

DONA ANA MUNITIONS AMMO RELOADING AND SUPPLIES LLC's FCI
 FCI-29707
 09/09/2022 01:56 PM
 IOI (b)(6), El Paso II (IO) Field Office

LICENSEE INFORMATION

Licensee Name
 DONA ANA MUNITIONS AMMO RELOADING AND SUPPLIES LLC
 RDS Key
 5-85-01573
 License/Permit Number
 5-85-013-01-3H-01573
 License Type
 01 - Dealer License
 Business Type
 Limited Liability Company (LLC)
 Premises Ownership Type
 Owned
 Premises Location Type **Required**

Store Front ▼

Premises Address
 6210 WEST PICACHO AVE, Unit N/A, LAS CRUCES, New Mexico 8800
 Address
 6210 WEST PICACHO AVE
 Unit N/A
 LAS CRUCES, New Mexico 88007
 DONA ANA
 United States
 Address
 6210 WEST PICACHO AVE
 Unit N/A
 LAS CRUCES, New Mexico 88007
 DONA ANA
 United States

Phone Type	Phone Number	Remarks
Business	+1 575-526-7913	
Fax	+1 575-449-4620	
Email Address		Email Remarks
(b)(6)		
Online Presence Type	Online Presence URL	Remarks
Website	www.damammo.com	

RECOMMENDATIONS

Final Decision
 Revocation
 Date
 08/19/2022
 Details

License was revoked 8/19/22.

Out of Business Records and Inventory Management

Licensee Records

✔ Submitted to an ATF Employee
 ATF Employee Name
 IOI (b)(6)

Licensee Inventory

✔ Inventory transferred to self
 Deputy Assistant Director - Industry Operations Hans Hummel's Recommendation
 Revocation
 Details

Concur with Field - proceed with revocation

Deputy Assistant Director - PGA Jeffrey Boshek's Recommendation

SAC agrees with revocation.

Senior Attorney: (b)(6) Review
Details

Counsel concurs with recommendation of Revocation.

Director of Industry Operations Krissy Carlson's Recommendation

Revocation
Details

Revocation is recommended.

A full compliance inspection was initiated on August 2, 2021, where 13 violations were disclosed. On two instances, the licensee failed to ensure that the minimum time period of three business days was met before the transfer of a firearm with no response from NICS within the time period; both individuals were not prohibited. The licensee also transferred (b)(6) firearms to a private contractor, who is contracted with Otero County to run their Otero County jail. The licensee was under the impression they were exempt under U.S.C. 925 (a)(a), therefore did not complete ATF Forms 4473 nor conducted a NICS Background check prior to the transfer of these firearms.

Many of the violations identified during this inspection were repeat violations from the previous two inspections conducted within the last five years. Some of the repeat violations increased in frequency. Additionally, as a result of the current inspection, the licensee was found to be missing (b)(6) firearms after reconciliation. This is a repeat violation. The licensee has shown that he is unable to maintain compliance.

Area Supervisor: (b)(6)'s Recommendation
Revocation
Details

Inspection resulted in 13 violations, several of which warrant revocation. In addition this licensee has been inspected four other times prior to this inspection within the last 10 years and many of the violations found in this inspection are repeat in nature with no noticeable improvement. Licensee has been to two previous Warning Conferences and been issued two Warning Letters.

Industry Operations Investigator: (b)(6)'s Recommendation
Revocation
Details

Violations, Suspicious Activity Referral, Revocation

The inspection was started on August 2, 2021, and finished on September 10, 2021 with the Acknowledgement of Federal Firearms Regulations conducted offline with the Member/RP, Paul McClarin, present and signing the Acknowledgement. Thirteen Violations were noted during the inspection period. Four of the thirteen violations happen within two transactions, where the FFL misinterpreted when a Law Enforcement exemption would apply. Licensee acknowledged that he did not think an ATF F 4473, NICS background, or ID verification needed to be completed because the firearms were for the employees at Otero County Jail. The FFL believed because the County Jail employees were law enforcement and exempt. In reality, the Otero County jail has a private company working the jail.

The current inspection reveals repeated violations for which the FFL has been cited in a Report of Violations within the previous 5 years and there has been NO significant improvement. In 2019, FFL was issued a Warning Letter with five similar violations as the current inspections. Four of those violations had no significant improvement. One of those violations had to do with the Otero Jail transaction. In 2017, FFL had a Warning Conference with eight similar violations. Seven of those violations had no significant improvement. Two of those violations had to do with the Otero Jail transaction. The licensee how shown that he is unable to maintain compliance, therefore revocation is recommended.

Inspection Findings

Records and Forms

9. Failure to execute a Form 4473 (Exception: Select findings 6, 7, and 8 above for consignment sales, transfers to law enforcement officers for personal use, and FFL responsible persons; if the transferee is NOT prohibited).

Transfer of Firearm

2. Transfer of a firearm prior to receiving a final NICS response (or applicable State POC background check) and 3 business days have not elapsed since the FFL contacted the system and the purchaser is NOT prohibited.
3. Transfer of any firearm (including lower receiver) other than Rifle / Shotgun to a resident of another State.

Firearms

1. Missing firearms after inventory reconciliation (e.g., no records of disposition, required or otherwise).

NICS

4. Failure to conduct a NICS check or obtain an alternate permit.

Failure to Report

1. Failure to file Reports of Multiple Sale or Other Disposition of Pistols and Revolvers (F 3310.4) or Reports of Multiple Sales or Dispositions of Certain Rifles (F 3310.12) (Southwest Border states only) when legally required and with a minimum of ^{three} instances.

FFL History

1. The current inspection reveals repeated similar violation(s) for which the FFL has been cited in a Report of Violations within the previous 5 years and there has been NO significant improvement.
2. The current inspection reveals repeated similar violation(s) for which the FFL has previously been the subject of a Warning Letter or Warning Conference within the previous 5 years and there has been NO significant improvement.

ELIGIBILITY VERIFICATION

Business Information Verification

Licensee Name
DONA ANA MUNITIONS AMMO RELOADING AND SUPPLIES LLC
Business Type
Limited Liability Company (LLC)
Is the business valid?
Yes
Additional Findings

Attachment(s):
Dona Anna Munitions Ammo Reloading and Supplies LLC (1).pdf
Property Ownership Verification

Premises Ownership Type
Owned
Premises Location Type
Store Front
Has the property ownership been verified?
Yes
Address
6210 WEST PICACHO AVE
Unit N/A
LAS CRUCES, New Mexico 88007
DONA ANA
United States

Attachment(s):
Property Ownership.PNG

Trade Name/DBA Verification

Trade Name/DBA
DAM AMMO CO
Is the trade name/DBA registered?
Yes
Additional Findings
New Mexico does not have statutes requiring or permitting the registration or filing of DBA's

Attachment(s):
New Mexico DBA Non-requirement.pdf
Zoning Information Verification

Is the proposed business activity in compliance with zoning?
Yes

Additional Findings
Verified the property at 6210 West Picacho Avenue known as DAM AMMO has an active business registration and is in compliance to Section 350-510 Home Occupation permits and has no zoning violations with Donna County Planner Office.

