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ARMED SERVICES

United States Senate
WASHINGTON, DC 20510-2903

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Jeffrey Rush, Jr.
Inspector General
Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, DC 20220

Dear Inspector General Rush:

I am writing to follow up to original request that your Office conduct a complete audit of the National Firearms Registration and Transfer Record (NFRTR). It is my hope that the following information will be of help.

The BATF told the House Appropriations Subcommittee in May 2000 that recent OIG reviews of the NFRTR "could not confirm that no NFA permits were inadvertently destroyed, inappropriately added, or do not reflect that licensees were deceased." The OIG's reviews, published in late 1998 and discussed in 2001 in Congressional testimony, disclose the problem that the computerized NFRTR database contains various "critical errors" (such as incorrect firearm serial numbers) when compared with original documentation. The OIG concluded that the BATF "did not clearly demonstrate that the computer system, typically in use, provides reliable and valid data when a search is performed," because "the original documentation remains missing and the accuracy of the documentation provided cannot be assured."

Also, in its 2001 Congressional testimony the BATF stated that NFA firearms which are currently registered to persons who may be deceased does not represent an inaccuracy from a law enforcement perspective, because the NFRTR correctly identifies the persons entitled to possess the firearms. But in one of its audit reports, the OIG stated that while the BATF's statement is true as far as it went, the OIG nevertheless concluded that "unless ATF acts to address this issue the number of deceased registrants will become greater as time passes and could adversely impact Congress' intention to control these weapons." The BATF has not constructively addressed this issue, which involves at least 100,000 NFA firearms.

In summer 2001, a mandatory compliance inspection of a federally licensed NFA firearm dealer in a western state disclosed that BATF's computerized printout of the dealer's records were 60% inaccurate. Specifically, the BATF Examiner determined that 60% of the NFA firearms listed on the NFRTR printout were no longer in that dealer's inventory. In fact, the dealer transferred all those firearms to their current owners in a timely way during 1998 to 2001, after BATF approved the transfers in advance. Why didn't the BATF update its own records after approving those transactions? I'll be glad to share with your office the documentary evidence upon request. I would further note that the OIG determined that of approximately 58,000 NFA firearms registered during 1968, which includes the amnesty period, about 50,000

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