

Congressional Budget Submission

Fiscal Year 2018



Bureau of
Alcohol, Tobacco, Firearms and Explosives
(ATF)

May 2017

**UNITED STATES DEPARTMENT
OF JUSTICE**

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I. Overview for the Bureau of Alcohol, Tobacco, Firearms and Explosives

A. Introduction

Established as an independent Bureau in 1972, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) is the federal agency charged with enforcing the Gun Control Act (GCA) and the National Firearms Act (NFA); the two primary laws enacted by Congress to address firearms violence. ATF also enforces the provisions of the Arms Export Control Act addressing the importation of arms, ammunition, and implements of war. With respect to explosives, ATF enforces the provisions of Title XI of the Organized Crime Control Act of 1970 including the Safe Explosives Act of 2002 (SEA). The SEA expanded the scope of explosives regulations administered by ATF by establishing controls on the intrastate movement of explosives, and by mandating that all persons who receive explosives undergo a background check and obtain a federal permit.

ATF's FY 2018 budget request, which totals \$1,273,776,000 for Salaries and Expenses (S&E), provides its special agents, industry operations investigators, and support professionals the core resources necessary to maintain current services. This budget request supports 5,059 total positions and 4,986 full time equivalents (FTE), the minimum staffing level necessary for ATF to meet mission requirements, including a total increase of \$22,103,000 in adjustments-to-base (ATBs).

ATF protects the public from crimes involving firearms, explosives, arson, and the diversion of alcohol and tobacco products; regulates lawful commerce in firearms and explosives; and provides worldwide support to law enforcement, public safety, and industry partners. ATF regulates the firearms and explosives industries from the point of manufacture and/or importation through retail sale. ATF's regulatory and enforcement strategies are interwoven to provide a comprehensive approach to its mission. To maximize ATF's effectiveness in preventing violent crime, ATF uses partnerships in all aspects of its law enforcement, regulatory, training and forensic mission areas. ATF works with its regulated industries to prevent violence and safeguard the public while endeavoring to minimize regulatory constraints that impact lawful commerce in firearms and explosives.

ATF's criminal investigative efforts focus on reducing violent crime, by targeting domestic and international firearms traffickers, violent criminal organizations, armed violent offenders, and career criminals. ATF investigates and arrests individuals and organizations that illegally supply firearms to prohibited individuals and deters the diversion of firearms from lawful commerce into the illegal market with enforcement strategies and technology.

ATF works to reduce violent crime by targeting and dismantling the criminal organizations that pose the greatest threat to public safety. Criminal organizations, including gangs, use guns to terrorize communities, enforce territorial boundaries, retaliate against rivals and witnesses, and facilitate their criminal enterprises. ATF has wide-ranging experience investigating, infiltrating, and dismantling criminal organizations, ranging from international gangs like MS-13, to national gangs like the Crips, Bloods, Hells Angels, and Aryan Brotherhood, to smaller "street crews" that menace many local communities.

ATF has sole federal regulatory authority over Federal Firearms Licensees (FFLs) authorized to engage in the business of manufacturing, importing, or selling firearms in the U.S. ATF conducts licensing qualification investigations on those who seek to engage in the business of firearm manufacture and dealing, issues federal firearms licenses, administers and, through the inspection process, enforces regulations applicable to FFLs, including recordkeeping requirements for the acquisition and disposition of each firearm. These regulations are designed to allow the tracking of each firearm from its point of manufacture or importation to the point of its first retail sale, a process known as “firearms tracing.” To conduct traces of firearms recovered in law enforcement investigations, ATF operates the National Tracing Center (NTC), which is the only entity able to trace firearms from their manufacture to the point of first retail sale. By tracing crime guns recovered by law enforcement, ATF is able to discern patterns that provide invaluable leads that aid in identifying the diversion of firearms into illegal commerce.

The regulations administered and enforced by ATF include those requiring licensed dealers to conduct background checks on purchasers of firearms through the National Instant Criminal Background Check System (NICS); the NICS system helps keep firearms out of the hands of individuals, such as felons, who are prohibited from possessing them. ATF’s inspection of firearms licensees is focused not only on ensuring regulatory compliance, but also on identifying criminals who illegally purchase firearms and those who supply guns to criminals through “straw purchases.”

ATF is also the only federal law enforcement agency that regulates the explosives industry, licensing businesses and individuals to engage in the business of manufacturing, importing, or dealing in explosives, or receiving or transporting explosives materials. ATF’s criminal and regulatory programs are a key means by which the U.S. Government enforces federal explosives laws and prevents criminals and terrorists from obtaining explosives for use in bombings. Federal law requires that any manufacturer, importer, or dealer of explosives must have a federal explosives license. Anyone who acquires for use or transports explosives must hold a federal explosives permit. ATF establishes standards for the storage of explosives materials to which licensees must adhere. ATF’s Industry Operations Investigators (IOIs) conduct compliance inspections to prevent diversion and promote the safe and secure storage of explosives. IOIs also detect and assist in the investigations of the diversion of explosives. When a significant safety hazard or loss of explosives is discovered, IOIs directly address these incidents to ensure the threat is mitigated.

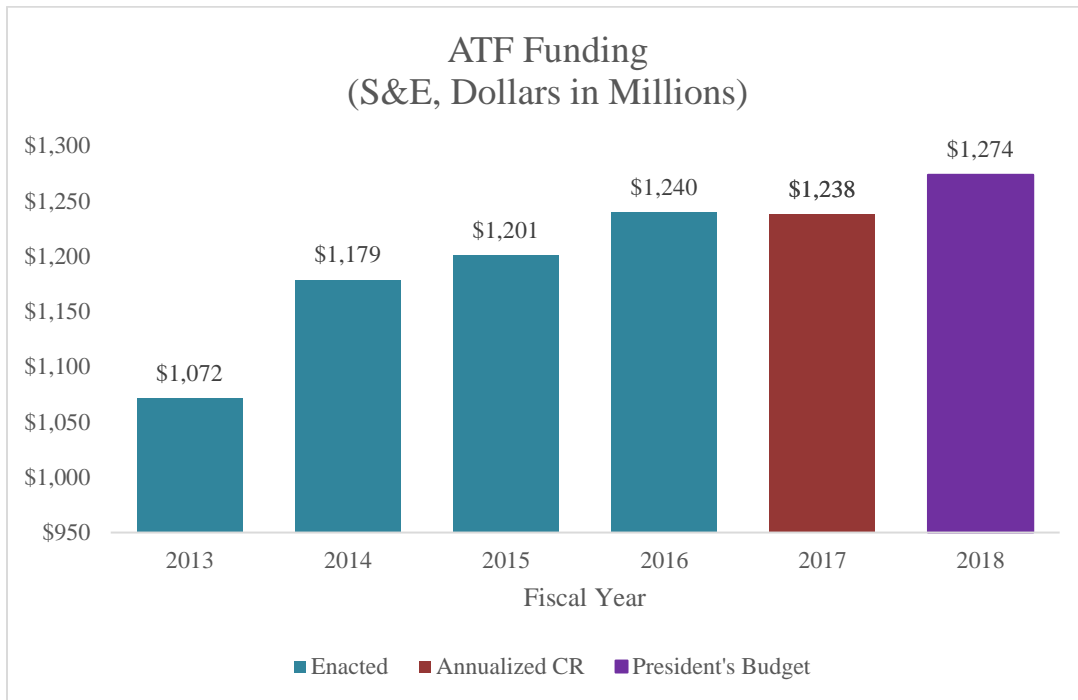
ATF is recognized for its expertise in bombing and explosives investigations and in the reconstruction of explosives incidents. ATF’s special agents and forensic personnel are highly trained in the investigation of post-blast scenes and provide training to federal, state, local, tribal, and international law enforcement agencies in methods and techniques to solve such crimes. As an integral part of ATF’s overall violent crime reduction strategy, ATF’s Explosives Program provides vital resources to local communities to investigate explosives incidents and arson-for-profit schemes. ATF’s National Response Team (NRT) consists of highly trained special agents, forensic chemists, engineers, and other technical experts who can be deployed within 24 hours to major explosion and fire scenes anywhere in the United

States. The NRT assists state and local officers in fire and explosives incidents with examination of the scene, interviews, assistance with future investigation, and expert court testimony.

Maintaining Current Services

The FY 2018 request includes \$22,103,000 in adjustments to base (ATBs) to maintain current service levels. Within the total ATBs, \$12.6 million is for pay and benefits to continue support of special agents, industry operations investigators, and other personnel. Another \$9.1 million is for domestic rent, facilities, and relocation costs supporting ATF offices, laboratories and training centers around the country.