Attachment(s):
Zoning Verification.pdf

APPOINTMENT DETAILS

Interview Date
08/12/2021
Address
6210 WEST PICACHO AVE, Unit N/A, LAS CRUCES, New Mexico 88007
Remarks
Inspection was started on 8/3/2021.

Responsible Attendee(s)

PAUL CHRISTOPHER MCCLARIN
ASHLEY JOSEPH MCCLARIN

Non-Responsible Person(s)

No Items

RESPONSIBLE PERSON(S)

PAUL CHRISTOPHER MCCLARIN

Name

PAUL CHRISTOPHER MCCLARIN

Gender

(b)(6)

Race

(b)(6)

Ethnicity

(b)(6)

Date of Birth

(b)(6)

SSN

(b)(6)

Job Title

MEMBER

Physical Identifiers

Height

Weight

Hair Color

Eye Color

Place of Birth

Country

United States Of America

State

(b)(6)

City

Home Address

(b)(6)

United States

Additional Names

Citizenship

United States

ID Type	Country	State	ID Number
Driver's License	United States	New Mexico	(b)(6)
Phone Type	Phone Number	Remarks	
Mobile	(b)(6)		

Criminal History Check

Date Criminal History Check Conducted

08/11/2021

ASHLEY JOSEPH MCCLARIN

Name

ASHLEY JOSEPH MCCLARIN

Gender

(b)(6)

Race

(b)(6)

Ethnicity

(b)(6)

Date of Birth

(b)(6)

SSN

(b)(6)

Job Title

MANAGER

Physical Identifiers

Height
Weight
Hair Color
Eye Color

Place of Birth

Country
United States Of America
State
(b)(7)(E)
City

Home Address

(b)(6)
United States

Additional Names

Citizenship

United States

ID Type	Country	State	ID Number
Driver's License	United States	California	(b)(6)
Phone Type	Phone Number	Remarks	
Mobile	(b)(6)		
Email Address	Email Remarks		
sales@damammo.com			

Criminal History Check

Date Criminal History Check Conducted
08/11/2021

INTERVIEW QUESTIONNAIRE

What is the proposed business activity?
Sale and transfer of firearms and ammo
Do they need an additional license or permit?
Yes
Who are their primary suppliers?

(b)(4)

Business Activities

(b)(3)(26 USC § 6103)

Internet Sales/Transfers
Retail
Law Enforcement Sales

Internet Sales/Transfers Website
Enter to sort

<https://www.damammo.com>

Selected Operational Security Measures

Controlled Access to ATF Recordkeeping
Controlled Access to Keys

SECURITY WALKTHROUGH

Inspection Area Description
Inspection was completed at the gun counter
Primary Activity
Retail

GPS Coordinates

Latitude
32.29110
Longitude
-106.87020
Selected Physical Security Measures

- Alarm Monitoring (with Cellular Back-Up)
- Safe(s)/Vault(s)
- Security Cameras

ONSITE SUMMARY

Total Number of ATF Form 4473s for Inspection Review Period

Total Number of ATF F 4473 Reviewed

Total Number of Open Dispositions in A & D Record

Total Number of Firearms in Inventory

194

Actual Number of Firearms Verified

Number of Firearms Missing Before Reconciliation

Total Number of Firearms Missing After Reconciliation

Total Number of Acquisitions in the Last 12 Months

(b)(4)

Total Number of Dispositions in the Last 12 Months

(b)(4)

Onsite Start Date

Onsite End Date

Number of Reported Lost/Stolen Firearms During Inspection Period

Total Number of Traces During Inspection Review Period

Total Number of Those Traces That Were Unresolved

Inspection Period Start Date

Inspection Period End Date

Number Of Traces Resolved By IOI

[Click Here to See List of Perfected Traces](#)

(b)(3)(26 USC § 6103)

(b)(3)(26 USC § 6103)

Additional Comments

FFL uses a computerized A&D records

FFL uses hardcopy 4473s

FFL has two RPs and several employees that handle transactions

FFL submitted a theft/loss for firearms that were unaccounted for during inspection

IOI ran loss firearms through etrace with negative results

FFL had no uncompleted traces in the last year

NO forward traces were conducted nor warranted

IOI reviewed FFL Traces in the last year of those traces were to ATF Case 781035-21-0041 (b)(6) is opened for of those traces (b)(3) (112 Public Law 55 125 Stat 552)

(b)(3) (112 Public Law 55 125 Stat 552)

FFL is an 01 Dealer and therefore is not required to submit an AFMER report

FFL's NFA paperwork was reviewed with no discrepancies.

FFL is not an importer

FFL does not have any government contracts

FFL had potential straw purchase situations but individuals had ATF cases open on them already.

FFL occasionally deals secondary market firearms. An analysis of 11 firearms was performed with no discrepancies.

IOI compared 75 transaction numbers, no discrepancies were noted

IOI completed 17 NICS rechecks, no denials noted

No potentially prohibited persons were identified in the inspection

report of Suspicious Activities were generated for additional information found on Open ATF cases.

Inspection History:

Dona Ana Munitions Ammo Reloading and Supplies LLC applied for and was granted a type 01 License in June 2011.

December 2013 compliance inspection, 785055-2014-0091, resulted in a Warning Conference.

Violations cited:

27 CFR 478.125(e): (Instances)

27 CFR 478.126(a): (Instances)

18 U.S.C. 923(g)(5)(A): (Instance)

27 CFR 478.102(a)(2)(ii): (6 Instances)

27 CFR 478.124(c)(1): (Instances)

27 CFR 478.21(a): (Instances)

27 CFR 478.124(c)(3)(i): (Instances)

27 CFR 478.124(c)(3)(iii): (Instance)

27 CFR 478.124(c)(3)(iv): (Instances)

27 CFR 478.124(c)(4): (Instances)

27 CFR 478.124(c)(5): (Instances)

April 2015 (Recall Warning Conference) Inspection, 785055-2015-0095, resulted in an alternate recommendation from a Warning Conference to a Warning Letter.

