

# FOIA MARKER

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**Collection/Record Group:** Clinton Presidential Records

**Subgroup/Office of Origin:** Communications

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**Subseries:**

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**OA/ID Number:** 7548

**FolderID:**

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**Folder Title:**  
Crime Bill [5]

**Stack:**  
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**Row:**  
**90**

**Section:**  
**4**

**Shelf:**  
**10**


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WHITE HOUSE STAFFING MEMORANDUM

*Wm*  
*Viola*

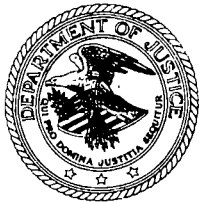
DATE: 12/2 ACTION/CONCURRENCE/COMMENT DUE BY: \_\_\_\_\_

SUBJECT: AG LETTER RE HIRING POLICE OFFICERS

	ACTION	FYI		ACTION	FYI
VICE PRESIDENT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	PASTER	<input type="checkbox"/>	<input type="checkbox"/>
McLARTY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	QUINN	<input type="checkbox"/>	<input type="checkbox"/>
NEEL	<input type="checkbox"/>	<input type="checkbox"/>	RASCO	<input type="checkbox"/>	<input checked="" type="checkbox"/>
PANETTA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	RUBIN	<input type="checkbox"/>	<input type="checkbox"/>
BAGGETT	<input type="checkbox"/>	<input type="checkbox"/>	SEGAL	<input type="checkbox"/>	<input type="checkbox"/>
EMANUEL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SEIDMAN	<input type="checkbox"/>	<input type="checkbox"/>
GEARAN 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STEPHANOPOULOS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GERGEN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	TYSON	<input type="checkbox"/>	<input type="checkbox"/>
GIBBONS	<input type="checkbox"/>	<input type="checkbox"/>	VARNEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HALE	<input type="checkbox"/>	<input type="checkbox"/>	WATKINS	<input type="checkbox"/>	<input type="checkbox"/>
HERMAN	<input type="checkbox"/>	<input type="checkbox"/>	WILLIAMS	<input type="checkbox"/>	<input type="checkbox"/>
LAKE	<input type="checkbox"/>	<input type="checkbox"/>	<u>REED</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LINDSEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
McGINTY	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
MYERS	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
NUSSBAUM	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS: NO RESPONSE NECESSARY

RESPONSE: \_\_\_\_\_



Office of the Attorney General  
Washington, D. C. 20530

1 26:40

November 29, 1993

The Honorable Bill Clinton  
President of the United States  
Washington, D.C. 20500

Dear Mr. President:

With all of the attention now being focused on the Crime Bills and specifically on hiring additional police officers, I am pleased to advise of you of the progress the Department of Justice is making towards distributing the \$150 million appropriated for police hiring.

These discretionary funds have been made available as a result of the supplemental appropriations bill you signed in July. We expect these funds to help pay for up to 2,100 additional officers. One-half of the money is available for jurisdictions with populations at or above 150,000; the other half is for the smaller jurisdictions. In this manner, we hope to ensure that small and rural jurisdictions as well as the largest metropolitan areas will ultimately benefit from having additional police officers.

We will make awards to jurisdictions that document a clear public safety and economic need and that plan to use the money to develop or expand their community policing efforts. Applications are being considered in three rounds; all applications must be received by December 1. We are planning a rolling awards process in which applications that are considered, but not funded in one round, will be reconsidered in later rounds. We expect the first award announcements to be made in late November; most will be made in December and early 1994. Additional program details are available from the attached Fact Sheet.

Summarized below are the Justice Department's most significant accomplishments and the current status of the applications/award process.

**PROGRAM IMPLEMENTATION**

- \* On August 30, I announced that the Department had widely disseminated the grant application kit, which included a telephone number potential applicants could call for technical assistance.

- \* Immediately after mailing out the grant application kits, the Bureau of Justice Assistance (BJA) began operating the telephone Response Center. This technical assistance line provides information to potential applicants about the Police Hiring Supplement Program and its requirements, as well as information about community policing. The Center has responded to about 3,000 callers from across the country, many of whom have expressed their appreciation at being able to call Washington and receive assistance.
- \* We established a reviewing system to ensure that every application would be scored fairly based on standard criteria. Employees from the Office of Justice Programs, in addition to their other responsibilities, have willingly and enthusiastically accepted this very manpower-intensive challenge of reviewing and processing an extraordinary volume of grant applications.

#### **STATUS OF APPLICATIONS**

- \* By the end of Round 2 (November 1), the Department received a total of 1,624 applications requesting federal funds to help hire (or rehire) more than 8,800 additional sworn law enforcement officers.
- \* Of the 1,624 applications received thus far, 91 percent (1,475) are from jurisdictions serving populations of 150,000 or less. More than half (921 or 57%) are from jurisdictions serving populations of less than 25,000. Eight (8) applications have been received from jurisdictions with populations of more than two million.
- \* Most applicants (80%) are municipal police departments, followed by county police and sheriffs (16%). The remaining four percent come from Indian tribes, consortia, special police, and state police.
- \* Local law enforcement agencies from every State have submitted applications. Attached is a summary table that lists the number of applications and the number of police requested from local agencies in each State.
- \* The number of officers requested ranges from 1 to 61, with an average of 4 in jurisdictions serving populations under 150,000, and an average of 23 in larger jurisdictions.
- \* About 12 percent of all applicants are requesting an increase in the Federal share.

Overall, we are struck by the genuine interest in and support for community policing. This support cuts across the spectrum of jurisdictions, regardless of size or the nature of their crime problem.

Respectfully,

A handwritten signature in cursive script, appearing to read "Janet Reno", written over the typed name.

Janet Reno

Attachments



# Department of Justice

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## POLICE HIRING SUPPLEMENT PROGRAM

### FACT SHEET

#### PROGRAM GOALS

- To increase the number of sworn law enforcement officers serving areas where they are needed most.
- To improve the long-term ability of law enforcement agencies to engage in community policing by deploying additional sworn law enforcement officers.
- To improve public safety through innovative crime prevention, including community policing.
- To hire additional law enforcement officers to increase sworn officer deployment and expand community policing designed to prevent crime, promote problem solving, and enhance public safety.
- To rehire law enforcement officers who have been laid off (as a result of state and local budget reductions) to increase sworn officer deployment and expand community policing.

#### FUNDING

- The \$150 million available for this program is part of the supplemental budget appropriation requested by President Clinton. \$75 million is available for jurisdictions at or above 150,000 population; \$75 million for those below 150,000.
- Grant funds are available only for the salaries and fringe benefits of hired or rehired sworn law enforcement officers over a three-year period. Funding for overtime costs is prohibited.
- The program will provide funding to hire up to 2,100 officers.

#### AWARD AMOUNTS

- \$1 million maximum for jurisdictions below 150,000 population.
- \$2 million maximum for jurisdictions between 150,000 and 749,999.
- \$3 million maximum for jurisdictions between 750,000 and 2 million.
- \$4 million maximum for jurisdictions above 2 million population.

