

**Congress of the United States**  
**Washington, DC 20515**

April 3, 2013

The Honorable B. Todd Jones  
Acting Director  
Bureau of Alcohol, Tobacco, Firearms, and Explosives  
99 New York Avenue, NE  
Washington, DC 20226

Dear Mr. Jones:

On January 31, 2013, we wrote you a letter requesting documents and information about an undercover operation that the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) ran in Milwaukee, Wisconsin. Not only have you yet to provide us with any information or documents about this operation, but, months after ATF shut down the operation, you have refused to respond at all.

According to media reports, ATF initiated this undercover operation in Milwaukee's Riverwest neighborhood in January 2012—five months after the President appointed you Acting Director. During the operation, ATF agents bought and sold guns and drugs using a fake storefront called “Fearless Distributing” in an attempt to disrupt criminal operations in the city.<sup>1</sup> From the start, Fearless Distributing was plagued with problems stemming from lack of security and oversight. Agents overpaid for guns with taxpayer dollars, guns were stolen from an ATF vehicle, more property was stolen from ATF's fake storefront, and agents charged the wrong person on at least three occasions.<sup>2</sup> Further, ATF failed to dismantle any criminal operations or apprehend any major criminals. Most of the defendants in the case were subject to low-level charges.<sup>3</sup>

Two weeks ago, Justice Department Inspector General Michael Horowitz acknowledged that the Milwaukee operation “raise[s] significant management issues relating to the oversight and management of the ATF field office and ATF Headquarters.”<sup>4</sup> IG Horowitz was especially concerned about the Milwaukee operation

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<sup>1</sup> John Diedrich & Raquel Rutledge, *ATF's Milwaukee sting operation marred by mistakes, failures*, MILWAUKEE J. SENTINEL, Jan. 29, 2013, available at <http://www.jsonline.com/watchdog/watchdogreports/atfs-milwaukee-sting-operation-marred-by-mistakes-failures-mu8akpj-188952581.html>.

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> Letter from Inspector Gen. Michael Horowitz, U.S. Dep't of Justice, to Rep. Bob Goodlatte, Chairman, Comm. on the Judiciary, U.S. House of Reps., & Rep. F. James Sensenbrenner, Jr., Chairman, Subcomm.

in light of his recent report on Operation Fast and Furious which offered several recommendations to help ATF avoid making the same mistakes in future operations. He stated that the Milwaukee operation “highlight[s] the importance” of those recommendations, especially for ATF to “review its internal procedures to ensure that matters involving ‘sensitive circumstances,’ ‘special requirements,’ and ‘illegal activity’ are sufficiently evaluated.”<sup>5</sup> Even the federal prosecutor assigned to the cases stemming from this operation stated that Fearless Distributing “wasn’t the best use of law enforcement resources.”<sup>6</sup> The prosecutor further criticized the operation for not actually catching the violent offenders the operation was designed to target.<sup>7</sup>

Such rare comments from a federal prosecutor—combined with the acknowledgement from Inspector General Horowitz that problems existed in the Fearless Distributing operation—make your decision to ignore our January 31, 2013, letter all the more puzzling. Congressional oversight of a clearly botched operation is necessary. Instead of welcoming the opportunity to get to the bottom of this matter and solve the problems within the bureau that led to it, you have instead chosen to ignore our oversight request and attempt to handle the matter internally without any openness or transparency. A similar course of action resulted in media and Congressional scrutiny of Operation Fast and Furious for nearly two years.

When the President appointed you Acting Director of ATF, you were excited to “rebuild the agency’s morale.”<sup>8</sup> At the time, you further stated that ATF is “good at what they do and they need to hear that from somebody who’s coming straight from the field.”<sup>9</sup> Even more, ATF needs a top-down culture change that emphasizes robust oversight and hands-on management. ATF needs strong leadership. Your failure to respond to our request for information about the Fearless Distributing operation raises serious concerns about your willingness and ability to provide such leadership.

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on Crime, Terrorism, Homeland Security, & Investigations, Comm. on the Judiciary, U.S. House of Reps. (Mar. 22, 2013).

<sup>5</sup> Letter from Inspector Gen. Michael Horowitz, Dept. of Justice, to Rep. Bob Goodlatte and Rep. F. James Sensenbrenner, Jr. (Mar. 22, 2013).

<sup>6</sup> John Diedrich, *Prosecutor: ATF’s flawed Milwaukee sting not best use of resources*, MILWAUKEE J. SENTINEL, Mar. 14, 2013, available at <http://www.jsonline.com/watchdog/watchdogreports/prosecutor-atfs-flawed-milwaukee-sting-not-best-use-of-resources-vg95krf-198351001.html>.

<sup>7</sup> *Id.*

<sup>8</sup> Sari Horowitz, *New ATF chief B. Todd Jones joins an agency shaken by guns scandal*, WASH. POST, Sept. 1, 2011, available at [http://articles.washingtonpost.com/2011-09-01/politics/35273915\\_1\\_atf-director-top-atf-officials-kenneth-melson](http://articles.washingtonpost.com/2011-09-01/politics/35273915_1_atf-director-top-atf-officials-kenneth-melson).

<sup>9</sup> *Id.*

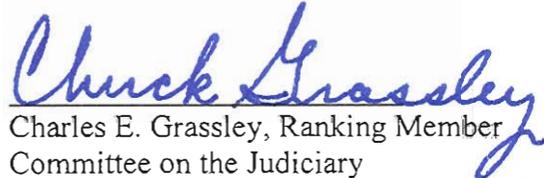
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Please respond to our January 31, 2013, letter as soon as possible, but by no later than April 10, 2013. Additionally, please contact James Donahue of Ranking Member Grassley's staff at (202) 224-5225; Carlton Davis of the Oversight and Government Reform staff at (202) 225-5074; or Jason Cervenak of the House Judiciary staff at (202) 225-3951 by no later than April 10, 2013, to schedule a briefing on this matter.

Sincerely,



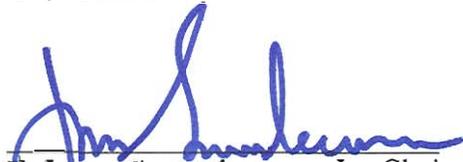
Darrell Issa, Chairman  
Committee on Oversight and  
Government Reform  
U.S. House of Representatives



Charles E. Grassley, Ranking Member  
Committee on the Judiciary  
U.S. Senate



Robert W. Goodlatte, Chairman  
Committee on the Judiciary  
U.S. House of Representatives



F. James Sensenbrenner, Jr., Chairman  
Subcommittee on Crime, Terrorism  
Homeland Security, and Investigations  
U.S. House of Representatives

cc: The Honorable Eric H. Holder, Jr., Attorney General  
U.S. Department of Justice

The Honorable Michael E. Horowitz, Inspector General  
U.S. Department of Justice

The Honorable Patrick J. Leahy, Chairman  
Committee on the Judiciary, U.S. Senate

The Honorable Elijah E. Cummings, Ranking Member  
Committee on Oversight and Government Reform, U.S. House of Representatives

The Honorable John Conyers, Jr., Ranking Member  
Committee on the Judiciary, U.S. House of Representatives

The Honorable Robert C. Scott, Ranking Member  
Subcommittee on Crime, Terrorism, Homeland Security, and Investigations  
Committee on the Judiciary, U.S. House of Representatives