

BRIEFING FOR THE MINISTER OF POLICE			
Priority	<input type="checkbox"/> Urgent	<input checked="" type="checkbox"/> Time-Sensitive	<input type="checkbox"/> Routine
Title	Options for strengthening New Zealand's firearms regime		
Date	3 May 2019	Ref	BR/18/46

Recommendations

Police recommends that the Minister of Police:

- a) note this paper sets out proposals and options for strengthening and updating the Arms Act 1983
- b) note that the paper seeks to find an appropriate balance between enabling legitimate firearms use without onerous bureaucracy and controls and ensuring government can effectively manage the risk of firearms misuse
- c) note that underpinning a number of proposals is a need for better and more information, tighter controls at the key entry points in the system, better tools to enable earlier intervention to encourage and promote a shift towards a public safety imperative
- d) note that we will provide a draft Cabinet paper on 8 May following your feedback on this paper
- e) note that Ministerial and departmental consultation on a final draft paper is scheduled for 10 May and lodgement with the Social Wellbeing Committee is scheduled for 16 May
- f) note that as there are a substantial number of recommendations, we have set these out in a table attached to this paper (Appendix 2), for your consideration and comment.

Minister's comments and signature

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Hon Stuart Nash
Minister of Police

Options for Strengthening New Zealand's Firearms Regime

Purpose

1. This briefing asks you to consider proposals and options for strengthening New Zealand's firearms¹ regime. Following your decisions Police will prepare a draft Cabinet paper for your consideration on 8 May 2019.

Executive summary

2. When firearms are misused the consequences can be loss of human life – along with all the personal and community harms that come with that. The benefits of using firearms legitimately primarily fall to private users, not the public. Conversely the costs resulting from misuse and the costs of managing the regulatory regime largely fall on government, communities and whānau.
3. At present, the regulatory settings in the Arms Act do not enable sufficient controls for managing the risk of potential misuse. Both well before the 25 March 2019 Christchurch event, and after, the need for better risk management has been signalled and progressed to Parliament. Until this year, only limited change has been put in place.
4. At the same time, legitimate firearms use is widespread and popular, both recreationally and for business purposes. The controls on firearms should be tight because when things go wrong the impacts can be very serious. The proposals and options in this paper aim to find a more appropriate balance between ease of legitimate use and risk management of misuse. It is noted that in some cases firearms licensees may notice some change with the increased focus on public safety.
5. The paper presents a variety of proposals and options. We have focussed our efforts on:
 - A new purpose statement for the Act (Part A).
 - A register and sales controls (Part B). Information about firearms is a key gap. If we do not know where firearms are, or who has them, then monitoring and enforcement is not possible. We propose the collection of information about firearms and licence holders into a register. There are some choices to make about the additional functionality of a register, for example, whether to develop a registry. A registry, enabled by technology, goes beyond a register to manage processes around the transfer of new and second hand firearms, so that firearms can be tracked throughout their lifetime. A simple register that is essentially an inventory of firearms and people, may not enable a firearms movements to be tracked in the same way.
 - Appropriate determination of who can have firearms licences: A key risk management point in the system (Part C). We have a range of proposals

¹ In this paper we refer to firearms in the general for simplicity of language, but in the legal context we are meaning firearms, parts, ammunition and magazines, unless explicitly stated otherwise.

and options for tightening the entry points into the firearms system, including improving the fit and proper test for individual licensees, and the excellent character test for dealers, clubs and ranges.

- The safety-minded behaviours of firearms licence holders is also an important risk management point (Part D). It is also the most invisible to government and hence more difficult to manage. We suggest that expectations should be placed on firearms users to operate safely. In addition there are other options for added control, depending on how far you want to go.
 - The last important gap is in how to improve people's behaviours when problems come to police attention (discussed in Parts C and D). At present the system relies heavily on enforcement, in contrast to the 'regulatory' function. We suggest a significant shift towards a more modern suite of interventions, focussed on improving peoples' behaviours early.
6. Better controls will mean that Police needs to bolster resources for administering the firearms regime. Given that the benefits of firearms use largely fall on private and business users, the current system for funding is that the regime is cost-recovered through a fee regime. Fees have seen little change in two decades and Police is under-funded for the existing firearms regime. We intend to develop options for cost recovery once the size and nature of a new regime is determined.
 7. The paper also proposes new regulatory instruments, such as new notice-making powers, a Commissioner stakeholder group, and a statutory obligation to commence reviewing the Act in five years (discussed in Part D). The paper follows up on issues that arose following the first set of amendments to the Arms Act – sporting and manufacturing exemptions, and the regulation of pistols and ammunition (Part E)
 8. Following your feedback, we will provide you with a draft Cabinet paper on 8 May, to undertake Ministerial consultation and lodge for the Social Wellbeing Committee to consider on 22 May.

Background

9. New provisions in the Arms Act 1983 came into force on 12 April 2019, prohibiting certain semi-automatic firearms, magazines and parts. The new law includes an amnesty and buy-back scheme, and the implementation of these policies is underway.
10. In March 2019 Cabinet agreed to work progressing on further proposals to strengthen the Arms Act, to be included in a second Arms Amendment Bill [CAB-19-MIN-0124]. This paper sets out a number of proposals and options that build on, and further refine, the concepts considered by Cabinet.
11. This paper sets out proposals and options for:
 - strengthening the existing firearms regime, and

- responding to issues arising from the new legislation.
12. The paper is in several parts, including discussion of the objectives of the Act, a firearms register and sales system, the licensing regime, and some new tools and features for the Act. Finally, there are decisions following on from the new law to prohibit military-style semi-automatic firearms, such as competition shooting and manufacturing.

Key issues with the current Act

13. The Act seeks to '*promote both the safe use and the control of firearms and other weapons*'.² The point of the Act is to provide a framework to manage and mitigate the risks to public safety posed by access to, and use, of firearms.
14. It does this by enabling interventions at key points in the system, including:
- licencing and endorsement regimes that act as a first risk management gateway, aimed at ensuring only those people considered safe and responsible are able to access and use firearms
 - regulatory tools to monitor obligations placed on licence and endorsement holders, such as storage obligations, and to control access to firearms, such as placing controls on importing, selling, and possession (of pistols, restricted weapons and prohibited firearms), and
 - regulatory tools to sanction licence holders for non-compliance with the law.
15. However, the Act has not seen any substantial reform in the last 36 years and it is no longer fit for purpose. The firearms industry, the domestic and international market place, manufacturing processes, the rise of the internet and its ability to enable communication and trade, and the nature of the risk of misuse have all radically changed in that time. The Act requires amendment to bring it up to date.
16. The key goal of firearms legislation reform is to establish a more appropriate balance between ease of legitimate use and risk management of misuse. It is important in New Zealand to ensure the ability of appropriately licensed people to legitimately use firearms in their work and recreation without excessive or onerous bureaucracy or controls. However, it is also important to put in place sufficient regulatory controls, risk management abilities and enforcement powers to give government confidence it can minimise the likelihood of misuse and consequent harm to New Zealanders and communities.
17. Police experience and view is that the current legislative framework is too permissive and the risk management regime too loose. In combination with social, market and technological change over the last 36 years, this has led to significant unregulated risk and consequential harm through the misuse of firearms for intimidation, violence and now terror.

² Long title of the Arms Act 1983.

18. The amendments proposed in this briefing seek to update the legislation to reflect today's risk environment and establish a more appropriate regulatory balance between legitimate use and control.

PART A: A PURPOSE STATEMENT FOR THE ARMS ACT

19. Setting out a purpose statement of the Act anchors all decision-makers in the firearms regime to a set of clear and transparent expectations. It helps users of legislation to understand their role and obligations within the regime, and helps the Courts to interpret the Act. The inclusion of a purpose provision helps policy makers design regimes that fall within the Act in a manner consistent with the overarching purpose of the Act.

20. We consider three broad themes should form a purpose statement for the Act:

- Privilege not a right - there is no right to own or possess firearms under New Zealand law, including for the purposes of self-defence. The Arms Manual 2002 notes that 'the possession of firearms in New Zealand is considered a privilege rather than a right.' However, the Arms Manual does not have legal status.
- Duty to act in the interests of personal and public safety - along with privileges come responsibilities. The Act and Regulations place a number of obligations on licence holders, such as requirements being a fit and proper person, and securely storing firearms. The obligations are often prescriptive requirements. This type of regulation can have a perverse effect of setting a minimum standard that people are required to reach ('a race to the bottom'). Conversely, a principle that places an obligation on all licence holders to act in the interests of personal and public safety aims to lift expectations and drive behaviours towards best practice.
- Co-operation of all - the majority of firearms licence holders and their friends and families are sound members of our communities. The intention of this principle is to leverage the good to bring about a shared culture and common understanding of safe practice, in the interests of personal and public safety. This principle also underpins, and will help the public and decision-makers to understand better, the role and functions of a 'regulator' alongside the functions of a law enforcement agency.

21. To succinctly encompass the themes above we now consider the wording proposed in the April Cabinet paper can be simplified as follows:

- the possession and use of a firearm, weapon or ammunition is a privilege
- people with permissions to possess, use, import, sell and/or supply firearms, weapons and ammunition have a responsibility to act in the interests of personal and public safety
- everybody works together to promote and protect personal and public safety.

22. We consider this is both direct and sufficiently flexible to meet firearms risk challenges into the future.

PART B: REGISTER AND SALES CONTROLS

23. While the Act establishes a risk management framework, the attack in Christchurch on 15 March 2019, highlighted that the firearms regulatory regime is not sufficiently robust to prevent high impact criminal misuse of firearms. The recent law change will remove the majority of semi-automatic firearms from general circulation, reducing the risk of these high capacity, high calibre firearms being used to target and kill members of the public in the same way again.
24. However, this risk is not removed altogether, for a number of reasons. A significant problem in New Zealand is that the open market and limited regulation mean there is no way of knowing how many firearms there are, or where they are. We therefore have no knowledge of how many firearms transfer from the legal to the illegal market or end up in the wrong hands, fuelling crime and placing the public at risk. We do not know the prevalence of use of firearms by non-licence holders except when it comes to the attention of Police. We cannot know how many firearms are possessed by people who once had a licence and no longer do. Nor how the market for second hand firearms operates, and the prevalence of trading between non-licence holders.
25. The recently announced amnesty applies to all firearms, with the emphasis on newly prohibited semi-automatic firearms, magazines and parts. It is highly likely a proportion of prohibited (and non-prohibited but illegally held) firearms will not be handed in as part of the initial amnesty. ^{s 9(2)(g)(i)}
[REDACTED]
[REDACTED] As there is no record or register of firearms in New Zealand, we will not know the effectiveness of the amnesty we are about to undertake.
26. ^{s 9(2)(b)(i)}
[REDACTED]
[REDACTED] Regular amnesties are held in Australia, and each time, thousands more firearms surface. Regular amnesties provide for a moment in time when people in the possession of firearms are required to make a conscious choice about whether to hold on to the firearm or not. Regular amnesties can therefore pick up those who, over time, change their minds about what action to take.
27. Police do not have the ability to predict when they are likely to encounter a firearm when called out to respond to an incident in any community. Police has identified an increase in the prevalence of firearms in communities in recent years reflected in a significant increase in the number of firearms found by Police during the course of routine call outs and in the execution of search warrants. This places Police (and the public) at risk. To build a better understanding of this growing risk, Police introduced the Gun Safe initiative in 2018. Gun Safe placed more emphasis on reporting on incidents involving firearms. Over the first two months of reporting, 470 firearms were recovered and seized by Police from licensed and unlicensed people.

^{s 9(2)(b)(i)}
[REDACTED]

28. The government does not have oversight of, or any means to effectively control the processes of sale, transfers, exports and destruction of most firearms. The Act requires that firearms are only traded between licence-holders, but this system relies on honesty and awareness of the law. Further there is no information collection or verification surrounding these processes to provide Police with assurance that firearms are not being sold to unlicensed people.
29. Police does not have the have the means to trace firearms to their rightful owners if lost or stolen. This means there is no good cause to ensure firearms are stored or transported properly or to necessarily report the theft of firearms.
30. As mooted in the Thorp Report in 1997, the rationale for a complete register of all firearms is so that Police can manage risks surrounding:
 - not knowing how many firearms there are and what they are used for
 - not knowing who has them and where they are located, and
 - being able to track and trace firearms if and when serious situations arise.
31. Police's organised crime and enforcement activity and intelligence analysis demonstrate that the criminal system in New Zealand obtains firearms unlawfully. Burglaries, aided by poor security, is likely the most frequent source of unlawfully held firearms. The number of illegal firearms being seized by Police, and being stolen in burglaries is increasing. In 2017, Police seized 1,317 firearms, compared to 739 firearms in 2008/09. There were 782 firearms recorded as stolen in burglaries in 2017 compared to 440 in 2010. There are also likely a number of firearms that are not reported as stolen.
32. Firearms are also obtained for illegal purposes by subverting weak controls in the current market for buying and selling firearms. Without adequate oversight and quality assurance it is relatively easy to use of another person's firearms licence numbers to purchase firearms illegally. Alternatively there may be pressure on dealers or licence-holders to supply firearms to criminal associates.
33. The Thorpe report envisaged a firearms register linked to licence holders. This basic functionality would mean that all licence holders, and all of the firearms they own, would sit in a searchable database. This type of register would act as an inventory of all of the firearms in New Zealand, and where they are located. It would enable firearms to be traced back to owners if they are stolen or linked to crime under investigation.
34. However, technology and the ability to automate processes enables a register to do more than act as an inventory system. Technological solutions could also help to avoid the problems with registers in other jurisdictions, which have used paper-based, manual or 1990s technology. Systems and effectiveness can be hugely improved by drawing on current technology, online data entry, and reducing the use of paper-based systems. Problems in other jurisdictions were exacerbated by the attempts to collect information quickly, by a certain deadline. The

information came rushing in, in bulk, and in paper format. This caused backlogs and data quality problems.