Violations cited:

- 27 CFR 478.21(a): (1) Instances) Repeat violation from 2013
- 27 CFR 478.99(a): (1) Instances)
- 27 CFR 478.99(c): (1) Instance)
- 27 CFR 478.124(c)(1): (1) Instances) Repeat violation from 2013
- 27 CFR 478.124(c)(3)(i): (1) Instances) Repeat violation from 2013
- 27 CFR 478.124(c)(3)(iv): (1) Instances) Repeat violations from 2013
- 27 CFR 478.124(c)(5): (1) Instances) Repeat violation from 2013

July 2017 (Recall Warning Letter) Inspection, 785055-2017-0013, resulted in a Warning Conference.

Violations cited:

- 27 CFR 478.21(a): (1) Instances) Repeat violation from 2013 and 2015
- 27 CFR 478.124(c)(1): (1) Instances) Repeat violation from 2013 and 2015
- 27 CFR 478.124(c)(3)(i): (1) Instances) Repeat violation from 2013 and 2015
- 27 CFR 478.124(c)(3)(iv): (1) Instances) Repeat violation from 2013 and 2015
- 27 CFR 478.124(c)(4): (1) Instances) Repeat violation from 2013
- 27 CFR 478.124(c)(5): (1) Instances) Repeat violation from 2013 and 2015
- 27 CFR 478.126a: (1) Instances) Repeat violation from 2013
- 18 U.S.C. 923(g)(5)(A): (1) Instances) Repeat violation from 2013

January 2019 (Recall Warning Conference) Inspection, FCI-4739, resulted in a Warning Letter.

Violations cited:

- 27 CFR 478.21(a): (1) Instances), Repeat violation from 2013, 2015 and 2017
- 27 CFR 478.124(c)(1): (1) Instances) Repeat violation from 2013, 2015 and 2017
- 27 CFR 478.124(c)(3)(iv): (1) Instances) Repeat violation from 2013, 2015 and 2017
- 27 CFR 478.124(c)(5): (1) Instances), Repeat violation from 2013, 2015 and 2017
- 27 CFR 478.126a: (1) Instances), Repeat violation from 2013 and 2017
- 27 CFR 478.125(e): (1) Instances) Repeat violations from 2013 and 2015

Attachment(s)

- Report of Violations.pdf
- Report of Violations.pdf
- Licensee Response to Violations Report.pdf
- Licensee Response to Violations Report.pdf
- Firearm Theft Loss List.pdf

REPORT OF VIOLATIONS

Regulation	Corrective Actions	Instance Details
<p>27 CFR 478.126a: Failure to report multiple sales or other dispositions of pistols and revolvers</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Complete and submit ATF Form 3310.4 (Report of Multiple Sale or Other Disposition of Pistols and Revolvers) for all non-reported multiple sales identified as a result of this inspection.</p> <p>Complete and submit ATF Form 3310.4 (Report of Multiple Sale or Other Disposition of Pistols and Revolvers) by close of the same business day, for all applicable future multiple sales.</p>	<p style="text-align: center;">(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</p>
<p>27 CFR 478.102(a)(2)(ii): Failure to wait 3 business days (with no NICS/POC response) to transfer a firearm</p> <p>ATF Forms 4473: 2</p> <p>Number of Instances: 2</p>	<p>Ensure that the minimum time period of three business days (meaning days on which State offices are open).</p>	<p>NICS Violation, <input type="checkbox"/></p> <p>NICS Violation, <input type="checkbox"/></p> <p style="text-align: center;">(b)(6)</p>
<p>27 CFR 478.124(a): Failure to execute an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Execute and retain a complete and accurate ATF Form 4473 on all future firearm transactions.</p>	<p style="text-align: center;">(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</p>

1

2

27 CFR 478.99(a): Unlawful sale or delivery of a handgun to an out of state resident and/or transfer of a long gun in violation of state law

ATF Forms 4473
Number of Instances:

Cease and desist all firearm transfers (including lower receivers) other than a rifle or shotgun, to residents of another state.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

5

18 U.S.C. 923(g)(5)(A): Failure to report multiple sales or other dispositions of certain rifles

ATF Forms 4473
Number of Instances:

Complete and submit ATF Form 3310.12 (Report of Multiple Sale or Other Disposition of Certain Rifles) for all non-reported multiple sales identified as a result of this inspection.
Complete and submit ATF Form 3310.12 (Report of Multiple Sale or Other Disposition of Certain Rifles) by close of the same business day, for all applicable future multiple sales.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

6

27 CFR 478.125(e): Failure to maintain an accurate/complete/timely acquisition and disposition record of firearms

Number of Instances:

Accurately, completely & timely record all required future firearm acquisition information.
Accurately, completely & timely record all required future firearm disposition information.
Amend/Update A&D Record to accurately record all required firearm acquisition information.
Complete and submit ATF Form 3310.11 - Firearms Inventory Theft/Loss Report.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

7

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

8

27 CFR 478.124(c)(3)(iv):
Failure to record NICS contact
information on an ATF F 4473

ATF Forms 4473:
Number of Instances:

Ensure that all required NICS/POC background
check information is obtained and accurately
recorded on all future ATF Forms 4473, Section
B.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

9

27 CFR 478.21(a): Failure to
complete forms as prescribed

ATF Forms 4473:
Number of Instances:

Ensure that all ATF Form 4473 items, as
required by form headings and instructions, are
accurately completed on all future transactions.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

10

27 CFR 478.124(c)(3)(i): Failure
to verify or record Identification
document on ATF F 4473

ATF Forms 4473:
Number of Instances:

Ensure that all required transferee/buyer
identification information is obtained and
accurately recorded on all future ATF Forms
4473, Section B.

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

<p>11</p> <p>27 CFR 478.124(c)(1): Failure to obtain a completed ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that the transferee/buyer provides required signature and date, on ATF Form 4473 Section C, for all transactions taking place on a date different from when Section A was certified.</p>	<p>(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</p>
<p>12</p> <p>27 CFR 478.124(c)(5): Failure by transferor to sign and/or date an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that the required transferor/seller signature and date of transfer is obtained, validated and accurately recorded on all future ATF Forms 4473, Section D.</p>	<p>(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</p>
<p>13</p> <p>27 CFR 478.124(c)(4): Failure to record firearm information on an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that all required firearm identification information is obtained and accurately recorded on all future ATF Forms 4473, Section D.</p>	<p>(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)</p>

THEFT/LOSS REPORT

Acquisition Date	Type	Manufacturer	Importer	Model	Caliber/Gauge	Serial Number
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(b)(3) (112 Public Law 55 125 Stat 552)

