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S	98	2	4	2

U.S. Department of Justice

United States Attorney
Southern District of Florida

701 Clematis Street
West Palm Beach, FL 33401
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September 15, 1997

NEWS RELEASE: GUNSHOW INDICTMENTS

Thomas E. Scott, United States Attorney for the Southern District of Florida, James Wooten, Special Agent in Charge, Bureau of Alcohol, Tobacco & Firearms and Doyle Jourdan, Regional Director of the Florida Department of Law Enforcement, today announced the arrests of four defendants and the seizure of more than 440 firearms in one of the nation's first series of cases stemming from a state-wide investigation of the illegal sale of firearms at gun shows.

A federal grand jury in West Palm Beach late last week returned Indictments which were unsealed this weekend against MARCUS FRIEDMAN, 31, of Ft. Lauderdale, RON KRIEGER, 57, of Palm Bay, COLLETTE ALEXANDER, 45, of Melbourne and ALFREDO LIMA, 49, of West Palm Beach. In addition, ten search warrants were executed on a series of vehicles, residences and vendor booths at a West Palm Beach gun show which resulted in the seizure of 441 firearms. including four machine guns.

For the last two years, ATF and the Florida Department of Law Enforcement have conducted a state-wide investigation of the illegal sale of firearms at gun shows by "unlicensed" dealers who do not comply with the extensive regulatory scheme enforced by ATF. Licensed dealers are required to, among other things, collect taxes on gun sales, pay licensing fees, undergo a criminal background check, comply with a three day waiting period and complete paperwork for each sale.

The defendants were indicted on charges that they illegally sold firearms and related devices and routinely appeared at Florida gun shows without having obtained the proper licenses. Over the course of the last few months, agents approached these defendants in separate incidents at gun shows throughout the states and observed that they were selling in excess of 50 firearms at various gun shows. Other defendants offered to sell guns to undercover agents by either waive three day waiting period or by waiving the background check. In some instances, the defendants offered to sell the gun to undercover agents without background checks or by waiving the three day waiting period. In another instance, the defendants offered to sell firearms without charging revenue tax or without completing any of the required paperwork.

As part of the investigation, all of these defendants was warned that their conduct could be in violation of federal law and told to obtain a federal firearms license.

"The federal regulatory scheme is intended to prevent prohibited persons from obtaining firearms and to create a paper trail of the sale and transfer of firearms, " said SAC James Wooten. "Unlicensed dealers stymie our efforts in tracing the historical ownership of a gun that has been sold and later recovered in a crime."

In Jacksonville, law enforcement arrested these three individuals in a series of related cases GERALD FAULKNER, WALTER GOLDEN, HOMER MCKINNEY.

The defendants appeared this morning before magistrates in Broward and Palm Beach County and were all released on bond. The investigation is on-going and additional arrests are expected.

The case is being prosecuted by Assistant U.S. Attorney Bruce Reinhart.

United States Attorney's Office
Southern District of Florida
500 Australian Ave., Suite 400
West Palm Beach, FL 33401

TO: *Susan Ginsburg*

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ORGANIZATION:

SUBJECT: *News Release: Gunshow Indictments*

DATE: *September 16, 1997*

worked in Enforcement

FROM: Bruce Reinhart
Assistant United States Attorney
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Briefing Paper
Firearms, Explosives and Arson Programs Division
September 11, 1997

Subject: ATF Policy on Gun Shows and Flea Markets
Purpose: To provide information on past, present, and future ATF policies and procedures regarding gun shows and flea markets.

In general, ATF's overall policy with respect to gun shows and flea markets is that most persons purchasing and/or selling firearms at these events are law-abiding citizens pursuing their interest in firearms. ATF's policy is to investigate only those persons who are identified specifically as engaged in criminal activity such as dealing in stolen or contraband firearms/ammunition; knowingly supplying firearms to criminals, terrorists, gangs, and juveniles; or dealing in such a willful and flagrant manner that it can be assumed that the firearms will work their way unrecorded into the hands of criminals, terrorists, gang offenders, and juveniles. While these policies reflect ATF's legal authority to regulate Federal firearms licensees (FFL), ATF has no direct legal authority in the Gun Control Act to regulate gun shows or flea markets.

ATF defines a **flea market** as a one-time or recurring event that provides a public exhibition, forum, or market place for general merchandise, second-hand articles, antiques, and other miscellaneous commercial goods where the primary purpose is the sale of merchandise other than firearms but whose merchandise may include new and/or used firearms, ammunition, and firearms accessories.