#### FEDERAL SHARE

- Federal share per officer may not exceed the greater of: (1) 75 percent of the total salary and benefits over the life of the grant, up to a maximum of \$75,000; or (2) 50 percent of the total salary and benefits

POLICE HIRING SUPPLEMENT - CUMULATIVE STATUS REPORT  
 APPLICANTS BY STATE

PAGE 1 OF 3

DATE OF REPORT: 11/08/93

APPLICANTS BY STATE	ABOVE 150,000 POP.		BELOW 150,000 POP.		TOTAL	
	NUMBER	PERCENTAGE OF TOTAL	NUMBER	PERCENTAGE OF TOTAL	NUMBER	PERCENTAGE OF TOTAL
	2	1%	43	3%	45	3%
Alabama	1	1%	6	0%	7	0%
Alaska	6	4%	28	2%	34	2%
Arizona	1	1%	17	1%	18	1%
Arkansas	14	9%	89	6%	103	6%
California	2	1%	24	2%	26	2%
Colorado	0	0%	16	1%	16	1%
Connecticut	2	1%	6	0%	8	0%
Delaware	2	1%	0	0%	2	0%
District of Columbia	14	9%	57	4%	71	4%
Florida	3	2%	45	3%	48	3%
Georgia	1	1%	1	0%	2	0%
Hawaii	0	0%	8	1%	8	0%
Idaho	2	1%	92	6%	94	6%
Illinois	2	1%	31	2%	33	2%
Indiana	1	1%	30	2%	31	2%
Iowa	2	1%	16	1%	18	1%
Kansas	0	0%	31	2%	31	2%
Kentucky	3	2%	22	1%	25	2%
Louisiana						

POLICE HIRING SUPPLEMENT - CUMULATIVE STATUS REPORT  
 APPLICANTS BY STATE

PAGE 2 OF 3

DATE OF REPORT: 11/08/93

APPLICANTS BY STATE	ABOVE 150,000 POP.		BELOW 150,000 POP.		TOTAL	
	NUMBER	PERCENTAGE OF TOTAL	NUMBER	PERCENTAGE OF TOTAL	NUMBER	PERCENTAGE OF TOTAL
Maine	0	0%	17	1%	17	1%
Maryland	4	3%	17	1%	21	1%
Massachusetts	2	1%	30	2%	32	2%
Michigan	4	3%	53	4%	57	4%
Minnesota	3	2%	33	2%	36	2%
Mississippi	0	0%	36	2%	36	2%
Missouri	5	3%	39	3%	44	3%
Montana	0	0%	8	1%	8	0%
Nebraska	2	1%	10	1%	12	1%
Nevada	1	1%	4	0%	5	0%
New Hampshire	0	0%	20	1%	20	1%
New Jersey	3	2%	48	3%	51	3%
New Mexico	1	1%	10	1%	11	1%
New York	11	7%	81	5%	92	6%
North Carolina	4	3%	44	3%	48	3%
North Dakota	0	0%	8	1%	8	0%
Ohio	7	5%	60	4%	67	4%
Oklahoma	2	1%	42	3%	44	3%
Oregon	1	1%	22	1%	23	1%

POLICE HIRING SUPPLEMENT - CUMULATIVE STATUS REPORT  
 APPLICANTS BY STATE

PAGE 3 OF 3

DATE OF REPORT: 11/08/93

APPLICANTS BY STATE	ABOVE 150,000 POP.		BELOW 150,000 POP.		TOTAL	
	NUMBER	PERCENTAGE OF TOTAL	NUMBER	PERCENTAGE OF TOTAL	NUMBER	PERCENTAGE OF TOTAL
Pennsylvania	3	2%	60	4%	63	4%
Rhode Island	1	1%	10	1%	11	1%
South Carolina	0	0%	30	2%	30	2%
South Dakota	0	0%	5	0%	5	0%
Tennessee	3	2%	26	2%	29	2%
Texas	11	7%	48	3%	59	4%
Utah	4	3%	19	1%	23	1%
Vermont	1	1%	7	0%	8	0%
Virginia	9	6%	30	2%	39	2%
Washington	5	3%	46	3%	51	3%
West Virginia	0	0%	12	1%	12	1%
Wisconsin	2	1%	33	2%	35	2%
Wyoming	0	0%	3	0%	3	0%
Puerto Rico	2	1%	1	0%	3	0%
Guam	0	0%	0	0%	0	0%
<b>TOTAL</b>	<b>149</b>	<b>100%</b>	<b>1476</b>	<b>100%</b>	<b>1624</b>	<b>100%</b>

\* Total includes the Virgin Islands, which was excluded from the table.

THE WHITE HOUSE  
WASHINGTON

DATE: ~~12/23/93~~

DAVID GERGEN  
GEORGE STEPHANOPOULOS  
BRUCE REED  
MARK GEARAN  
DEE DEE MYERS

TO:

FROM: **JOHN D. PODESTA**  
**Assistant to the President and**  
**Staff Secretary**

The attached has been forwarded  
to the President.



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

December 22 1983 93 DEC 22 P7:34

MEMORANDUM FOR THE PRESIDENT

FROM:

Lloyd Bentsen

SUBJECT:

Progress Report on Gun Dealer Licensing

This memorandum is in response to your directive addressing the subject of gun dealer licensing. Your memorandum directed the Department of the Treasury and the Bureau of Alcohol, Tobacco and Firearms (ATF) to take whatever steps necessary, to the extent permitted by law, to ensure compliance with the present licensing requirements of the Gun Control Act of 1968. Additionally, you directed me to report progress on the implementation of these initiatives within 90 days and annually thereafter.

Subsequent to my receipt of your memorandum, I directed ATF to develop a course of action addressing each of the strategies which you enumerated and to periodically report to me their progress. Attached is ATF's original proposal to implement your firearms initiatives, and the initial progress report on the implementation of their proposal.

These initiatives are already having a measurable impact on the Federal firearms licensing system. For the first time in years, the total population of Federal firearms licensees has actually decreased. While the numbers remain unacceptably high, we are confident that when all of these initiatives are implemented, we will continue to see a decrease in the Federal firearms licensee population. These initiatives will ensure that only those persons who have a reasonable expectation of engaging in a firearms business will be issued a Federal firearms license.

Attachments

# BUREAU OF ALCOHOL, TOBACCO AND FIREARMS



## PROGRESS REPORT ON IMPLEMENTING THE PRESIDENT'S DIRECTIVE ON GUN DEALER LICENSING



Recently, the President issued a memorandum to the Secretary of the Treasury stating that the Secretary will direct the Bureau of Alcohol, Tobacco and Firearms (ATF) to take whatever steps are necessary, to the extent permitted by law, to ensure compliance with present firearms licensing requirements. The memorandum listed a series of specific initiatives that should be addressed and directed the Secretary to report progress on the implementation of the initiatives within 90 days and annually thereafter.

The following is a synopsis, as of October 31, 1993, of the actions that have been implemented or are in the process of being implemented.

