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**MAYOR BLOOMBERG ANNOUNCES FINAL SETTLEMENT IN
GROUNDBREAKING LITIGATION AGAINST GUN DEALERS CAUGHT SELLING
IN APPARENT VIOLATION OF FEDERAL LAW**

Final Settlement Mirrors Responsible Firearms Retailer Partnership Developed by Wal-Mart & Mayors Against Illegal Guns

After Two Years, Successful Litigation Concludes with Dealers Agreeing to Reform Sales Practices

Mayor Michael R. Bloomberg today announced that the last of the 27 dealers sued by New York City in 2006 for public nuisance has agreed to a settlement. The final dealer to settle, Bob Moates Sport Shop, Inc. of Midlothian, Virginia, has entered into an agreement that closely mirrors the terms of the Responsible Firearms Retailer Partnership, a collaborative project of the coalition of Mayors Against Illegal Guns and Wal-Mart. Key features of the Responsible Firearms Retailer Partnership include videotaping of sales activities; a computerized system to log crime gun traces; and the requirement that for sales flagged by the computerized system, purchasers must fill out a declaration indicating they meet the legal requirement to purchase a firearm. The City's groundbreaking litigation followed an undercover operation targeting dealers whose guns were most frequently recovered at crime scenes in New York City. The operation produced video evidence of dealers selling guns in apparent violation of federal law. Over the course of two years, 21 of the 27 dealers settled with the City, three defaulted and will have settlement terms imposed on them by the court and three were dismissed by agreement.

"We've made New York the safest big city in the nation by pioneering innovative new ways to target criminal activity, and our litigation to stop straw purchases hit the bulls-eye," said Mayor Bloomberg. "Our goal was never to put these dealers out of business; it was to improve compliance with federal laws. And as the data have already begun to show, the strategy has worked. The success of our litigation is particularly gratifying because it was inspired by the tragic murders of six New York City police officers who were gunned down in the line of duty in the span of less than three years. I promised their widows that we would do even more to stop the flow of illegal guns onto our streets, and this litigation, along with the tougher local and state laws we have passed and the national coalition of mayors we have formed, is helping us keep that promise. The litigation, along with the Responsible Firearms Retailer Partnership that Mayors Against Illegal Guns launched with Wal-Mart in April, is helping transform gun retailing

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across the country to protect lawful firearms sales, while preventing illegal sales to criminals and improving public safety.”

“There is no doubt that practices required by the settlements, like the one announced today, are helping keep New Yorkers and other Americans safer,” said John Feinblatt, the Mayor’s Criminal Justice Coordinator. “A Johns Hopkins study of seven dealers that settled with the City showed a 75 percent decrease in those dealers’ portion of crime guns that ended up in New York City shortly after being sold. On top of that, in 2007, we saw a 16 percent decrease in the number of crime guns coming to the City from the five states where we sued gun dealers.”

“We are pleased not only to bring to a close two years of litigation, but to be a part of an agreement that will continue to develop best practices for responsible gun sales,” said Michael A. Cardozo, Corporation Counsel. “Certainly most gun dealers do not want the guns they sell to be used in crimes, and we hope the practices developed as a result of this lawsuit will be adopted by gun stores nationwide.”

“The agreement is important because it forces gun dealers to recognize their responsibilities,” said Police Commissioner Raymond W. Kelly. “There’s a link between their accommodation of straw purchases and gun crime and the risk to police officers responding to it. New York City is made safe by police officers who risk their lives fighting crime. Anything that makes it harder for criminals to get guns helps safeguard the police and the City.”

The 10 points of the Responsible Firearms Retailer Partnership are:

- 1. Videotaping the Point of Sale for All Firearms Transactions.** Participating retailers will videotape the point-of-sale of all firearms transactions and maintain videos for 6 months to deter illegal purchases and monitor employees.
- 2. Computerized Crime Gun Trace Log and Alert System.** Mayors Against Illegal Guns will develop a computerized system that participating retailers will implement over time to log crime gun traces relating to the retailer. Once the program is in place, if a customer who has a prior trace at that retailer attempts to purchase a firearm, the sale will be electronically flagged. The retailer would have discretion to proceed with the sale or stop the sale.
- 3. Purchaser Declaration.** For sales flagged by the trace alert system, participating retailers will ask purchasers to fill out a declaration indicating that they meet the legal requirement to purchase the firearm.
- 4. Deterring Fake IDs.** Participating retailers will only accept valid federal- or state-issued picture IDs as primary identification. Retailers will utilize additional ID checking mechanisms.
- 5. Consistent Visible Signage.** Participating retailers will post signage created by the Responsible Firearms Retailer Partnership to alert customers of their legal responsibilities at the point-of-sale.

6. Employee Background Checks Employee Background Checks. Participating retailers will conduct criminal background checks for all employees selling or handling firearms.

7. Employee Responsibility Training. Participating retailers will participate in an employee responsibility training program focused on deterring illegal purchasers. The Responsible Firearms Retailer Partnership will create an online training system based on Wal-Mart's training program.

8. Inventory Checking. Participating retailers will conduct daily and quarterly audits. Guidelines will be based on Wal-Mart's existing audit procedures.

9. No Sales Without Background Check Results. Participating retailers would prohibit sales based on "default proceeds," which are permitted by law when the background check has not returned a result within 3 days.

10. Securing Firearms. Participating retailers will maintain firearms kept in customer accessible areas in locked cases or locked to racks.

The 27 gun dealers that were named in the two lawsuits are located in five states – Georgia, Ohio, Pennsylvania, South Carolina and Virginia. The gun dealers in the lawsuits sold guns in ways that are directly contrary to industry standards and apparently in violation of federal law. The dealers were targeted because of the large number of New York City crime guns that were traced back to them shortly after sale and the dealers' willingness to sell guns in a simulated "straw purchase" where one person buys a gun for another person who is legally barred from buying guns.

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