ATF defines a **gun show** as any exhibition of firearms, ammunition, and accessory items at a fairground, convention hall, or similar setting (e.g., local armory). Such shows are usually publicized as gun shows or are in connection with some other lawful activity such as a coin and gun show. The shows may be conducted under the auspices of a commercial venture or formalized by the national, State, or local associations/organizations of firearms collectors or individuals. They are often open to the public and an admission fee may be charged. Gun shows generally benefit those concerned by providing them with a common ground for the display of firearms, ammunition, and accessories in exchange for trade, purchase, or sale; or they may be devoted to the competitive or other sporting use of firearms in the community. A flea market is not a gun show. *(Defined in 27 CFR § 178.100 (b).)*

The procedures and guidelines under which the field operates to conduct enforcement activities at these events are contained in ATF O 3310.4B, Firearms Enforcement Program, chapters K and L. Chapter K deals specifically with FFL investigations, and chapter L deals specifically with gun shows, flea markets, and unlicensed firearms dealing.

Prior to March 16, 1994, special agents were required to obtain authorization from the Chief, Firearms Enforcement Division to "work" (this includes attending for observation or investigation) at a flea market or gun show. On March 16, 1994, ATF O 3310.4B, chapter K was modified, and now special agents are required to obtain authorization from the special agent in charge (SAC) of their field division to "work" at a flea market or gun show. To obtain such approval, a special agent must provide a written request listing the name and location of the event, the date and hours of operation, and the identity of the subject of the investigation. Without having a specific subject/target identified and SAC approval, special agents are prohibited from working at gun shows or flea markets. If the subject of the investigation is an FFL additional information is required to obtain an additional approval from the SAC of the field division.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
CASES HAVING PROFILE: GUN SHOW/FLEA MARKET
FOR THE PERIOD: FY95

FIELD DIVISION	<------ PROCESSING STATUS -------> CASES OPEN	CASES PROS	DEFENDANTS
BIRMINGHAM	1		
BOSTON	2		
CHARLOTTE	5		
CHICAGO	7	3	4
DALLAS	1	2	3
DETROIT	3	3	7
HOUSTON	3	4	11
KANSAS CITY	4	1	1
LOS ANGELES	4	3	4
LOUISVILLE	10	6	9
MIAMI	8	2	7
NASHVILLE	2	3	4
NEW YORK	1	1	1
PHILIDELPHIA	4	7	13
PHOENIX	7		
SAN FRANCISCO	4		
SEATTLE	2	1	1
TOTAL:	68	36	65

1997-09-25 10.14.20

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
CASES HAVING PROFILE: GUN SHOW/FLEA MARKET
FOR THE PERIOD: FY96

FIELD DIVISION	CASES OPEN	CASES PROS	DEFENDANTS
	<------ PROCESSING STATUS		------->
BALTIMORE	2	1	3
BIRMINGHAM	1		
BOSTON	2	2	3
CHARLOTTE	3	1	1
CHICAGO	3	1	1
DALLAS	12	2	4
HOUSTON	3	1	1
KANSAS CITY	5	1	3
LOS ANGELES	3	1	2
LOUISVILLE	8	1	2
MIAMI	5	2	3
NASHVILLE	2	1	1
NEW ORLEANS	2		
NEW YORK	2	1	7
PHILIDELPHIA		2	3
PHOENIX	2	1	2
SAN FRANCISCO	3		
SEATTLE	5		
WASHINGTON DC	2	2	3
TOTAL:	65	20	39

1997-09-25 10.16.57

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS
CASES HAVING PROFILE: GUN SHOW/FLEA MARKET
FOR THE PERIOD: FY97

FIELD DIVISION	<------ PROCESSING STATUS -------> CASES OPEN	CASES PROS	DEFENDANTS
ATLANTA	1		
BALTIMORE	2	1	2
BOSTON	1		
CHARLOTTE	2		
CHICAGO	4	1	1
DALLAS	4	5	7
DETROIT	2		
HOUSTON	11	6	11
KANSAS CITY	1	2	3
LOS ANGELES	4	1	2
LOUISVILLE	5	3	7
MIAMI	12	5	5
NASHVILLE	3		
NEW ORLEANS	6	3	7
PHOENIX	1	1	2
SAN FRANCISCO	1	1	1
SEATTLE	3	4	7
TOTAL:	63	33	55

U.S. Department of Justice
Office of Justice Programs
National Institute of Justice

NIJCDC National Institute of Justice
Centers for Disease Control and Prevention
Research Preview
Jeremy Travis, Director
April 1998