The Firearms and Explosives Licensing Center (FELC) has begun conducting computer queries with State departments of motor vehicles to verify the drivers license numbers of all applicants for a Federal firearms license (FFL). This will enhance our ability to accurately identify applicants for an FFL.

The FELC has implemented the use of an automated address verification system (CODE 1) which will allow ATF to identify applications for an FFL that use non-existent addresses for proposed business premises.

Application for firearms license, ATF Form 7, is currently being modified to require additional information, including fingerprints, photographs, past places of residence, diagrams of proposed premises, zoning requirements, lease agreements and any restrictive covenants. The modified form is presently in review. It is anticipated that the target date of 12/31/93 for completion of the redesign will be met.

ATF will require the submission of the redesigned Form 7 for all FFL renewals until all licensees have provided ATF with the information required by the revised Form 7.

**ATF is in the process of modifying ATF F-8, Renewal of Firearms License. The new form will be completed by 12/31/93.**

**A separate application and license for collector of curios and relics have been developed. The application and license will make it clear that the license may not be used to deal in firearms.**

**A liaison program with various State/local regulatory and enforcement agencies has been established. Each Compliance area office has established contact with the various licensing, revenue, and local law enforcement offices within their jurisdiction to enhance our efforts in ensuring compliance with the Gun Control Act of 1968.**

- **Liaison with State and local agencies will be maintained to assist in verifying that an applicant for a license has the requisite business premises.**
  - **ATF has initiated and maintained working relationships with numerous State/local enforcement and regulatory agencies. A Memorandum of Understanding (MOU) has been drafted to aid in the reduction of firearms licensing and trafficking problems and is being transmitted to the participating governors along the Eastern seaboard for signature.**

**ATF has developed a program with a goal of conducting full field investigations of all FFL renewal applications located in designated high crime areas, to ensure compliance with licensing requirements.**

**Proposals have been submitted to the Bureau of Justice Assistance to secure grants to State and local agencies to assist ATF in investigating applicants for an FFL.**

01/04/94 12:01 202 622 1886 TREAS/PUBLIC AFF 002/017

# TREASURY NEWS



Department of the Treasury

Washington, D.C.

Telephone: 202-622-2900

FOR IMMEDIATE RELEASE  
Text as Prepared for Delivery  
January 4, 1994

*File crime*

## REMARKS OF TREASURY SECRETARY LLOYD BENTSEN FEDERAL LAW ENFORCEMENT TRAINING CENTER AWARDS CEREMONY WASHINGTON, D.C.

Somebody figured out I gave 180 speeches last year, and I figured out it was about 100 too many.

But I told my staff that the first speech I give in 1994 must be on crime. I hope you see symbolism in that, because this year crime is a priority for me personally, and for us at Treasury.

I'm going to be working closely with Janet Reno, and Congress -- Steny Hoyer is here, and we'll be working at the state and local levels. Today, I had breakfast at ATF with heads of the nation's law enforcement organizations -- they're here now, and I appreciate your coming.

Now, I've learned when you're Secretary of the Treasury and you discuss monetary policy, or a new tax program, you have to be careful because Treasury Secretaries can take the price of the dollar or the price of stock, up or down.

But when you're the Secretary of the Treasury and you say something about crime -- well, that's another matter. Not a lot of people even know we're into law enforcement.

Do you know how I can tell? My mail. When people write to me and say "don't raise my taxes" they begin the letter: "Dear Mr. Secretary." When they write to say "stop crime," the letters start: "Dear Senator Bentsen!"

Well, I don't vote anymore. Here, we enforce what's on the books. If you take out IRS from Treasury, 63 percent of our staff is law enforcement.

We also can propose changes and initiatives -- and I'll do some of that, especially insofar as ATF is concerned. In the coming months, we'll make more suggestions.

LB-580

-2-

First, let me tell you a story someone on the staff told me about his wife. She went back to teaching this fall after taking off several years to raise their kids. First week in her classroom she noticed a blind was always drawn. She wanted to brighten the place for the kids, so she pulled the blind up -- and in the window were bullet holes.

I think back late last year, to when Walter Annenberg was at the White House with the President to announce his generous gift to public education. And what hit me was why he gave the money -- violence.

Do you think that Johns Hopkins, or James Duke, or Leland Stanford gave their gifts and built their great institutions of higher learning because of violence?

Here we are, the country that invented public high schools, the democratic society that wanted to make sure none of our kids were cheated out of an education, and now we're letting violence endanger innocent children.

It comes down to one word: guns.

I'm a gun owner -- been one all my life. Still have the .45 I used when I crashed in Yugoslavia in a B-24. And I'm a hunter -- went quail hunting two weeks ago.

But when I went to school, students didn't walk in with fingers on a trigger. Now in Texas a young adult is more likely to die from gunfire than from a traffic accident. Think about that.

We have over 200 million guns. Every 10 seconds a gun rolls off an assembly line. Every 11 seconds we import a gun. Last week a plane landed in Columbus, Ohio -- brought in 19,000 guns -- from Russia.

All these guns -- yet we haven't had a war going on inside this country for 129 years.

One of our responsibilities at ATF is to license firearms dealers. Let me explain our problem. There are 284,000 gun dealers -- 31 times more gun dealers than there are McDonald's restaurants.

Why so many? It's cheap. Best bargain in town.

A new license costs \$66 a year, even though it costs the taxpayer about \$600 a year per license. And up until the President signed the Brady Bill, it was only \$10 a year for a license.

- 3 -

To sell liquor in the five boroughs of New York, it costs \$5,200 for a three-year license. To teach Spanish and history in New York, it costs \$200 for a teacher's certificate. But to sell guns in New York, it's only \$66. I spend more than that taking my wife to a Broadway show.

That isn't just ridiculous. That goes all the way to reckless.

The fee under the Brady Bill has gone up -- but my friends, it's not enough.

It may stop some people from getting a firearms license. Many people get licenses -- not to sell firearms -- but to buy them cheap, for themselves. They can plop down \$66, call themselves a wholesaler, and buy direct from the manufacturer -- so instead of having to pay, say, \$400, they pay \$250.

We've done studies at ATF, and found 45 percent of licensed dealers don't acquire any firearms. Another 36 percent acquire less than 10 a year. I can tell you that you don't rent retail space to sell 10 guns. You do that out of your kitchen or your car trunk.

In the District of Columbia, there are 49 licensed firearm dealers -- but not one sells handguns. They can't. It's against the law. You see, under federal law, ATF must go ahead and license the dealers, but it's against the District's law to sell handguns. Now, is that a crazy system -- or what?

Who loses in all this? The actual dealers. The taxpayers. ATF.

John Magaw has 240 field inspectors dedicated to inspecting applicants -- and you tell me how 240 people can monitor and inspect 284,000 current licensees and the 3,000 new applicants we're getting in per month?

Now I never met a law enforcement officer who didn't tell me they needed more money, more resources, and more cops. It's tough to come up with resources, when we have a shrinking budget and the President is committed to reducing the deficit and the Vice President is committed to efficient government. It's a difficult time to get through new initiatives.

