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**MAYOR BLOOMBERG ANNOUNCES THREE MORE GUN DEALERS NAMED IN
NEW YORK CITY LAWSUITS HAVE SETTLED WITH CITY**

12 of the 27 Dealers Have Agreed to Special Master Oversight, Strict Parameters for Monitoring Dealer Records and Inventories, and a Penalty Structure for Future Violations

Mayor Michael R. Bloomberg today announced that three additional gun dealers named in the New York City lawsuits against dealers caught violating federal law have agreed to settlements with the City. This brings the total number of gun dealer settlements to 12, which is close to half of the 27 dealers named in the two lawsuits. These 27 dealers accounted for an inordinate number of guns used in crimes in the five boroughs. Hot Shots Jewelry & Pawn of Marietta, Georgia; Miller Rod & Gun of Youngstown, Ohio; and Dick's Pawn of North Myrtle Beach, South Carolina have all agreed to settlements providing for a Special Master selected by the City and appointed by the Court to monitor their firearms sales activities. They have each also agreed to submit to close monitoring of their records and inventory, which may include videotaping of their sales activities and continued undercover surveillance. The Special Master will ensure that each dealer is in full compliance with all laws regulating the sales and purchase of firearms. The agreements reached with these three dealers mirror those reached with previous dealers named in the New York City lawsuits filed on May 15 and December 7, 2006 and currently pending in the Federal District Court for the Eastern District of New York. All three of the settlements announced today are with dealers who were named in the second lawsuit.

"We targeted dealers whose guns kept appearing in the hands of criminals," said Mayor Bloomberg. "Some of those dealers sold to our undercover investigators in violation of federal law. That's how illegal guns end up on our streets, and that has to stop. By agreeing to this settlement, these three dealers have decided to become part of the solution. Law abiding dealers have nothing to fear from this agreement, and we hope others will follow their lead. The gun lobby can keep turning up its rhetoric, but we're going to keep making real progress in protecting New Yorkers."

"As we were painfully reminded again last week with the shooting deaths of two auxiliary police officers, guns used in crimes in New York typically originate in purchases made out-of-state," said Police Commissioner Raymond W. Kelly. "It was also a painful reminder as to why the Mayor's efforts to hold dealers accountable is so important."

“These ongoing settlements verify the effectiveness of the Mayor's approach to reducing gun violence,” said Corporation Counsel Michael A. Cardozo. “We anticipate an ongoing positive working relationship with these dealers – and we hope to reach future agreements with the additional companies.”

As part of the agreement, a Special Master will be appointed and paid for by the City. The Special Master will have broad powers to monitor the gun dealers, including unlimited review of firearms-related records, which include trace requests and multiple handgun sale reports, as well as the ability to conduct unrestricted inspections of all firearm inventories. Employees will receive enhanced training to ensure they conduct firearm sales and identify and refuse to sell to straw purchasers.

“The fact that three more dealers have settled with New York City once again underscores the effectiveness of our litigation strategy,” John Feinblatt, the Mayor’s Criminal Justice Coordinator. “New York City is the safest big city in the nation. We did not earn that distinction by taking a passive approach to crime. Nor will we in the future. I would like to thank the dealers who have settled with the City for their good faith and willingness to work together.”

The agreement also establishes a penalty structure for non-compliance – including straw sales and other violations of federal, state or local firearms laws. Fines vary under each agreement but increase after each violation, up to the third violation. The agreements will expire after three consecutive years without a reported violation. At least every three months, the Special Master will certify whether the dealers have met their obligations.

The gun dealers in the lawsuits sold guns in violation of federal and state statutes. The lawsuit asked that the Court appoint a Special Master to monitor the dealers and require them to submit to enhanced training. The dealers were targeted because of the number of New York City crime guns that were traced back to them.

The City’s lawsuits are based on gun trace data – information that allows the authorities to know when, where, and to whom a gun was first sold. About one percent of all gun dealers account for about 60 percent of all traces of guns used in crimes. Trace data is a critical tool for police departments and cities in their efforts to crack down on illegal gun trafficking, and yet since 2003, the federal government has restricted access to the use of trace data. These restrictions – commonly known as the “Tiahrt Amendments” – are opposed by a growing number of mayors and law enforcement bodies, including the coalition of Mayors Against Illegal Guns and the International Association of Chiefs of Police.

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