Predicting Criminal Behavior Among Authorized Purchasers of Handguns

Summary of a Presentation by Garen Wintemute, University of California—Davis

According to National Crime Victimization Survey data, approximately 1.2 million violent crimes were committed with a firearm in 1995. As one of many efforts to reduce violent crime, the Gun Control Act of 1968 bars specific groups of people from purchasing (or otherwise acquiring) firearms. The proscribed list includes those who have had a prior felony conviction or are under felony indictment, those who are addicted to narcotics, and those who are mentally ill. However, despite these denial criteria, most individuals known to have engaged in prior criminal activity are still able to purchase guns legally. For example, of the approximately 172,000 people who legally purchased a handgun in California in 1977, about 15 percent had a criminal record at the time of purchase.

The Centers for Disease Control and Prevention supported a recent study conducted by the Violence Prevention Research Program at the University of California–Davis that sought to identify better ways to predict the incidence of criminal activity among people who purchase handguns legally. Such information could be useful in further restricting access to guns by people who are at high risk for engaging in criminal activity.

Study design

Using data from the State of California's automated handgun purchase files, the researchers designed a longitudinal study of people 50 years old and younger who legally purchased a handgun in California in 1977. They accessed the State's criminal history records for the next 15 years (through 1991) to compare the criminal activity of two groups—those who had a criminal history at the time of the purchase (approximately 6,800 people) and those who did not (approximately 2,800 people). The size of each group was determined by the researchers to maximize statistical power. Most legal handgun purchasers in California have no criminal history at the time of purchase, even though the relative size of the samples suggests otherwise.

The researchers calculated how much more likely members of the group with a criminal history were to commit a crime than were members of the group without a criminal history ("relative risk"). They then identified and compared subgroups to isolate factors that might point to an increased risk of future criminal activity. These measures were controlled for intergroup differences in age, gender, and race or ethnicity.

Possible risk factors for criminal activity

Within 1 year of their handgun purchase, 13 percent of the criminal history group had been arrested for a new offense, compared with less than 2 percent of the group with no criminal history at the time of the purchase. By 15 years after the handgun purchase, almost 38 percent of the criminal history group had been arrested for a new offense, compared with less than 10 percent of the group with no criminal history. Overall, the adjusted relative risk was 3.7; that is, handgun purchasers with a criminal history at the time of the purchase were 3.7 times more likely to be charged with a subsequent offense than were purchasers with no criminal history.

The researchers examined the data in several ways. Contrary to their expectations, the relative risk of a new offense associated with a criminal history did not decrease with age. The relative risk for people under age 30 was 3.5; for those age 30 and over, 4.1. On the other hand, the younger groups committed new offenses at a rate approximately twice that for the older groups. For example, in the first 3 years following handgun purchase, for every 1,000 people under age 30 with one offense prior to the purchase, 65 new offenses were recorded each year; among those 30 and over with one prior offense, only 38 new offenses were recorded each year for every 1,000 people.

Relative risk did not vary significantly by gender. There was, however, some variance among races. When comparing the group with a criminal history and the group with no criminal history, the researchers found that nonblacks had a greater relative risk than blacks. This was in part because blacks with no criminal history had a higher subsequent arrest rate than did nonblacks with no criminal history.

The number of prior offenses seemed to be a significant factor in determining relative risk. For example, the relative risk that those who had been arrested for only one prior offense would be arrested for another offense within 3 years was 3.9; the relative risk in the same time period for individuals with two to four offenses was 6.7; for those with five or more prior offenses, the risk was 10.4. People with a history of multiple violent crime index offenses were at particularly high risk of being charged with new offenses of all types.

The researchers found that people with a history of a particular type of criminal activity (e.g., felonies) were at no greater risk of committing a new offense of that type than were persons with criminal histories involving only other offenses. There was one exception: People with previous firearm offenses were more likely to be charged with a subsequent firearm offense than were those charged only with other types of offenses. Offenders with no history of a violent offense were more likely to commit a violent offense during the first 3 years after handgun purchase than were people with no criminal history, but that difference faded over the 15-year followup period.

Implications for future research

Although this was a historical study, the findings are relevant to current efforts to reduce gun violence in the United States. The likelihood that a person with a criminal history would commit a subsequent offense was clearly related to the nature of that individual's criminal history, including the frequency of arrests. This principle has been well established in studies of recidivism among other populations. Although existing laws already prohibit certain groups from purchasing guns, further research might lead to an empirically based definition of a high-risk population: people who, by virtue of their criminal records, could be legally denied access to firearms.