In addition to ATB requirements totaling \$21.7 million for pay and benefits (including health care), rent, and Department of Homeland Security (DHS) increases, ATF also requires an additional \$0.5 million of ATBs to support adjustments in legacy radio operation.



Program Improvements

This budget request contains three program increases:

Violent and Gun-Related Crime Reduction Task Force

The first program enhancement request of \$3,530,000 supports the Attorney General’s Violent and Gun-Related Crime Reduction Task Force. ATF supports the Department of Justice’s overall violent crime reduction strategy by facilitating ballistic collection for State and local law enforcement. ATF will deploy its recently developed National Integrated

Ballistic Information Network (NIBIN) mobile laboratories in support of strategies developed by the Violent Crime Subcommittee, as well as increase contract support to process investigative leads. This increase will also complement other ATF efforts to modernize and expand its NIBIN infrastructure.

National Integrated Ballistic Information Network (NIBIN)

The second program increase of \$6,500,000 will expand the capabilities and capacity of the National NIBIN Correlation and Tracing Center (NNCTC). The NNCTC allows NIBIN network users to send imaged ballistic evidence to a single center that performs correlation services for participating partners. Centralizing the correlation process enables ATF to provide ballistic identification services for its law enforcement partners in a more accurate, efficient and streamlined manner. Importantly, the NNCTC also gives participating NIBIN sites the ability to redirect limited resources to other matters, such as implementing a comprehensive ballistic evidence collection and imaging program.

Expediting National Firearms Act (NFA) Applications

The third program increase is in direct support of Expediting NFA Applications. ATF is requesting \$4,000,000 to support the timely and effective registration of restricted weapons and better support law enforcement criminal prosecutions while upholding the constitutional rights of the American public. This effort will provide support in processing NFA applications within a 90-day timeframe as targeted in performance goals set by the Bureau. The requested funds will aid in the handling of the unprecedented NFA transfer and registration application volume. The improvements will employ technical advancements needed to ensure the most accurate and timely firearm registrations to support the enforcement of the National Firearms Act and provide certifications in support of criminal trials. The effect of this improvement directly strengthens law enforcements' ability to succeed in prosecutions while instituting an efficient mechanism for application processing for the firearms industry.

B. Background

This budget request supports ATF's capacity to actively combat violent crime and enhance public safety through several mission areas.

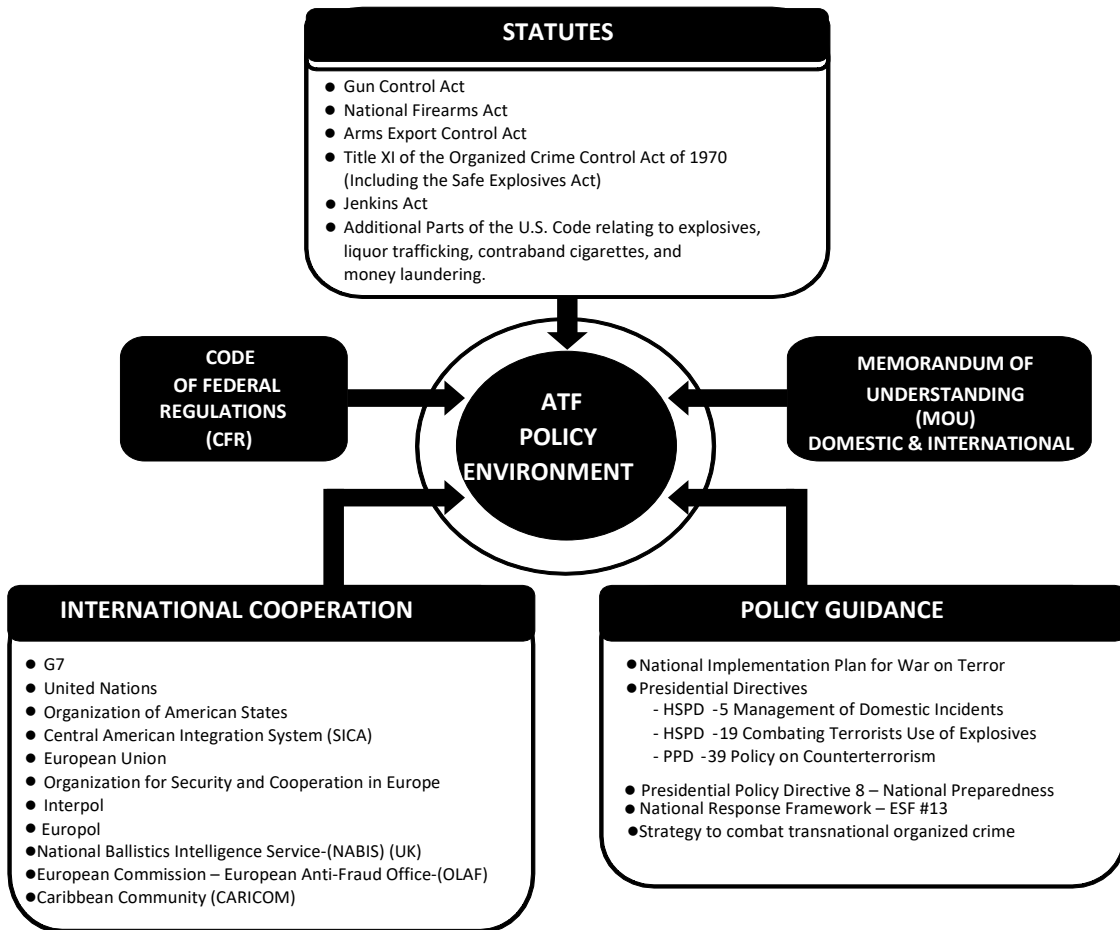
1. Engage in critical law enforcement and industry regulation activities which prevent and reduce violent crime related to:
 - Illegal firearms trafficking;
 - Criminal possession and use of firearms;
 - Diversion of firearms from legal commerce;
 - Criminal organizations;
 - Explosives, bombs and bombings;
 - Diversion of explosives from legal commerce; and
 - Criminal use of fire.

2. Provide vital services to support and improve public safety, which includes, but is not limited to:
 - Firearms and explosives licensing services;
 - Firearms tracing;
 - National Integrated Ballistic Information Network (NIBIN);
 - National Center for Explosives Training and Research (NCETR);
 - ATF laboratories; and
 - Emergency Support Function (ESF) #13, Public Safety and Security, under the National Response Framework (NRF).

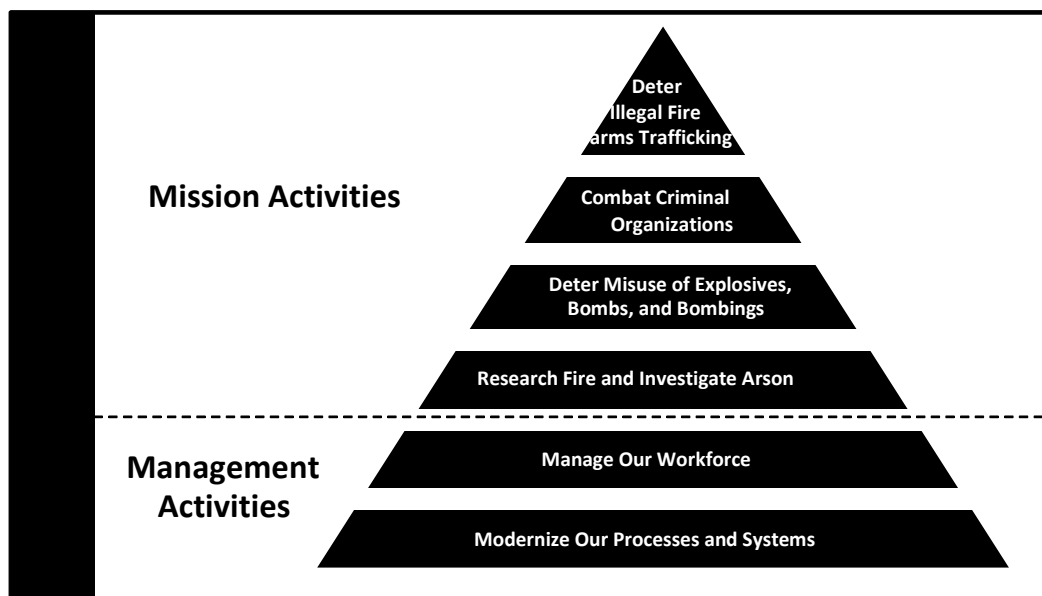
ATF's continuing effort to improve oversight of and efficiency in meeting its mission goals is supported by our Frontline business methodology – a key component of ATF's risk management strategy. ATF's Frontline business model emphasizes a standardized way of doing business both internally and externally through strong leadership, transparency, accountability at all levels, and streamlined measurements of effectiveness and accomplishments. At the core of Frontline are field division domain assessments. Domain assessments are comprehensive, intelligence-driven assessments that identify and analyze significant violent crime problems and industry compliance issues within each field division's area of responsibility. They propose a plan of action within the limits of available resources to mitigate or eliminate these threats.

