From page 12, line 16, through page 15, line 6, by deleting Section 16 in its entirety, and inserting in place thereof:

"Section 16. KRS 16.220 is amended to read as follows:

(1) Subject to the duty to return confiscated firearms to innocent owners pursuant to KRS 500.090, all firearms confiscated by the Department of Kentucky State Police and not destroyed pursuant to subsection (2) of this section or retained for official use pursuant to KRS 500.090 shall be sold at public auction to federally licensed firearms dealers holding a license appropriate for the type of firearm sold.

(2) At the request of the victim of a homicide committed with the firearm, the Department of Kentucky State Police shall destroy the firearm and shall not sell the firearm at auction.

(3) Any provision of KRS Chapter 45 or 45A relating to disposition of property to the contrary notwithstanding, the Department of Kentucky State Police shall:

(a) Conduct any auction specified by this section;

(b) Retain for departmental use twenty percent (20%) of the gross proceeds from any auction specified by this section; and

(c) Transfer remaining proceeds of the sale to the account of the Kentucky Office of Homeland Security for use as provided in subsection (4) of this section;

(d) Pursuant to a request under subsection (2) of this section, destroy the firearm.
Prior to the sale of any firearm, the Department of Kentucky State Police shall make an attempt to determine if the firearm to be sold has been stolen or otherwise unlawfully obtained from an innocent owner and return the firearm to its lawful innocent owner, unless that person is ineligible to purchase a firearm under federal law.

The Department of Kentucky State Police shall receive firearms and ammunition confiscated by or abandoned to every law enforcement agency in Kentucky. The department shall dispose of the firearms received in the manner specified in subsection (1) to (3) of this section. However, firearms which are not destroyed pursuant to subsection (2) of this section, retained for official use, returned to an innocent lawful owner, or transferred to another government agency or public museum shall be sold as provided in subsections (1) and (3) of this section.

The proceeds of firearms sales shall be utilized by the Kentucky Office of Homeland Security to provide grants to city, county, charter county, unified local government, urban-county government, and consolidated local government police departments; university safety and security departments organized pursuant to KRS 164.950; school districts that employ special law enforcement officers as defined in KRS 61.900; and sheriff’s departments for the purchase of:

(a) Body armor for sworn peace officers of those departments and service animals, as defined in KRS 525.010, of those departments;
(b) Firearms or ammunition;
(c) Electronic control devices, electronic control weapons, or electro-muscular disruption technology; and
(d) Body-worn cameras.

In awarding grants under this section, the Kentucky Office of Homeland Security shall give first priority to providing and replacing body armor and second priority to providing
firearms and ammunition, with residual funds available for the purchase of body-worn cameras, electronic control devices, electronic control weapons, or electro-muscular disruption technology. Body armor purchased by the department receiving grant funds shall meet or exceed the standards issued by the National Institute of Justice for body armor. No police or sheriff's department shall apply for a grant to replace existing body armor unless that body armor has been in actual use for a period of five (5) years or longer. Any department applying for grant funds for body-worn cameras shall develop a policy for their use and shall submit that policy with its application for the grant funds to the Office of Homeland Security as part of the application process.

(7)[(5)] The Department of Kentucky State Police may transfer a machine gun, short-barreled shotgun, short-barreled rifle, silencer, pistol with a shoulder stock, any other weapon, or destructive device as defined by the National Firearms Act which is subject to registration under the National Firearms Act and is not properly registered in the national firearms transfer records for those types of weapons, to the Bureau of Alcohol, Tobacco, and Firearms of the United States Department of Justice, after a reasonable attempt has been made to transfer the firearm to an eligible state or local law enforcement agency or to an eligible museum and no eligible recipient will take the firearm or weapon. National Firearms Act firearms and weapons which are properly registered and not returned to an innocent lawful owner, destroyed pursuant to subsection (2) of this section, or retained for official use as provided in this section shall be sold in accordance with subsection (1)[to properly licensed dealers under subsection (3)] of this section.

(8) As used in this section, "victim" shall have the same meaning as in KRS 421.500."