LICENSEE RESPONSE REPORT

	Regulation	Corrective Actions	Licensee Response	Status Details
1	<p>27 CFR 478.126a: Failure to report multiple sales or other dispositions of pistols and revolvers</p> <p>ATF Forms 4473: <input type="checkbox"/> Number of Instances: <input type="checkbox"/></p>	<p>Complete and submit ATF Form 3310.4 (Report of Multiple Sale or Other Disposition of Pistols and Revolvers) for all non-reported multiple sales identified as a result of this inspection.</p> <p>Complete and submit ATF Form 3310.4 (Report of Multiple Sale or Other Disposition of Pistols and Revolvers) by close of the same business day, for all applicable future multiple sales.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Correction Verified Verified Method In Person Date Correction Verified 09/10/2021</p>
2	<p>27 CFR 478.102(a)(2)(ii): Failure to wait 3 business days (with no NICS/POC response) to transfer a firearm</p> <p>ATF Forms 4473: 2 Number of Instances: 2</p>	<p>Ensure that the minimum time period of three business days (meaning days on which State offices are open).</p>	<p>Licensee said it was an oversight on his part</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
3	<p>27 CFR 478.124(a): Failure to execute an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/> Number of Instances: <input type="checkbox"/></p>	<p>Execute and retain a complete and accurate ATF Form 4473 on all future firearm transactions.</p>	<p>Licensee stated they did not think a ATF F 4473 needed to be completed because the company was employed by the County Jail. The FFL figured a law letter was be enough because they thought they were law enforcement and exempt.</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
4	<p>27 CFR 478.102(a): Failure to complete a NICS/POC background check</p> <p>ATF Forms 4473: 2 Number of Instances: 24</p>	<p>Execute a required NICS/POC background check for all future over-the-counter firearm transactions.</p>	<p>FFL did not complete a background because the individual that picked up the firearms produced a law letter. FFL thought they were exempt because they work at the County Jail.</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
5	<p>27 CFR 478.99(a): Unlawful sale or delivery of a handgun to an out of state resident and/or transfer of a long gun in violation of state law</p> <p>ATF Forms 4473: <input type="checkbox"/> Number of Instances: <input type="checkbox"/></p>	<p>Cease and desist all firearm transfers (including lower receivers) other than a rifle or shotgun, to residents of another state.</p>	<p>FFL did not verify ID of individual that picked up firearms because the individual that picked up the firearms produced a law letter. FFL thought they were exempt because they work at the County Jail.</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
6	<p>18 U.S.C. 923(g)(5)(A): Failure to report multiple sales or other dispositions of certain rifles</p> <p>ATF Forms 4473: <input type="checkbox"/> Number of Instances: <input type="checkbox"/></p>	<p>Complete and submit ATF Form 3310.12 (Report of Multiple Sale or Other Disposition of Certain Rifles) for all non-reported multiple sales identified as a result of this inspection.</p> <p>Complete and submit ATF Form 3310.12 (Report of Multiple Sale or Other Disposition of Certain Rifles) by close of the same business day, for all applicable future multiple sales.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Correction Verified Verified Method In Person Date Correction Verified 09/10/2021</p>

7	<p>27 CFR 478.125(e): Failure to maintain an accurate/complete/timely acquisition and disposition record of firearms</p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Accurately, completely & timely record all required future firearm acquisition information.</p> <p>Accurately, completely & timely record all required future firearm disposition information.</p> <p>Amend/Update A&D Record to accurately record all required firearm acquisition information.</p> <p>Complete and submit ATF Form 3310.11 - Firearms Inventory Theft/Loss Report.</p>	<p>FFL said glitch in the system often creates errors in the Acquisition or Disposition date. FFL is looking into obtaining a new system.</p>	<p>Status Correction Verified Verified Method In Person Date Correction Verified 09/10/2021</p>
8	<p>27 CFR 478.124(e)(3)(iv): Failure to record NICS contact information on an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that all required NICS/POC background check information is obtained and accurately recorded on all future ATF Forms 4473, Section B.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
9	<p>27 CFR 478.21(a): Failure to complete forms as prescribed</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that all ATF Form 4473 items, as required by form headings and instructions, are accurately completed on all future transactions.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
10	<p>27 CFR 478.124(e)(3)(i): Failure to verify or record Identification document on ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that all required transferee/buyer identification information is obtained and accurately recorded on all future ATF Forms 4473, Section B.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
11	<p>27 CFR 478.124(e)(1): Failure to obtain a completed ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that the transferee/buyer provides required signature and date, on ATF Form 4473 Section C, for all transactions taking place on a date different from when Section A was certified.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
12	<p>27 CFR 478.124(e)(5): Failure by transferor to sign and/or date an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that the required transferor/seller signature and date of transfer is obtained, validated and accurately recorded on all future ATF Forms 4473, Section D.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified 09/10/2021</p>
	<p>27 CFR 478.124(e)(4): Failure to record firearm information on an ATF F 4473</p> <p>ATF Forms 4473: <input type="checkbox"/></p> <p>Number of Instances: <input type="checkbox"/></p>	<p>Ensure that all required firearm identification information is obtained and accurately recorded on all future ATF Forms 4473, Section D.</p>	<p>Licensee said it was an oversight and was in the process of reviewing forms</p>	<p>Status Licensee Notified Verified Method In Person Date Licensee Notified</p>

13			09/10/2021
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CLOSING CONFERENCE

Review Regulations conducted offline
 (9/10/2021)
 09/10/2021
 Attachment(s)

Attendee(s)

PAUL CHRISTOPHER MCCLARIN

EXHIBITS

Inspection

Category	Attachment Name
Correspondence	Spartan Notification RE: 5-85-01573 Inspection Results
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
UpdateLicensingCenter	Final Notice of Revocation with Cerified Mailing.pdf
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
UpdateLicensingCenter	Final 8c 5-85-01573 Dona Ana Munitions - 8c(SACSigned).docx.pdf
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
Correspondence	Spartan Notification RE: 5-85-01573 Monitored Case
UpdateLicensingCenter	Dam Ammo 8c (002).docx
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
ReturnedSignedROV	Firearms Compliance Inspection FCI-29707-

ViolationsPDF	ROV.pdf
ViolationsPDF	Report of Violations.pdf
LicenseeResponseToViolationsPDF	Licensee Response to Violations Report.pdf
OnSiteSummaryInformation	DAM AMMO theft-loss.pdf
ViolationsPDF	Report of Violations.pdf
FirearmTheftLossList	Firearm Theft Loss List.pdf
PropertyOwnershipVerification	Property Ownership.PNG
ZoningVerification	Zoning Verification.pdf
TradeNameVerification	New Mexico DBA Non-requirement.pdf
BusinessVerification	Dona Anna Munitions Ammo Reloading and Supplies LLC (1).pdf

SAR-1278

Category Enter to sort	Attachment Name
Correspondence	Industry Operations Report of Suspicious Activity 

SAR-1279

Category Enter to sort	Attachment Name
Correspondence	Industry Operations Report of Suspicious Activity 

Notice to Revoke or Suspend License and/or Impose a Civil Fine

In the matter of License Number 5-85-013-01-3H-01573 as a/an
Dealer in Firearms Other than Destructive Devices issued to:

Name and Address of Licensee (Show number, street, city, State and ZIP Code)
Dona Ana Munitions Ammo Reloading and Supplies, LLC
6210 West Picacho Ave
Las Cruces, NM 88007

Notice Is Hereby Given That:

Pursuant to the statutory provisions and reasons stated in the attached page(s), the Director or his/her designee, Bureau of Alcohol, Tobacco, Firearms and Explosives, intends to take action on the license described above.