Under Frontline, the Special Agents in Charge (SACs) and their respective Deputy Assistant Directors (DADs) review the completed domain assessments each year and agree on implementation. Frontline Performance Reviews (FPRs) are conducted semi-annually. Performance data is extracted from ATF's case management systems and provided to field division managers and Headquarters DADs to facilitate the review process. Managers compare field division activities against their domain assessment priorities to ensure that resources are utilized in accordance with the domain assessment plan and goals are met. Frontline investigations and discretionary inspections are driven by actionable intelligence and crime information. At the core of establishing investigative priorities is the efficient and streamlined use of intelligence. Proper collection and processing of data and dissemination of the intelligence are necessary for ATF to achieve success-conducting intelligence driven investigations and inspections. The Frontline methodology is the annual "implementation plan" that integrates the goals of ATF's Strategic Plan in each field division.

The following diagram describes the Policy and Legislative Environment that directs ATF's Mission and Budget Strategy:



ATF's Priorities:



Deter Illegal Firearms Trafficking and Violent Gun Crime: Utilize effective firearms enforcement techniques to reduce violent firearm-related crimes in the United States and abroad, thereby enhancing public safety.

Combat Criminal Organizations: Make our communities safer by identifying, targeting, and dismantling those criminal organizations that utilize firearms, arson, explosives, and alcohol and tobacco diversion in furtherance of violent criminal activity.

Deter Misuse of Explosives, Bombs, and Bombings: Advance domestic and international explosives expertise to prevent, detect, and investigate acts of violent crime and terrorism, and to enhance public safety.

Research Fire and Investigate Arson: Advance the science of fire investigation globally, by setting and delivering the highest standards in response, research, information sharing, and training.

Manage Our Workforce: Attract, develop, and retain a diverse expert, and high performing workforce to execute the ATF's mission and administrative responsibilities in the current and emerging business environment.

Modernize Our Processes and Systems: Modernize business processes and systems for improved information sharing, knowledge management, and use of innovative technologies to support ATF's critical mission.

C. Challenges

ATF faces serious external and internal challenges affecting its ability to meet mission critical goals and objectives. These include, but are not limited to:

- Keeping pace with rising violent gun crime rates in cities across America, and responding to the increasing number of FFL burglaries;
- Keeping pace with changes in state laws that are driving an unprecedented increase in the volume of NFA weapon applications;
- Establishing and funding a technology refresh strategy to modernize and better integrate ATF's outdated information and forensic technology assets, infrastructure, and services such as case management, firearms tracing, and NIBIN to execute coordinated and comprehensive strategies to reduce violent crime;
- Improving productivity and customer service in the face of significant increases in workload requirements in both the law enforcement and services elements; and

- Meeting the ongoing hiring, training, and knowledge transfer demands posed by the retirement and attrition of special agents and experienced staff.

External Challenges

According to the FBI's Uniform Crime Report Data, the estimated number of violent crimes in the United States increased 3.9 percent from 2014 to 2015, with some cities experiencing a disproportionate increase. The growth of violent gun crime is an external challenge that has strained ATF's ability to respond to requests for assistance and the needs of the nation's cities most affected by violence and citizens of the United States. In an attempt to meet the needs of impacted state and local jurisdictions, such as Chicago and Baltimore, ATF is redirecting and prioritizing its available resources and hiring to combatting violent gun crime and illegal firearms trafficking. However, requests for services and support continue to exceed our ability to respond. Moreover, we recognize that deferring investments in information and forensic technology, infrastructure, and support functions, leaves ATF less able to support the whole of our mission, and is not a long-term solution.

ATF is also responding to the increase in FFL burglaries, which directly contributes to the rise in violent gun crime. FFL burglaries are a significant source of illegally trafficked firearms. Since FY 2012, FFL burglaries have risen by 48% and FFL robberies have risen by 175%. In FY 2016, there were 591 FFL burglaries and robberies. The number of firearms stolen during these incidents has also increased. Firearms stolen during FFL burglaries and robberies have risen significantly in FY 2016; 7,858 firearms were stolen. Investigative experience shows that each of those stolen firearms is almost assuredly destined for criminal use in the immediate area of the theft. ATF has purposefully redirected all necessary resources to confront this surge in crimes against FFLs, and has worked to identify the perpetrators and recover as many stolen firearms as possible as an urgent public safety matter. ATF responds to 100% of FFL burglaries and robberies with both special agents and industry operations investigators; and makes ATF laboratory services available on an expedited basis to process evidence and provide timely leads to investigators. In concert with these efforts, ATF has developed a system to send out alerts on FFL thefts to other FFLs in areas where thefts occur.

The growth in firearms commerce is an external challenge that has strained ATF's ability to meet the needs of the firearms industry and the citizens of the U.S. The significant workload increases are due, in large part, to changes in many state laws that directly affect ATF's regulatory workload. For example, from FY 2012 to FY 2016 ATF experienced a 260% increase in NFA weapon applications receipts. ATF's goal is to process all NFA requests within 90 days. NFA application receipts, however, have far outpaced the number processed, leading to backlogs. One of the primary drivers for this increase is the changes in state laws that allow for the use of silencers (a NFA-regulated weapon) for hunting and sporting purposes. NFA applications are expected to continue to increase. Even with the support of redirected industry operations personnel resources, ATF continues to struggle to meet performance targets, and wait time remains significant. Additional federal staff are needed to address this ongoing challenge.

Another external challenge for ATF directly attributable to the growth of firearms commerce is meeting the workload demands associated with the substantial turnover in the composition of the licensed industry. Between FY 2010 and FY 2016, excluding collectors, ATF issued original federal firearms licenses to over 44,000 new members of the firearm industry – nearly 54% of the current active licensee population. Between FY 2010 and FY 2016, there has been a 116% increase in the number of originally issued federal firearms licenses. Over the past 5 years, ATF has assisted an average of 12,000 new business entities per year (48 businesses per workday) in their efforts to establish and operate a lawful firearms business.

While the overall size of the industry has remained relatively constant during the same period, the turnover in the population of industry licensees creates a corresponding increase in the number of qualification and compliance inspections ATF must conduct. Moreover, because ATF must act on a new license application within 60 days of it being received, and because new licensees often require greater technical assistance from ATF, there is a significant additional demand placed on ATF’s inspection resources to timely facilitate lawful commerce in firearms. Because of this transition in the industry, ATF has been challenged to conduct the basic, scheduled compliance inspections at an appropriate pace. ATF’s goal is for compliance inspections to be conducted on all dealers, pawnbrokers, manufacturers, and importers once in every three year license cycle.

Performing timely FFL compliance inspections has also been challenging due to longer time commitments required by ATF IOIs to conduct a thorough inspection of the FFL. As the volume of firearms commerce continues to increase, the number of individual firearms records and transactions that FFLs maintain has significantly increased, leading to lengthier inspection times. Additionally, under ATF’s risk based inspection program, ATF focuses on those licensees with actual or potential compliance problems. These at-risk compliance inspections are often more complex, requiring greater IOI resources.

In FY 2016, ATF was able to complete approximately 9,790 FFL compliance inspections. The lack of timely inspections presents a significant risk to public safety. ATF will continue using risk-based assessments to focus limited inspection resources on entities that have been identified as potentially at risk for non-compliance. Nevertheless, as the DOJ Office of Inspector General (OIG) has noted, “additional actions are needed for ATF to fully achieve its goal of keeping communities safe and secure by detecting and preventing the sale of firearms to individuals who are prohibited from possessing them.”

