2025R-54T defining a person who is an unlawful user of or addicted to any controlled substance – What has changed, what has not?
  - The definition of a person who is considered an unlawful user or addicted to a controlled substance has changed as explained on the prior slide
  - If a person meets the new definition of an unlawful user of or addicted to a controlled substance, they are still prohibited from buying or possessing firearms (NICS will still make that determination)
  - Marijuana is still a controlled substance under Federal law
  - A person who is an unlawful user or addicted to marijuana under the new definition is still prohibited from buying or possessing firearms
  - It is still the buyer's responsibility to answer all questions on Form 4473 truthfully and to certify their answers are true and correct
  - It is still the FFLs responsibility to ensure the sale is lawful and to certify that in Section E

# ATF Updates from ATF/NICS Town Hall (cont)

---

- Possible Impact of ATF Interim Final Rule 2025R-54T on FFLs
  - There likely will be specific changes to Form 4473, but until then, the form must be completed as it is, including all questions
  - If/when a new Form 4473 is released, the definitions and instructions on the form will address the changes under the IFR
  - It is still up to the transferee/buyer to self certify their eligibility to purchase and possess firearms
  - FFLs are not expected to enforce this ruling, just to ensure to the best of your ability that the sale is lawful in every respect
  - NICS will still make the determination of “Proceed” or “Denied”

# NICS Updates from ATF/NICS Town Hall

---

- 90% of all Brady Act customers served within first business day
- NICS volume on steady slight decline since 2021 (approx. 2mil/yr less)
- What happens per every 100 potential transferees over 21?
  - 71 Instant (15 seconds) determinations
  - 29 transferred to the FBI NICS section
    - 20 completed after analysis (up to half an hour)
    - 9 delayed for additional research
- Final resolution
  - 94.68 proceeded
  - 1.13 Denied
  - 4.19 unresolved

# NICS Updates from ATF/NICS Town Hall (cont)

---

- Firearm Denial Challenges
  - 55% upheld
  - 45% overturned
    - #1 reason for overturns is fingerprint determinations
- UPINs have a 45-day turnaround
- Getting the most out of NICS
  - Provide all available descriptive information with check
  - Provide your email address (one that is monitored daily!)
  - Check transaction status daily
  - Don't forget your FFL number or code word
  - Notify ATF if you change your contact phone number
  - ALWAYS record the complete NICS information in Question 27
  - Never initiate an E-Check if you have called in a check

# NICS Updates from ATF/NICS Town Hall (cont)

---

- NFA Checks
  - Completed within 2 business days after receipt from ATF
  - 77% automatically receive a **recommended** status (ATF issues final approval)
  - Prior to January 1, 2026, average was 3,000 NFA checks/day
  - Since January 1, average is 6,000 NFA checks/day

# NICS Enhancements

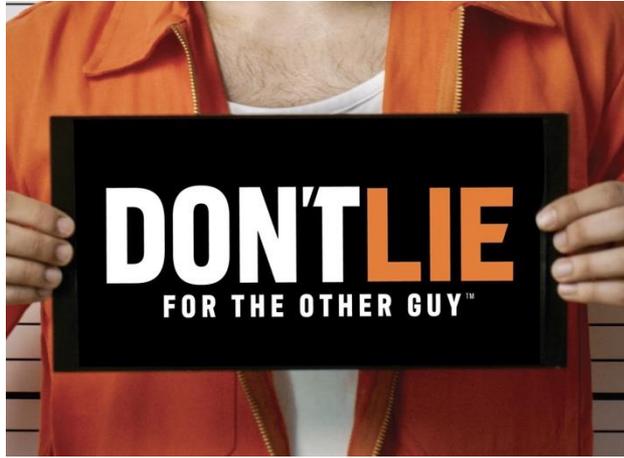
---

- NICS “listserv” is the NICS communications application
  - System down messages
  - System up messages
  - New issues
  - NICS changes
- NICS Stolen Gun Query
  - Went live August 4, 2025
  - 122,929 queries run through December 31, 2025
  - 8,771 “Hits” returned to FFLs (# of verified hits unknown)
- When you receive a “Hit”
  - Verify if the firearm you ran is the same one that was reported stolen
  - If you confirm the hit, you must contact ATF and local law enforcement and follow their instructions

# NICS Enhancements (cont)

---

- If the firearm you ran is one you were considering taking in on trade or pawn and you get no instructions from ATF or local LE, you must return it to the person who brought it in
- It would be helpful to law enforcement if you got as much identification information about that person as you can without risking your safety. A copy of the DL is excellent if you make it part of your standard procedure so as not to raise suspicions
- Multi-Factor Authentication
  - Currently recommended but not required by NICS
- Firearm Handler Checks (FHCs)
  - These checks are voluntary on the part of FFLs
  - These checks require the written approval of the employee or potential employee
  - Still not available, no potential date available
  - When it becomes available, it will be accessible to all types of FFLs except 03, Collectors
  - NICS is proposing one check per year
  - Five States – CA, VA, CT, IL, and NV – will do their own FHCs



**BUY A GUN  
FOR SOMEONE  
WHO CAN'T**

**BUY 15 YEARS IN JAIL**

**DontLie.Org**



Don't Lie Kit's Available at DontLie.org



A COOPERATIVE PROGRAM OF

**NSSF**  
The Firearm Industry  
Trade Association





## NSSF Member Benefits for Retailers

- Compliance Hotline
- SHOT University Online
- Discounts to Live Events including SHOT Show (first buyer badge is free - additional registrations discounted)
- Member Benefit Provider Discounts
- Access to Programs Such as First Shots

[nssf.org/membership/join/](https://nssf.org/membership/join/)

## NSSF Compliance Consultant Team

### ATF Consultants



**Judy Bender**  
judybender73@gmail.com



**Bill Napier**  
lpcbill@gmail.com



**Harry McCabe**  
harry@mccabeconsultingllc.com



**Wally Nelson**  
nels4947@outlook.com



**Andrew Graham**  
andy@grahamia.com



**Judyth Ledoux**  
ledoux.judyth@gmail.com

### CA DOJ Consultant



**Renee Lewis**  
rlewis.consultant@gmail.com

### OSHA Consultant



**Dale Krupinski**  
oshacoach@ontargetsafetyacademy.com

### Federal Excise Tax Consultant



**Richard M. Weimer**  
akrich246@yahoo.com

## NSSF Compliance Hotline

855-FFL-NSSF (335-6773)

# Contact Information



**Harry McCabe**

[harry@mccabeconsultingllc.com](mailto:harry@mccabeconsultingllc.com)

(931) 505-3638

---

# Questions?

# Additional Questions?

Email NSSF at:  
[membership@nssf.org](mailto:membership@nssf.org)

***NSSF***<sup>®</sup>  
*The Firearm Industry  
Trade Association*



T: 203.426.1320 | [nssf.org](http://nssf.org)