- The above identified license may be revoked pursuant to 18 U.S.C. 923(e), 922(t)(5) or 924(p).
- The above identified license may be suspended pursuant to 18 U.S.C. 922(t)(5) or 924(p).
- The above identified licensee may be fined pursuant to 18 U.S.C. 922(t)(5) or 924(p).

Pursuant to U.S.C. 923(f)(2) and/or 922(t)(5), you may file a request with the Director of Industry Operations, Bureau of Alcohol, Tobacco, Firearms and Explosives, at 2501 S HWY 212 Bus, Suite 300A, Lewisville, TX 75067, in duplicate, for a hearing to review the revocation, suspension and/or fine of your license. The request must be received at the above address within 15 days of your receipt of this notice. Where a timely request for a hearing is made, the license shall remain in effect pending the outcome of the hearing; and if the license is due to expire, the license will remain in effect provided a timely application for renewal is also filed. The hearing will be held as provided in 27 CFR Part 478.

If you do not request a hearing, or your request for a hearing is not received by ATF on time, a final notice of revocation, suspension, and/or imposition of civil fine (ATF Form 5300.13) shall be issued.

- Please see included brochure

Date <u>1/20/2022</u>	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official <u>(b)(6)</u> Acting Director, Industry Operations	Signature <u>(b)(6)</u>
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I certify that on the date shown below I served the above notice on the person identified below by:

- Certified mail to the address shown below.
Tracking Number: 7019 2970 0001 Or Delivering a copy of the notice to the address shown below.

Date Notice Served <u>1/20/22</u>	Title of Person Serving Notice <u>Investigative Analyst</u>	Signature of Person Serving Notice <u>(b)(6)</u>
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Print Name and Title of Person Served

Address Where Notice Served
6210 West Picacho Ave
Las Cruces, NM 88007

Under the provisions of 18 U.S.C. § 923(e) and 27 C.F.R. § 478.73, notice is hereby given that the Bureau of Alcohol, Tobacco, Firearms and Explosives (“ATF”) intends to revoke the Federal firearms license held by Dona Ana Munitions Ammo Reloading and Supplies, LLC (“Licensee”), a Dealer in Firearms Other Than Destructive Devices. Specifically, the Director, Industry Operations, United States Department of Justice, ATF, Dallas Field Division, has reason to believe that Licensee willfully violated the provisions of the Gun Control Act of 1968, as amended, 18 U.S.C. Chapter 44, and the regulations issued thereunder, 27 C.F.R. Part 478 (collectively, “GCA”) as described herein.

Compliance History

ATF first issued a Federal firearms license to Licensee in 2011 following an application inspection. The laws and regulations issued under the GCA were reviewed as part of the application inspection. Subsequently, ATF conducted compliance inspections of Licensee in 2013, 2015, 2017 and 2019. As a result of the 2013 and 2017 inspections, Licensee (specifically, Paul C. McClarin, Member) attended a warning conference with ATF in which violations and proposed corrective actions were reviewed. Following each of the warning conferences, ATF issued a letter to Licensee stating that “any future violations, either repeat or otherwise, could be viewed as willful and may result in revocation of [its] license.” ATF issued similar warning letters to Licensee following the 2015 and 2019 inspections.

Current Inspection

On August 2, 2021, ATF began a compliance inspection of Licensee’s premises that revealed the following:

Transfer in Violation of Law:

1. On [redacted] occasion involving [redacted] firearms, Licensee willfully sold or delivered firearms other than a rifle or a shotgun to any person not licensed by the GCA and who Licensee knows or has reasonable cause to believe does not reside in the state in which Licensee’s place of business or activity is located, in violation of 18 U.S.C. § 922(b)(3) and 27 C.F.R. § 478.99(a). Specifically, on June 7, 2021, Licensee transferred [redacted] pistols to [redacted] (b)(6) [redacted] (b)(6) a person not licensed under the GCA who Licensee knew or had reasonable cause to believe resided in Texas. See Appendix ¶ 1.

Acquisition and Disposition Record Violations:

2. On [redacted] occasions, Licensee willfully failed to record the acquisition and disposition of a firearm, in violation of 18 U.S.C. § 923(g)(1)(A) and 478.125(e). See Appendix ¶ 2.

Background Check Violations:

3. On 2 occasions involving 22 firearms, Licensee willfully transferred a firearm to an unlicensed person without first contacting the National Instant Criminal Background

Check System ("NICS") and obtaining a unique identification number in violation of 18 U.S.C. § 922(t) and 27 C.F.R. § 478.102(a). See Appendix ¶ 3.

4. On occasions involving firearms, Licensee knowingly and willfully transferred a firearm to a person not licensed under the GCA after receiving a delayed response when conducting a national instant criminal background check and failed to wait three business days before allowing the transfer, in violation of 18 U.S.C. § 922(t)(5) and 27 C.F.R. § 478.102(a)(2)(ii). See Appendix ¶ 4.

Failure to Report Multiple Sales:

5. On occasions involving firearms, Licensee willfully failed to timely and/or accurately report the sale or other disposition of two or more pistols and/or revolvers during any five consecutive business days to an unlicensed person, in violation of 18 U.S.C. § 923(g)(3)(A) and 27 C.F.R. § 478.126a. See Appendix ¶ 5.
6. On occasion involving firearms, Licensee willfully failed to timely and/or accurately report the sale or other disposition of two or more semiautomatic rifles in violation of 18 U.S.C. § 923(g)(5)(A) and 27 C.F.R. § 478.126. See Appendix ¶ 6.

ATF Form 4473 Violations:

7. On occasions involving firearms, Licensee willfully sold or otherwise disposed of a firearm to an unlicensed person without recording the transaction on a Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(a). See Appendix ¶ 7.
8. On occasions, Licensee willfully transferred a firearm to a non-licensee without verifying the identity of the transferee by examining the identification document presented and noting the type on a Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(i). See Appendix ¶ 8.
9. On occasions, Licensee willfully transferred a firearm to a non-licensee without recording the date it contacted the National Instant Criminal Background Check System ("NICS"), any response provided by the system and/or any identification number provided by the system information on the Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv). See Appendix ¶ 9.
10. On occasion, Licensee willfully failed to completely and/or accurately identify the firearm to be transferred on the Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(4). See Appendix ¶ 10.