Internal Challenges

ATF continues to be challenged by the ongoing attrition of its special agent workforce. The mandatory retirement age for federal law enforcement agents is 57, per 5 U.S.C. §§ 8335 and 8425. In the next few years, hundreds of current ATF special agents are anticipated to retire – 499 members of our current agent cadre are age 50 or higher. These agents include a majority of ATF’s senior SES managers; agents with highly specialized skill sets such as Certified Fire Investigators (CFIs), Certified Explosives Specialists (CESs); highly experienced agents specially trained to serve on ATF’s Special Response Teams (which deploy in complex, high risk law enforcement operations), and National Response Teams

(which deploy to complex explosives and fire incidents). Most importantly, these agents are ATF's most experienced special agents, those who conduct criminal investigations nationally and train new special agents. Their experience and capabilities are invaluable to the development of the next generation of ATF special agents, as it typically takes a minimum of 3-5 years of close mentoring and on-the-job training for a new special agent to acquire the skills necessary to achieve full productivity levels.

Supporting all of ATF's criminal investigations and regulatory inspections, the present National Field Office Case Information System (NFOCIS) is comprised of four case management applications known as N-Force, N-Spect, N-Force Vault and N-Quire, which are used to collect, manage, analyze, and report information resulting from criminal investigations and law enforcement intelligence gathering efforts, and regulatory inspections. The NFOCIS, having been in use by ATF for 19 years, has functional limitations, is challenging to maintain, and is well past its end of life expectancy. ATF's inability to modernize this system has been identified as an operational vulnerability and risk in OIG reports of both ATF's criminal and regulatory operations. As a result, ATF has set as its highest priority a business process re-engineering effort that will result in a modern, process driven, case management system designed to collapse the functions ATF awarded a contract in September 2015, to begin the modernization effort designated as Spartan. The first phase was a 150 day pilot that concluded successfully in early April 2016. Prior to awarding optional development tasks to continue Spartan, ATF presented the pilot project evaluation results to the DOJ Department Investment Review Council (DIRC), headed by the DOJ Chief Information Officer. In March 2016, the Spartan project was approved to move forward. After an initial four week planning phase, the Spartan Team began the Modernization effort in May 2016. This project consists of a holistic evaluation and re-engineering of business process, development of a business process driven case management system and update to ATF policy and training.

The Spartan project has already begun to identify data systems for consolidation, which will strengthen data integrity for ATF through and elimination of data redundancies; further, standard application architecture to drive interoperability, data sharing, or knowledge sharing has been employed. Business process re-engineering and modernizing ATF's use of technology to interact with information, will play a crucial role in the years to come as more institutional knowledge is lost due to retirements. It is critical that knowledge be captured and automated to the extent that applications, such as Spartan, would be able to guide less experienced employees through a standard business process, sharing information throughout the organization, at the appropriate time. ATF must provide its leaders with timely, actionable information designed to allow them to manage the organization; this will improve safety, reduce risk to the agency and allow for a real strategic implementation of the Frontline business model.

In an effort to realize improved mission effectiveness and transparency, business process modernization must be incorporated, to include information technology (IT) modernization. Such an effort will improve information sharing, knowledge management, and the use of innovative technologies to support ATF's mission, with focused efforts on internal communication, government-to-government, and government-to-citizen. Efficiencies gained

through a comprehensive modernization approach will result in a well-equipped and informed, mobile workforce, able to focus on reducing violent crime.

Addressing ATF's Challenges

The \$1.274 billion in total S&E resources requested in FY 2018 will provide the resources necessary for ATF to continue to address these challenges. This request continues a comprehensive risk-based approach towards mitigating critical infrastructure deficiencies in personnel, oversight, management, operational capacity, and fixed operational costs that were identified and partially addressed in recent enacted budgets. This request will allow ATF to leverage and sustain gains from prior years. ATF seeks to maintain the effective investments made in areas that remain critical to securing the safety and security of our country and to strengthen and build upon them incrementally.

This request will serve to enhance the Administration's efforts to reduce gun violence across the U.S. by sustaining the smart incremental investments in proven programs it has supported over the past several years. This investment will increase ATF's ability to collaborate with our federal colleagues as well as our state and local partners that are critical to the abatement of violent crime in our cities and neighborhoods. This investment fully supports the Attorney General's Task Force on Crime Reduction and Public Safety Initiative.

D. Environmental Management

ATF has fully implemented Environmental Management Systems at its laboratories, including the Fire Research Laboratory (FRL) in Maryland. The programmable logic controls (PLC) that operate the Environmental Management Systems are critical to controlling the emissions released into the outside environment and staying compliant with the Maryland Department of the Environment Emissions permit. Although the controls are inspected quarterly and repaired as needed, at 15 years old they are at the end of their life cycle. An increase in failures is occurring that jeopardizes the entire system. With more PLC failures occurring, a complete system upgrade is required. The estimated cost to upgrade the control system is between \$400,000 and \$500,000. If the systems fails in the middle of a large-scale fire burn, heavy emissions could be released into the outside environment. This could cause local environmental harm in addition to being in violation with the Maryland Department of the Environment and the EPA. Additionally, unexpected down time for repairs impacts mission critical investigative support by the Fire Research Laboratory. Since 2009, there have been approximately 15 maintenance service calls on the equipment totaling \$419,000.

Additionally, ATF has reviewed its acquisition policy and procedures to ensure compliance with the Department's Green Purchasing Program. Green purchasing training is required for all Contracting Officers and Purchase Card Holders. ATF is developing policy and procedures to address compliance with Executive Order 13423, as it relates to Toxic and Hazardous Chemical reduction, Sustainable Buildings, Energy Management, Transportation, Recycling, Water Management, Environmental Management Systems, and Electronic Stewardship.

II. Summary of Program Changes

Item Name	Description				Page
		Pos.	FTE	Dollars (\$000)	
Violent and Gun-Related Crime Reduction Task Force	Additional funding will provide a cornerstone in DOJ's overall violent crime reduction strategy through the ability to facilitate increased and agile ballistic collection capabilities for state and local law enforcement.	0	0	\$3,530	42
National Integrated Ballistic Information (NIBIN)	Additional funding will enhance the NNCTC and allow NIBIN sites to achieve comprehensive and timely NIBIN leads that investigators can utilize at a critical time in the investigation.	0	0	\$6,500	46
Expediting NFA Applications	Additional funding will enhance technical advancements needed to ensure the most accurate and timely firearm registrations to support the enforcement of the National Firearms Act and reduce violent crime by providing certifications in support of criminal trials.	0	0	\$4,000	49

III. Appropriations Language and Analysis of Appropriations Language

For necessary expenses of the Bureau of Alcohol, Tobacco, Firearms and Explosives, for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; and for provision of laboratory assistance to State and local law enforcement agencies, with or without reimbursement, [\$1,237,642,760] \$1,273,776,000, of which not to exceed \$36,000 shall be for official reception and representation expenses, not to exceed \$1,000,000 shall be available for the payment of attorneys' fees as provided by section 924(d)(2) of title 18, United States Code, and not to exceed \$20,000,000 shall remain available until expended: Provided, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under section 925(c) of title 18, United States Code: Provided further, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under section 925(c) of title 18, United States Code: Provided further, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco, Firearms and Explosives to other agencies or Departments.

(Department of Justice Appropriations Act, 2017)

IV. Decision Unit Justification

A. Law Enforcement Operations

LAW ENFORCEMENT OPERATIONS	Perm. Pos.	FTE	Amount (\$,000)
2016 Enacted	4,250	4,189	1,033,168
2017 Continuing Resolution	4,248	4,187	1,030,585
Adjustments to Base and Technical Adjustments	-21	-21	18,405
2018 Current Services	4,227	4,166	1,048,990
2018 Program Increases	0	0	0
2018 Program Decreases	0	0	0
2018 Request	4,227	4,166	1,048,990
Total Change 2017-2018	-21	-21	18,405

1. Program Description - Investigating and Preventing Violent Crime

Protecting Americans from violent crime is a top priority goal for the Department of Justice. ATF's mission is to reduce violent crime involving firearms, explosives, and arson. To accomplish this unique and important mission, ATF's programs and initiatives focus on the investigation and prevention of violent crime. According to the Uniform Crime Reports (UCRs) for 2015, there were 120,120 reported robberies with a firearm, 167,323 aggravated assaults with a firearm, and 9,616 reported homicides with a firearm. 82 people were murdered with fire and one with explosives. Information collected regarding the type of weapon showed that firearms were used in 71.5% of murders, 40.8% of robberies, and 24.2% of the aggravated assaults. Additionally, Americans are faced with increasing incidents of indiscriminate active shooter/mass shootings in our schools, shopping malls and other public places.