35. A register designed around modern technological solutions can provide additional functionality. A register could collect information on firearms and licence-holders *and* the firearms they own. In addition it could also collect information on, and monitor, the transfer of firearms over the course of their existence. In practice, automation means a register can act both as an inventory that connects people and firearms, and a process management system that helps to record changes through the lifecycle of firearms.
36. A register could potentially enable:
 - the keeping of up-to-date records of a firearms licence-holders details (e.g. name, date of birth, address) for the duration of their licence
 - real time linking of information on licence holders and the firearms they possess
 - verification (in real time) of the identities of firearms licence holders
 - monitoring and tracing of firearms from the point of registration or purchase to the purchaser and their address
 - recording the lifecycle of firearms from manufacture or import, transfer (including sale), to export or disposal.
37. Conceptually, the functionality of a 'register' sits on a continuum, with a basic register for inventory purposes at one end, to a 'registry' at the other end, housing a well-resourced regulator who administers the licencing and transfer processes within the Arms Act.
38. Police was modernising the firearms information technology to better manage firearms information through a centralised data system, prior to 15 March. This already connects prohibited/restricted firearms and pistols with licence-holders, and manages electronic records. To complete a full inventory, Police needs information on A-Category firearms and those in possession of them. This would be a very large information collection project, as it represents the majority of firearms in New Zealand.

Approaches to collecting information to complete a register/registry

39. The permit to possess process has enabled Police to collect information on prohibited firearms, pistols and restricted weapons. As no permit to possess process is currently required for A Category firearms, information collected to populate the register will need to be achieved in other ways. Broadly, the two main approaches, for collecting information on firearm holdings are:
 - Forward looking: from the time of purchase/transfer, whether through a dealer or privately; at the time a person is granted a firearms licence (for the

first or a subsequent time); or when a person notifies the Police of a change of address (as is required).

- Backward looking: enabling (or requiring) firearms owners to provide information about the firearms they possess (directly into the register online, or through a paper based form). We could also explore gathering information from dealers on firearms sales for the past five years. However, this option may not be feasible or comprehensive given dealers records are not always accurate or able to be supplied electronically or in a format that could be easily integrated into the IT system.
40. Police considers both sets of information will be necessary to build data in the register over a reasonable period of time. The backwards looking information can be collected more readily if Police is empowered to request firearms information from licensees. We would aim to collect this information over a two to three year period, from individual licence-holders directly (including when they re-licence), as we want to avoid a rush on Police's systems which occurred in other jurisdictions.
 41. The disadvantages of completing a register of firearms is negative responses from the community and cost. A number of people may not register their firearms. However, if the status quo continues, Police will never know about New Zealand's firearms possession for the majority of firearms and we will not be able to easily monitor and regulate their possession and use. Police consider it is better to start now than not at all.
 42. We also believe that the majority of licenced firearms owners will provide Police with this information, as was the case in Australia. Further, under the new system there would be added incentives to provide the information to Police to avoid remedial action that could include prosecution or revocation of their licence.
 - Firstly, if a licenced owner comes to sell an undeclared firearm, Police would pick this up during the sales process and then the licence-holder could risk remedial action if they had not previously declared it.
 - Secondly, they also run the risk of facing remedial action if an undeclared firearm is stolen or lost, if later found the undeclared firearm may be able to be traced back to them.
 43. A further option is to establish an offence of not appropriately registering held firearms. This would create a more hard-edged incentive and would put the onus now, and into the future, on individuals to maintain the register accurately. This aligns with the new public safety duties. To allow firearms owners sufficient time, any such offence should not come into force for one to two years.
 44. There will also be a portion of people who are not currently licenced in any way. Some of this group will simply be people who have inherited or been given firearms from friends and family. The new regime will offer ways for these people to become licenced and to declare their firearms or to hand them over in an amnesty. The same incentives above apply to unlicensed firearms owners.

45. There will also always be a portion of society that seeks to operate outside the law. This should remain government's target group. The more often that Police identifies registered and unregistered firearms from this cohort, the more we learn about how they are being obtained and from who.

Managing the transfer of new and second hand firearms

46. A registry could be used to monitor and manage purchases and sales of both new and second hand firearms. There are two broad options to do this.
- The first option is to enable buyers and sellers to manage the process of the trade themselves in the way vehicle trades are currently managed, where both the buyer and the seller are required to independently inform NZTA of the trade. NZTA use this information to reconcile the information it holds on the vehicle and its legal owner, and to trace the owner for vehicle registration purposes. In the same way, Police would require both the buyer and the seller to provide information (online or on a form provided), so that the legal owner of the firearm verified and updated in the register.
 - A second option would be to apply to all firearms, a similar process to the current purchase pre-approval process for pistols restricted weapons and now prohibited firearms. Purchasers would apply to the Police for a permit to possess a firearm (either online or by sending in prescribed forms) and upon the permit being granted, could transact with the seller. A seller could only sell a firearm to a person who has a permit to possess.
47. The main difference between the two options is the point of Police intervention. Under the first option, Police would only be able to intervene after the fact if the transaction involved an unlicensed person or otherwise licenced person who is not legally able to possess the firearm in question. In this case, the transaction would have to be reversed. This is not an issue that vehicle transactions have to contend with. The second option has a Police touchpoint prior to the sale.
48. A pre-approval process through applying for a permit to possess is likely to be a more efficient process overall to monitor and manage transactions of new and second hand firearms, and is more likely to meet the objectives of public safety and crime reduction. Any system will be able to take advantage of automation and technological advances.

Permit to possess linked to genuine need test

49. A permit to possess process could be linked to a new 'genuine need' test. A genuine need test is discussed further in the licensing section. The concept (derived from Australian regimes) is that a licensee is required to declare to Police the genuine purpose for their licence and, with each firearm acquisition, demonstrate a genuine need for that particular firearm. This test can be applied at the firearms purchasing stage to confirm, for example that the licensee is buying firearms consistent with their stated genuine purpose for having a licence.
50. The combination of a genuine need test and a permit to possess process provides government with the ability to monitor, manage and limit if necessary, the accumulation of firearms by individuals. The combination of these two

processes enables legitimate users to purchase the appropriate firearm for their use confidently, from a legitimate source. It also provides Police with a discretion to decline the purchase of a firearm if the firearm is not linked to the stated purposes, if the licence holder does not provide an adequate reason to have a further firearm of a similar kind to a number already registered, or if, upon checking, the secure storage arrangements for the persons firearms are not adequate to secure the additional purchase.

51. This broad discretion replaces the need to prescribe rules in relation to firearms ownership, for example, the number of firearms a person can own. The register and permit process also allows for the system to safely retain a private sales regime. It also provides for another 'touch point' in the system where Police can ensure security of the storage facilities of a firearms owner (in addition to the point of relicensing).
52. This approach could automatically provide review signals so that Police is not using its discretion in every case below a threshold. For example, it may be usual for a hunter to have five different firearms for different animals and for them to have secure storage capacity for these firearms. Police would exercise a discretion to allow more than that depending on how they planned to improve their storage capacity and the particular need of the hunter. In all Australian jurisdictions, a genuine need test is applied in this way.
53. The main disadvantages of this approach is that firearms users would need to pre-apply for the A-Category firearms they wish to acquire, and additional Police staffing costs involved in administering the system and in exercising discretion above a threshold number.
54. We think that the public safety benefits of being able to limit the number of firearms a person has where necessary, and to match peoples' firearms and numbers to their purpose and the capacity and security of their storage, outweigh private and Government costs.

The privilege to sell firearms

55. There is a need for better oversight and quality assurance over who is selling firearms to whom. Recent changes to the Arms Act means that only exempted categories of firearms users can buy, sell or possess prohibited firearms (as well as restricted weapons and pistols), and only with a permit to possess. This means that the oversight of transactions between those that are legally able to obtain these types of firearms is already occurring. Private sales of second hand prohibited firearms is now heavily regulated.
56. As indicated above, licence validity and identity checks can be managed through a register. This means that, if, as proposed, all purchases and sales transactions go through a register (by one of the means discussed above), legal firearms transfers will only occur between those who are permitted to possess a firearm of the type changing hands.
57. Recent changes to the Act and the proposed register both significantly reduce the current risks inherent in private sales. When fully operable, it will reduce the

opportunity for the transfer of firearms between unlicensed people. Over time, it will provide greater transparency where transfers are occurring between unlicensed people. The development of a register could enable private sales to continue (although the operational and behavioural changes will take time to bed in).

58. Enabling private sales of second hand firearms to continue may mean that firearms users would be able to acquire a firearm at a lower cost than if all sales were required to go through a dealer. This solution may be an acceptable trade-off for firearms users who disapprove of a decision to implement a register of all firearms in New Zealand. s 9(2)(ba)(i)

Resourcing implications of registry

59. The current firearms regime is not fully cost-recovered. Currently the Crown cross-subsidises the firearms licensing regime by approximately \$10million per annum. Because of this, the 'regulatory' function of firearms administration has been under-resourced for some time as the function competes against a variety of other important policing responsibilities. A more effective regulatory function with additional functionality and responsibilities will cost more.
- There will be costs associated with further developing information technology to design processes and algorithms for purchases and sales of new and second-hand firearms.
 - There will be people and technology costs to collect existing and historic information.
 - Different cost implications for a registry related to further decisions as to where the firearms registry sits, what its function are, and how it would be staffed. For example it may sit as a standalone unit within Police, located elsewhere (outside of Wellington), and may be staffed by both constabulary and non constabulary staff. In NSW for example, Police operate a 'registry' as a separate business unit staffed largely by approximately 80 non-sworn administrative staff and located outside of Sydney (near Byron Bay, chosen to offer regional employment opportunities). This approach is similar to that taken with the Kapiti contact centre.
60. As discussed later in this paper, Police proposes to revise the fees structure for the firearms registry functions so that the private benefits of the regime to firearms users are not cross-subsidised to the same degree, including the benefits that accrue to dealers who largely avoid fees. This will ensure the registry is well-resourced.

PART C: LICENSING REGIMES

61. Firearms licences are issued for a variety of reasons to individuals (eg for hunting, target shooting or animal pest control), and to dealers. There are also endorsements on licences related to pistols, restricted weapons and prohibited items and for collectors. Changes to the licensing system have been

necessitated by the recent changes to the Act, which removed the specific endorsement on licences in respect of MSSAs (which are now prohibited).

Individual firearms licences

Fit and proper test for individuals

62. For a dealer licence or endorsement, an individual must first have a standard firearms licence. Obtaining this licence requires a fit and proper person assessment. Further assessment is required to acquire an endorsement to import, sell, supply, possess or use any of the other categories of restricted or prohibited firearms.
63. Currently, the legislation provides that a firearms licence shall be issued if the member of the Police to whom the application is made is satisfied the applicant is a fit and proper person to be in possession of a firearm or airgun and access to any firearm is not likely to be obtained by anyone who is not a fit and proper person.
64. More generally, Police satisfy themselves whether someone is fit and proper to possess firearms through information provided by the applicant, through interviews of referees, and through wider enquiries and checks (such as criminal record searches and inspections of security arrangements).
65. The problems with this approach are long-standing. The Thorp report noted in 1997 that a frequent criticism of the system is that the grounds for assessing whether someone is a fit and proper person to possess firearms are not set out in the Act and are instead left to Police discretion. The discretionary criteria commonly used are currently set out Arms Manual. The list is not exhaustive and provides an operational guide only – it has no statutory authority and can lead to accusations that Police continue to make the law.
66. This creates a risk of inconsistent decision-making. This situation was exacerbated by the decentralised model of decision-making in the issuing of a licence, with limited oversight or accountability for the decisions made. This is being changed through process centralisation.
67. The Arms Manual does not set out the standards of knowledge, skills and behaviours that could contribute to a person being assessed as fit and proper. Rather, it sets out factors that make an applicant unlikely to be fit and proper. The framing of the fit and proper criteria in the negative means the test is being managed at the margins of concerning behaviours. This has the effect of lowering standards, rather than making determinations about applicants' positive patterns of safe and responsible behaviour.
68. There is an opportunity to strengthen the licensing process to provide assurance that it is robust enough to help ensure only those who are genuinely fit and proper can possess and access firearms.

