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# Congress of the United States

## House of Representatives

### COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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### Opening Statement

### Rep. Elijah E. Cummings, Ranking Member

### Hearing on "Undercover Storefront Operations:

### Continued Oversight of ATF's Reckless Investigative Techniques"

### April 2, 2014

I would like to welcome our witness today, the Honorable B. Todd Jones, who was confirmed and sworn in last summer as the Director of the Bureau of Alcohol, Tobacco, Firearms and Explosives.

For seven years—since 2006—ATF did not have a Senate-confirmed Director. So I welcomed Director Jones' confirmation, and I know he has been extremely busy addressing many of the Bureau's problems and challenges that he inherited.

ATF plays a critical role in enforcing our nation's firearms laws and combating illegal firearms trafficking and other crimes. Its agents, investigators, and support staff work to protect the American people from gun violence that has ravaged communities across the country.

ATF personnel played key roles in responding to the Navy Yard shootings, the Boston Marathon bombings, the Sandy Hook tragedy, and the Aurora movie theater attack.

Given the inherent dangers associated with conducting operations that target violent criminal organizations, ATF must take on a certain degree of risk. Our hearing today should focus on ensuring that the Bureau properly manages this risk while protecting the safety of its personnel and especially the surrounding community.

Today, we will hear about one type of operation: the undercover storefront. ATF officials explain that the Bureau has utilized this investigative technique successfully over many years. By working deep inside communities that are being terrorized by violent gangs and drug cartels, ATF agents contend that they have been able to make a significant difference to the residents of these neighborhoods.

Over the last year, however, there have been numerous allegations involving storefront operations in several cities.

In January of 2013, the Milwaukee Journal Sentinel reported that an undercover storefront operation in Milwaukee purchased weapons at above-market prices, including weapons that were recently purchased at retail outlets. It also reported that three ATF-issued

firearms were stolen from the trunk of an agent's vehicle, including an automatic weapon that was never recovered. It also reported that some defendants were incorrectly identified and charged, and that the operation netted primarily low-level individuals on firearms and drug charges.

Last December, the Journal Sentinel highlighted additional allegations in five cities: Albuquerque, Atlanta, Pensacola, Portland, and Wichita. According to this report, some of these operations allegedly targeted individuals with mental disabilities, one operation was located near a school, and some others allowed felons to leave the premises with firearms they brought into the store.

I understand that, as soon as these press reports came out, then-Acting Director Jones ordered the Bureau's Office of Professional Responsibility and Security Operations to fully investigate these allegations. Last March, this Office issued a detailed report that found many deficiencies with these operations. According to the report, "these deficiencies caused a loss of property, created risks to public and officer safety, and led to the improper arrests of four individuals."

The report found that the "absence of comprehensive written guidelines and 'best practices' for the operation of an undercover storefront was a contributing factor in many of the deficiencies in Operation Fearless." It also found that "the primary cause for deficiencies not being identified and corrected was the failure of the case agent and the first-line supervisors to report those problems."

In response to these findings, Director Jones and ATF prepared a comprehensive manual incorporating lessons learned from the Milwaukee operation and best practices from many other successful storefronts. The Bureau also will require personal briefings between agents and ATF Headquarters, as well as on-site inspections of the storefronts.

I hope the Committee will hear more today about ATF's responses to these allegations, the reforms ATF has implemented, and additional measures ATF can take to enhance safety in high-risk operations.

One thing I hope we can avoid is the overheated rhetoric we have seen in numerous previous investigations conducted by this Committee.

ATF certainly has had its share of problems over the years. Our focus today should be on ensuring that the agency continues its path towards reform. I understand that the Department of Justice Inspector General is also investigating the Milwaukee operation, and I hope we can obtain the results of that review as well.

Finally, Mr. Chairman, I ask unanimous consent to place into the record a letter sent to the Committee yesterday from the Federal Law Enforcement Officers Association.

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