Through our Frontline business model, ATF develops comprehensive domain assessments for each Field Division; these assessments allow ATF to prioritize enforcement efforts on a local, regional, and national level. Each field Special Agent in Charge (SAC) plans his/her field divisions investigative and industry operations activities based on a violent crime assessment. These assessments use data and intelligence to identify violent crime threats within a division's area of responsibility. This information includes emerging criminal trends, significant criminal activity, issues faced by local industry members, and the proximity and priorities of federal, state, local and other external partners. It also assesses available ATF resources, such as unique data and intelligence developed from ATF's case management system, ATF's National Tracing Center, the National Integrated Ballistic Information Network (NIBIN), the Bomb and Arson Tracking System (BATS), and other intelligence and crime-related data available through federal, state and local partners.

All of this information is used to identify where and how they can most effectively apply ATF's jurisdiction, authorities, and expertise to have a decisive impact in their

areas of responsibility. This methodology is also applied to ATF industry operations activities. The annual planned inspection schedule is based on National priorities derived from statutory requirements, and field division-level priorities identified in the assessments. As such, these efforts are intelligence-driven and risk-based to ensure resources are applied how, and where, they have the greatest ability to reduce crime and safeguard the public.

Investigative/Inspection Accountability. ATF establishes and reinforces accountability at all levels by giving a SAC the necessary tools to prioritize and address the specific violent crime threats in their areas, whether they are violent repeat offenders, or criminal organizations. Special agents, Industry Operations Investigators and supervisors conduct continuous reviews throughout the life of an investigation / inspection to evaluate anticipated outcomes and impacts when weighed against risk and resource utilization.

Measurement. The ATF Performance Review process evaluates actual performance against the Bureau's performance goals as outlined in ATF's Strategic Management Performance Index. Throughout the course of investigations and inspections, first level supervisors monitor progress and performance to ensure resources are being applied effectively and efficiently. At the conclusion of each investigation and inspection, special agents and investigators develop impact statements that include a self-assessment of the goals established for the investigation or inspection and review them with their supervisor. Additionally, staff at all levels engage in periodic Performance Review sessions with their peer supervisors, assistant special agents in charge (ASACs) and SACs, who then collaborate to evaluate field-wide performance and provide feedback to the field.

Core Activities

Core activities in Law Enforcement Operations that constitute the ATF mission include, but are not limited to investigations and inspections that address:

- Illegal Firearms Trafficking,
- Criminal Use and Possession of Firearms,
- Diversion of Firearms from Legal Commerce,
- Safeguarding the Legal Firearms Industry through Risked-Based Regulation,
- Criminal Organizations,
- Criminal Use of Explosives,
- Diversion of Explosives from Legal Commerce,
- Safeguarding the Explosives Industry Through Regulation and Safe Storage of Materials, and
- Criminal Use of Fire.

In FY 2016, these core law enforcement operations activities resulted in the following significant accomplishments:

- Nearly 11,874 cases and 8,805 defendants recommended for prosecution,

- Over 9,790 firearms compliance inspections, and
- Over 4,305 explosives compliance inspections.

a. Illegal Firearms Trafficking

Illegally trafficked firearms are harmful to communities and have a negative impact on interstate and international commerce. Illegal firearms are the “tools of the trade” that drug traffickers, gang members, and other violent criminals use to commit crime.

The goal of ATF’s illegal firearms trafficking enforcement efforts is to reduce violent crime by stemming the flow of firearms to violent criminals. ATF identifies, investigates, and arrests individuals and organizations that illegally supply firearms to prohibited individuals. Furthermore, ATF deters the diversion of firearms from lawful commerce into the illegal market with enforcement strategies and technology.

Internationally, ATF works with other agencies to prevent firearms from reaching the hands of drug traffickers, organized crime members, and terrorist organizations. ATF enforces provisions of the Arms Export Control Act (AECA), has primary jurisdiction over firearms and ammunition imports, and has shared jurisdiction over firearms exports with the Department of Homeland Security (DHS) and the Department of State’s (DOS) Office of Munitions Control.

ATF’s firearms trafficking strategy complements the continued focus on intelligence and the deployment of resources to specific localities where there is a high incidence of gun violence. This comprehensive approach traces the movement of firearms from legal to illegal commerce, from source areas (where firearms are acquired for transport to black markets) to market areas (where firearms are illegally sold), and from trafficker to triggerman. ATF special agents, IOIs, and federal prosecutors work together in a source area to reduce the flow of diverted firearms into criminal market places, thus impacting violent crime and gang violence, often thousands of miles away from the respective source market area.

b. Firearms Criminal Use and Possession

The law enforcement community has long recognized the clear link between the availability of criminally possessed firearms and violent crime. Firearm violence associated with drug trafficking and violent crime threatens citizens’ safety and livelihoods while eroding the quality of life in American cities. ATF employs a threat matrix to identify patterns of firearm violence, and deploys its resources to efficiently disrupt and prevent future firearm violence.

c. Diversion of Firearms from Legal Commerce – Safeguarding the Legal Firearms Industry Through Risked-Based Regulation

Illegal firearms threaten not only public safety, but also the entire firearms industry and the revenue legal commerce generates.

ATF regulates the firearms industry from the point of manufacture and/or importation through retail sale to ensure that FFLs comply with all applicable laws and regulations. ATF provides appropriate safeguards of inventories from theft, full accountability, and proactive inspection reporting. In addition, the outreach that ATF conducts with the industry educates and encourages voluntary controls and cooperation with law enforcement officials.

As part of its regulatory role, ATF is responsible for determining FFL applicants' eligibility to engage in a firearms business and educating licensees on their legal responsibilities. Approved FFLs are required to maintain records of their acquisition and disposition of firearms. ATF has the authority to request information from these records to assist with criminal investigations.

Proper and timely recordkeeping by FFLs is critical to the success of a crime gun trace and is required for all firearms transactions by licensees. Failing to account for firearms in inventory is a serious public safety concern because unaccounted firearms cannot be completely traced to the retail purchaser. ATF's FFL inspection program uses firearms trace information on recovered firearms to detect indicators of illegal firearms trafficking. This process provides leads for the inspection of specific dealers who may be violating federal laws intended to protect the American public.

Through this regulatory framework, ATF tracks each firearm recovered in a crime from its point of manufacture or importation through the chain of distribution to the point of first retail sale, a process known as "tracing." By tracing all crime gun recoveries submitted to ATF, investigators are able to discern patterns of persons purchasing firearms, locations of purchase, and weapon types. These patterns provide invaluable leads in identifying persons who divert firearms into illegal commerce. By identifying and targeting these persons, ATF stems the flow of illegal guns and makes it difficult for convicted felons, drug traffickers, or gang members to obtain firearms for use in violent crimes. Moreover, by connecting a firearm to a gun trafficker, ATF is able to link firearms sold by that trafficker to those who use firearms in violent crimes.

In FY 2016, ATF completed approximately 9,790 FFL compliance inspections. The substantial turnover in the composition of the licensed firearms industry, and the corresponding increase in new FFLs entering the industry has resulted in additional qualification and compliance inspections and the provision of technical assistance to new FFLs, all of which place additional demand on ATF's inspection resources. In FY 2016, there were approximately 137,400

active FFLs in the United States, nearly 54% of which have been licensed for the first time within the past six years. Over the past 5 years, ATF has assisted an average of 12,000 new business entities per year (48 businesses per workday) in their efforts to establish and operate a lawful firearms business, and due to market demand, it is expected more will continue to enter the industry in the future.

Additionally, ATF regulates the importation of firearms into the U.S., registers importers of firearms, ammunition, firearms parts, and other defense articles pursuant to the import provisions of the AECA. ATF also provides technical advice to the public regarding import requirements applicable to firearms or ammunition.

d. Criminal Organizations

Criminal organizations threaten all communities across the U.S. Gangs remain key distributors of narcotics and are sophisticated and flagrant in their use of firearms for violence and intimidation. According to the 2015 National Gang Report (NGR), gang membership and gang-related crime continues to rise. The 2015 NGR highlighted current and emergent trends of violent criminal gangs in the U.S., and illustrated that gangs continue to commit violent and surreptitious crimes – both on the street and in prison – that pose a significant threat to public safety in most jurisdictions across the nation.

ATF focuses its extensive and distinct investigative resources on areas experiencing the most violent crime. This approach targets the most serious offenses, prosecuting the most dangerous criminals, directing assistance to crime ‘hot spots,’ and pursuing new ways to promote public safety, deterrence, efficiency, and fairness. ATF has developed strategies to address violent crime spikes and executes operations that weaken and dismantle armed violent criminal organizations. ATF has conducted several successful enhanced enforcement initiatives, which have yielded positive results in cities such as Philadelphia (PA), New Orleans (LA), Oakland (CA), Stockton (CA), Richmond (CA), and Flint (MI).