Behaviours indicative of being fit and proper

69. Proposal: The Act could set out some broad direction as to what would demonstrate that a person is fit and proper to obtain a firearms licence. Clear guidance around fit and proper will support self-determination and enable applicants to decide whether they currently meet the test and should proceed with their application.
70. To balance both the positive and negative contributions, these might include:
- having the knowledge and skills, or access to the knowledge and skills, for the safe use and possession of firearms
 - having a genuine need or purpose for a firearms licence
 - displaying behaviour consistent with the personal and public safety objectives of the Act.
71. Practically, applicants should, or have the means to:
- know how to use firearms safely to protect themselves and others from harm. Including how to identify firearms and their technology
 - know their legal obligations and any conditions of their licences
 - have skill in firearms use, or have a genuine interest in learning those skills
72. There are many ways to learn these skills. Young people may learn hands on safe firearms skills under supervision growing up in a family environment. Alternatively a common route to learning skills and knowledge is through shooting clubs. There are also various training courses in New Zealand. There is also a firearms safety test that must be passed by applicants. A fit and proper assessment would involve determining the patterns of behavior consistent with the knowledge and skills element of the fit and proper test.

Genuine purpose and genuine need

73. As discussed above, this test is universally applied in Australia and ensures the applicant has a 'genuine purpose' for a licence and a 'genuine need' for firearms. This information is gathered via a declaration made by the licence-holder and is used as a reference point for ongoing licensing decisions. For example, a genuine purpose may be hunting and Australian regimes would expect to see people purchasing hunting firearms. If the purpose changes, then licence-holders advise the regulator.
74. With respect to genuine purpose, the current application form asks for the purpose for the licence, but this is used only as part of the overall assessment as to whether the person is fit and proper (for example if they indicated an intent to use firearms for self-defence they may find it difficult to satisfy to Police they are fit and proper).

75. New Zealand does not have any requirements for applicants to have a genuine need for any particular firearm or other aspect of the regime (e.g. to participate in long range target shooting for a first time licence applicant).
76. Proposal: We propose the Act clearly articulate that a genuine purpose for a licence is required. This will give this requirement more prominence and support the principle that it is a privilege to have a licence. It will then enable the design of further elements of the regime, such as the genuine need test.

Behaviour consistent with the personal and public safety objectives of the Act

77. This requirement links a person's ability to get a licence directly with the overarching purpose of the Act. There are a clear set of behaviours that are not consistent with the personal and public safety objective of the Act and should therefore eliminate a person's ability to get a licence. With one exception, the Act does not set out criteria of what constitutes a fit and proper person⁴ This should be made clear and transparent in legislation reflecting the approach taken in legislation in Australia, providing Police with clear grounds for refusing a licence application.
78. We recommend that a person is not considered a fit and proper person if, in the last 10 years:
- they have been convicted of (or released from custody after being convicted of):
 - serious offences relating to the misuse of drugs
 - an offence relating to participation in an organised crime group (s98A of the Crimes Act)
 - serious offences involving the use or threatened use of violence
 - serious offences involving the use, carriage, discharge or possession of a firearm or weapon
 - a domestic violence order, other than a temporary protection order, has been made against them.
79. In Australia the above criteria excludes people from obtaining a licence for between five (Queensland) and ten years (all other states). We consider the above convictions are significant and warrant a prohibition period of ten years. A person's licence would also be revoked if, after obtaining a licence, they are convicted of any offence listed above, or are issued with a domestic violence order. We think it unlikely this will affect existing licence-holders. A conviction of any of the above offences in the past ten years would likely have initiated a revocation process.

⁴ The Act declares Police may decide that a person is not a fit and proper person if Police is satisfied there are grounds under the Domestic Violence Act for the making of a protection order, or that such an order is in force.

Discretionary indicators that a person may not be fit and proper

80. Proposal: We recommend the Act enable other discretionary criteria, and operational guidance in relation to the criteria, be set out in regulations. These criteria may not necessarily disqualify an applicant or existing licence-holder, but empower Police to seek further information to tease out whether there is a concerning pattern of behaviour.
81. The particular discretionary criteria will be developed and publicly consulted on as part of the regulation-making process. The criteria set out in the Arms Manual would be a starting point, and the criteria could include whether the person has:
- been the subject of a protection order
 - shown no regard for the Arms Act or Arms Regulations
 - been involved in substance abuse
 - committed a serious offence against the Arms Act
 - committed any serious offence against any other Act
 - committed a series of minor offences against the Arms Act
 - committed crimes involving violence or drugs
 - is member of, or has close affiliations with, an organised crime group involved in committing violent offences
 - has close affiliations with people involved in encouraging or promoting violent offences
 - has demonstrated hatred or intolerance towards minorities or religious beliefs
 - been or is involved in serious family violence incidents
 - shown patterns of behaviour demonstrating a tendency to violence
 - exhibited significant mental ill health or attempted suicide or other self-injurious behaviour
 - shown disregard for peoples' property and land or Crown property and land
 - assessed as a risk to a state's national security
 - for some other reason been considered not fit and proper.
82. On the whole, we believe that making the criteria transparent will help applicants to know the standards they must meet and enables Police to take into account patterns of behaviour over time to attest to the character of a person. There may

be a perception the discretionary criteria are far reaching and intrusive. However, overall we think the proposed level of discretion is justified given the risk to public safety of the misuse of firearms.

Provide for a review right of decisions to decline applications and to revoke licences

83. At present a person whose licence application is declined or whose licence is revoked may appeal to the court. We do not propose to make any change to this.
84. Proposal: We consider there is value in building in a legislatively provided for review step prior to a court appeal.
85. The review will be undertaken by someone delegated by the Commissioner who was not involved in the original decision making. This will provide an opportunity to ensure that decisions are robust. Outcomes could be that the decision is changed (avoiding court), the decision is explained better (which may avoid a court appeal), or Police would be better prepared to defend an appeal.

Ongoing disclosure requirements of firearms licence holders

86. Currently the regulations provide some requirements to obtain a licence, including undergoing a firearms safety course, and a list of the information required as part of the application (name address, referees etc). As part of the next stage of making regulation to support the Act (such as regulations, notices and the prescription of conditions) these requirements could be extended to give Police the clear regulatory authority to seek information from others to confirm an applicant's intentions, skills and patterns of behaviour as outlined above.
87. Recognising that circumstances can change over the course of the licence period, as part of a condition of a firearms licence there could be an obligation on the licence holder to disclose material changes in circumstances, including:
 - Serious mental health changes or any temporary or permanent physical hindrance that might prevent the applicant from safely using a firearm, and
 - any changes relating to drug abuse, gambling addiction or violence.
88. The need to ensure that someone remains fit and proper during the period of their licence is inextricably linked to the proposed purpose of the Act – that firearms use is a privilege not a right, and that the interests of personal and public safety are paramount. This approach places the onus of responsibility on the firearms owner to make safe and responsible choices in line with the overarching purpose of the Act. If a person does not advise Police about a material change in circumstance, this would be a ground for licence suspension and/or revocation.

Information sharing arrangements

89. Timely information is key to managing firearms risks. Complete information is needed both at the outset of assessing a person as being fit and proper and also

during a licence at any stage if there are concerns about legitimate firearms licence-holders who display unsafe behaviours.

90. In the future, the firearms register should be a hub for information about firearms and licence-holders, for these purposes. In doing so, Police consider the firearms regime needs to be empowered to collect the right information and to be technologically enabled to collect and share information directly and where possible automatically.

Licence application information processes

91. Police currently collects information about licensees from a number of sources:
- directly from the licence applicant by way of self-declaration
 - directly from independent referees, appointed by the applicant
 - from other Government departments, such as the Companies Office, (dealers and collectors), Internal Affairs (identity)
 - from health professionals in some circumstances
 - from Police's internal case files.
92. Currently, the processes of collecting, using and disclosing information about applicants is conducted within the provisions of the Information Privacy Principles set out in the Privacy Act. Key avenues of information collection are through:
- the consent of the applicant (e.g. from health professionals)
 - open source information
 - permitted information sharing agreements between Government departments, and
 - Police's internal case management files which may be checked on a case by case basis (oftentimes a decision to access applies an exception to the Privacy Principles for 'maintenance of the law' purposes, however there are other exceptions).
93. For the new system, Police would continue to operate within the Privacy Act, so no amendment is necessary. However, there are privacy-sensitive areas that should be further considered.

Information on mental health factors

94. A firearms licence-holder's mental health is a key factor in assessing a person's fitness to hold a firearms licence and a person's state of mental health can change due to any number of life events. It is also the most difficult matter to assess. The proposed fit and proper test within a licence application should reassure Police that a person's state of mind is sound by seeking:

- a consent-based declaration about previous or current mental health issues. Importantly, provided mental health issues are being managed and monitored, declaring a mental health matter would not disqualify people from obtaining a licence. If the licence-holders state of mental health deteriorates, they are obliged to inform Police.
 - consent-based information supplied by the applicant on their patterns of behaviour that are consistent with safety mindedness.
 - consent-based interviews with referees who are competent to speak to the applicant's patterns of behaviour.
95. An applicant may also self-declare any of the 'discretionary' behaviours that may be indicators of higher risk-taking that would be taken into account. In addition, Police would supplement this information using its own internal case files and may also seek information from other Government agencies that can help to inform an applicant's suitability. For example, an applicant's travel or immigration history may be relevant to the decision.
96. Police would make its risk assessment on the basis of all the information.
97. If, during the course of a licence, new information becomes available, such as a licence-holder's mental or physical health status has changed, then Police has the following courses of action:
- ask the applicant to seek confirmation from an appropriate health practitioner of their health status (consent-based)
 - suspend or revoke the licence.

Access to firearms information and licence information by the firearms community

98. Police envisages the firearms community would be able to check their own details about themselves and their firearms online. The trading and firearms registration system would be designed so that people can see their own personal information but not that of others. This is consistent with the Privacy Act. However a number of submitters on the previous Bill also expressed concerns about security of their information. There are especially concerns about the possibility of security breaches of addresses and firearms holdings information. We agree that special attention needs to be paid to the security aspects Police's firearms IT systems. We are in discussion with the Government Chief Security Officer (GCSO) on this matter and we are building the system to comply with the GCSO standards.

Compliance and enforcement

99. Using a modern compliance model, Police assumes that most licence-holders want to possess and use firearms safely. Amongst the majority of those users some will self-comply without any Police input, some may need education and awareness-raising to comply, and some may need more active assistance to comply. At the other end of the compliance spectrum, there may be a small

number who are unwilling to possess and use firearms in the interests of public safety and those who intentionally use firearms to harm themselves or others – whether lawfully possessed or otherwise.

100. The firearms regime is enforced by frontline Police officers. Police prefers to use those resources selectively and with a frequency that is proportionate to the behaviours and risks presented in any circumstance. As discussed in the previous Cabinet paper, Police proposes a suite of interventions that emphasises prevention first, early or assisted compliance, and a more targeted inspection and regulatory action regime.

Expanding Police's regulatory toolkit

101. Under the current system, there is very little that Police can do to effect remedial action for minor infringements and real intervention (such as prosecution or revocation of licences) only occurs when there are very serious concerning behaviours or offending. A range of behaviours require a response that falls in between and yet these tools are not available.
102. Proposal: We propose that Police be given the power to issue an Improvement Notice. This is more formal than a warning. The Improvement Notice will identify the requirements not being met and may include remedial steps that should be taken by a particular date. If the licence holder fails to take such steps, a licence revocation process may be commenced.
103. The revocation process is a time consuming process, and once a licence is revoked the person has months to sell or otherwise dispose of their firearms.
104. Proposal: We propose that Police is given the power to immediately suspend a licence when commencing a revocation process. Depending on the seriousness of the circumstances the firearms and licence may either be seized immediately by Police, or they may need to be surrendered by a certain date.
105. Proposal: A further enforcement tool that we consider will be useful to ensure that only fit and proper people have firearms licences is to provide for a court order, on sentencing, that provides a period up to ten years when any firearms licence cannot be held. This order will be available to the courts for any firearms offending or serious violent offending.

Inspection powers

106. The Act provides for conditions on dealer's licences that enable Police to inspect pistols, restricted weapons, prohibited firearms or prohibited magazines on demand and to inspect the place where these items are kept (including the power to enter premises at all reasonable times to do so). Similar powers are provided in relation to endorsement holders with pistols, restricted weapons, prohibited firearms and prohibited magazines.
107. Proposal: We propose that a similar condition be extended to all licences and for all other firearms (this would include collectors and, if regulated in the future, gun clubs). We propose that Police be given the power to inspect A-Category firearms

and their security arrangements (before obtaining a licence and after obtaining a firearm). This power should also be extended to enable inspections of vehicles when firearms are in transit. As this new power will relate to less dangerous firearms, we propose that it should be exercised on notice, and at a reasonable time.

108. Dealers also have obligations to keep records and enable Police to inspect and make copies of them as well as to provide certain further information on demand.
109. Proposal: We propose extending these obligations, as required, to gun clubs or ranges (if regulated).

Dealer licences

110. Currently, to become a dealer a person must first acquire an individual firearms licence and then a dealer's licence. This means that any changes to the individual licensing regime, including the introduction of criteria to disqualify people from getting a licence, will also apply to dealers.

Definition of dealers

111. The Act's definition of dealer is broad in that it includes anyone who is 'in the way of business' of selling or manufacturing firearms or parts. The determination of 'in the way of business' is left unclear.
112. Police has extended, operationally the requirement to obtain a dealer licence to those who hire out firearms (for instance for movie making purposes), to gunsmiths who repair pistols or restricted weapons (many gunsmiths hold just a standard licence or in some cases no licence), and to collectors who trade to enhance the value of their collections. However, the legislation does not provide for this approach. Thus, the powers provided for by statute, including storage, inspection and reporting requirements, do not apply.
113. Proposal: We recommend amending the Act to provide for a broader set of circumstances whereby people may require a specific licence to be in the business of buying, selling, supplying, manufacturing, repairing, investing in, or otherwise firearms. This would become a broader category than what exists in statute now, largely clarifying and codifying operational practice. It would apply to collectors who are in the business of investing in and trading firearms.