11. On occasions, Licensee willfully failed to sign and/or date the Firearms Transaction Record, ATF Form 4473 certifying that Licensee does not know or have reason to believe the transferee is disqualified by law from receiving the firearm described on the Form, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(5). See Appendix ¶ 11.

12. On occasions occurring on ATF Forms 4473, Licensee willfully failed to obtain/execute the Firearms Transaction Record, ATF Form 4473 as indicated by the headings on the Form and the instructions on or pertaining to the Form, in violation of 18 U.S.C. § 922(m) and 27 C.F.R. § 478.21(a). See Appendix ¶ 12.

Appendix

Paragraph 1

18 U.S.C. § 922(b)(3) and 27 C.F.R. § 478.99(a): Unlawful sale or delivery of a handgun to an out of state resident

Firearm Description	Serial Number
(b)(3) (112 Public Law 55 125 Stat 552)	

Paragraph 2

18 U.S.C. § 923(g)(1)(A) and 478.125(e): Failure to maintain an accurate/complete/timely acquisition and disposition record of firearms

Firearm Description	Serial Number	Discrepancy
(b)(3) (112 Public Law 55 125 Stat 552)		

(b)(3) (112 Public Law 55 125 Stat 552)

(b)(3) (112 Public Law 55 125 Stat 552)

Paragraph 3

18 U.S.C. § 922(t) and 27 C.F.R. § 478.102(a): Licensee willfully transferred a firearm to an unlicensed person without first contacting the National Instant Criminal Background Check System (“NICS”) and obtaining a unique identification number

Firearm Description	Serial Number	Transferee's Name	Date of Transaction
Glock G22 Gen5 40 Cal. Pistol	(b)(6)		6/7/21
Smith & Wesson M&P 15 .223/556 Rifle			5/26/21

Paragraph 4

18 U.S.C. § 922(t)(5) and 27 C.F.R. § 478.102(a)(2)(ii): Failure to wait 3 business days (with no NICS/POC response) to transfer a firearm

Transferee's Name	Date of Transaction	Discrepancy
(b)(6)	6/18/21	Delayed NICS response, Failure to wait 3 Business days to transfer firearm
	2/1/21	Delayed NICS response, Failure to wait 3 Business days to transfer firearm

Paragraph 5

18 U.S.C. § 923(g)(3)(A) and 27 C.F.R. § 478.126a: Failure to report multiple sales or other dispositions of pistols and revolvers

Transferee's Name	Date of Transaction	Serial Number	Discrepancy
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(b)(3) (112 Public Law 55 125 Stat 552), (b)(6)

Paragraph 6

18 U.S.C. § 923(g)(5)(A) and 27 C.F.R. § 478.126: Failure to timely and/or accurately report the sale or other disposition of two or more semiautomatic rifles

Firearm Description	Serial Number	Discrepancy	Date of Transaction	Transferee's Name
(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)				

Paragraph 7

18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(a): sold or otherwise disposed of a firearm to an unlicensed person without recording the transaction on a Firearms Transaction Record, ATF Form 4473

Firearm Description	Date of Transaction	Transferee's Name
(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)		

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

Paragraph 8

18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(i): Transfer of a firearm to a non-licensee without verifying the identity of the transferee by examining the identification document presented and noting the type on a Firearms Transaction Record, ATF Form 4473

Transferee's Name

Date of Transaction

Discrepancy

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

Paragraph 9

18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv): Transfer of firearm to a non-licensee without recording the date it contacted the National Instant Criminal Background Check System ("NICS"), any response provided by the system and/or any identification number provided by the system information on the Firearms Transaction Record

Transferee's Name

Date of Transaction

Discrepancy

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

Paragraph 10

18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(4): Failure to completely and/or accurately identify the firearm to be transferred on the Firearms Transaction Record, ATF Form 4473

Transferee's Name

Date of Transaction

Discrepancy

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

Paragraph 11

18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(5): Failure to sign and/or date the Firearms Transaction Record, ATF Form 4473 certifying that Licensee does not know or have reason to believe the transferee is disqualified by law from receiving the firearm described on the Form

Transferee's Name

Date of Transaction

Discrepancy

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)

Paragraph 12

18 U.S.C. § 922(m) and 27 C.F.R. § 478.21(a): Failure to obtain/execute the Firearms Transaction Record, ATF Form 4473 as indicated by the headings on the Form and the instructions on or pertaining to the Form

Transferee's Name	Date of Transaction	Discrepancy
(b)(3) (112 Public Law 55 125 Stat 552),(b)(6)		

Final Notice of Denial of Application, Revocation Suspension and/or Fine of Firearms License

In the matter of:

- The application for license as a/an _____, filed by: _____
or _____
- License Number 5-85-013-01-3H-01573 as a/an _____
Dealer in Firearms Other than Destructive Devices, issued to: _____

Name and Address of Applicant or Licensee (Show number, street, city, state and ZIP Code)

Dona Ana Munitions Ammo Reloading and Supplies, LLC
6210 West Picacho Avenue
Las Cruces, New Mexico 88007

Notice is Hereby Given That:

- A request for hearing pursuant to 18 U.S.C. § 923(f)(2) and/or 922(t)(5) was not timely filed. Based on the findings set forth in the attached document, your
- license described above is revoked pursuant to 18 U.S.C. 923(e), 922(t)(5) or 924(p), effective:
 - 15 calendar days after receipt of this notice, or _____
 - license is suspended for _____ calendar days, effective _____, pursuant to 18 U.S.C. § 922(t)(5) or 924(p).
 - licensee is fined \$ _____, payment due: _____ pursuant to 18 U.S.C. § 922(t)(5) or 924(p).
- After due consideration following a hearing held pursuant to 18 U.S.C. § 923(f)(2) and/or 922(t)(5), and on the basis of findings set out in the attached copy of the findings and conclusions, the Director or his/her designee concludes that your
- application for license described above is denied, pursuant to 18 U.S.C. 923(d)
 - application for renewal of license described above is denied pursuant to 18 U.S.C. 923(d), effective:
 - 15 calendar days after receipt of this notice, or _____
 - license described above is revoked pursuant to 18 U.S.C. 923(e), 922(t)(5) or 924(p), effective:
 - 15 calendar days after receipt of this notice, or _____
 - license is suspended for _____ calendar days, effective _____, pursuant to 18 U.S.C. § 922(t)(5) or 924(p).
 - licensee is fined \$ _____, payment due: _____ pursuant to 18 U.S.C. § 922(t)(5) or 924(p).