Each of ATF’s 25 field divisions works collaboratively with its federal, state and local partners, as well as the U.S. Attorney’s Office. Partnership plays a vital role in combating violent gun crime. It allows law enforcement agencies to operate together with unity of effort, stemming the flow of crime guns, investigating and prosecuting the people, criminal organizations and gangs who use them to commit violent crimes. Through partnerships, law enforcement leaders coordinate law enforcement missions, strategies, tactics and intelligence to effectively prioritize and maximize impact on violent crime. This approach embodies the goals of the Attorney General’s Crime Reduction and Public Safety Initiative and the Administration’s cross-agency performance goals.

e. Criminal Use of Explosives

Criminal bombings and the illegal use of explosives are violent acts that threaten our neighborhoods and communities, as well as our national security at home and abroad.

ATF strives to reduce violent crime involving the misuse of explosives; to assist state or local officers; to advance public safety and security; to deny the acquisition of explosive materials by statutorily prohibited persons; to remove hazards to the public caused by improper storage or use of explosive materials, and to provide assistance to agencies in combatting terrorism and violent crime.

ATF has aligned its mission, resources, and expertise with the National Strategy to Counter Improvised Explosives Devices (IEDs). ATF manages the United States Bomb Data Center (USBDC) which in turn is responsible for maintaining, and enhancing the outward facing Bomb Arson Tracking System (BATS), the statutorily mandated and Attorney General designated National arson and explosives incident repository and case management system. Currently the USBDC has in excess of 2,500 interagency partners and 12,000 users of BATS who contribute arson and explosives intelligence and information for critical regional and national situational awareness. Additionally, ATF is a founding partner in the National Explosives Task Force (NETF). The mission of the NETF is to support the provision of explosives expertise to investigations and ensure coordination of a whole of government effort to deter, prevent, detect, protect against, and respond to the threat posed by terrorist or criminally inspired attacks using explosives in the U.S. or against U.S. interests abroad.

ATF is tasked with the responsibility and authority to inspect the storage of explosives by federal explosives licensees and to track thefts, losses, and recoveries of explosives. ATF's mission extends to ensuring only qualified and legitimate applicants enter the explosives industry and that licensees keep proper records and use sound business practices to help prevent theft, explosives incidents, or the diversion of explosives to criminal or terrorist purposes.

ATF's criminal enforcement mission, combined with ATF's regulatory responsibility, gives ATF a comprehensive perspective on activity involving explosives in this country. This perspective allows ATF to impact public safety through the identification and correction of explosives storage violations that, unchecked, could pose significant risk to the public.

f. Diversion of Explosives from Legal Commerce – Safeguarding the Explosives Industry Through Regulation and Safe Storage of Materials

Explosives or explosives materials diverted from legal commerce into the hands of criminal organizations and gangs or terrorist organizations constitute a tangible threat to public safety and legal commerce. ATF's criminal and regulatory

programs enforce federal explosives law and prevent criminals and terrorists from obtaining explosives for use in bombings.

On a three-year cycle, as required by the Safe Explosives Act (SEA), ATF's IOIs conduct compliance inspections of approximately 10,000 explosives licensees and permittees nationwide to detect, investigate and prevent diversion, and promote the safe and secure storage of explosives. The Federal Explosives Licensing Center (FELC) screens license and permit applicants, in conjunction with the FBI, to ensure applicants' eligibility to lawfully receive and use explosives. It further screens employees of such licensees and permittees to ensure prohibited persons do not have access to explosives.

g. Criminal Use of Fire

Loss of lives and property due to arson remains a significant threat to our communities, businesses, and the American people. ATF special agents investigate potential acts of arson motivated by profit, ideology or other criminal intent. Some of the more recent significant events ATF has been called upon for their expertise include investigating fires set during the Baltimore police riots, and a fire to a residential dwelling set in the aftermath of a quadruple homicide in Washington, DC. Additionally, after nearly three years of investigation and analysis, ATF recently determined that the April 2013 West, TX fertilizer fire and subsequent explosion, was an intentional act. ATF also trains federal, state, local, and international law enforcement agencies on how to investigate and solve such crimes. ATF is recognized for its expertise in fire investigations, in conducting research to help investigators reconstruct fire and explosives incidents, and in conducting financial investigations to identify illegal arson-for-profit schemes.

ATF has primary federal jurisdiction over the investigation of arson crimes, and is uniquely equipped for this mission with specialized capabilities, expertise, and experience. The vast majority of fires are investigated at the local level. ATF responds to fires of federal interest and to provide its specialized skills when needed by state and local authorities. In many cases, the unique knowledge, technical resources, forensic capabilities, and jurisdictional authority of the Federal Government are essential in solving arson related crimes and removing arsonists from a community. ATF's combination of Certified Fire Investigators (CFIs), accelerant detection canines, NRT, forensic laboratories, forensic auditors, fire prevention, electrical, and mechanical engineers, and the Fire Research Laboratory (FRL) provide comprehensive technical expertise for investigating arson crimes that is unmatched in the United States. Additionally, the USBDC) and BATS provide critical intelligence and information to ATF and the interagency community related to occurrence of arson incidents both regionally and nationally.

B. Investigative Support Services

INVESTIGATIVE SUPPORT SERVICES	Perm. Pos.	FTE	Amount (\$,000)
2016 Enacted	851	839	206,832
2017 Continuing Resolution	853	841	207,058
Adjustments to Base and Technical Adjustments	-21	-21	3,698
2018 Current Services	832	820	210,756
2018 Program Increases	0	0	14,030
2018 Program Decreases	0	0	0
2018 Request	832	820	224,786
Total Change 2017-2018	-21	-21	17,728

1. Program Description – Delivery of ATF’s Forensic Expertise, Assets and Intelligence Services to Improve Public Safety

ATF continues to leverage, build, and rely on its partnerships with all law enforcement entities – federal, state, local, tribal, and international law enforcement, public safety agencies, communities, and industries to prevent terrorism and abate violent crime. ATF allies with these entities to safeguard the public through information and intelligence sharing, training, research, the use of technology, and by its lead role in the coordination of Emergency Support Function #13 (ESF #13).

Resources and activities that support ATF’s law enforcement operations comprise the Investigative Support Services Decision Unit. Core activities include, but are not limited to:

- Firearms and Explosives Licensing and Other firearms Industry Services,
- Firearms Tracing,
- National Integrated Ballistic Information Network (NIBIN),
- National Center for Explosives Training and Research (NCETR),
- US Bomb Data Center (USBDC),
- Terrorist Explosives Device Analytical Center (TEDAC),
- ATF Laboratories,
- Financial Investigations,
- Collaboration and Partnerships, and
- ESF #13.

NIBIN facilitates the sharing of crime gun intelligence evidence across federal, state, local, tribal and international law enforcement agencies. The National Tracing Center (NTC) is responsible for tracing firearms recovered in crimes. As part of its public safety mission, ATF issues licenses to individuals and businesses through the Federal

Firearms Licensing Center (FFLC), and the Federal Explosives Licensing Center (FELC) supporting legal commerce of these regulated commodities. Information sharing activities include working with the TEDAC), the USBDC, and NCETR. ATF is devoted to increasing U.S. capabilities at the federal, state and local level in detecting, deterring and responding to arson and explosives incidents including criminal and terrorist bombings and explosives recovery incidents, which have a major impact on public safety. ATF's canine training program produces reliable, mobile and accurate explosives and accelerant detection canines that assist law enforcement, fire investigators and military personnel around the world.

a. Firearms and Explosives Licensing and Other Industry Services

ATF issues licenses to legitimate firearms and explosives manufacturers, importers, and dealers. Under current regulations, ATF is required to act upon firearms license applications within 60 days and explosives license application within 90 days of perfecting the application. Meeting these mandates within existing resources has been difficult, as ATF thoroughly investigates license applicants for federal prohibitions such as felony convictions, illicit drug use, illegal alien status, mental illness, and minimum age requirements. During FY 2016, ATF conducted 11,518 firearms application inspections and 891 explosives application inspections.

In addition, the National Firearms Act (NFA) legislatively mandates registration and tax payment for making or transferring machine guns, silencers, short-barreled rifles, short-barreled shotguns, destructive devices, and certain concealable weapons classified as "any other weapons." The NFA mandates that individuals, firearms manufacturers, and importers register the NFA firearms that they make, manufacture, or import, and that all NFA firearms transfers are approved by ATF in advance.