But spending isn't always the answer -- not when the problem is the system itself, or the laws on the books. Sometimes, good old common horse sense ought to be the answer.

One other thing -- I'm not up here pretending these initiatives will solve all our violence. Back in 1968, Congress passed a gun bill that set forth the licensing system, right after Martin Luther King and Robert Kennedy were killed. It hasn't stopped the violence, because there's an awful lot we don't know.

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Some things we don't know because ATF is prohibited from collecting information.

And we don't know where these guns are all coming from. If I drew a big circle, maybe one third of the guns criminals get are from licensed dealers. Then there's the other two-thirds. The off-the-street-sales; the criminals who trade drugs for guns, or who pick them up during burglaries; the black market; the flea markets; or the kids who get them from their parents. No law enforcers -- not 400, not 4,000, not 400,000 -- can stop that.

The men and women of Treasury are doing their best, giving everything they have to come up with new answers. I've sent a four-part anti-violence initiative to the President. Some parts will require legislation. Some will require funds from the Crime Bill. Some I'll direct Ron Noble to initiate immediately. In fact, some things, we've started already.

Let me run you through the initiatives.

First is ATF Law Enforcement. It starts with the Brady Bill. When it takes effect the 28th of February, we'll be ready.

It's our job to draft and implement the regulations, and I can tell you that through the holidays, the midnight oil kept burning at ATF. We're also developing new forms for compliance, and putting plans in place to notify and educate all parties affected by the law.

And we're trying to answer the big question: "Where's the money to do these background examinations?" ATF is developing a model local agents can use to recoup the costs through a user fee.

In addition, I'm directing ATF to identify all gun dealers for the local police.

Today, I've also directed ATF to begin a program that addresses specific gun trafficking patterns in the 10 counties in this country with the biggest crime problems. They account for 23 percent of the nation's felonies.

They are Los Angeles, Orange, and San Diego Counties, in California; Cook County, Illinois; Harris and Dallas Counties, in Texas; Maricopa County, Arizona; Wayne County, Michigan; Dade County, Florida; and New York City.

We also have some good programs that we'd like to focus our attention on.

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Specifically, Project Uptown, which addresses the use of firearms in housing developments. ATF started this in New York City, and we moved into Baltimore last year. The Achilles program is another one. Here we're going after the shooters -- the armed career criminals in the highest crime precincts in the country. Criminals who commit, on average, three crimes a week with a firearm.

One other thing: I believe the most important tools officers have aren't the ones they carry or load. It's the one between their ears. As we put 100,000 new officers on the streets, Treasury's Federal Law Enforcement Training Center must be ready to assist state and local police in training them.

The second initiative is Federal Firearms License reform. It makes no sense to have 284,000 gun dealers. If we think the best way to lock up criminals is having ATF inspectors spend all day issuing licenses, we should be the ones locked up.

We don't want to get rid of the actual dealers -- just everybody else. It's time to change.

We'll ask that the licensing fee be raised to \$600 annually. This should eliminate 200,000 dealers, leaving only the actual ones in place. And it will end the defacto taxpayer subsidizing of the gun business.

We've started eliminating gun dealers in New York on a pilot basis. Working with the local police, they set up a new screening and investigative process for firearm license applications.

They've met with success. Since the project began, 90 percent of applications have been either withdrawn or denied. Before, 90 percent were granted.

But let's not be naive about this. A gun on New York's black market costs four times more than in Virginia. So, where do you think most of the guns in New York come from? Virginia.

In two weeks I'm going to China, where guns were invented. I read something interesting -- it took those guns from China 50 years before they made their way to Europe. Now, every five minutes we worry about weapons proliferation -- interstate

We also support Senator Simon's amendment on the Crime Bill, and want to see it strengthened as it makes its way through the House. My friend Paul Simon has been a leader on this issue for some time.

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Specifically, we want ATF to have more discretion in granting licenses. We don't want to keep licensing gun dealers to do something that violates local laws. We want to change the law so that if a dealer is convicted of a felony his license is immediately suspended or revoked -- even if an appeal is pending. And we want dealers to provide us with more timely access to recorded information when we need it for an investigation.

Most dealers are helpful. But there are always some, like the one who tells our agents: "Sure, you can see my records, between the hours of 2 and 5 on a Sunday morning." They're not stopping in to say "hi" and have a cup of coffee. Somebody has been shot -- and they need information -- and now.

The third initiative is intelligence, cracking down on the illicit gun market. A useful tool to all law enforcement officers is when ATF traces firearms. We now do 50,000 traces a year.

It takes special expertise to initiate a trace, and not just for firearms, but explosives. I think back one year ago, when an ATF agent found in a pile of rubble a vehicle identification number on a van, and that lead to the suspects in the World Trade Center bombing.

Or the bombing last week in Rochester -- ATF agents traced that one down within hours.

To further strengthen our efforts in this regard, we're drafting legislation requiring a permit for purchase of any explosive materials and making the theft of any such explosives a felony.

On guns, if everything goes right, ATF can do a priority trace in minutes. ATF traced John Hinckly's gun in 16 minutes.

It took five hours to trace the gun of the Long Island subway shooter. Now police caught that gunman, but let's say they hadn't -- and he had escaped, but he had dropped his gun. A trace would have provided essential intelligence.

And traces are extremely important in cracking down on the source of weapons, including the sources for our juveniles.

So today I'm asking ATF to beef up its National Tracing Center, so that they can computerize records that now sit in a warehouse.

We'll also seek changes in the law. We'll try to make it a felony if a dealer willfully fails to maintain required records or falsifies records. And we want to require dealers to report any lost or stolen firearms within 24 hours.

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One more program under this initiative is called Ceasefire, which is being tested in the District of Columbia. This uses high-tech computer systems to inventory, identify, and match bullet projectiles, much like fingerprint systems. We can take the bullets from unrelated crime scenes and determine if the same gun was used, even if we have not yet recovered the gun.

The fourth and final initiative is crime prevention. Here, we want to continue our GREAT program. GREAT stands for the Gang Resistance Education and Training Program.

ATF agents instruct local officers how to go into schools and convince seventh, fourth, and third graders that drugs and gangs are bad.

People who complain that government is stale ought to talk to Senator DeConcini. He was the architect of GREAT, and he can introduce you to youngsters who walked away from gangs because of this.

Now, all of the initiatives I announced today -- these targeted, tested programs -- add up to \$81 million; \$71 million is provided for in the Senate-passed version of the crime bill, which we support; \$10 million will come from a combination of existing and new resources in the President's '95 budget.

Let me end with this. As much as the President and I think of these initiatives, we won't stop violence until we fix some societal problems.

I know Treasury law enforcement people understand that. After they put 50 or 60 hours in, I hear stories of hundreds of them going back to the communities they serve as volunteers in our Project Outreach program. They mentor and they become role models to the unluckier kids who have no father or mother at home. They know, we have to help children, one child at a time.

Or I look to those programs businessmen and communities across the country are doing -- trying to get guns and ammunition off the streets, one gun at a time.

We're making progress, but we have tens of millions of guns to go.