Those in the business of trading in firearms should be of excellent character and have sound technical capabilities

114. In many ways a firearms dealer (as currently defined operationally) is the central point within the firearms community. They are the vehicle by which firearms are imported into New Zealand, and are a primary source for trade, repair, or hire of firearms. Police information shows a large number of individuals buying their first firearm go to a dealer for advice and to purchase a firearm. However, given the risks of thefts and/or the outflow of firearms into the criminal system through weak controls, the position of a dealer, in a retail context in particular, is pivotal in

upholding the integrity of the trading system. This means that a dealer should be of excellent character and have the means to run robust controls.

115. The Act requires a licence to be issued only if Police is satisfied the applicant is fit and proper person to carry on the business of a dealer. The Arms Manual further notes the applicant should be of 'excellent character'.⁵ However, there is no guidance or any criteria outlining what constitutes excellent character. As for firearms licence-holders the test is not enforceable and is even more subjective. There is no requirement for dealers to have any technical knowledge of firearms.
116. Proposal: We recommend that 'excellent character and sound technical capabilities' test is defined using discretionary criteria, and includes the following components:
- sound knowledge of firearms and their purposes
 - understanding and communicating firearms obligations to customers including but not limited to establishing genuine need
 - financial probity and an ability to manage financial and record-keeping systems
 - business partners and associates who are also fit and proper persons
 - a minimum technological capability to meet safety plan, record-keeping, reporting obligations and any other interface with the registry as required
117. Similar to firearms licence holders, those in this licence category would be required to maintain the standards and behaviours that demonstrate excellent character for the duration of the licence, and provide evidence of this to Police if asked.

Expanding tools to improve compliance for dealers

118. Under the current system, there is very little that Police can do to effect remedial action for minor infringements and real intervention only occurs when there are very serious concerning behaviours – that demonstrably make a dealer not of 'excellent character'. For example, a known 'risky' dealer had their licence revoked, but only after being sentenced to four years imprisonment for 17 charges of GST fraud. Other revocations included where dealers were convicted of firearms offences, possession of banned substances, or for breaching temporary protection orders.⁶
119. As a result, some dealers have been able to operate at the very edges of the law and still retain their dealer's licence. These types of behaviours are a long way away from the shift Police would like to see towards encouraging dealers to operate with 'excellent character' and to act in the interests of personal and public safety.

⁵ Arms Manual 2002, clause 7.4.1.

⁶ Above n 1.

120. Proposal: Similar to those described for individual licence holders, there is an opportunity to provide earlier intervention and compliance tools that Police can use to help dealers meet their statutory obligations without escalating problems directly to revocation. The suite of graduated powers could include:
- a. Improvement notices that clearly advise the dealer where they are falling short of their statutory obligations, what they need to do and by when. Improvement notices might occur following a discussion on inadequacies in secure storage, for example.
 - b. Power to suspend a licence pending revocation.
121. These progressive measures to encourage and support compliance could help ensure that basic obligations are followed, or catch potentially larger issues before they become serious. They also provide Police with documented evidence of patterns of behaviour that are not consistent with 'excellent character'.
122. Proposal: A supervision power to provide support and mentoring for requirements such as record keeping could be enabled (as is currently done in New South Wales). However, The provision of support and mentoring services for dealers is a significant burden on the public service in a situation in which, arguably, the dealer does not meet an 'excellent character' test. Police is of the view that this option should only be invoked if the dealer pays for this service.

Collector licences

123. Bona fide collectors of firearms or war memorabilia, may have large holdings of firearms, and their collections may be of significant value. These collections may include prohibited firearms or parts if they apply for an exemption under Section 4A (1) 'to import, sell, supply, possess, or **use** a prohibited item'. Section 4A captures a variety of exempt categories, including pest controllers, who are required to use a prohibited firearm.
124. The ban on prohibited firearms could create an unintended risk that people with prohibited firearms who do not currently have a collector endorsement that makes them eligible to apply for an exemption to possess, may look to use the bona fide collector, or heirloom/memento holder as an opportunity to get around the ban. A further risk identified is that now high powered semi-automatic firearms are harder to acquire, collectors could be at higher risk of burglary.

Regulatory controls on collections

125. The legislation currently provides additional regulatory controls for collections that include pistols, restricted weapons and prohibited firearms. Under the Arms Act 1983, Arms Regulations 1992 and Arms Manual 2002 a bona fide collector should:
- have a firearms licence and produce an additional two referees who can attest to the applicant's genuine interest in collecting firearms to apply for a C endorsement to become a collector

- comply with stringent requirements for secure storage of the collection including in section 32(1)(b) the removal of a vital part to make the firearm inoperable and, in the case of a prohibited firearm the vital part is required to be kept at a separate address.⁷
- undergo regular inspections (annually, but no less than every three years) of the entire collection including an audit to match vital parts with the relevant firearms and compliance with secure storage requirements.
- advise Police if they have changed the address of where the collection is housed so that Police can inspect the new premises for compliance.

High Police costs for a private benefit

126. Significantly more Police resource is required for a bona fide collector than for a general licensee. This is a large taxpayer expense for a wholly private benefit. A simplified regulatory regime could protect the taxpayer meeting this cost to ensure private collectors are complying with the law.
127. Police believe the regulatory regime for bona fide collectors and heirloom holders can be significantly simplified to reduce these costs if the primary 'use' of a firearm that forms part of a collection is for preservation, display, study and research purposes.
128. Proposal: We propose that section 4A(1),(b) and (c) be amended to state that 'use' for these two exemption groups does not include the ability to shoot the prohibited firearm. This will ensure that only bona fide collectors wanting to hold the firearms for typical collector's uses (collecting, preservation, display, research etc) apply for this exemption. This would close any potential loophole for people with a number of prohibited firearms using either of these two exemption groups to retain them to use for shooting.
129. Proposal: The simplification of the regime could go further. The Act could be amended so that all prohibited firearms held in a collection under a bona fide collectors' endorsement or as an heirloom or memento, should be made permanently inoperable so they can never be fired. This would also mean that collectors who make their firearms permanently inoperable would not need to obtain a dealer licence.
130. This will simplify the regulatory regime and reduce compliance resource requirements. Only an initial inspection of the collection would be needed to confirm the firearms have been made permanently inoperable plus occasional ongoing auditing. If new prohibited firearms are added to the collection the collector will need to provide proof to Police that the firearm has been made incapable of ever being fired again.
131. The cost of the modification of the prohibited firearms by a gunsmith, and the initial inspection of the collection by a Police armourer to confirm the validity of

⁷ Arms (Prohibited Firearms, Magazines, and Parts) Amendment Act 2019, s 33A(c)(iii).

the modification, would be met by the collector. This will ensure that the taxpayer does not pay for the privilege of the collector to collect.

132. This proposal is likely to get significant pushback from collectors and they may look at other options available to them to realise the value of their collection. We are aware that there are some collectors with significant holdings of prohibited firearms, some of which are very high-value. We have anecdotal evidence that these represent an investment/retirement investment.
133. We recognise that requiring these prohibited firearms to be made permanently inoperable will devalue them. The status quo however, perversely requires the taxpayer to pay for a regime that ultimately enables the collector to retain and realise gains in the value of their collection. A collector who currently holds the prohibited firearms for their value or for speculative gain would have three options:
- To surrender them as part of the buyback to realise their investment. This could increase the budget of the buyback significantly. The current policy position on the buyback is that those who can obtain an endorsement would not participate in the buyback.
 - To apply for a dealer's licence, if they do not have one already. They could then trade the prohibited firearms with others who also hold a section 4A(1) exemption.
 - To permanently modify the firearm (where feasible to do so) in such a way that it can be reclassified as a category A firearm. This is currently being done by some gunsmiths and retailers on more modern prohibited firearms.
134. We have discounted the option of retaining the status quo but with all the regulatory costs being met by the collector. It was believed that this could enable people who had sufficient funds to try and use the bona fide collector exemption as a loop hole to hold onto and use their prohibited firearms. Although, they would be required to hold the vital parts at separate premises, it would be very difficult to ensure that the prohibited firearm was not being fired.
135. These options will support alternative routes for non bona fide collectors, so that regulation does not become about preserving a private individuals investment/wealth at the expense of the public safety purpose of the Act, or open up an avenue for people to circumvent the prohibition on semi-automatic firearms.
136. Conclusion: If the proposal permanently disabling collectors' firearms is not accepted as an appropriate policy option, Police recommends clarifying the 'use' element of a licence and increasing fees appropriately to cover the cost of compliance monitoring.

Historical re-enactments if functionality of firearms for this purpose is not reduced

137. The proposals above for bona fide collectors and heirloom/memento holders do not affect the other collector endorsement categories of theatrical armourers or museums, and nor do they affect historical re-enactments. These groups will need to hold the necessary licences, endorsements and exemptions required to continue their activities.
138. The World War Two historical Re Enactment Society submitted on the recent Bill that they wish to continue their current ability to engage in historical re-enactments using prohibited firearms. We understand that it is primarily firearms from collectors and/or heirloom and memento categories that are hired or loaned for this purpose.
139. Safe re-enactments can occur if all ammunition is not live (i.e. blanks) or if no ammunition is used at all. Typically, the requirement to use, at most, blanks is effected through licence endorsements.
140. Proposal: We recommend that appropriate instruments are used to clarify that for all participants, regardless of the type of firearms (including A-Category), that only blanks can be used (noting that some firearms will have been permanently disabled so this won't be an issue). This may be through conditions on endorsements, notices or regulations.
141. Note that the preferred option above, for collectors, is that prohibited firearms must be made inoperable so that they cannot even fire blanks. We also note that historical semi-automatic firearms can also be permanently modified into A-category firearms and that if this is the case, historical re-enactments could involve the use of blanks

Clubs and ranges regulation

142. The Act only allows Police to have oversight of clubs that operate pistol ranges. However, much of the oversight regime sits outside of legislation.
143. The Christchurch attacker gained target shooting skills at a local shooting club using a long range high-calibre rifle. Police has no oversight of these types of clubs which operate ranges and handle different types of firearms. There are approximately 360 gun clubs in New Zealand although this may be an underestimate as there are some smaller clubs with no national or online presence. Only 96 of these pistol clubs are listed with NZ Police.
144. Reasons for a lack of oversight of clubs and ranges is that their existence does not need to be registered, the operator does not need to be a firearms licence holder, nor do they need to have any specific knowledge or expertise of firearms. They could simply be a landowner or leasee who has set up a range as a commercial enterprise, charging private members or the public to practice shooting. However, if the club or range wants to hold/store/lend firearms on the premises the operator would need a firearms licence.

145. Police has produced a manual titled Principles for the Design and Development of Shooting Ranges. There is no legal enforceability of these principles and they act only as guidelines for operators. Practically, a key risk is one of ricochet from a range and/or range design that is not adequately mindful of public in the vicinity.
146. Shooting clubs and ranges are venues where shooters come together and there is often a strong social element to them, drawing together a group of people from all walks of life. This presents risks around who is using the club, particularly since members do not necessarily have to hold a firearms licence and may not therefore have been assessed as a 'fit and proper person'.
147. Police has also become increasingly concerned that shooting clubs and ranges could become social hubs for small pockets of people with extremist views. Clubs can often be the starting place for young adults wanting to try out shooting as a sport without having to either hold a firearms licence or own a firearm. This age group is highly impressionable and may be particularly susceptible to being influenced by views that a more mature person would discount as extreme or inappropriate.
148. s 9(2)(g)(i)
149. There is no requirement to register rifle clubs in New Zealand. In contrast, these sorts of clubs are already carefully managed in Australia.
150. Proposal: We propose introducing greater regulatory oversight of clubs and ranges, to manage the public safety risks described above.
151. This would give government oversight of what types of clubs were operating and where and what their operational processes and procedures are. It would provide a touch point for Police to connect with firearms users in communities to reinforce positive and healthy attitudes to gun ownership.
152. Regulation of clubs would help reinforce the principle that firearms ownership and use is a privilege, and the importance of public and personal safety by requiring club operators to demonstrate and promote safe and responsible firearms ownership and business owners acting in the public interest.
153. Clubs and ranges could be regulated through a licencing system or registration system. As discussed, New Zealand's range operator provisions are currently set out in the non-enforceable instruments. It would be appropriate to shift some of these currently non-enforceable provisions into enforceable regulations.

Excellent character fit and proper test for clubs and range operators

154. Proposal: In addition to the individual fit and proper test, we propose introducing an excellent character and technical capability test for a club or range operator. This would include the following components:

- sound knowledge of the types of firearms the operator allows shooters to use on their premises
- knowledge of the NZ Police Range Manual, Principles for the design and development of shooting ranges and or the Target Shooters of New Zealand Target Shooting Range Manual and Range Operation Manual or other relevant equivalent
- completion of a Range officer course
- patterns of behaviour consistent with operating a club or range in the interests of personal and public safety
- understanding and communicating firearms obligations to members including but not limited to security of storage and transport of firearms, as well as supervision etc
- two referees who know the operator sufficiently well to verify their experience and abilities with regards to supporting a safe and positive club ethos and the ability to maintain positive relationships with the community within which they operate.