Market demand for NFA services continues to set annual records, which has resulted in a dramatic increase in workload over the past several years. In FY 2016, ATF received approximately 548,235 NFA registration applications and processed 379,410 NFA registration and transfer applications. Much of the increase from prior fiscal years can be attributed to changes in several state laws that allow for the use of gun silencers for hunting purposes. The increase in overall firearms commerce continues to significantly increase ATF's workload and impact ATF's ability to meet internal and external performance targets.

ATF regulates the importation of firearms, ammunition, and other defense articles by issuing import permits. ATF also regulates the importation and possession of firearms and ammunition by non-immigrant aliens. ATF maintains close liaison with the Department of State, Department of Defense, and U.S. Customs and Border Protection to ensure that the permits issued do not conflict with the foreign policy and national security interests of the U.S. During FY 2016, ATF processed 14,605 import permit applications. The Attorney General has delegated to ATF the authority to administer the permanent importation provisions of the AECA. Under the AECA, ATF regulates the permanent importation of firearms, ammunition, and other defense

articles into the U.S. ATF processes applications to import items from domestic businesses, members of the U.S. military returning from abroad with personal firearms, non-immigrant aliens temporarily hunting or attending legal sporting activities in the U.S., and U.S. citizens re-establishing residency after living abroad. Through industry outreach and regulation, ATF provides technical advice to the public regarding import requirements applicable to firearms, ammunition, and implements of war.

b. Firearms Tracing

ATF's NTC traces firearms recovered in crime by law enforcement in order to provide investigative leads to link firearm recovered and are tracing to a suspect in a criminal investigation; to identify firearms traffickers, and where sufficient comprehensive tracing has been undertaken by a given community, to identify trends in patterns in illegal firearms trafficking. This sole ATF function is critical to law enforcement in their efforts to trace the illicit trafficking of firearms and to pursue the criminals who use them. In FY 2016 the NTC processed approximately 387,000 firearms trace requests. The demand for timely and accurate trace data will continue in order to more quickly identify and apprehend the most violent firearms offenders. The NTC also operates a series of programs that relate to and support firearms tracing to include the eTrace program, Multiple Sales for Handguns program, FFL Theft program, Interstate Theft Program, Out of Business records program and Demand Letter Program among others.

The trace information allows ATF to:

- Provide the requesting federal, state, local, and tribal law enforcement agencies the link of suspects to firearms in criminal investigations;
- Identify illegal firearms traffickers through recurring patterns and trends indicative of illegal firearms trafficking; and,
- Analyze aggregate trace data, to help communities develop focused strategies and programs that address specific factors that contribute to armed crime.

Without trace information and analysis, violent crimes go unsolved and more importantly, illegal firearms trafficking trends are not identified and investigated.

c. National Integrated Ballistic Information Network (NIBIN)

The mission of ATF's NIBIN Program is to reduce firearms violence through aggressive targeting, investigation, and prosecution of shooters and their sources of crime guns. NIBIN continues to aid ATF and its law enforcement partners in identifying trigger pullers and removing violent offenders from America's streets. ATF administers NIBIN for federal, state, local, and tribal law enforcement agencies in the U.S. NIBIN solves crimes by establishing investigative leads through unequivocal links between crime guns and criminals.

The NIBIN system is a collection of digital ballistic images of ammunition components recovered from crime scenes and from crime gun test fires. As with fingerprints, every firearm has unique identifying characteristics. The barrel of a weapon leaves distinct markings on a bullet or projectile, and the breech and firing pin mechanisms leave distinct markings on the cartridge case. Using these markings, firearm technicians and examiners are able to examine bullets and cartridge casings to determine if they were expelled from the same firearm. Through the NIBIN Program, ATF strategically deploys Integrated Ballistic Identification System (IBIS) equipment to Federal, state and local law enforcement agencies for their use in imaging and comparing crime gun evidence. Prior to the NIBIN Program, this process was done manually, and was extremely labor, and time intensive. ATF has worked to place the program in strategic locations across the country with the goal of giving investigators an edge in our fight against firearms related violence. NIBIN is the only interstate automated ballistic imaging network in operation in the U.S. and is available to every major population center in the U.S. to aid in violent crime analysis.

ATF's NIBIN Program uses an integrated investigative approach which works in concert with other federal, state, local and tribal law enforcement agencies in combating firearms-related violence using technology to compare images of ballistic evidence obtained from crimes scenes and recovered firearms. NIBIN is a proven investigative and intelligence tool that can identify leads that were not previously available; can link firearms evidence from multiple crime scenes together that were committed with the same firearm; and can link firearms evidence from a crime scene to a recovered firearm. ATF's NIBIN network may be searched locally, regionally, nationally, and internationally in an automated environment to identify investigative leads. Law enforcement resources are still required to follow up on the investigative leads in order to solve crimes associated with these shooting incidents to realize the true potential of this program. Through the first quarter of FY 2017, NIBIN partners confirmed more than 88,000 linkages, or "hits," using this technology and investigative tool.

NIBIN partner sites began issuing leads in FY 2014 as the program changed its paradigm from a forensic tool to an investigative tool. As the movement to issue leads caught on, our sites issued exponentially more leads each year. NIBIN "leads" are potential ballistic links that either have been made by a firearms examiner or trained technician that can be used for investigative purposes only. NIBIN "hits" are ballistic links that have been confirmed by a firearms examiner under a comparison microscope. NIBIN hits require additional time and are used for obtaining warrants or in a court proceeding, as well as for investigative purposes. In FY 2014, NIBIN sites issued more than 800 leads; in FY 2015, they issued more than 6,300, and in FY 2016, they provided more than 19,600 leads to investigators. This is a significant move forward for the program because these leads represent new investigative avenues for law enforcement to focus their efforts to take active shooters off the streets before they reoffend. Leads are issued more quickly than confirmed hits, which means the information is fresh for investigators to pursue these armed criminals.

ATF has conducted an evaluation of this program and as a result dedicated infrastructure resources to ensure effective program oversight during FY 2015 and FY 2016. As part of this evaluation, ATF has changed how this program is supported to increase the number of shooters recommended for prosecution. Recent funding has supported the replacement of outdated equipment and software upgrades to High Definition 3-Dimension (HD3D) imaging that will enable firearms technicians and examiners to more easily discern distinct markings on the cartridge casings and link evidence for separate cases. ATF has also replaced 12 outdated servers with two expandable servers to support the increasing number of ballistic images, consolidated local data concentrators into virtual data concentrators at the ATF Labs in Ammendale and Walnut Creek, and upgraded all ATF owned BrassTRAX units to HD3D. ATF will continue to emphasize the program's focus on providing useful ballistic information in a timely manner for investigative action thus resulting in more referrals for prosecutions. ATF is utilizing NIBIN along with other investigative tools and assets as part of an overall crime gun intelligence solution to effectively identify and target criminal shooters that are plaguing our communities and their source of crime guns. As part of this effort, ATF established the NIBIN National Correlation and Training Center (NNCTC) in Huntsville, AL and is currently reviewing correlations for 25 NIBIN sites. The NNCTC provides NIBIN correlation services and training to ATF's law enforcement partners, leading to greater efficiency in providing investigative leads to identify trigger pullers. Since the NNCTC opened, they have provided approximately 7,000 leads to law enforcement. The Training Center has provided training in Acquisitions, Correlation Review, Cartridge Case Triage, and NIBIN Authorized Trainer to 111 individuals since June 2016.

d. National Center for Explosives Training and Research (NCETR)

Preventing the criminal use of explosives is one of the core missions of ATF, and NCETR serves as the Bureau's primary source for explosives research, training, and intelligence. ATF is the primary agency responsible for administering and enforcing the regulatory and criminal provisions of the federal laws pertaining to destructive devices, explosives, and bombs. ATF has extensive expertise in the investigation and forensic analysis of explosives incidents arising from criminal use of explosives or terrorists acts. ATF further provides one of the most highly proficient and respected explosive incident and arson response capabilities in the world.

ATF utilizes NCETR as the focal point of its role in the government-wide effort to safeguard the public from acts of violence utilizing explosives. NCETR provides basic and advanced explosives training and research that leverages lessons learned and best practices to safeguard the public and reduce deaths and injuries from explosives crimes and accidents, and aligns this support with the national counter-IED effort. At NCETR, ATF provides specialized training, techniques, technology, and forensic support to personnel assigned to explosives enforcement. Additionally, ATF contributes greatly to the global Counter-IED (C-IED) efforts through a focus on the interoperability between public safety bomb technicians and explosives specialists

with their military Explosives Ordnance Disposal (EOD) colleagues. This is accomplished through a well-established training program focusing on the identification, processing and disposal of Homemade Explosives (HME), in partnership with the Department of the Army. EOD personnel from all branches of our armed forces attend the ATF/NCETR HME course prior to mobilization.