This Research Preview is based on a presentation by Garen Wintemute, M.D., M.P.H., a practicing emergency medicine physician and Director of the Violence Prevention Research Program at the University of California–Davis. As part of NIJ's Research in Progress Seminar Series, Dr. Wintemute discussed his CDC-sponsored study (grant #R49/CCR903549) with an audience of researchers and criminal justice professionals and practitioners. A 60-minute VHS videotape, *Predicting Criminal Behavior Among Authorized Purchasers of Handguns,* is available for $19 ($24 in Canada and other countries). Please ask for NCJ 165585. Use the order form on the next page to obtain this videotape and any of the other tapes now available in the series.

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This publication is the result of collaboration between the Centers for Disease Control and Prevention and the National Institute of Justice. The effort represents a coming together of health and justice to address the critically important problem of violence. CDC funded the research for this study, and NIJ is disseminating it via this Research Preview and the accompanying video. Both agencies believe this collaboration will lead to greater effectiveness in tackling issues that are a concern from the public health and the public safety perspectives.

Background-check fees in NRA's sights

By Elizabeth A. Palmer
CONGRESSIONAL QUARTERLY

The National Rifle Association is trying to shoot down what it is calling a new federal gun tax — a fee that would help fund a system providing an instant background check of people who want to buy guns.

On Nov. 30, the five-day waiting period for the purchase of handguns mandated by the Brady Handgun Violence Prevention Act of 1993 will end. In its place, the government hopes to have up and running an instant-check system that will allow licensed gun dealers to quickly determine whether a customer has a criminal record that would disqualify him or her from purchasing a firearm.

Part of the instant-check plan developed by the FBI and the Justice Department would levy a "user fee" of $13 to $16 every time a gun dealer calls the National Instant Criminal Background Check System for information on a customer. The cost would most likely be passed on to the buyer.

"In simple terms, this would amount to a tax on your right to keep and bear arms!" said an NRA e-mail alert urging its members to lobby Congress to block the fee.

Rep. Bob Barr, Georgia Republican, the NRA's most loyal defender in the House, has introduced a bill that would prohibit imposition of any fee for the instant check. It also would bar federal, state or local agents involved in the instant-check process from retaining information about the purchase request for more than 24 hours if the customer is cleared to buy a gun. Plans by the FBI call for holding onto the data for as long as 18 months for cleared purchasers and for 10 years for people with a disqualifying criminal record.

For NRA supporters, this amounts to a government gun registry. "Gun registration is one of the major fears of gun owners everywhere. The federal government must never be allowed to keep records on who owns firearms in this country," Mr. Barr said in a "Dear Colleague" letter he began circulating last Wednesday.

In the Senate, the NRA is looking to one of its big guns for help: Ted Stevens, Alaska Republican, chairman of the Appropriations Committee.

Mr. Stevens, who has often gone to bat for the group in the past, could easily insert language into the fiscal 1999 Commerce-Justice-State appropriations bill blocking the Justice Department from levying any kind of instant-check fee. It is not yet clear whether he is prepared to take up the fight, however.

• *Distributed by Scripps Howard.*

The Washington Times
MONDAY, JUNE 8, 1998

Honor is common theme at war heroes' reunion

Elite group meets to recall exploits

SARATOGA SPRINGS, N.Y. (AP) — Everett Pope got his for bravery on a bloody Pacific island. Ron Rosser got his battling the Chinese in Korea. Drew Dix and Paul Bucha got theirs leading cut-off troops during Vietnam's Tet Offensive.

What they all have in common is the Medal of Honor, the military's highest award for bravery in battle. There are only 163 living recipients. About half of them gathered over the weekend to resume old friendships, remember fallen comrades and recall battlefields.

"There are people that I've met that I hold in absolute awe," said Mr. Bucha, president of the Medal of Honor Society. "They're a special breed."

The medal, first awarded during the Civil War, has gone to 3,407 men and one woman, a Civil War doctor.

Mr. Rosser, a retired Army paratrooper from Roseville, Ohio, recalled the first Medal of Honor Society convention after the group was formed 40 years ago. In attendance were people who earned their medals in the Spanish-American War and the Boxer Rebellion in China and U.S. military heroes like Douglas MacArthur, Eddie Rickenbacker and Audie Murphy.

"The only thing we have in common is the Medal of Honor," Mr. Dix, a retired Army major from Fairbanks, Alaska, said Friday. "We've got farmers and business people, we've got generals and privates — absolutely a cross-section of the country. That in itself has always amazed me."

Mr. Rosser freely talked about his exploits in January 1952, when his 170-man unit was nearly wiped out attacking a hill.