If, after the hearing and receipt of these findings, you are dissatisfied with this action you may, within 60 days after receipt of this notice, file a petition pursuant 18 U.S.C. § 923(f)(3), for judicial review with the U.S. District Court for the district in which you reside or have your principal place of business. If you intend to continue operations after the effective date of this action while you pursue filing for judicial review or otherwise, you must request a stay of the action from the Director of Industry Operations (DIO), Bureau of Alcohol, Tobacco, Firearms and Explosives, at 2501 S. State Highway 121 Suite 300A Convergence Building Lewisville Texas 75067 prior to the effective date of the action set forth above. You may not continue licensed operations unless and until a stay is granted by the DIO.

Records prescribed under 27 CFR Part 478 for the license described above shall either be delivered to ATF within 30 days of the date the business is required to be discontinued or shall be documented to reflect delivery to a successor. See 18 U.S.C. 923(g)(4) and 27 CFR § 478.127.

After the effective date of a license denial of renewal, revocation, or suspension, you may not lawfully engage in the business of dealing in firearms. Any disposition of your firearms business inventory must comply with all applicable laws and regulations. Your local ATF office is able to assist you in understanding and implementing the options available to lawfully dispose of your firearms business inventory.

Date 06/28/2022	Name and Title of Bureau of Alcohol, Tobacco, Firearms and Explosives Official Kristina Babcock, Director, Industry Operations	Signature KRISTINA BABCOCK	Digitally signed by KRISTINA BABCOCK Date: 2022.06.28 08:17:15 -07'00'
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I certify that, on the date below, I served the above notice on the person identified below by:

- Certified mail to the address shown below.
Tracking Number **7019 2970 0001^{or} 7136 4384**
- Delivering a copy of the notice to the address shown below.

Date Notice Served 6/28/22	Title of Person Serving Notice Investigative Analyst	Signature of Person Serving Notice (b)(6)
Print Name and Title of Person Served Paul McClarin, Licensee Responsible Person		

Address Where Notice Served
Dona Ana Munitions Ammo Reloading & Supplies, LLC
6210 West Picacho Avenue, Las Cruces, New Mexico 88007

Note: Previous Edition is Obsolete



U.S. Department of Justice

**Bureau of Alcohol, Tobacco,
Firearms and Explosives**

Washington DC

www.atf.gov

IMPORTANT NOTICE

Selling Firearms AFTER Revocation, Expiration, or Surrender of an FFL

Former Federal Firearms licensees (FFLs) who continue to sell firearms after the revocation, expiration, or surrender of their license are subject to the same rules as persons who have never been licensed in determining whether they are "engaged in the business" of selling firearms without a license in violation of 18 U.S.C. § 922(a)(1)(A). Accordingly, former licensees who wish to dispose of any remaining business inventory must adhere to the following guidance:

Business inventory must be disposed of by the former FFL in a manner that, objectively, does not constitute being engaged in the business of dealing in firearms using the same facts and circumstances test that would apply to persons who have never been licensed.

The preferred manner of disposition is for the former licensee to:

- Arrange for another FFL to purchase the business inventory (and other assets) of the business; or
- Consign the inventory to another FFL to sell on consignment, or at auction.

Should a former FFL decide against those options, he/she should be aware that future sales - whether from his/her personal firearms collection or otherwise - will be evaluated for a potential violation of 18 U.S.C. § 922(a)(1)(A), just as would occur with a person who had never been licensed.

If a former FFL is disposing of business inventory, the fact that no purchases are made after the date of license revocation, expiration, or surrender does not immunize him/her from potential violations of 18 U.S.C. § 922(a)(1)(A). Instead, business inventory acquired through repetitive purchases while licensed are attributed to the former FFL when evaluating whether subsequent sales constitute engaging in the business of dealing in firearms without a license.

ATF remains committed to assisting former licensees in complying with Federal firearms laws. If you have questions, please contact your local ATF office.

(b)(6)

**Deputy Assistant Director (Industry Operations)
Field Operations**

Background

Dona Ana Munitions Ammo Reloading and Supplies, LLC (“Licensee”) holds Federal firearms license 5-85-013-01-3H-01573 as a dealer in firearms other than destructive devices issued by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) pursuant to the Gun Control Act of 1968 (GCA), as amended, 18 U.S.C. Chapter 44, and the regulations issued thereunder, 27 C.F.R. Part 478.

On January 20, 2022, ATF issued a Notice to Revoke or Suspend License and/or Impose a Civil Fine, ATF Form 4500 (5300.4) (Notice to Revoke) to Licensee. By letter dated January 31, 2022, Licensee timely requested a hearing to review that Notice.

The hearing occurred on March 31, 2022, at ATF’s El Paso Field Office. ATF Director, Industry Operations (DIO), Phoenix Field Division, Kristina Babcock conducted the hearing. ATF was represented by Dallas Division Counsel (b)(6). ATF Industry Operations Investigators (IOIs) (b)(6) appeared as witnesses for ATF. Licensee Responsible Person (RP) Paul McClarin was present at the hearing and represented Licensee. Court reporter (b)(6) was also present virtually and transcribed the hearing. Both the Government and Licensee offered testimony and the Government offered exhibits. The testimony and exhibits introduced at the hearing constitute the record in this proceeding.

Findings of Fact

Having reviewed the record in this proceeding, I make the following findings:

1. ATF first issued a Federal firearms license to Licensee in 2011. Subsequently, ATF conducted compliance inspections of Licensee in 2013, 2015, 2017 and 2019. ATF issued a Report of Violations to Licensee following each of these compliance inspections. The laws and regulations issued under the GCA were reviewed with Licensee RP Paul McClarin as part of the compliance inspections as evidenced by his signature on Acknowledgment of Federal Firearms Regulations forms dated January 2014, April 2015, August 2017 and February 2019.
2. As a result of the 2013 and 2017 inspections, Licensee RP Paul McClarin attended warning conferences with ATF Area Supervisor (b)(6). The Warning Conferences occurred on February 27, 2014, and October 11, 2017. At each warning conference, the violations cited from the related inspection and proposed corrective actions were reviewed. Following each warning conference, ATF sent a letter to Licensee stating, “any future violations, either repeat or otherwise, could be viewed as willful and may result in renovation of your license.”
3. Following both the 2015 and 2019 inspections, Licensee received a warning letter from ATF. Each letter stated in part that, “any future violations, either repeat or otherwise, could be viewed as willful and may result in renovation of your license.”