155. An excellent character and technical capability test could be introduced as a stand-alone change, or in combination with a requirement for all clubs to be licenced or registered.

156. Similar to the fit and proper person test, operators would be required to maintain the behaviours that demonstrate excellent character for the duration of the period they operate the shooting club or range, and provide evidence of this to Police if asked.

Option to register a range or shooting club

157. If it is decided that clubs and shooting ranges should be licenced or registered, there are a number of ways to do this.

- Option 1: require all shooting clubs and ranges not currently regulated as a pistol club to register with Police. A register would largely operate as an inventory of clubs, so Police know who and where they are, and would enable basic requirements around safety planning.
- Option 2: (preferred) require all shooting clubs and ranges to be licenced, with tiered licencing requirements based on the size and nature of the club or range. The legislation would point to an exemption for certain clubs and ranges in regulation. A licencing regime would place greater obligations on clubs to vet and monitor members, planning and reporting requirements, and inspection requirements. It could require

clubs and ranges to be affiliated with an umbrella organisation. In addition, licencing could enables clubs and ranges to:

- provide ongoing training programmes for users, instructors and supervisors
- have a charter around the safe operation and healthy attitudes to firearms ownership and use published in visible locations at the club
- ensure all users have agreed to abide by the rules as a pre-requisite of using the club and range and show evidence that they are enforced without exception
- provide the Commissioner with information on request

Visitors' licences

158. Approximately 4,000 visitor licences (V licences) are issued annually. For administrative ease applicants are encouraged to apply before they arrive and this is increasingly the norm. A V licence is for a maximum of 1 year or the duration of the stay (whichever is shorter). Approximately 80% of visitors bring their own firearm. Visitor firearms are registered (because they are imported and able to be tracked). There is also an outward bound process when leaving New Zealand.
159. A V licence allows the holder to use, possess and purchase firearms. A "B" pistol endorsement can be issued to a member of an overseas pistol club by prior arrangement.
160. There are concerns about the ability to track visitor-purchased firearms, ensure safe storage and transport security for visitors, and visitors' incentives to report any theft. However we note these concerns also apply to New Zealand licence holders and could be addressed by the proposals and options in this paper.
161. The key challenge is that a visitor permit is issued based on a New Zealand Police assessment of whether an applicant is a fit and proper person in their home country. This includes assessing any relevant documentation along with the purpose of the visit. This assessment is currently based on limited information and is made more challenging where home countries do not have the same level of fidelity around firearms ownership.
162. While some countries have the same sort of licencing requirements as New Zealand (eg Australia, the United Kingdom, most of the European Union and a few United States jurisdictions) a number of jurisdictions do not (eg Austria, Canada, the majority of United States jurisdictions). Assessing whether persons from these jurisdictions are fit and proper may only rely on a criminal history check and whether or not they have been issued a hunting permit (as is the case in a number of United States jurisdictions).

163. There is no data that points to any additional risks posed by visitors compared to New Zealand licence-holders.⁸ However, qualitatively, the risks are twofold:

- a visitor may not have sufficient skill or understand New Zealand firearms laws. This exposes New Zealand to potential increased risk should it result in people being able to shoot in New Zealand who may not otherwise be able to demonstrate that they are safe with firearms.
- a one year duration is a long window in which firearms may be used in any context, and expected security provisions whilst travelling may be more challenging for a visitor to New Zealand.

164. Regardless of the option chosen below, Police recommends that legislation provides that visitors cannot purchase firearms (but may purchase ammunition). Police consider that most visitors either bring their own firearm or shoot accompanied by a licence holder under close supervision. There is no need to purchase a firearm in New Zealand.

165. Option 1 set of proposals (preferred): One means of managing risks is to shift more responsibility onto the visitor to demonstrate their fitness to use a firearm in New Zealand to equivalent levels before they arrive. This might involve:

- visitors being required to pre-apply prior to entry to New Zealand (this could include an on-line test)
- specifying that a permit lasts no longer than one month or the duration of the stay (whichever is shorter)
- registering the sporting or hunting event/activities they are planning
- require them to identify a New Zealand resident with a firearms licence who is responsible for storing their weapon when not in use
- require them to declare that they are able to meet New Zealand safety and security measures whilst firearms are at premises and in vehicles
- enable visitors to hold a B endorsement but:
 - i. they must pre-apply and
 - ii. they must demonstrate membership of an overseas pistol club.

166. This is a change from the status quo. It shortens the length of time a V licence can be used and places a greater emphasis on an applicant to prove they will be a safe and responsible user of firearms. As signalled above, shifting to a pre-arrival application process would better support this process by allowing Police to request additional information and to seek clarification where necessary from applicants in advance of their arrival in New Zealand.

⁸ There is little data available to assess the number of incidences involving visitors with a firearm.

167. Option 2: the visitor firearms licence category is removed. This would still enable visitors who wanted to shoot to do so as part of a supervised tour, with a hired firearm (i.e. they do not need a licence). They may also be able to shoot at a club or range as a temporary member under the supervision of a range officer. This option would prevent firearms being in transit for the duration of the persons visit to the country. This option may limit hunting tourism as it may prove problematic to hunt under appropriate levels of supervision.
168. This is a significant change to the status quo. It would prevent visitors from being able to bring their own firearm into the country for the duration of their visit. Potentially this could impact on businesses that provide tours as experienced hunters have their own firearms set up in their preferred way, and having to borrow or hire a firearm may put visitors off taking hunting tours. This option would also prevent competitive shooters from being able to properly compete if they are unable to use their own firearm. As approximately 80% of visitors seeking a firearms licence bring in their own firearm Police considers that the financial impact on New Zealand businesses, clubs and competitions would be significant.

New arrivals in New Zealand

169. At present, anyone may apply for a New Zealand firearms licence who is a citizen or permanent resident (or otherwise entitled to residency), or who is person on a work or student visa.
170. Option 1: For people who are new residents or on visas, an option is to have a stand-down period of one year. The rationale for a stand-down might be to enable the applicant to build up a pattern of behaviour that is consistent with sound knowledge of firearms safety and to ensure there is a social footprint in New Zealand sufficient to enable there to be referees to have sufficient independent knowledge of the person to be able to vouch for them.
171. Option 2: No change. Instead rely on the more robust fit and proper person test, as discussed under the licensing section. This enables someone on a visa who can otherwise satisfy Police that they are fit and proper people to not be subject to an arbitrary stand-down period.
172. At present it is challenging to assess a person's fitness using information from other countries. Police would support Option 2 should other significant control measures be implemented, including a more robust fit and proper test that asks the applicant to more proactively demonstrate their fitness.

Duration of licence

173. The current limit for an A category licence is 10 years before having to have it re-issued. (Dealer licences are issued for one year). The process for re-issuing a licence is the same as when a licence is issued for the first time. The current high-level strategy for mitigating misuse includes placing limitations at critical control points in the system – re-issuing licences is one such point.

174. Renewing a firearms licence is a re-commitment to being a responsible and safe firearms owner. Increasing the frequency of this critical control point would reduce the likelihood of firearms owners:
- forgetting the basic firearms safety rules over time
 - allowing their standards to slip over the years
 - becoming careless and assuming they know how to maintain safety.
175. The 10 year cycle may be too long to provide confidence that licence holders continue to act responsibly, ensure the safety and security of firearms storage and general public safety. A shorter licence period would enhance the ability for Police to intersect with licence holders more often through this critical control point. However, this may become less critical if there is a register of firearms and greater ability to undertake inspections of firearms and their security arrangements.
176. Collectors, heirloom and memento, museum or theatrical endorsements could be considered a lesser risk, particularly if some of the proposals outlined earlier are adopted (e.g. permanently disabling firearms)). There is scope for these endorsement holders to continue to have a longer licence period.
177. There are three options:
- Option 1: A licence is issued for 10 years for A category licence holders
 - Option 2: A licence is issued for 5 years for A category licence holders
 - Option 3: An initial licence is issued for 5 years, thereafter for 10 years
178. Changing to a five year period would enable Police to reassess a licence holder's patterns of behaviour, living and security arrangements, and whether anything material has changed. While Police's preference is 5 years, initial analysis is that there would be an increased administrative costs to Police and licence-holders (particularly if the re-licencing process remained the same as when a licence is first issued). A more automated process linking firearms to owners may help to lower or mitigate the firearms sales costs, however, relicensing is largely a face-to-face process and involves professional judgement.
179. On balance, we prefer option 3. We think that the benefits of a shorter initial licence period enabling reassessment of whether a person remains fit and proper outweighs the administrative burden on the Crown and individuals and provides an earlier touchpoint for someone who may have less experience.

Duration of endorsements

180. In light of the new endorsements for prohibited firearms, it is proposed that Police be given greater discretion to specify the endorsement period when granting the endorsement, so that endorsements can be granted for a shorter period of time. Currently, for example, endorsements for pest controllers need to be issued for 10 years, despite the endorsement only being issued for a specific purpose (pest control), and genuine need (no other firearm can do the job as effectively). Ten

years is a long time to issue an endorsement on a prohibited firearm, and may result in more people with endorsements over a period of time than was intended by the law change.

181. This would allow Police to monitor endorsements and review the requirements for holding the endorsement, such as genuine need, on a more regular basis. This would lower the risk of prohibited firearms being in circulation that are not in use for their intended purpose.
182. In practice, this would enable pest control endorsements to be granted for a specified period of time, such as one year, at which time the individual could apply to renew the endorsement. This would involve providing evidence of ongoing contracts for pest control duties and would help ensure that the only prohibited firearms in circulation are those which are required.
183. Proposal: We propose amending the Act to allow Police discretion to vary the duration of the endorsement when it is granted, up to a maximum period of time of 10 years.

PART D: MATTERS THAT APPLY ACROSS THE REGIME

New conditions on licences

184. Currently, there is an implied duty for firearms licensees to take reasonable steps to care for public and personal safety (by this we mean following the requirements under existing firearms regulations such as security, access to their firearms and safe use of firearms, and facing enforcement action for breaches). This means that there is general expectation that firearms licensees will comply with the law but if they don't, licences will be revoked or offences and penalties that apply.
185. Police is aware of a number of circumstances when appropriate care has not been taken in relation to firearms use and storage (for example, when firearms are stolen after being left inadequately secure, where ranges are operating without adequate consideration of public safety, or where there was a potential to put others at risk).
186. As noted we propose to set out the duty to take reasonable steps to act in the interests of personal and public safety as a specific purpose of the Act. At present, conditions can be placed on endorsements for pistols, restricted weapons and prohibited firearms, with failure to observe conditions being a ground for revocation of the endorsement. Under the Arms Regulations the Commissioner may prescribe conditions on a dealer's licence or a firearms licence. Breach of these conditions may be used as evidence in a revocation process. This would be an appropriate avenue for expressing this duty.
187. A breach of the conditions of licences at present may lead to licence revocation. However, under a new regime a breach would not necessarily attract serious consequences, rather Police envisages early engagement with licence-holders. Discussions or warnings may be given, with an Improvement Notice issues if appropriate that could identify remedial steps that should be taken.

188. We propose that a duty to take reasonable steps to act in the interests of personal and public safety would be expressed as a specific condition of *all* firearms licences via regulatory amendment.

New notice-making powers

189. The firearms regime has not adapted to emerging risk and technology change over time. The Arms Manual that is currently used for setting out detail of the firearms regime. It can be changed quickly, but it has no legal status. Most regulatory regimes in New Zealand use tertiary instruments such as Notices, or enforceable Codes of Practice and other disallowable instruments that can be updated relatively easily and which also have legal effect. Powers to make such instruments are generally delegated to Ministers or the Secretary/Chief Executives of the relevant agencies.

190. The Act has a wide suite of regulation-making powers but at present there is no other enforceable instrument that operates as tertiary legislation. Notice-making powers would be a useful mechanism in a regulatory toolkit. They can be used quickly, flexibly and consistently to provide the following:

- further detail to the Act (for example, further detail about conditions that may be placed on licence holders)
- further detail to expand on regulations (for example, minimum standards or performance standards for security requirements).

191. An advantage of a notice is that it may be expressed prescriptively (for higher risk situations) or flexibly (where individuals are best-placed to manage risks). At present, much of the regulatory regime is prescriptive and this is not always the best approach in settings for which there is a wide variety of choices for maintaining safety, especially where the resources around those choices options are within the control of the licensee. For example, when a licensee is transporting their firearms.

192. Proposal: provide for a notice-making power to be delegated to the Minister of Police. Any notices would be developed and promulgated after consultation with industry and a stakeholder group. They would be developed in 2020 after any legislation has passed.

Creating a risk-management framework

193. Police notes that it is common in regulatory regimes to require regulated persons or businesses to manage risks to the public through obligations to establish and maintain risk management plans. Food safety, alcohol licensing, gambling and betting, and workplace health and safety all operate these types of risk management plans. These plans, which are regularly updated, take into account the size and proportion of risks faced by businesses and organisations that deliver services to the public and the plans provide a path to continuous improvement in safety practices. The plan also offers a point of early conversation and/or intervention by the regulator.