Others downplayed their exploits.

"We were told to capture a hill, and we did," said Mr. Pope, a Marine rifle company leader on the island of Peleliu in 1944. "I took 235 men ashore in my company, and eight of us walked out.

"We hope and we pray, literally, that there will be no more Medals of Honor awarded, because we hope and we pray there will be no more conflicts," Mr. Pope said. "We hope that we're the last of a vanishing breed."

Techies' feuds enrich lobbyists

Microsoft, rivals spend lots to win friends in Washington

By Doug Abrahms
THE WASHINGTON TIMES

LOBBYING CONGRESS

Computer companies Microsoft and Oracle spent more on lobbying last year, while Netscape and Sun Microsystems spent less.

Company	1996	1997
Microsoft Corp.	$1.1 million	$1.9 million
Netscape Communications Corp.	$960,000	$724,000
Sun Microsystems Inc.	$600,000	$420,000
Oracle Corp.	$600,000	$900,000

Source: House Legislative Resource Center

The Washington Times

The government's antitrust case against Microsoft Corp. may or may not be good for the computer industry, but it has turned into a minibonanza for Washington lobbyists.

Microsoft ramped up its lobbying spending to $1.9 million last year from $1.1 million in 1996 on numerous high-tech issues, including persuading federal officials not to pursue antitrust litigation against the software giant, according to filings at the House Legislative Resource Center. The company hired former Republican National Committee Chairman Haley Barbour as one of its lobbyists this year.

"It's pretty clear that Netscape and others were waging an all-out campaign to try and use the government as a weapon," said Mark Murray, a Microsoft spokesman. "We could not sit on the sidelines and watch as Netscape poisoned the environment against us."

The government is expected to announce another big antitrust case today, against computer chip maker Intel Corp.

Netscape Communications Corp. — Microsoft's main competitor for Internet browsers — spent about $724,000 lobbying government officials last year on myriad topics, including persuading the Justice Department to file an antitrust case against Microsoft. This is down from $960,000 in 1996.

Netscape also hired former Judge Robert Bork and former Senate Majority Leader Bob Dole this year to make its case that Microsoft is harming the computer industry.

"We raised the issue because we believe there were violations of the law," said Roberta Katz, Netscape's general counsel. "The general public has not understood that there was a monopoly on operating software" owned by Microsoft.

The Justice Department and 20 state attorneys general filed antitrust lawsuits against Microsoft last month, accusing the software giant of using illegal tactics to protect its monopoly over operating software on desktop computers, namely Windows.

Microsoft, which plans to fight the antitrust agency in federal court, said that it has not engaged in illegal activities, and that the Justice Department's antitrust case relies too heavily on competitors' complaints.

Sun Microsystems Inc. and Oracle Corp., two other Microsoft rivals, spent $1.3 million combined last year in lobbying. Bundled with Netscape, the three Microsoft opponents spent $2 million in lobbying last year, edging out Microsoft at $1.9 million.

Officials from the high-tech companies say they lobby on a host of issues — including data-scrambling, electronic commerce and copyright — besides pushing their antitrust causes.

"Almost everybody in town has gotten money from one group or the other," said David Boaz, executive vice president of the Cato Institute, a conservative think tank in Washington.

The case against Microsoft has not split into a Democrat-Republican issue so far. High-tech companies and their top executives have given campaign contributions to both sides of the political aisle.

Microsoft and Mr. Gates have been perceived in Washington as liberals or Democrats, said Mr. Boaz, who opposes the Justice Department's antitrust case against Microsoft.

Microsoft is fighting the government's attempt to meddle in the software industry, he said.

"The Republicans should be defending America's most dynamic company," he said. "In this case, I haven't seen that."

Microsoft has upped its political contributions lately. Microsoft donated about $240,000 in 1997 and 1998, with $204,000 going to the GOP and its candidates, according to Federal Election Commission records — about triple the amount Microsoft gave to politicians during 1995-96.

Sun Microsystems gave the Republican National Committee $2,000 in April, while Netscape did not contribute to either party in the past two years.

A big Democratic high-tech backer is Oracle, the large database company that competes with Microsoft in a few markets. Oracle pledged about $221,000 during 1997-98 to Democrats, up from $29,000 during the 1995-96 elections.

But the battle is starting to turn into a debate over the government's role in the high-tech sector.

"This case is about regulation. It's disguised as antitrust enforcement," Mr. Barbour said. "[The Clinton administration] is trying to regulate the technology industry through the back door."

The Washington Times

MONDAY, JUNE 8, 1998