So, we want to move forward with these initiatives, we want to keep working with Justice, with Congress, and with state and local agencies.

We just want to make it harder for the criminal to get guns, and easier for us to find criminals who use them.

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DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

## TREASURY DEPARTMENT ANTI-GUN, ANTI-VIOLENCE PROGRAM

The Treasury Department, through the Bureau of Alcohol, Tobacco and Firearms (ATF), has responsibility for enforcing federal gun control laws, regulating the firearms industry, and collecting taxes on firearms and ammunition.

ATF is responsible for the enforcement and administration of federal laws as well as collecting excise taxes (\$14 billion in FY 93) on alcohol, tobacco and firearms. ATF has a staff of 4,300, including 2,100 special agents and 850 compliance inspectors in 26 field offices and 300 subordinate offices and 3 overseas offices, working closely with state and local law enforcement agencies around the country.

There are potentially 200 million firearms in civilian hands in the United States. Nearly four million new firearms enter the marketplace annually. It is estimated that each year, nearly 639,000 Americans will be confronted by a criminal armed with a handgun. Between 130,000 and 270,000 firearms are taken to school every day by juveniles.

Treasury will seek \$10 million to carry out initiatives related to enforcing federal gun control laws and curbing violence from a combination of existing and new resources. Moreover, \$71 million for additional initiatives already is provided for in the Senate-passed crime bill. The Treasury Department will work with the Congress to achieve this level of funding.

### **Brady Law:**

-- The signing of the Brady law on November 30, named after President Reagan's Press Secretary, James Brady, took seven years to enact. The bill requires that all handgun purchasers will undergo a background check before they actually get a handgun. A recent study showed that nearly 30% of criminals in state prisons went to a gun shop to obtain firearms.

-- This is an important improvement in the way guns are sold. Treasury will ensure that implementing regulations are in place by February 28, when the waiting period and background check provisions become effective.

### **Effective 11/30/93:**

\* Raises initial fee for federal dealer's or pawnbroker's license from \$10 a year to \$200 for initial three years and \$90 for a three year renewal.

\* Federal Firearms Licensees (FFLs) are required to submit reports to state or local law enforcement agencies when selling two or more handguns in five working days.

\* Common carriers prohibited from placing labels or written notices on packages indicating the packages contain firearms. On interstate or foreign commerce deliveries, the carrier is required to get a written receipt from the recipient of a package containing firearm(s).

\* Penalty for not complying with multiple sales or common carrier provisions by licensee or carrier is not more than five years imprisonment and/or \$250,000 fine.

\* It is a federal felony to steal firearms from the business inventory of a Federal Firearms Licensee (FFL). Penalty: Not more than ten years imprisonment and/or \$250,000 fine.

#### **Effective 2/28/94:**

-- Unlawful for Federal Firearms Licensee (FFL) to sell a handgun to nonlicensee unless:

\* obtains statements from purchaser verifying identity and that purchaser is not prohibited from receiving or possessing a firearm.

\* verifies identity of purchaser by examining identification documents required by ATF (e.g. driver's license).

\* notifies "local chief law enforcement officer" within 24 hours with information from buyer. (Note: The Departments of Treasury and Justice are working on the designation of "local chief law enforcement officer". The designee may vary from jurisdiction to jurisdiction.)

\* gives copy of purchaser's statement to "local chief law enforcement officer" within 24 hours.

\* waits five business days before transferring handgun to purchaser.

#### **-- Exceptions:**

\* statement from local chief law enforcement officer that handgun needed because of threat to life of purchaser or family.

\* State handgun license issued within past five years and state law requires

that an authorized government official verify that possession of a handgun is not in violation of law.

\* State law requires that an authorized government official verify that available information does not indicate that the transferee's possession would be in violation of law.

\* Handguns approved for transfer under the National Firearms Act.

\* Certification by ATF that compliance is impracticable because the remoteness of the FFL premises in relation to the location of the chief law enforcement officer.

**-- Penalties for FFL non-compliance**

\* Criminal penalties: Not more than one year imprisonment and/or \$100,000 fine.

\* Administrative action: Revocation of license.

-- The Treasury Department is responsible for implementing Brady law through regulations and enforcement of law as it pertains to licensees, shippers, and purchasers.

-- The Justice Department is responsible for developing a national computerized records system allowing an instant check of purchasers. Waiting period will be replaced by instant check in five years. Justice is also responsible for ensuring police departments comply with time limits on retention of records and receiving certifications of compliance.

-- State and local agencies are responsible for making "a reasonable effort" to determine if purchaser is a prohibited person. Responsible for complying with records retention and certification requirements. Also required to respond in 20 days to a request from a purchaser for the reason they were prohibited from making a purchase. State and local agencies are protected from civil liability arising from failure to prevent a transaction or from preventing a sale to a non-prohibited person.

-- ATF is developing model state and local legislation providing a system for agencies to recoup the cost of the background checks through licensed firearms dealers. There is no provision for federal funds to offset the cost to law enforcement agencies of conducting the checks.

### **Federal Firearms License Reform**

- Federal law requires that all persons who engage in the business of manufacturing, importing and selling firearms must be licensed by the Bureau of Alcohol, Tobacco and Firearms. The law also requires that persons who obtain such licenses must engage in the business. Licenses must be issued to all applicants who are not prohibited persons, who are 21 years of age and older and who have a premises from which they will conduct such business.
- Federal law does not require that the licensee be in compliance with state and local laws to obtain a license.
- Currently, there are over 284,000 licenses. ATF has only 240 inspectors dedicated to the inspection of these licensees to ensure compliance with the law.
- Over 70% of the persons holding licenses are not engaged in the business as required by law.
- The Treasury Department is supporting the reforms of the federal firearms licensing program contained in the Senate Crime Bill including:
  - \* requiring the submission of photographs and fingerprints by all applicants to insure adequate identification of applicants.
  - \* requiring certification by applicant of compliance with state and local laws. Applicant for license must certify compliance and be in compliance within 30 days of obtaining a federal license. Chief law enforcement officer must be notified by applicant of intent to conduct a firearms' business.
  - \* ATF required to notify chief state and local law enforcement officers of names and addresses of licenses issued.
  - \* FFL's must respond in 24 hours to ATF requests for information when a firearm is being traced.
  - \* FFL's must report thefts and losses of firearms within 48 hours to ATF and local authorities.

-- The Treasury Department is seeking enhancement of these reforms to include:

- \* Raise the license fee to \$600 a year. This matches the cost of issuing the license.
- \* Establish immediate revocation of a license upon the felony conviction of the Federal Firearms Licensee (FFL).
- \* Establish periodic reports by FFL's ensuring that authorized business operation is occurring.
- \* Reform the definition of prohibited person. Currently, the definition is dependent on a myriad of conflicting state statutes.
- \* Increase the penalty from a misdemeanor to a felony for willful falsification of records by an FFL.
- \* ATF will work with state and local agencies to replicate a successful project in New York City in which local authorities and ATF inspectors are preventing 90% of FFLs from being issued by ensuring full compliance with all applicable laws. Formerly, 90% of license applications were approved.

