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United States Senate

August 31, 2016

The Honorable John F. Kerry
Secretary of State
U.S. Department of State
2201 C Street, NW
Washington, DC 20520

Dear Secretary Kerry:

I am writing today to express my concern regarding the U.S. Department of State Directorate of Defense Trade Controls' (DDTC) recent guidance for required registration under the Arms Export Control Act (AECA) and International Traffic in Arms Regulations (ITAR). Despite DDTC's intention to clarify which individuals are required to register with the Directorate under ITAR, the guidance has failed to provide clarity to those who engage in gunsmithing activities, such as small-business gunsmiths, firearms enthusiasts, and sportsmen.


Currently, individuals who are in the business of manufacturing or exporting firearms that are considered defense articles are required to register under ITAR and pay a fee, currently \$2,250 for first-time registrants. Registration is required for manufacturers even if they are not engaged in the export business or engage in only one instance of manufacturing.

Since the release of DDTC's July 22, 2016 guidance, I have heard from a number of Hoosiers who are concerned that they may be required to register under ITAR for engaging in traditional gunsmithing activities, such as adding new sights to a firearm to improve accuracy or finishing factory-made parts to improve a firearm's operation. The \$2,250 minimum registration fee could prove overly burdensome to Hoosiers who operate small gunsmithing businesses. It is evident that further consideration is needed to properly distinguish firearms manufacturing from traditional gunsmithing activities, which do not require registration under ITAR.

In November 2015, I joined a letter with several of my Senate colleagues urging the Obama Administration to complete its export control reform initiative by reviewing the list of firearms currently considered defense articles in order to transition licensing authority for export of items that are commercial or sporting in nature from the State Department to the Department of Commerce. I believe continued effort to move forward on this initiative would help eliminate much of the confusion that has resulted from the July 2016 guidance.

I appreciate your attention to this matter and look forward to your response.

Sincerely,



Joe Donnelly
United States Senator