



U.S. Department of Justice

Office of Legislative Affairs

Office of the Assistant Attorney General

Washington, D. C. 20530

October 21, 2010

The Honorable Mike Quigley
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Quigley:

This responds to your letter to the Attorney General dated September 9, 2010, regarding H.R. 2296/S. 941, the "ATF Reform and Firearms Modernization Act." Enclosed please find information responsive to your request for certain data for fiscal years 2008 and 2009. The numbered responses in the enclosure correspond to the numbered paragraphs in your request.

We hope this information is helpful. Please do not hesitate to contact this office if we may provide additional assistance regarding this or any other matter.

Sincerely,

A handwritten signature in black ink, appearing to read "RW", written in a cursive style.

Ronald Weich
Assistant Attorney General

Enclosure

1. The total number of federally licensed firearms “dealers,” defined as Type 1 and Type 2 firearms licensees (Type 1 licensee is a retail dealer in firearms; Type 2 licensee is a retail dealer in firearms who also receives firearms in pawn):

FY 2008: Type 01 = 48,261	Type 02 = 6,687	Total = 54,948
FY 2009: Type 01 = 47,509	Type 02 = 6,675	Total = 54,184

2. The total number of “dealer inspections,” defined as inspections conducted by ATF for compliance with federal firearms laws and regulations (i.e., not application inspections):

FY 2008: 11,170 FY 2009: 11,375

3. The total number of dealer inspections that included inventory reconciliations:

FY 2008: 11,170 FY 2009: 11,375

4. The total number of guns missing from the inventory of inspected dealers before and after reconciliation:

FY 2008: 116,499/22,803 FY 2009: 112,408/28,325

5. The total number of inspected dealers that were found by ATF to have guns missing from inventory:

FY 2008: 1,004 FY 2009: 745

6. The total number of inspected dealers that were found to have violated federal laws and regulations:

FY 2008: 4,071 FY 2009: 3,260

7. The total number of violations found by ATF during inspections of dealers, and three most common violations:

FY 2008: 17,981 FY 2009: 14,067

The top three violations in each year were:

- a. failure to record, or to timely record, information in the record of acquisition and disposition of firearms;
- b. failure to ensure that firearms purchasers completely and accurately completed ATF Form 4473;
- c. failure of the FFL to completely and accurately complete ATF Form 4473 according to the instructions on the form.

8. A breakdown of responses recommended by ATF inspectors and ATF investigators to those violations including but not limited to recommendations to:
- a. revoke licenses, or deny renewal
 - b. no recommendation due to surrender of license
 - c. warning letter
 - d. warning Conference
 - e. report of violations

FY	FFLs Inspected	Revocation or Deny Renewal	Surrender in lieu of Administrative Action	Warning Letter	Warning Conference	Report Of Violations (only)
2008	11,170	94	8*	1,450	1,124	1,263
2009	11,375	64	36	1,207	877	1,076

*NOTE: The difference between 4,071 in question six (for FY 2008) and 3,939 in this question is represented by 132 FFLs who voluntarily surrendered their license before, during, or after an inspection. There were no notices of adverse action of any kind served on any of those 132 FFLs. The surrender was solely a decision made by the FFL for reasons unknown to ATF.

9. For dealers inspected in each fiscal year:
- a. The number of proceedings initiated by ATF to revoke licenses or deny renewals:
 FY 2008: 80 FY 2009: 100
 - b. The number who voluntarily surrendered licenses:
 FY 2008: 8 FY 2009: 36
 - c. The number of dealer licenses ultimately revoked or denied renewal:
 FY 2008: 94 FY 2009: 64
 - d. The number of proceedings to revoke or deny renewal still pending, within ATF or in the courts:

	Pending in ATF:	FY 06	FY 07	FY 08	FY 09	FY 10
Revocations:		1	0	4	14	35 = 54
Denials:		0	1	0	3	8 = 12
Appeals:		FY 06	FY 07	FY 08	FY 09	FY 10
District Court		0	0	6	4	0 = 10
Circuit Court		0	3	2	0	0 = 5
TOTAL PENDING:						81

10. For dealers who were inspected in each fiscal year and ultimately had their licenses revoked or were denied renewal by ATF:

- a. The total number of violations by those dealers, including all prior violations

The total number of violations cited for the 94 FFLs who were revoked in FY 2008 (on the revocation inspections only) was 675.

The total number of violations cited in prior years for these same FFLs was 511.

The total number of violations cited for the 64 FFLs who were revoked in FY 2009 (on the revocation inspections only) was 503.

The total number of violations cited in prior years for these same FFLs was 608.

- b. The total number of guns found missing during inspections by ATF, including guns found to be missing in all prior years:

The total number of guns found missing from the 94 FFLs who were revoked in FY 2008 (on the revocation inspections only) was 6,416.

The total number of guns found missing from these same 94 FFLs in prior years was 2,882.

The total number of guns found missing from the 64 FFLs who were revoked in FY 2009 (on the revocation inspections only) was 1,965.

The total number of guns found missing from these same 64 FFLs in prior years was 866.

- c. The number of dealers who had received warnings by ATF before the license revocation process was initiated:

The 40 FFLs revoked in FY 2008 received a total of 55 warnings prior to initiation of the revocation process.

The 33 FFLs revoked in FY 2009 received a total of 38 warnings prior to initiation of the revocation process.

- d. The total number of ATF revocations or denials of renewals that have been challenged in court and whether the adverse actions were upheld or reversed are:

Since 2001, 81 revocations and/or denials have been challenged by FFLs. Of those 81 cases, seven are still pending; and 74 decisions have been rendered. Of the 74 decisions rendered by the courts, 70 were favorable to ATF.

11. For dealers who were inspected in each FY and ultimately surrendered their licenses:

- a. The total number of violations by those dealers, including all prior violations Eight (8) FFLs surrendered their licenses in FY 2008 after receiving a Notice of Revocation/Denial. The total violations cited on those dealers, including all prior violations, was 36.

Thirty-six (36) FFLs surrendered their licenses in FY 2009 after receiving a Notice of Revocation/Denial. The total violations cited on those dealers, including all prior violations, was 392.

- b. The total number of guns found missing during inspections by ATF, including guns found to be missing in all prior years:

The total number of guns found to be missing from the eight FFLs who surrendered their licenses in lieu of revocation/denial in FY 2008, including all prior years, was 169.

The total number of guns found to be missing from the 36 FFLs who surrendered their licenses in lieu of revocation/denial in FY 2009, including all prior years, was 1,957.

- c. The number of dealers who had received warnings by ATF before the surrender process was initiated:

The number of dealers who surrendered their licenses in FY 2008 who had received a prior warning from ATF was one.

The number of dealers who surrendered their licenses in FY 2009 who had received a prior warning from ATF was 11.

It should be noted here that even these FFLs surrendered their licenses after receiving a Notice of Revocation or Denial, the surrender was a decision made by the FFL, not an action taken by ATF. These licenses were neither revoked nor denied.