

HOUSE CONSUMER AND PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 114

**56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO TRADE PRACTICES; ENACTING THE FIREARM INDUSTRY ACCOUNTABILITY ACT; REQUIRING REASONABLE CONTROLS AND PROCEDURES; PROVIDING FOR A PUBLIC NUISANCE WHEN FIREARM INDUSTRY MEMBERS FAIL TO EXERCISE REASONABLE CONTROLS AND PROCEDURES; PROVIDING PRIVATE REMEDIES; PROVIDING A CIVIL PENALTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

.227484.1AIC February 1, 2024 (11:06am)

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SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be cited as the "Firearm Industry Accountability Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Firearm Industry Accountability Act:

A. "firearm" means a weapon that is designed to or may readily be converted to expel a projectile by the action of an explosion or the frame or receiver of any such weapon, including a handgun, rifle or shotgun;

B. "firearm industry member" means a person engaged in the sale, manufacturing, making, importing HJC→, ←HJC HJC→ or ←HJC distribution HJC→, ~~advertising or marketing~~ ←HJC of a firearm product; and

C. "firearm product" means a firearm, firearm component, firearm accessory, ammunition or any other product sold for use as part of a firearm that is:

- (1) sold, made, manufactured, distributed, advertised or marketed in this state;
- (2) intended to be sold, made, manufactured, distributed, advertised or marketed in this state; or
- (3) possessed or used in this state or that is likely to be possessed or used in this state.

SECTION 3. [NEW MATERIAL] REASONABLE CONTROLS AND PROCEDURES REQUIRED.--A firearm industry member shall establish and implement reasonable controls and procedures regarding the sale, manufacturing, making, importing, distribution, use,

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advertising and marketing of a firearm product to:

A. prevent the loss or theft of a firearm product from a firearm industry member;

B. ensure that a firearm industry member complies with the provisions of federal and state laws and does not promote the unlawful sale, manufacturing, making, importing, distribution, use, advertising or marketing of a firearm product; and

C. prevent the unlawful or fraudulent sale or distribution of a firearm product to a person who:

(1) conceals or intends to conceal that the purchase of a firearm product is being made on behalf of a third party, including a firearm product purchase made in exchange for services or something of value, and not including a bona fide gift to a person who is not prohibited by law from possessing or receiving a firearm product;

(2) acquires or transfers or who attempts to acquire or transfer a firearm product for purposes of unlawful commerce;

(3) is prohibited from possessing a firearm under federal or state law; or

(4) a firearm industry member has reasonable cause to believe is at risk of using a firearm product to cause imminent harm to the person's self or others.

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**SECTION 4. [NEW MATERIAL] FAILURE TO EXERCISE REASONABLE CONTROLS AND PROCEDURES AS A PUBLIC NUISANCE--REMEDIES FOR VIOLATIONS--CIVIL PENALTIES--PRIVATE REMEDIES.--**

A. It is a public nuisance for a firearm industry member to knowingly or recklessly fail to exercise reasonable controls and procedures regarding the sale, manufacturing, making, importing, distribution, use, advertising and marketing of a firearm product.

B. The attorney general or a district attorney may bring a civil action by verified complaint to abate a public nuisance described in this section. In such an action, the court may abate the nuisance and also may award a civil penalty to the state not exceeding five thousand dollars (\$5,000) for each violation of this section.

C. A private citizen may bring a civil action by verified complaint to abate a public nuisance described in this section. A private citizen may also bring a civil action to recover actual or punitive damages against a firearm industry member as a result of a failure to exercise reasonable controls and procedures regarding the sale, manufacturing, making, importing, distribution, use, advertising and marketing of a firearm product. The court shall award costs and reasonable attorney fees to a private citizen who prevails in establishing a violation of this section.

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D. The relief provided in this section is in addition to remedies otherwise available against the same conduct under federal and state law.

E. Documentary material relating to the establishment and implementation of reasonable controls and procedures regarding the sale, manufacturing, making, importing, distribution, use, advertising and marketing of a firearm product in the possession of a firearm industry member shall be made available for inspection upon written demand of the attorney general or a district attorney.

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