### **Intelligence**

-- It is essential that ATF be able to provide responses to gun trace requests quickly in order to help solve violent crimes. Equally important is that ATF be able to process the intelligence gained from traces to spot illicit trafficking operations and criminal sources of firearms.

-- The President has expressed a commitment to support modernization and automation at ATF's National Tracing Center as essential to achieve the full potential of this vital intelligence.

-- Legislation (covered under FFL reform) is necessary to allow ATF access to essential information.

-- Automation is essential for ATF to be able to realize the full potential of its tracing capability. ATF is statutorily prohibited from maintaining a data base of current business records. However, FFL holders are required to submit

their business records to ATF when they go out of business. These records are currently housed in boxes.

-- Nearly 40% of all traces require ATF to search these retired records from the archives. Information reported on multiple sales and stolen firearms as required in Brady and the crime bill should be automated and integrated into a system useful to law enforcement.

-- ATF is now on-line with the most sophisticated ballistics computer program in the world. Project Ceasefire identifies the markings left on projectiles and cartridge casings and the computer automatically matches identical entries.

-- Expanding this program from the pilot effort in Washington, DC to six additional cities will cost \$5.2 million. These cities are New York, Atlanta, Houston, Los Angeles, Chicago and St. Louis. Expansion of Project Ceasefire will be funded through the Treasury Asset Forfeiture Fund.

### **Law Enforcement**

-- ATF's Achilles Program emphasizes prosecution of the armed recidivist offender. These career criminals, perhaps 15% of the criminal population, account for over 70% of serious crime.

-- In 1986, statutes were passed mandating prison terms ranging from five years to life, without probation or parole, for subjects convicted of using firearms while trafficking in narcotics and for violent career criminals who possess firearms.

-- With the recognition that there is a violent marriage between guns and drug trafficking, ATF committed itself to focusing these statutes in such a way that would make weapons the "Achilles' heel" by which the powerful drug dealers and armed career criminals could be brought down.

-- As part of this program, ATF has special Achilles Task Forces in 22 cities. The task forces, with the help of state and local police, focus their efforts in the highest crime areas. In fiscal year 1993, this program resulted in the prevention of an estimated 220,000 serious crimes at a cost savings to American taxpayers of \$570 million. The Department will develop plans to expand the Achilles Task Forces to additional cities.

-- Project Uptown focuses ATF's jurisdiction into high crime public housing in New York City and Baltimore. It began as a joint effort between ATF and the New York City Housing Authority Police Department, aimed at addressing crime in selected public housing projects. Focusing on armed criminals and

gun wielding drug dealers, the task force was begun in 1989 and has been credited with the nearly 40% decrease in violent crime in New York public housing projects. In 1993, Project Uptown was extended to include a similar joint effort in Baltimore. This program will be expanded to Chicago and New Orleans.

-- ATF will conduct studies of the illicit gun trafficking patterns and trends in the 10 major urban areas where 20% of the nation's sentencings for felony crimes are reported. These areas are:

- \* Los Angeles, California
- \* New York City, New York
- \* Cook County, Illinois
- \* Harris County, Texas
- \* San Diego, California
- \* Orange County, California
- \* Maricopa County, Arizona
- \* Wayne County, Michigan
- \* Dade County, Florida
- \* Dallas, Texas

-- The Federal Law Enforcement Training Center (FLETC), will develop a training program for rural drug law enforcement officers.

-- New threats to the lives of the public safety officer appear almost daily. Devastating bullets such as the Black Talon and the armor piercing M39B have no place in the open marketplace. Treasury supports language in the Crime Bill to restrict such ammunition, and is working with the Department of Justice to develop a performance standard to be used to ban similar ammunition which may be developed in the future.

### **Explosives**

-- Under current law, explosives are sold over the counter with no background check on the purchaser. The possession of explosives by convicted criminals is not prohibited. Deadly precursor chemicals are sold with no reporting to the government.

-- The Administration will make recommendations to the Congress requiring a tighter system of ensuring that explosives purchasers are legitimate and qualified, and that purchasers have a permit to buy explosives.

-- In addition, the Administration will seek tightening of the reporting

requirements governing the sale of explosives and the shipping of key precursor chemicals.

-- The Treasury Department also will undertake research into a state-of-the-art tagging system to aid in the identification and tracing of explosives used in criminal bombings.

### **Prevention**

-- Sponsored by Senator Dennis DeConcini, ATF introduced the Gang Resistance Education and Training Program (GREAT) in 1991.

-- Nearly 500 police officers have received training in implementing the program in their cities. Over 100,000 at risk youngsters have been reached by this program which teaches self reliance, self esteem and resistance to negative peer pressure and drug awareness education. This program also focuses on alternatives to gang violence.

-- Currently, GREAT is being implemented in 12 cities. The Department supports the Senate Crime Bill initiative to fund the participation of 50 additional cities. This will cost \$40 million, half of which would go directly to state and local law enforcement.

-- Project Outreach is a Treasury-wide program that brings to communities and schools volunteers from Treasury law enforcement agencies. The agents and employees teach skills such as CPR, provide tutoring, and serve as positive role models for the young people.

## Treasury Crime Control Initiatives Summary

- \* The Bureau of Alcohol, Tobacco and Firearms (ATF) is responsible for the enforcement and administration of Federal laws as well as collecting excise taxes (\$14 billion in FY 93) on alcohol, tobacco and firearms. Its staff of 4,300 -- 2,100 special agents and 850 compliance inspectors in 26 field offices and 300 subordinate offices works closely with state and local law enforcement agencies around the country.
- \* **Guns in the U.S.** There are an estimated 200 million firearms in civilian hands in the U.S. Nearly 4 million new firearms enter the marketplace annually. Each year an estimated 639,000 Americans will be confronted by a criminal armed with a handgun. Between 130,000 and 270,000 firearms are taken to school every day by juveniles.
- \* **Brady Bill** (signed into law on November 30, 1993) The Treasury Department, through ATF, is responsible for drafting and implementing the Federal regulations by February 29, 1994, for the 5-day waiting period to purchase a gun. Justice is responsible for developing the computerized criminal information network for the "Instant Check"

*In support of the President's anti-crime commitment, Treasury supports the following initiatives:*

- \* **Federal Firearms License (FFL) Reform** Federal law requires that all persons who engage in the business of selling firearms be licensed by ATF. At present there are 284,000 FFL holders in the U.S., over 70 percent of those are not "engaged in the business" as required by law. We strongly support Senator Simon's FFL reform package included in the Senate Crime Bill, which would:
  - require the submission of photos and fingerprints with an FFL application;
  - require FFLs to notify promptly ATF and local authorities of firearms thefts;
  - impose additional recordkeeping requirements for FFLs and greater penalties for non-compliance; and
  - require FFLs to comply with local business ordinances.