194. Dealers, and clubs and range operators who provide firearms products and services to other licence-holders and the public. Given regular contact with many firearms users and the public they are in a better position than Police to manage day-to-day risks of firearms. The impact of the misuse of firearms can be very high - arguably higher than other regulatory regimes for which risk management plans are already obligatory. However, at present, we do not consider the timing is right to necessarily implement requirements to implement firearms personal and public safety plan. We would prefer to work within any new regime for a time to test its effectiveness. However, at a later date the Minister of Police could implement a risk management plan regime using either a regulatory power or notice-making power should it be needed without legislative amendment.
195. We propose to provide for either a regulation-making or notice-making power to bring in requirements for a personal and public safety plan at a later time.

Automated information sharing (Direct Data Access)

196. The above processes all work within the framework of the Privacy Act. However, the Arms Act does not have its own automated information sharing provisions between Government agencies and the Privacy Act does not provide for, except via lengthy establishment processes, automated searches to and from Government agencies. It is preferable for the Arms Act to create a mechanism for agencies to share information using technology, specifically, a Direct Data Access (DDA) mechanism. DDAs have been built into recent legislation such as the Customs and Excise Act 2018 and the New Zealand Intelligence and Act 2017 (I&S Act) which provide for Approved Information Sharing Agreements (ISA) whilst still operating under the principles of the Privacy Act.
197. There are three situations in which a DDA automated search access to and from a firearms and licence registry would make a significant difference to public and personal safety:
- by Police to help make applicants' fit and proper assessments
 - searches to Police by other agencies to help them assess risks
 - by law enforcement, regulatory and intelligence agencies to Police to reduce staff safety risks.
198. Police envisages enabling two way DDA for the firearms regime to repositories including New Zealand Customs, Immigration and the Department of Internal Affairs, Justice (Criminal History) etc, and potentially others.
199. The way a DDA mechanism works is that the framework for an ISA is set out in the legislation, but it cannot be lawfully implemented until all the details of the ISA are resolved, and all the privacy implications are managed. Prior consultation on a draft ISA with Privacy Commissioner is a necessary step on the way to approval. Efficiencies between Government agencies in the sharing of information are greatly enhanced in this way because information-checking processes are technologically automated rather than needed to be person to person and case by case decisions. In this way, it would be feasible to set up a

DDA information sharing agreement in 6 months. A DDA mechanism is also more straightforward to amend which is critical given that information systems standards and formats are developed iteratively.

Consequential amendment to enable DDA for intelligence agencies

200. As indicated above, the Information & Security Act (I&S Act) already provides for a DDA mechanism. That mechanism operates through an explicit list of data repositories and the purposes for which intelligence agencies may directly access those repositories. Currently firearms and licencing information is not listed in the I&S Act. We propose a consequential amendment to the I&S Act to add onto the DDA schedule firearms and licensing information to support national security purposes.

Regulation-making power to set fees for cost recovery

201. Current fees only partially meet the full costs resulting in conflicting priorities for Police resources. The current level of fees is has resulted in a loss of more than \$10m in FY17/18.

202. These resourcing issues impact on the quality of service delivery and ultimately community wellbeing. Unless there is additional ongoing funding the loss (taxpayer subsidy) and its consequential effects will require a fee increase.

203. Police is carrying out work to reduce costs through new systems. These systems will only address some of the costs associated with the existing administration of the Act.

204. At present several services, including those of direct benefit to businesses and individuals, have no fee. These services include permits to import, approval of gun shows, mail order/web purchases, and permits to possess pistols, restricted weapons and prohibited firearms.

205. In its current form, the costs of the administration of the Act includes provision of education and awareness, training courses, auditing and inspections, resources required to process applications, information systems, and overheads.

206. The proposals in this paper will also result in increased costs from, for example:

- more thorough fit and proper assessments and training of staff to improve the quality of decisions to issue licences
- risk management from more frequent compliance checks, the issue of lower level improvement notices, and improved ability to impose penalties
- investment in modern systems that improve the management of licence holders
- investment in staff to administer the requirements of the Act effectively

- requirements to develop the regulations and codes required and their ongoing maintenance
207. The Arms Act provides for fee setting through regulation by Order in Council in Section 74 (1) (f). However, the provision is silent about which Police services may be cost recovered and which may not.
208. The Policing Act, Part 4A, empowers Police to recover costs of some policing services (demand services). Generally speaking, under Part 4A the scope of cost recovery includes regulatory stewardship functions, but not enforcement functions.
209. Proposal: We propose amending section 74 (1) (f) to reference Part 4A of the Policing Act with respect to cost recovery of fees to enable sound regulatory stewardship for the firearms regime.
210. Police would begin work on cost recovery in 2020.

Obligations for record-keeping by dealers and clubs (if regulated)

211. Assuming an automated register of firearms, the current record-keeping obligations for dealers could be reconsidered. At present dealers keep records of all transactions for 5 years. § 9(2)(g)(i) However, this information would come into its own in an automated online firearms registration context.
- If dealers provide Police with an annual return of sales and disposals this would help to stop leakage into the criminal system
 - If dealers are mindful of customer purchasing behaviours, the information can help to identify unusual purchasing patterns.
212. We propose to continue to require dealers to keep records of transactions for five years, and to provide annual returns to Police (electronically and in a standardised format), including if a dealers business is being wound down. The purpose of record keeping is to help with reconciliation and to provide a means of detecting unusual purchasing behaviours. Note that while there would be a general expectation on dealers to provide information electronically, provision would be made for paper information.

Commissioner's stakeholder group

213. At present Police has a stakeholder reference group comprising members of the firearms industry. There are no wider community members or laypeople on the reference group. A stakeholder group is important for assisting Police to balance the views and perspectives of different stakeholders in a transparent way. In the development of regulations and notices, as well as in day-to-day operations stakeholder group could provide critical independent advice.
214. Option 1: The Arms Act requires the Commissioner to establish a stakeholder reference group. Note that this would entail some costs. Stakeholders invited

onto such groups are paid an honorarium and there are administrative costs in formally servicing the appointments and meeting processes. You recently received a briefing on this option and its implications.

215. Option 2: Police could continue with its informal stakeholder reference group and expand it to include membership representing public safety outcomes and lay people.

Review of legislation and regulatory stewardship

216. Police intends to develop new information systems and new operating models for regulatory stewardship of the firearms regime. However, this should be tested after 5 years. We expect a review would cover:

- the structure of the Act and its regulatory effectiveness
- the functional arrangements for the firearms regime
- the offences and penalties scope, burden of proofs, levels and terms of penalties
- consideration of the systems for cost recovery, given the benefits of firearms possession and use are largely private.

217. Option 1: include a legislative review mechanism in the Arms Act.

218. Option 2: do not include a review mechanism noting that there is a non-legislative intent to review the Act by Police as part of our ongoing regulatory stewardship requirements.

Offences and penalties

219. Attached at Appendix A is a list of all the current offences in the Act. The current maximum penalties and proposed new maximum penalties are also listed (as well as some offences with no proposed change to their penalty).

220. The proposed increases in penalties generally reflect the passage of time and understanding of offending between when the Act was enacted (or when the particular offences were created) and today. Penalty levels were often set at a level reflecting more administrative type offending (ie lax record keeping). However, in the context of the firearms system, some of these behaviours are actually more criminal in nature with the corresponding penalties being raised to more appropriately reflect this.

221. Some of the proposals in this paper will require new offences and penalties to be set. Once options are finalised, we will work to set the penalty levels commensurate with similar offending under the Act.

222. We are working with the Ministry of Justice more generally on the offences and penalties in the Act. Justice have raised concerns about the construction of some of the offences (again reflecting the era of the Act and amendments at different times over the years). Justice have also previously raised concerns about the

use of reverse onus in some of the offences. This relates to evidential issues (ie who the burden of proving different elements falls on) and is another reflection of the age of the legislation. s 9(2)(g)(i)

We will continue to work with Justice on this issue and also to confirm the penalty levels that have been proposed.

PART E: BILL 1 FOLLOW-UP

Competitive shooting using prohibited firearms

223. There are 34 formally accredited target shooting sports in New Zealand, with semi-automatic shotguns or rifles being used in five of these. Pistol New Zealand, the key organisation overseeing pistol shooting in New Zealand, has over 90 affiliated clubs.
224. Approximately 80 New Zealanders are involved in Pistol NZ national events with types of rifles that have been recently prohibited, of which currently less than 10 individually compete internationally. At the last national championships, 120 people took part in the MSSA rifle disciplines, including 40 individuals from Australia.
225. The recent amendments to the Arms Act did not provide for an exemption for sporting competitors or competitions. There were a number of public submissions received on this matter, predominantly from pistol clubs, which noted that the proposed amendments would mean that sports competition shooters would no longer be able to compete in national and international events using semi-automatic rifles and shotguns. Submissions noted that sports competition shooters, most of whom hold B (pistol) or E (MSSA) endorsements, are a highly responsible and legitimate user group that should continue to be able to participate in their sport.
226. The Select Committee report noted that they considered an exemption unnecessary because the amendments would not prevent people from competing in shooting disciplines at the Olympic or Commonwealth Games. The Select Committee also noted that the purpose of the amendments was to prohibit the use of most semi-automatic firearms in New Zealand, and that “providing an exemption for sporting competitors would allow more semi-automatic firearms to remain in circulation than we consider desirable for public safety.”
227. Ministers asked Police to further consider whether an exemption should apply for sporting competitions. There are two key options:
228. Option 1: retain the status quo. This would mean that sports shooters will continue to be unable to participate in sporting competitions using prohibited firearms. There are a number of public safety risks associated with the increased number of prohibited firearms if an exemption was applied to sporting competitions. This includes risks relating to the security and storage of the prohibited firearms when travelling to competitions. There are also significant administration costs to Police associated with ensuring compliance, notwithstanding that competitors owning MSSA firearms are already required to

hold an E endorsement, which has additional monitoring and compliance costs already.

229. Option 2: Provide a targeted exemption allowing anyone who competed in the last national championships to continue competing, whilst not allowing any new competitors to join.
230. Option 2 would enable the current set of 80 competitors to continue to compete with prohibited firearms. Allowing this small group of competitors to continue to do so would reduce the impact of the prohibition on a user group who are generally responsible gun owners and have been competing at a national level. It will also result in the number of prohibited firearms reducing over time, as those competitors retire from the sport over time. This is the approach that was used in Australia after their gun reform in 1996, where existing competitors could continue to participate with prohibited firearms. This didn't end those sports immediately but meant that numbers decreased over time as people retired from competition.
231. Police's preferred approach is to retain the status quo. The risk to public safety outweighs the private benefits of allowing a group of competitive shooters to continue in their sport.

Advertising

232. Advertising: Individual licence holder and private individuals are able to sell firearms, and ammunition. However there is no obligation placed on the advertiser to advise potential buyers of the licence requirements and obligations that are required to be met by the purchaser. Many advertisers do note these legislative obligations but not all. It is particularly important that these reminders are placed on advertising inserts/brochures/billboards that are made publicly available to people who may be unfamiliar with Arms Act requirements.
233. Proposal: It is recommended that the principal act is amended to include a provision that requires any seller of any firearm, ammunition or prohibited item, to include with each item advertised advice as to the legal age of purchase, the licence or endorsement requirements that are needed to be met to lawfully purchase that item advertised including reference to any additional conditions such as storage requirements. The wording of what should be included in such advertising to be provided for in regulation.

Exemption for manufacturing

234. New Zealand has at least two businesses that currently manufacture firearms parts, such as suppressors and magazines which until now have been unregulated. The suppressors are being exported for use in hunting, pest control, and by Police and Defence agencies in various countries. The magazines which include large capacity magazines have been designed for the domestic market although in their submission the dealer stated they had manufacturing plan to develop NZ assembled semiautomatic firearms.

235. The manufacture of suppressors requires the use of a small number of semi-automatic firearms to test the product prior to export, which now fall under prohibited firearms.
236. A transitional provision was included in the recent amendments to enable existing manufacturers to continue to use prohibited firearms or manufacture prohibited magazines in order to continue to operate their business. The exemption expires in December 2020, so a decision is required as to whether the exemption should be made permanent and provided for in legislation (rather than regulations).

Manufacturing parts using prohibited firearms

237. MFAT has identified 3 manufacturers that collectively export more than 1 million suppressors per year⁹. Manufacturers state that they require the exemption to test their suppressors as it is not possible to test their parts on other non-prohibited firearms, and there will be a significant impact on their business if they are not permitted to keep using prohibited firearms in their testing.
238. There is no evidence that suggests that these manufacturers of suppressors are a high-risk group of firearms users. And steps have been taken to increase oversight of exempt groups through the licensing requirements of the Act.
239. Option 1: Allow manufacturers of prohibited parts requiring to use prohibited firearms for testing the prohibited parts intended for export until the exemption expires in December 2020, at which time they would be prohibited from using the prohibited firearms.

Removing the ability of these businesses to use prohibited firearms would restrict the number of prohibited firearms in use in New Zealand. However, there is risk that manufacturers may be forced to discontinue that part of their businesses or transfer the business offshore. This would be an economic loss to New Zealand, as well as a personal wealth loss to the business owners.

240. We propose the Act provide a permanent exemption in legislation for licensed employees of manufacturers of prohibited parts intended for export. This would ensure that manufacturers with a genuine need to use prohibited firearms to test prohibited parts, would be able to continue to do so. We propose that this specific use is defined in legislation as being confined to testing (e.g. use does not mean hunting). The endorsement regime should enable conditions to be established (limited number of firearms for testing/assessment of whether the whole firearm is required).

