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**MAYOR BLOOMBERG ANNOUNCES UNPRECEDENTED SETTLEMENT GRANTING
APPOINTMENT OF A SPECIAL MASTER TO OVERSEE
TWO GEORGIA GUN DEALERS NAMED IN NEW YORK CITY LAWSUIT**

*Less Than Three Months After Announcing Federal Lawsuit Against 15 Gun Dealers,
Landmark Agreement is Reached with Two Dealers in Georgia*

*Settlement Outlines Broad Oversight of Gun Dealers by a Special Master,
Sets Strict Parameters for Monitoring Dealer Records and Inventories and
Sets Forth Penalty Structure for Future Violations*

Mayor Applauds Two Dealers for Doing the Right Thing and Calls on Others to Join Them

Less than three months after announcing a groundbreaking lawsuit against 15 gun dealers in five states that sold guns illegally, Mayor Michael R. Bloomberg, joined by Corporation Counsel Michael A. Cardozo, Police Commissioner Raymond W. Kelly and Criminal Justice Coordinator John Feinblatt, today announced that two of those gun dealers have agreed to a landmark settlement – providing for a Special Master selected by the City and appointed by the court to monitor their firearms sales activities. A-1 Jewelry and Pawn, Inc., of Augusta, Georgia and AAA Gun & Pawn Brokers of Hephzibah, Georgia have both 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. No other city or state has ever won such an agreement. A-1 Jewelry and Pawn and AAA Gun & Pawn were among the 15 gun dealers named in the New York City lawsuit filed on May 15 and currently pending in the Federal District Court for the Eastern District of New York.

“As I’ve said many times before, New York City wants gun dealers to play by the rules,” said Mayor Bloomberg. “The landmark agreement reached today sends a message that the reckless sale of firearms will not be tolerated. With increased monitoring and accountability, we’ll make sure that these guns don’t end up on New York City streets. These two gun dealers have stepped up and done the right thing to ensure that their guns don’t fall into criminal hands. I applaud them for their actions and hope that others will follow their lead.”

“The agreement between the City and A-1 Jewelry and Pawn and AAA Gun & Pawn Brokers demonstrates that litigation like that brought by the City can produce constructive results,” said Corporation Counsel Cardozo. “The City has obtained substantially stronger monitoring of sales and better dealer education, at no cost to the dealer. Both sides will benefit – the dealers will receive training in preventing gun trafficking, and the City will be protected from gun traffickers, with penalties on the dealers if they fail to comply with the agreement.”

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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 these dealers conduct legal firearm sales and more readily identify straw purchasers.

The agreement also establishes a penalty structure for non-compliance – including straw sales and other violations of federal, state or local firearms laws. Each dealer will post a \$5,000 bond. Fines incurred by each violation will be deducted from the bond – with the added requirement that the dealer replenish the original bond amount.

First Violation	\$1,000
Second Violation	\$2,000
Third Violation	\$5,000

The agreements will expire after three consecutive years without a reported violation. At the end of each year, the special master will certify whether the dealers have met their obligations. If the dealers go two years and then re-lapse, the three-year clock will be re-set.

“Today’s historic settlement is a victory for all New Yorkers,” said Criminal Justice Coordinator Feinblatt. “These two gun dealers are placing their businesses under a microscope. They have come forward and vowed to join the ranks of the vast majority of dealers who play by the rules. This settlement proves that our effort to hold dealers accountable has never been about the Second Amendment. It’s about keeping New Yorkers safe.”

“More than 90% of the guns used to commit crimes in New York City come from out of state, often through straw purchases,” said Commissioner Kelly. “This iron pipeline kills people, including New York City Police Officers engaged in protecting the public. The City shouldn’t have to sue to reach such settlements, but it’s left little choice in the absence tougher national restrictions on gun trafficking.”

The 15 gun dealers named in the lawsuit are located in five states – Georgia, Ohio, Pennsylvania, South Carolina and Virginia. The gun dealers in the lawsuit 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 15 dealers were targeted because of the large number of New York City crime guns that were traced back to them. Based only on the incomplete data currently available to the City due to federal restrictions, more than 500 crime guns recovered in New York City were traced to these 15 gun dealers between 1994 and 2001.

Illegal Gun Agenda

Mayor Bloomberg has made stopping the flow of illegal guns an important priority in his second term. To that end, he is using a comprehensive three-pronged approach of stronger enforcement, tougher legislation and innovative litigation to combat illegal guns.

Last week, the Mayor signed four bills into law that include tough new measures that will help keep guns out of the hands of criminals, prevent under-the-table sales and require those convicted of a gun crime to check in with the NYPD after they have been released from prison and ban real guns from being painted to look like toy guns. In June, the State Legislature increased the mandatory minimum sentence for illegal possession of a loaded handgun to 3 ½ years, and eliminated the loophole that allowed judges far too much discretion in sentencing – changes the Mayor had called for in his State of the City Address last January.

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Other enforcement efforts include creating specialized Gun Courts, which have resulted in longer sentences for gun offenders, working to introduce gun shot detection cameras that will discourage the use and possession of illegal guns, and establishing a “debriefing” protocol for every felony gun defendant, which is helping law enforcement agencies learn more about the identities of gun traffickers.

The Mayor is also fighting federal legislation that would protect irresponsible gun dealers by limiting access to trace data and bar its introduction in civil suits like this one, preventing law enforcement agencies from holding gun dealers fully accountable.

Recognizing that illegal guns are a national problem requiring national leadership, Mayor Bloomberg, together with Boston Mayor Thomas Menino, last April hosted a Mayors’ Summit on Illegal Guns that was attended by more than a dozen mayors from across the nation, from Seattle to Dallas to Philadelphia. The nonpartisan group of mayors discussed cutting-edge policing and legal strategies, identified opportunities for greater coordination in combating the flow of illegal guns, and signed a statement of principles to guide their efforts going forward. In June, the Mayor announced that more mayors from across the country had joined in this effort, and now the total number of mayors in the coalition is more than 80.

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