*In addition, Treasury proposes to:*

  - increase the FFL fee to \$600 per year by 1995;
  - increase the penalty from a misdemeanor to a felony for willful falsification of FFL records; and
  - provide ATF the authority to immediately revoke a license upon the felony conviction of the licensee.
- \* **Treasury supports other Senate-passed Crime Bill legislation:**
  - a ban on the manufacture, sale and possession of semi-automatic assault weapons;
  - prohibitions on large capacity ammunition cartridges;
  - a ban on cop-killer bullets which are designed to pierce bullet proof vests; and
  - a prohibition on the transfer or sale of handguns to juveniles.
- \* **New York City Pilot Project.** ATF, in cooperation with the New York City Police Department has implemented a pilot firearms dealer licensing project which was designed to deny FFLs to dealers who intended to use their license for criminal purposes, thereby limiting the number of illegal firearms in the city. Since the program began, 40 percent of the FFL applications have either been withdrawn or denied. Previously, 90 percent were granted. As most firearms sold on the black market in New York City, the black market price is four times that of the street origin. We propose to expand this project to other cities with serious gun violence problems.
- \* **Intelligence** Treasury proposes to expand our firearms trace capability to assist Federal, State and local law enforcement in their criminal investigations. We plan to expand a pilot project currently in Washington, D.C. called Operation Ceasefire. Ceasefire utilizes new technology to identify projectiles found at crime scenes and has provided valuable information to law enforcement linking otherwise unconnected cases.
- \* **Law Enforcement.** Treasury proposes to expand law enforcement programs, such as "Achilles" which targets armed career criminals, and Project Uptown which focuses on crime infested public housing. In addition, we will study the illegal gun markets in the 10 major counties where 23 percent of the nation's felony crimes are committed.
- \* **Explosives.** Explosives are currently sold over the counter without a background check. Treasury is reviewing legislative changes which will in part include the issuance of permits to buy explosives.
- \* **Prevention:**
  - **G.R.E.A.T.** With the leadership of Senator DeConcini, ATF has developed the Gang Resistance Education and Training (G.R.E.A.T.) program, a year-round, school based program designed to help children become responsible members of society, resist negative pressures, learn how to resolve conflicts and understand how gangs and drugs negatively impact the quality of their lives. G.R.E.A.T. is underway in 12 cities. Treasury supports the Senate Crime bill provision to add 50 new sites.
  - **Project Outreach.** Recognizing that poverty, unemployment, and community disillusionment contribute to the nation's crime crisis, Treasury law enforcement agents and other employees volunteer their time to reduce the demand for drugs, teach CPR, tutor children, and other endeavors to improve their communities.

File: CRIME FYI  
Fr: RE.

LMB -- Crime Speech -- 1/4/94  
draft 3 -- 24 minutes (prepared by Ilene)

Thank you, Ron ... good morning ... and congratulations to the winners.

Well, somebody figured out I gave 180 speeches last year, and I figured out it was about 100 too many!

[But I told my staff (did this on purpose), that the first speech I give in 1994, must be on crime. I hope you see symbolism in that, because this year crime is a priority for me personally, and for us at Treasury.

I'm going to be working closely with Janet Reno ... and Congress ... and at the state and local levels.

In fact, today I had breakfast with law enforcement officers from around the country -- they're here now, and I appreciate your coming. I also visited ATF ... and saw a collection of confiscated firearms that could fill half this room -- easily.

I've learned when you're Secretary of the Treasury and you discuss monetary policy, or a new tax program, you have to be careful because Treasury Secretaries can take the price of the dollar or the price of stock, up or down.

But when you're the Secretary of the Treasury and you say something about crime -- well, that's another matter.

Not a lot of people even know we're into law enforcement.

Do you know how I can tell? My mail. When people write to me and say "don't raise my taxes" they begin the letter: "Dear Mr. Secretary."

When they write about crime, the letters start: "Dear Senator Bentsen!"

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Well, I don't vote anymore. Here, we enforce what's on the books. If you take out IRS from Treasury, \_\_\_ percent of our staff is law enforcement.

We also can propose changes and initiatives -- and I'm going to do some of that today, especially insofar as ATF is concerned.

First, let me tell you a story someone on the staff told me -- about his wife.

She went back to teaching this fall -- after taking off several years to raise their kids. First week in her classroom she noticed a blind was always drawn. She wanted to brighten the place for the kids, so she pulled the blind up -- and in the window were bullet holes.

I think back late last year, to when Walter Annenberg was at the White House with the President to announce his generous gift to public education.

And what hit me was why he gave the money -- violence.

Do you think that Johns Hopkins ... or James Duke .... or Leland Stanford gave their gifts ... built their great institutions of higher learning because of violence?

Here we are, the country that invented public high schools ... the democratic society that wanted to make sure none of our kids were cheated out of an education, so we taxed all Americans to pay for it ... and now we're letting violence endanger innocent children.

It comes down to one word: guns.

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I'm a gun owner -- been one all my life. Still have the .45 I used when I crashed in Yugoslavia in a B-24.

And I'm a hunter -- went quail hunting two weeks ago.

But when I went to school, kids didn't walk in with fingers on a trigger. Now in Texas, a young adult is more likely to die from gunfire than from a traffic accident. Think about that.

We have over 200 million guns. Every 10 seconds a gun rolls off an assembly line ... every 11 seconds we import a gun. check Last week a plane landed in Ohio -- brought in 19,000 guns -- from Russia. check

All these guns -- yet we haven't had a war going on inside this country since the Civil War ended \_\_\_ years ago.

One of our responsibilities at ATF is to license firearms dealers. Let me explain our problem. There are 287,000 gun check dealers -- \_\_\_ times more gun dealers than there are car dealers.

Why so many? It's cheap. Best bargain in town.

A license costs \$10 a year. Same price it was when the fee was set in 1968, even though inflation is up 233 percent.

To sell liquor in the five burroughs of New York, it costs \$5,200 for a three-year license. check. To teach Spanish and history in New York, it costs \$200 for a teacher's certificate.

But to sell guns in New York, it's only 10 bucks.

That isn't just ridiculous. That goes all the way to reckless.

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The fee, under the Brady Bill will go up to \$200 for three years -- but my friends, that's not enough.

It may stop some people from getting a firearms license.

Many people get licenses -- not to sell firearms -- but to buy them cheap, for themselves. They can pop down \$10 ... call themselves a wholesaler ... buy direct from the manufacturer ... so instead of having to pay, say, \$400, they pay \$350. check

We've done studies at ATF, and found 45 percent of licensed dealers don't acquire any firearms. Another 36 percent acquire less than 10 a year.

I can tell you that you don't rent retail space to sell 10 guns. You do that out of your kitchen or your car trunk.

In the District of Columbia, there are 49 licensed firearm dealers -- but not one sells handguns.

They can't -- it's against the law. You see, under federal law, ATF must go ahead and license the dealers, but it's against the District's law to sell handguns. Now, is that a crazy system -- or what?

Who loses in all this?

The legitimate dealers ... the taxpayers ... ATF.

John Magaw has 400 inspectors working in licensing -- and you tell me how 400 inspectors can monitor and inspect 287,000 current licensees -- and the \_\_\_\_\_ new applicants we're getting in per month?