⁹ MFAT have noted that the number may be slightly higher than this, as the export permit is for the final product (eg. suppressor) rather than the use of the prohibited firearm. Import permits are also problematic to investigate, as they are issued to individuals (who hold the relevant gun licence/endorsement) rather than the business that may be using the prohibited item. Police believe the overall number of businesses using prohibited firearms/parts to be small.

The administration costs will remain similar to current costs, as manufacturers using MSSAs already require an endorsement that requires additional monitoring and safety checks by Police.

Manufacturing of prohibited magazines

241. The recent amendments to the Arms Act prohibit large capacity magazines, although a manufacturer of magazines can continue to manufacture non-prohibited magazines.
242. Option 1: Prohibit the manufacture of large capacity magazines over the size provided for in the Act. Any large capacity magazines held in stock by the manufacturer prior to 12 April 2019 would be eligible for compensation. The effect of this is that those few exempt people who are able to possess prohibited firearms and who need to use large capacity magazines will need to obtain such magazines through importation.
243. Option 2: Allow for a manufacturer to apply for an exemption to manufacture prohibited magazines subject to a confirmed standing order from a licence holder who holds an exemption to possess a prohibited magazine. This would enable manufacturers to continue their business, on a smaller scale, and under regulated circumstances.
244. Police prefers Option 1 as the number of people who are likely to obtain an exemption to possess prohibited magazines are likely to be very few and there is little benefit to New Zealand for such manufacture to continue. This option also reduces the risk to public safety as imports would be tightly controlled, and would remove one method of prohibited magazines ending up in the grey to black markets.
245. We understand at this stage that there is only one manufacturer of large capacity magazines in New Zealand, who also manufactures non-prohibited magazines. We will be able to test whether there are more businesses impacted by this change through consultation and submissions at the select committee stage.

Additional Controls over Handguns (Pistols and Revolvers)

246. Dealers are beginning to consider what products are still permitted under the new regime to prohibit military style semi-automatics, parts, magazines and ammunition. One dealer is now offering for sale:
- a large capacity drum magazine on the basis that it could be added to a pistol
 - an extension to enable the pistol to be used as if it were a rifle.
247. There are two emerging issues for pistols:
- the new law does not address the fact that semi-automatic rifles can be designed such that their stock fold back and able to come within the measurements of a pistol, and

- large capacity magazines were not prohibited for pistols because there is no legitimate purpose in ordinary pistol shooting activity.
248. However, in combining these two features (above) it is possible that these types of firearms (pistols) may be used as a new class of pistol but functionally it is a semi-automatic rifle. Some dealers are offering for sale combinations of firearms parts and magazines that seek to increase the level of risk associated with pistol use.
249. There are two proposals to address this problem by amend the new legislation by Order in Council:
- Proposal 1: To avoid the possibility of semi-automatic pistols being converted by addition of folding stock to enable them to be used either as a pistol or as a semi-automatic rifle, it is proposed that the definition of prohibited part is amended to include “any part that can be applied to enable a pistol to be used as a semi-automatic rifle”; and
 - Proposal 2: To reduce any attempt to exploit the pistol regime to allow for large capacity magazines being used with pistols it is proposed that the definition of prohibited magazine is amended to include any magazine designed to be fitted to or used by a pistol that extends beyond the length of a pistol grip or in the case of a revolver is no more than 7 rounds
250. Further, given a profit motive, we expect that industry will regularly seek ways to circumvent technical restrictions in this way. For example, we were recently made aware that there is a tool that can be used to connect three 10 round magazines and rotate quickly between them. This would, in effect, enable 30 rounds to be used without reloading. We would also need to clarify by Order in Council that this is also prohibited. Consideration could be given to tightening the expectation that dealers should be implementing the spirit of the new legislation.
251. Proposal: Amend the legislation to require that all licence-holders should act within the spirit and intent of the Arms Act.

Ammunition for General Use and Prohibited Ammunition

Introduce new ammunition import permit and ammunition sales requirements

252. The Arms Act risk regime places heavy emphasis on the management of high risk firearms, high risk users and high risk use but there is limited recognition of the risk to public harm that results from the ready access to ammunition.
253. The two current points of ammunition regulation in New Zealand law are that:
- ammunition sales must always be to a licence-holder, and
 - there is a pre-approval process via Police for mail order/online sales – but not for person to person sales.

254. There are several gaps in the Arms Act over the controls of ammunition:

- no one is required to seek an import permit to import ammunition. Any person can bring in ammunition in their luggage provided it is in accordance with weight limitations imposed by the relevant airline.
- any person may sell and supply ammunition without a firearms licence or dealer's licence
- a seller or supplier is not required to keep records of sale of ammunition or of the buyer's licence number, or to report unusual ammunition purchasing behaviour to Police
- there are no restrictions on ammunition quantities that may be bought or sold
- any person may possess non-prohibited ammunition

255. The combined effect is that overall the importation, sales, supply and possession of ammunition is weakly regulated.

256. The Christchurch gunman sought pre-approval from Police for online sales of military style ammunition from multiple different suppliers, some of which were dealers and some not. The new legislation remedies these problems for prohibited ammunition. Under new law it would be an offence to import any prohibited ammunition into New Zealand (section 16 A) and an offence to possess, sell or supply any prohibited ammunition (section 43AA).

257. It is clear that criminals have been aware of the gaps in the control regime over ammunition as in many warranted and warrantless searches Police come across criminals possessing large quantities of ammunition but may only seize few or no firearms.

258. We present three proposals for strengthening the ammunition regime.

259. Proposal 1: introduce a requirement to have an import permit to import any quantity of ammunition. This would enable oversight of ammunition importation and would prevent the civilian importation of prohibited ammunition.

260. Proposal 2: require a seller of ammunition to hold a current firearm's licence and establish conditions on the licence with record-keeping and unusual behaviour reporting requirements for those who sell ammunition. This will strengthen the opportunity to ensure ammunition is only sold to licence holders and set obligations appropriate to the activity.

261. Proposal 3: create an offence for possessing ammunition without an appropriate firearms licence.

Prohibited military-style ammunition

262. The Amendment Act that brought in a prohibition on military style semi-automatic firearms also provided for a prohibition to apply to military-style ammunition that has no legitimate civilian use. The new legislation did not define military-style ammunition. The Act provides that the definition of prohibited ammunition will be established through Order in Council. Police is aware that military-style ammunition is still being sold in New Zealand. We have identified ten internet sites that are currently offering for sale the proposed prohibited ammunition at present. There is an unknown quantity of this type of military-style ammunition possessed in the civilian market and in the past NZDF sold such ammunition in the domestic market. Given the Act indicates an intention to prohibit certain ammunition and to reduce the possibility that prohibited ammunition is stockpiled in the interim, we propose that the prohibition on military-style ammunition is effected sooner, rather than later.

263. Proposal - Order in Council: To close off the supply of ammunition designed for solely military purposes and for which there is no valid civilian purposes. This can be achieved using Section 2D of the Arms Act and declaring this type of ammunition to be prohibited ammunition under an Order-in-Council made under section 74A of the Arms Act. It is proposed that the Order in Council specify that the following ammunition to be prohibited:

- Tracer (as these represent a fire risk)
- Armour Piercing (AP) or penetrating, of all natures (including armour piercing discarding sabot). Definition of penetrating to come.
- Incendiary
- Explosive
- Multi-Purpose (MP) that is Armour Piercing High Explosive Incendiary
- Pyrotechnic (shotgun).
- Chemical (shotgun).

264. An Order would apply to all licence holders. Because the Arms Act now makes it an offence to possess prohibited ammunition there will also need to be provision for a period for amnesty. To avoid any rush to purchase this type of ammunition before the law is in force we recommend that no further public consultation is undertaken and that the 28 day rule is waived.

265. In terms of next steps, the Order in Council would be made at the same time as the next regulations needed for compensation for prohibited firearms and other matters for regulations envisaged by the Amendment Act.

Transitional matters for prohibited ammunition

266. The implementation of the ammunition prohibition could be managed in several ways.

267. Proposal: We propose that regulations provide for an amnesty for possession of prohibited ammunition but not for sale or supply. This immediately prevents the sale and supply of prohibited ammunition from the moment it is in force. A permit to import would be required for prohibited ammunition for any quantity.
268. Proposal: In the next Bill there are three options for dealing with the possession of existing prohibited ammunition:
- Option 1: Allow all people who possess prohibited ammunition to continue to possess it under amnesty until their stocks are depleted.
 - Option 2: Allow only firearms licence-holders to continue to possess prohibited ammunition until their stocks are depleted.
 - Option 3: Disallow use and possession of existing prohibited ammunition.
269. We propose that use and possession should be disallowed for all people after the amnesty with an exemption for bona fide collectors of small arms ammunition and other limited exemptions such as in manufacturing or research.
270. Note that the Amendment Act did not envisage that prohibited ammunition would be compensated for so if compensation were to be considered this would require an amendment to the Act.

Next steps

271. You are asked to consider the proposals and options in this paper and indicate your preferences for inclusion in the draft Cabinet paper.
272. Police will develop a draft Cabinet paper ready for Ministerial consultation on 7th May, with feedback by 13th May. A final draft would be sent to you on 14th May in advance of submission to Cabinet on 16th May.
273. Matters that are a follow-up to the prohibition on military style semi-automatic firearms involving an Order in Council process will be considered at the Cabinet Legislation Committee in due course.
274. In the meantime, Police is consulting with the Treasury on the Regulatory Impact Analysis.

Recommendations

275. We propose to tabulate the recommendations with Y/N/Comment section.



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Mike Clement
Deputy Commissioner

First contact	Mike Clement, Deputy Commissioner	s 9(2)(a)
Second contact	s 9(2)(a)	

PROACTIVE RELEASE

APPENDIX A: PROPOSED AMENDMENTS TO PENALTIES IN ARMS ACT

Section	Offence	Current max penalty	Recommended penalty
38(2)	not giving four days' notice to Police of intended removal of Pistol, MSSA or restricted weapon out of New Zealand	fine up to \$500	Fine up to \$1,000
11(2)	dealers or their employees or agents not having a firearms licence	fine up to \$500	Fine up to \$2,000
12(3)	dealer not maintaining records relating to the receipt, sale, or manufacture of firearms as required by regulations	fine up to \$500	fine up to \$2,000 or imprisonment up to 3 months
39(2)	owners of firearms not reporting the loss, theft or destruction of any of their firearms	a fine up to \$500	Fine up to \$4,000
59(4)	failure to comply with a notice to surrender a firearm that has not been brought up to a safe standard after a notice from police to bring it up to safe standard	fine up to \$500	Fine up to \$5,000 and/or imprisonment up to 1 year
43B(1)	sells ammo for firearm or restricted weapon to anyone who is not a licence holder or dealer	fine up to \$1000	fine up to \$4,000 and/or imprisonment up to 6 months
5(4)	dealing without a dealer's licence	fine up to \$1,000	fine up to \$4,000 and/or imprisonment up to 1 year
43A(1)	sells by mail order a firearm or any ammo for firearm or restricted weapon without signed by purchaser and bearing an endorsement by Police that has been inspected and Police is satisfied fit and proper	Fine up to \$1000	fine up to \$10,000 and/or imprisonment up to 2 years
10(3):	a dealer having unlawful possession of a pistol, MSSA or restricted weapon	fine up to \$2,000	Fine up to \$4,000
57	When any offence punishable by imprisonment is committed by a corporation	fine up to \$4,000	Fine up to \$10,000
21(2)	possession of airgun unless over 18 or between 16-18 with a firearms licence	fine up to \$1000 and/or imprisonment up to 3 months	Fine up to \$2,000 or imprisonment up to 6 months
40(3)	any person in possession of a firearm who refuses to give name, address or date of birth or gives false particulars to Police	Fine up to \$1000 and/or imprisonment up to 3 months	fine up to \$4,000 and/or imprisonment up to 6 months