4. On August 2, 2021, ATF initiated a compliance inspection of Licensee. The violations uncovered during that inspection formed the basis of the Notice to Revoke in this case. Specifically, the Notice to Revoke alleged the Licensee willfully:

- Transferred [REDACTED] handguns on [REDACTED] occasion to an unlicensed person who Licensee knew or had reasonable cause to believe did not reside in the state in which Licensee's place of business or activity was located in violation of 18 U.S.C. § 922(b)(3) and 27 C.F.R. § 478.99(a).
- Failed to record the acquisition and disposition of [REDACTED] firearms in violation of 18 U.S.C. § 923(a)(1)(A) and C.F.R. § 478.125(e);
- Transferred firearms to an unlicensed person on two occasions involving [REDACTED] firearms without first contacting the National Instant Criminal Background Check System (NICS) in violation of 18 U.S.C. § 922(t) and 27 C.F.R. § 478.102(a);
- Transferred a firearm to an unlicensed person after receiving a delayed response when conducting a NICS and failed to wait three business days before allowing the transfer in violation of 18 U.S.C. § 922(t)(5) and 27 C.F.R. § 478.102(a)(2)(ii);
- Failed to timely and accurately report the sale or other disposition of two or more pistols and/or revolvers to an unlicensed person on [REDACTED] occasions in violation of 18 U.S.C. § 923(g)(3)(A) and 27 C.F.R. § 478.126a;
- Failed to timely and accurately report the sale or other disposition of two or more semiautomatic rifles in violation of 18 U.S.C. § 923(g)(5)(A) and 27 C.F.R. § 478.126;
- Transferred a firearm to an unlicensed person on [REDACTED] occasions without recording the transaction on a Firearms Transaction Record, ATF Form 4473, in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(a);
- Transferred a firearm to an unlicensed person on [REDACTED] occasions without verifying the identity of the transferee by examining the identification document presented and noting the type on a Form 4473 in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(i);
- Transferred a firearm on [REDACTED] occasions to an unlicensed person without recording the date the Licensee contacted NICS, any response provided by the system and/or any identification number provided by the NICS system on the Form 4473 in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(3)(iv);

- Failed to completely and/or accurately identify a firearm to be transferred on a Form 4473 in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(4);
 - Failed to sign and/or date the Form 4473 on (b)(3) (12 Public Law 55 125 Stat 552) occasions certifying Licensee does not know or have reason to believe the transferee is disqualified by law from receiving the firearm described on the Form 4473 in violation of 18 U.S.C. § 923(g)(1)(A) and 27 C.F.R. § 478.124(c)(5);
 - Failed to obtain/execute a completed Form 4473, as indicated by the headings on the form and the instructions on or pertaining to the form in violation of 18 U.S.C. § 922(m) and 27 C.F.R. § 478.21(a).
5. During the hearing, Licensee RP Paul McClarin admitted that all of the violations detailed in the Notice to Revoke occurred but argued that such violations were not committed willfully.
6. After review of the record in this matter, I find that the facts as set forth in the Notice of Revocation occurred.
7. Evidence entered into the record at the administrative hearing also revealed that ATF previously cited Licensee with violating a number of these same regulations during previous inspections. In this regard, ATF cited Licensee with the following violations in prior inspections:
- (a) 27 C.F.R. § 478.99(a) – 2015 inspection
 - (b) 27 C.F.R. § 478.125(e) – 2013, 2015 and 2019 inspections
 - (c) 27 C.F.R. § 478.102(a) – 2013 inspection
 - (d) 27 C.F.R. § 478.126a – 2017 and 2019 inspections
 - (e) 27 C.F.R. § 478.124(c)(3)(i) – 2013, 2015 and 2017 inspections
 - (f) 27 C.F.R. § 478.124(c)(3)(iv) – 2013, 2015, 2017 and 2019 inspections
 - (g) 27 C.F.R. § 478.124(c)(4) – 2013 and 2017 inspections
 - (h) 27 C.F.R. § 478.124(c)(5) – 2013, 2015, 2017 and 2019 inspections
 - (i) 27 C.F.R. § 478.21(a) – 2013, 2015, 2017 and 2019 inspections

Conclusions of Law

1. Pursuant to the GCA, ATF may, after notice and opportunity for hearing, revoke a Federal firearms license if the licensee has willfully violated any provision of the GCA or the regulations issued thereunder. 18 U.S.C. § 923(e); 27 C.F.R. § 478.73.
2. For purposes of the regulatory provisions of the GCA, a “willful” violation is committed when a licensee knows of its legal obligations and purposefully disregarded or was plainly indifferent to those requirements. *CEW Props. v. United States DOJ*, 979 F.3d

1271, 1273 (10th Cir. 2020); *Borchardt Rifle Corp. v. Cook*, 684 F.3d 1037 (10th Cir. 2012).

3. Having established that Licensee violated the GCA and the regulations issued thereunder, it must be determined whether such violations were willfully committed. For the reasons stated below, I conclude that Licensee's conduct constitutes willful violations.
4. The evidence and testimony presented at the hearing reveals that the Licensee understood the requirements concerning transfers of handguns to out-of-state residents, conducting background check prior to the transfer of a firearm to an unlicensed person, reporting multiple handgun sales, recording the transfer of a firearm to an unlicensed person on properly executed ATF Form 4473, and proper completion of acquisition and disposition records. In this regard, ATF cited Licensee with similar violations, discussed those violations and reviewed the applicable laws and regulations with Licensee RP Paul McClarin during the 2013, 2015, 2017 and 2019 compliance inspections. Licensee also received warning letters from ATF following the 2015 and 2019 inspections and Mr. McClarin attended warning conferences with ATF following the 2013 and 2017 inspections which addressed the violations uncovered and proposed corrective actions. Significantly, ATF advised Mr. McClarin on multiple occasions that future violations, repeat or otherwise, could result in revocation.
5. Despite the fact that Licensee understood its responsibilities under the GCA, the evidence reveals that Licensee was plainly indifferent to, or purposefully disregarded the firearms laws and regulations in eleven of the twelve violations cited in the Notice to Revoke. However, while I find that Licensee failed to report the sale or other disposition of two or more semiautomatic rifles (Notice to Revoke, Violation 6), I conclude that this violation did not rise to the level of willfulness required for revocation. By contrast, I conclude that the remaining eleven violations listed in the Notice to Revoke rise to the level of willfulness required for revocation.
6. As such, I conclude that Licensee willfully violated the provisions of the GCA and the regulations issued thereunder. Accordingly, as provided by 18 U.S.C. § 923(e) and 27 C.F.R. § 478.73, the Federal firearms license held by Dona Ana Munitions Ammo Reloading and Supplies, LLC is hereby REVOKED.

Dated this 23rd day of June, 2022

(b)(6)

Kristina Babcock
Director, Industry Operations
Phoenix Field Division
Bureau of Alcohol, Tobacco, Firearms and Explosives
United States Department of Justice