Now, I never met a law enforcement officer who didn't tell me they needed more money ... more resources ... more cops. It's

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They've met with success. Since the project began, 90 percent of applications have been either withdrawn or denied. Before, 90 percent were granted.

But let's not be naive about this. A gun in New York's black market is four times higher than in Virginia. So, where do you think most of the guns in New York come from? Virginia.

In two weeks I'm going to China, where guns were invented. I read something interesting -- it took those guns from China 50 years before they made their way to Europe. Now, every five minutes we worry about weapons proliferation -- interstate!

We also have a number of programs that we'll expand either through the Crime Bill or on our own.

Specifically, Project Uptown, which addresses the use of firearms in housing developments. ATF started this in New York City, we moved into Baltimore last year, and we plan to move into \_\_\_ cities in the coming year (any names?). check

The Achilles program is another one. Here we're going after the shooters -- the armed career criminals in the highest crime precincts in the country. Criminals who commit, on average, three crimes a week -- with a firearm.

Another program is Bulletproof, which is being tested in the District of Columbia. This uses high-tech computer systems to inventory, identify, and match bullet projectiles -- much like fingerprint systems.

**expand**

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require funds from the Crime Bill. Some I'll direct Ron Noble to initiate immediately -- in fact, some things, we've started already.

Let me run you through the initiatives.

First (and this is a long one) is ATF Law Enforcement

It starts with the Brady Bill. When it becomes law on the 28th of February, we'll be ready.

It's our job to draft and implement the regulations, and I can tell you that through the holidays, the midnight oil kept burning at ATF. We're also developing new forms for compliance ... and putting plans in place to notify and educate all parties affected by the law.

And we're trying to answer the big question: "Where's the money to do these checks?" ATF is developing a model system local agents can use to recoup the costs through a user fee.

Today, I've also directed ATF to begin a program that addresses specific gun trafficking patterns in the 10 counties in this country with the biggest crime problems. They account for 23 percent of the nation's felonies.

They are Los Angeles, Orange, and San Diego Counties, in California; Cook County, Illinois; Harris and Dallas Counties, in Texas; Maricopa County, Arizona; Wayne County, Michigan; Dade County, Florida; and New York City.

We've started the process in New York on a pilot basis. Working with the local police, they set up a new screening and investigative process for firearm license applications.

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tight to come up with resources, when we have a shrinking budget and the President is committed to reducing the deficit. It's a difficult time to get through new initiatives.

But spending isn't always the answer -- not when the problem is the system itself, or the laws on the books. Sometimes, good old common horse sense ought to be the answer.

One other thing -- I'm not up here pretending these initiatives will solve all our violence.

Back in '68, Congress passed a gun bill that set forth the licensing system -- right after Martin Luther King and Robert Kennedy were killed. It hasn't stopped the violence, because there's an awful lot we don't know.

Some things we don't know, because ATF is prohibited from collecting information.

And we don't know where these guns are all coming from. If I drew a big circle -- maybe one third of the guns criminals get are from licensed dealers.

Then there's the other two-thirds. The off-the-street-sales ... the criminals who trade drugs for guns, or who pick them up during burglaries ... the black market ... the flea markets ... the kids who get them from their parents -- and no inspectors (not 400, not 4,000, not 400,000) can stop that.

The men and women of Treasury are doing their best ... giving everything they have to come up with new answers.

I've sent a four-part anti-violence initiative to the President. Some parts will require legislation. Some will

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I also want to mention that in the Crime Bill, there's funding for a FLETC program to develop rural drug enforcement training.

I believe the most important tools officers have aren't the ones they carry or load. It's the one between their ears. As we put 100,000 new officers on the streets, FLETC must be ready to assist state and local police in training them.

The second initiative is Federal Firearms License Reform.

It makes no sense to have 287,000 gun dealers. If we think the best way to lock up criminals is having ATF inspectors spend all day issuing licenses, we should be the ones locked up!

We don't want to get rid of the legitimate dealers -- just everybody else.

It's time to change.

We'll ask that the licensing fee be raised to \$600 -- annually. This could reduce by 80 percent the number of dealers.

We also support Senator Simon's amendment on the Crime Bill, and want to see it strengthened as it makes its way through the House.

Specifically, we want ATF to have more discretion in granting licenses ... we want ATF to be able to deny or rescind a license for non-compliance with state or local laws ... we want to change the law so that if a dealer is convicted of a felony his license is immediately suspended or revoked -- even if an appeal is pending ... and we want dealers to provide us with more

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timely access to recorded information when we need it for an investigation.

Ninety-five percent of dealers are helpful. But there are always some, like the one who tells our agents: "Sure, you can see my records, between the hours of 2 and 5 on a Sunday morning."

We're not stopping in to say hi and have a cup of coffee. Somebody has been shot -- and we need to trace a gun -- and now.

The third initiative is intelligence, cracking down on the illicit gun market.

A useful tool to all law enforcement officers, is when ATF traces firearms. We now do 50,000 traces a year.

It takes special expertise to initiate a trace, and not just for firearms -- but explosives. I think back one year ago, when an ATF agent, in a pile of rubble, found a vin number on a van -- and we caught the suspects in the World Trade Center bombing.

Or the bombing last week in Rochester -- ATF agents traced that one down within hours.

ATF traced John Hinckly's gun in 16 minutes ... five hours to trace the gun of the Long Island subway shooter.

Now police caught that gunman, but let's say they hadn't -- and he had escaped, but he had dropped his gun. A trace would have helped identify him.

If everything is going right, ATF can do a gun trace faster than fingerprints.

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They mentor and they become role models to the unluckier kids who have no father or mother at home. They know, we have to help children, one child at a time.

Or I look to those programs businessmen across the country are doing -- giving out toys or money if people turn in guns -- and I know, one gun at a time, we're making progress.

But we have tens of millions of guns to go.

So, we want to move forward with these initiatives ... we want to keep working with Justice ... with Congress ... with state and local agencies -- so we make a dent in crime.

My New's Year wish is ... let's stop some of this craziness.

Thank you.

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And traces are extremely important in cracking down on the source of weapons (including the sources for our juveniles).

So today I'm asking that resources be made available to ATF's National Trace Center, so that they can beef up their operations and computerize their records that now sit in a warehouse.

We'll also seek changes in the law to make it a felony if a dealer willfully fails to maintain required records or falsifies records ... and we want to require dealers to report any lost or stolen firearms within 24 hours.

The fourth and final initiative is crime prevention.

Here, we want to expand our GREAT program. GREAT stands for the Gang Resistance Education and Training Program.

ATF agents instruct local officers how to go into schools and convince seventh, fourth, and third graders that drugs and gangs are bad. We started with one program in Arizona in 1991. Now we're into 12 communities -- and we hope to be in 50 more.

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Let me end with this. As much as the President and I think of these initiatives, we won't stop violence, until we fix some societal problems.

I know Treasury law enforcement people understand that. After they put 50 or 60 hours in, I hear stories of hundreds of them going back to the communities they serve as volunteers in our Project Outreach program.