41(4)	failure to surrender airguns or antique firearms (no Dealers licence or Firearms Licence)	fine up to \$1000 and/or imprisonment up to 3 months	fine up to \$4,000 and/or imprisonment up to 6 months
42(1)	adding to FL, altering FL in any way, lends to another person, uses a FL of another person, supplies information knowing it to be incorrect	fine up to \$1,000 and/or imprisonment up to 3 months	fine up to \$4,000 and/or imprisonment up to 6 months
43(1)	selling a firearm (airgun under 18) to a person not having a firearm licence	fine up to \$1,000 and/or imprisonment up to 3 months	fine up to \$4,000 and/or imprisonment up to 6 months
28(5)	when licence revoked, for not delivering firearm, pistol or restricted weapon to Police	Fine up to \$1,000 and/or imprisonment up to 3 months	fine up to \$4,000 or imprisonment up to 1 year
20	In possession of firearm and not of or over the age of 16 and the holder of a firearms licence	Fine up to \$1 000 and/or imprisonment up to 3 months	fine up to \$4,000 and/or imprisonment up to 1 year
36(3)	Carries a pistol or restricted weapon outside conditions endorsed on firearm licence.	fine up to \$1000 and/or imprisonment up to 3 months	Fine up to \$4,000 or imprisonment up to 1 year
49	except for lawful, proper and sufficient purpose discharges or carries anywhere any firearm known as bolt gun or stud gun or humane killer etc.	a fine up to \$1000 and/or imprisonment up to 3 months	a fine up to \$5,000 and/or imprisonment up to 1 year
52(1)	except for lawful purpose presents a firearm, pistol, airgun or restricted weapon at any other person	fine up to \$1,000 and/or Imprisonment up to 3 months	Fine up to \$5,000 and/or imprisonment up to 5 years
16(3)	Brings into NZ a firearm (other than PF) pistol, starting pistol, restricted airgun, or restricted weapon, or parts of firearm, pistol, starting pistol, or restricted weapon	Fine up to \$2,000 and/or imprisonment up to 1 year	fine up to \$4,000 and/or imprisonment up to 2 years
47	incapable of proper control of any firearm, airgun, pistol or restricted weapon due to alcohol and/or drugs	a fine up to \$3,000 and/or imprisonment up to 3 months	a fine up to \$5,000 and/or imprisonment up to 1 year
48	without reasonable cause discharges a firearm, airgun, pistol or restricted weapon in or near a dwelling house or public place (so as to endanger, annoy or frighten any person)	a fine up to \$3000 and/or imprisonment up to 3 months	a fine up to \$10,000 and/or imprisonment up to 2 years
49A	in possession of firearms or airgun when they have revocation of licence	fine up to \$4,000 and/or	fine up to \$10,000 and/or

		imprisonment up to 1 year	imprisonment up to 2 year
50(1)	in possession of a pistol, or restricted weapon and not authorised or permitted to do so by Act	fine up to \$4,000 and/or imprisonment up to 3 years	Imprisonment up to 5 years
44(1)	selling or supplying pistol, or restricted weapon to anyone who does not have an import permit or permit to possess	fine up to \$4,000 and/or imprisonment up to 3 years	Imprisonment up to 5 years
51	unlawful carriage or possession in public place of firearm (other than prohibited firearm), airgun, pistol, ammunition, explosive, or restricted weapon	fine up to \$4,000 and/or imprisonment up to 3 years	fine up to \$5,000 and/or imprisonment up to 5 years
53(1)	careless use causing injury or death using a firearm, airgun, pistol or restricted weapon	fine up to \$4,000 and/or imprisonment up to 3 years	Fine up to \$5,000 and/or imprisonment up to 5 years
53(2)	being in control of firearm, pistol, airgun or restricted weapon, loaded, as to endanger life of any person without taking precautions to avoid such danger	fine up to \$4 000 and/ r imprisonment up to 3 years	Fine up to \$5,000 and/or imprisonment up to 5 years
53(3)	without reasonable cause discharges or otherwise deals with a firearm, airgun, pistol or restricted weapon in a manner likely to injure or endanger the safety of any person or with reckless disregard	fine up to \$4,000 and/or imprisonment up to 3 years	Fine up to \$5,000 and/or imprisonment up to 5 years
45(1)	carrying or possession of a fi earm, airgun, pistol, restricted weapon, or explosive except for some lawful, p oper and sufficient purpose.	a fine up to \$5,000 and/or imprisonment up to 4 years	Fine up to \$10,000 and/or imprisonment up to 4 years
55B	Being a having a dealer's licence or an endorsed licence holder fails to produce for Police or does not permit inspection of, any pistol, restricted weapon, or prohibited firearm or magazine	A fine up to \$1,000 or imprisonment up to 3 months	NO CHANGE
56	obstructing a member of Police in the exercise of any right of entry, search or seizure or detention	A fine up to \$1,000 and/or imprisonment up to 3 months	NO CHANGE
58(2)	Any person who fails to report causing death or injury by use of firearm, airgun, pistol or restricted weapon	A fine up to \$1,000 and/or imprisonment up to 3 months	NO CHANGE
46(1)	except for lawful, proper and sufficient purpose carries an imitation firearm	a fine up to \$4,000 and/or	NO CHANGE?

		imprisonment not exceeding 2 years	
43AA	Possesses or sells or supplies prohibited ammunition without reasonable excuse	Imprisonment up to 2 years	NO CHANGE
50B	in possession of a prohibited firearm and not authorised or permitted to do so by Act	Imprisonment up to 2 years	NO CHANGE
50C	in possession of a prohibited firearm and not authorised or permitted to do so by Act	Imprisonment up to 2 years	NO CHANGE
50A	in possession of a prohibited firearm and not authorised or permitted to do so by Act	Imprisonment up to 5 years	NO CHANGE
44A	selling or supplying pistol, or restricted weapon to anyone who does not have an import permit or permit to possess	Imprisonment up to 5 years	NO CHANGE
54(2)	Possesses a restricted weapon, imitation firearm, ammunition or explosive at the time of committing an offence punishable by imprisonment for a term up to 3 years [note using firearm in committing a crime covered by Crimes Act 198B]	Imprisonment up to 5 years	NO CHANGE
55(1)	has with them any restricted weapon, imitation firearm, ammunition or explosive with intent to commit a criminal offence punishable by 3 years imprisonment or to resist arrest or prevent arrest of another	imprisonment not exceeding 5 years	NO CHANGE
55A	Without lawful purpose assembles prohibited firearm or converts a firearm into a prohibited firearm	Imprisonment up to 5 years	NO CHANGE
16(4)	Brings into NZ a firearm (other than PF) pistol, starting pistol, restricted airgun, or restricted weapon	Imprisonment up to 5 years	NO CHANGE
16A	Brings into NZ any prohibited ammunition, without reasonable excuse	Imprisonment up to 5 years	NO CHANGE
51A	except for lawful purpose presents a prohibited firearm at any other person	Imprisonment up to 7 years	NO CHANGE
50D	carriage or possession in public place of prohibited firearm without lawful purpose	Imprisonment up to 7 years	NO CHANGE
53A(2)	Possesses a prohibited firearm at the time of committing an offence punishable by imprisonment for a term up to 3 years	Imprisonment up to 7 years	NO CHANGE
54(1)	Makes or attempts to make any of a restricted weapon, imitation firearm, ammunition or explosive with intent to resist or prevent lawful arrest or detention of themselves or another person [note using	Imprisonment up to 7 years	NO CHANGE

	firearm to prevent arrest covered by Crimes Act 198A]		
54A	Carrying prohibited firearm with criminal intent	Imprisonment up to 7 years	NO CHANGE
53A(1)	Makes or attempts to make any of a prohibited firearm with intent to resist or prevent lawful arrest or detention of themselves or another person	Imprisonment up to 10 years	NO CHANGE

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APPENDIX 2: RECOMMENDATIONS TABLE – FIREARMS REGIME

PART A – PURPOSE AND OBJECTIVES STATEMENT		
Options	Agree / Disagree	Minister Priority/Comment
Option 1: Purpose statement and overarching objectives		
PART B – REGISTER AND SALES CONTROL		
Options	Agree / Disagree	Minister Priority/Comment
Option 1: build basic register of firearms and licence holders		
Option 2: build a registry with the ability to monitor/track a firearm throughout its lifecycle, including the ability to manage firearms transfers		
Option 1: build register and remove private sales		
Option 2: build registry and enable private sales to continue		
Proposal: collect forward looking AND backward looking information to build the register/registry		
Option 1: if proceeding with a registry the buyer and the seller independently verify the firearms transfer		
Option 2: require a permit to possess before registration noting that the permitting process is linked to a 'genuine need' test		
Note that Police is already investing in appropriate technology and that there may be additional technology costs		
Note significant resourcing will be required to set up and run a registry, depending on the extent of its functions, and these costs are yet to be assessed		
PART C - LICENSING REGIMES		
Options	Agree / Disagree	Minister Priority/Comment
Individuals		
Proposal: balance a strengths-based and a disqualification based fit and proper test in statute		
Proposal: introduce a genuine purpose, genuine need test		
Proposal: include in statute a set of serious offences that would prevent people from		

getting a licence for a 10 year stand down period		
Proposal: include in regulations a set of discretionary factors that may be considered in a fit and proper test		
Proposal: clarify that a person should remain fit and proper for the duration of a licence		
Note: Police collects information for fit and proper tests internally, from the applicant from Government agencies, health professionals in some circumstances, and from the applicant's referees		
Proposal: clarify in law that an applicant is able to seek a review of Police's assessment		
Proposal: place obligation on licence holder to disclose material changes in circumstances		
Proposal: introduce improvement notices to help with compliance		
Proposal: ensure Police has discretion, giving prior notice, to inspect all firearms licence holders for firearms and security arrangements		
Proposal: ensure Police is able to obtain records from licence holders		
Dealers		
Proposal: Clarify and extend the definition of a dealer in statute		
Proposal: enshrine a strengths-based excellent character test in statute for dealers		
Proposal: enable more graduated set of interventions for dealers		
Option 1: <ul style="list-style-type: none"> enable Police to provide support and mentoring to help dealers comply enable improvement notices for dealers provide for both suspensions and revocations Option 2 (preferred): <ul style="list-style-type: none"> enable improvement notices for dealers provide for both suspensions and revocations 		
Collectors		
Proposal: require that all collectors' prohibited firearms are made permanently inoperable; and ensure that 'usage' of a prohibited firearm does not include the ability to shoot live or blank ammunition		

Note that collectors will need to make one of several choices about whether they alter or keep their prohibited firearms during the amnesty period		
Note that prohibited firearms may be kept by heirloom and memento licence holders if they are made inoperable and that war re-enactments only involve blank ammunition		
Clubs and ranges		
Proposal: amend legislation to define clubs and ranges so they may be regulated		
Proposal: enshrine a strengths-based fit excellent character test in statute for club and range operators		
Option 1: introduce a club and ranges registration regime		
Option 2: introduce a club and ranges licensing regime (preferred)		
Visitors		
Option 1 (preferred): tighten pre-entry fit and proper requirements for visitors		
Option 2: remove visitor licences and instead require them to use firearms alongside a licenced New Zealand operator		
New arrivals as residents or on visas		
Option 1: require a stand-down period for one year		
Option 2: no change, and instead rely on a more robust fit and proper test applicable to all applicants		
Duration of licences and endorsements		
Option 1: Status quo licence duration is 10 years		
Option 2 reduce the duration of all licences to 5 years		
Option 3(preferred): a person's first licence is for 5 years, thereafter, 10 years		
Proposal: enable endorsements on licences to be set for different (shorter) periods		
PART D – MATTERS THAT APPLY ACROSS THE REGIME		
Options	Agree / Disagree	Minister Priority/Comment
Proposal: clarify in law that there is an expectation on all licence holders to take		

reasonable steps to care for personal and public safety		
Proposal: enable a notice-making power for the Minister so that they may attach conditions to licences, expand on the Act or regulations, or set out best practices		
Proposal: enable a regulation or notice-making power to, at a later date, bring in firearms risk management plans if needed		
Proposal: set out the framework to later enable Direct Data Access provisions for the firearms regime to share information between Government agencies		
Proposal: amend the Direct Data Access provisions in the New Zealand Intelligence and Security Act to later enable security agencies to access firearms register information		
Proposal: clarify that the regulation making power for fees recovery enables costs for the all of the firearms registry's regulatory stewardship functions		
Note that Police will begin work on cost to implement in 2020		
Proposal: extend record keeping obligations to other regulated organisations		
Proposal: require certain regulated organisations to identify unusual behaviours and purchasing patterns and report to Police		
Proposal: clarify in law that Police will run a stakeholder group comprising a wide range of interested stakeholders		
Option 1: enshrine in law that there will be a review of the Act after 5 years		
Option 2: do not enshrine a review in law noting that best practice regulatory stewardship requires this		
Note that the final form of the offences and penalties for the regime is in development and is pending further decisions on the nature of obligations for a second Bill		
PART E – BILL 1 FOLLOW-UP		
Options	Agree / Disagree	Minister Priority/Comment
Competitive shooting		
Option 1 (preferred): continue the current policy of disallowing prohibited firearms in sporting competitions		

Option 2: allow current competitors (about 80) to continue to use prohibited firearms in sporting competitions but disallow exemptions for new competitors		
Advertising		
Proposal: amend the Act to require advertisers to state the legal requirements needed to purchase an advertised firearm		
Manufacturing prohibited parts		
Option 1: disallow manufacturers to continue their prohibited parts operations after December 2020		
Option 2 (preferred): allow manufacturers to continue their prohibited parts exemption permanently		
Manufacturing prohibited magazines		
Option 1 (preferred): prohibit the manufacture of large capacity magazines over the size provided for in the Act		
Option 2: allow manufacture of prohibited magazines under tightly controlled conditions		
Handguns (Pistols and Revolvers)		
Proposal: promulgate an Order in Council to stop the conversion of handguns into semi-automatic firearms by adding folding stock and disallow any large capacity magazines		
Proposal: amend the legislation to explicitly reflect that all licence holders should act within the spirit and intent of the Act		
Ammunition		
Proposal: require an import permit for any quantity of ammunition and any type of ammunition		
Proposal: require sellers to have a firearms licence, to keep records, and report to Police in the same way as dealers		
Proposal: create an offence for possessing ammunition without a firearms licence		
Prohibited ammunition		
Proposal: promulgate an Order in Council to define military style prohibited ammunition		
Proposal: as part of the Order, make amnesty arrangements for people who currently possess prohibited ammunition		