ATF/NCETR also provides support to the Joint Program Office for Countering IEDs (JPO) by leading the Raven's Challenge interoperability exercise each year. In partnership with the Department of the Army, the Raven's Challenge is an interoperability exercise for Public Safety Bomb Squads and military EOD personnel at four locations across the country, involving realistic IED incident scenarios and live fire training. The exercise also includes a command and control element in coordination with the National Explosives Task Force (NETF) and the FBI's Strategic Information and Operations Center. Additionally, ATF supports the NETF with full-time "detailed" personnel.

NCETR also has oversight of ATF's National Canine Division (NCD) located in Front Royal, Virginia. ATF's canine program is the only canine program in the U.S. supported by a laboratory and is the only federally accredited explosive detection canine program. The ATF National Forensic Science Laboratory supports the ATF NCD in the research and development of explosive and accelerant compounds and compositions for canine training, third party testing, instruction into the properties and chemical breakdown of accelerant and explosives and support in all forensic related issues. The ATF NCD conducts evaluation and analysis of new and emerging facets within the explosives detection canine arena, and shares this vital information with our partners in a concerted effort to provide the best tools possible for safety and security in the fight against violent crime and terrorism. ATF remains at the forefront of combating violent crime through such innovative programs as training explosives detection canines in the recognition of peroxide explosives and the standardized National Odor Recognition Testing (NORT).

The Explosives Research and Development Division (ERDD) at NCETR is an investment in scientific knowledge generation and technology development that allows ATF to adapt and respond to changes to the ongoing threat posed by the criminal misuse of explosives. Meeting the challenges and embracing the opportunities of a dynamic future are not only indicative of high-quality Research and Development (R&D), but are responsive to the needs of the Nation's C-IED efforts. In short, NCETR ERDD provides value by improving the safe storage and disposal of explosives, and enhancing the prosecution of explosives cases to serve ATF and the larger law enforcement community. The most recent addition to NCETR has been the integration of ATF's Fire Investigation and Arson Enforcement Division (FIAED). FIAED oversees the National Response Team Program, Certified Fire Investigator Program, Fire and Arson Investigation Training Programs, and the Arson and Explosives Criminal Investigative Analysis (Profiler) Program. These programs further support ATF efforts to identify, target, and dismantle criminal enterprises and other offenders that

use fire or explosives in furtherance of violent criminal activity and investigate violators that use fire or explosives to damage or destroy property that affects interstate or foreign commerce.

e. United States Bomb Data Center (USBDC)

Since 1976, ATF has been collecting, storing, and analyzing data on explosives and arson incidents in accordance with the mandate by Congress pursuant to Public Law 104-208, the 1997 Omnibus Consolidated Appropriations Act, to establish a national repository for incidents involving arson and the criminal misuse of explosives. In 2004, the Attorney General acting under the statutory authority of Title 18, U.S.C., Section 846 (b) designated ATF's BATS as the consolidated national repository for information related to arson and the suspected criminal misuse of explosives. The USBDC was then established and given the responsibility for management of BATS.

The USBDC collects, analyzes, and disseminates timely information and relevant tactical and strategic intelligence within ATF, and to external federal, state, local, tribal, military, and international partners. The USBDC provides statistical analyses of current trends and patterns to aid in the detection, deterrence and prevention and prosecutorial support related to arson and the criminal misuse of explosives.

The USBDC maintains the sole statutorily mandated and Attorney General designated national repository for incident data in connection with suspicious fires/arsons and incidents involving the criminal use of explosives. Besides being the national arson and explosives incident repository, the USBDC's BATS serves as the explosives and arson investigator's link to the USBDC.

In BATS, investigators capture details of bomb and arson cases, including the area of origin or device placement, casualties, financial loss, fire descriptors, collateral crimes, device components, and descriptions of how the device was delivered. BATS also functions as a case management system, allowing investigators to build cases in the BATS application while maintaining critical operational security. Images of arson scenes, IEDs, and crime scenes can be shared through the BATS secure web connection. Currently the USBDC has over 2,500 interagency partners and supports over 12,000 users of BATS.

The USBDC also provides explosives tracing services to authorized law enforcement agencies in the U.S. and other countries. Explosives tracing is the systematic tracking of explosives from manufacturer to purchaser (or possessor) to aid law enforcement officials in identifying suspects involved in criminal violations, establishing stolen status, and proving ownership. Explosives manufacturers, importers, wholesalers, and retail dealers in the U.S. and other countries cooperate with the USBDC by providing, on request, specific information from their records of manufacture, importation, or sale. Because of its licensing authority, ATF is the only federal agency authorized access to these records.

f. Terrorist Explosives Device Analytical Center (TEDAC)

Jointly, ATF and the FBI coordinate and manage TEDAC. The mission of TEDAC is to contribute directly to the eradication of the IED threat. TEDAC informs its partners who, in turn, attempt to disrupt those individuals and networks responsible for the design, development, purchase, assembly, and deployment of IEDs. This is accomplished through scientific and forensic exploitation of IEDs; developing actionable intelligence; forecasting IED threats; and maintaining a repository of IED material obtained from incidents around the world. The TEDAC combines law enforcement, military, and intelligence assets to classify the operation, bomb components, and deployment of IEDs. These efforts help prevent IED attacks, protect U.S. armed forces, and identify those who manufacture and deploy these devices.

TEDAC's forensic exploitation at the intersection of law enforcement, intelligence, and the military, provides a key perspective from which to research the science and technology of IEDs. The TEDAC research and testing program supports IED detection, countermeasures and post-blast analysis. The TEDAC continues to build depth and breadth within its device collection and develop technical, forensic, and intelligence methods to anticipate new devices and techniques envisioned by our adversaries and to better collaborate with its partners.

g. ATF Laboratories

The ATF laboratory system comprises three traditional forensic science laboratories and a fire research laboratory that provide direct support to ATF special agents and other federal and state law enforcement agencies in the investigation of violent crimes and other potential threats to public safety. ATF examiners play an integral role supporting violent crime investigations, often times providing the critical link between the crime and the suspect.

All of the ATF laboratories are accredited by the American Society of Crime Laboratory Directors – Laboratory Accreditation Board (ASCLD-LAB) – International/ *ANSI-ASQ National Accreditation Board (ANAB)* to the ISO 17025 standard. In addition, the Forensic Science Laboratory-Washington meets the requirements of the FBI Quality Assurance Standards for Forensic DNA Testing Laboratories.

The Forensic Science Laboratories (FSL) support investigations through the scientific analysis of evidence; providing technical support at fire, explosion and shooting scenes; providing training to ATF Special Agents, prosecutors, and state and local law enforcement and forensic scientists in these areas; supporting the prosecution of violent criminals by providing expert testimony; and conducting scientific research to enhance forensic capabilities. FSL experts support ATF's National and International Response Teams (NRT and IRT) and provide training and support to ATF's explosives and accelerant detection canine programs, homemade explosives (HME)

courses, the National Firearms Examiners Academy (NFEA), fire debris analysis courses, as well as other specialized areas of instruction.

The FSLs maintain a unique expertise in areas supporting criminal investigations involving firearms, explosives, and suspected arson. The laboratories' Forensic Chemists provide chemical and physical analyses of bombs, components, fire debris, and trace evidence. ATF Laboratories have developed unsurpassed expertise in the specialized area of touch DNA analysis, in which low levels of DNA can be recovered from firearms, bombs, and other tools of violent criminals. ATF's capabilities in the area of latent print examination and tool mark analysis focus on providing links between the evidence recovered from violent crimes and the perpetrators of the acts. The ATF laboratories are world leaders in the applications of forensic science to the types of violent crimes investigated by ATF.

The Fire Research Lab (FRL) houses fire protection engineers, mechanical engineers, electrical engineers and technicians, and is the only laboratory of its kind in the world dedicated to the specific needs of the criminal fire investigation community. It provides the necessary facilities, equipment, and staff to work on important criminal fire investigation issues such as fire scene reconstructions, flashover studies, validation of fire pattern analysis indicators, impact of accelerants on fire growth and spread, ignition studies and electrical fire cause analysis.

In FY 2016, ATF's laboratories accomplished the following:

- Received 2,457 requests for analysis and testing
- Completed analysis on 1,975 forensic cases (FSL)
- Performed 190 laboratory case testing experiments (FRL)
- Performed 152 laboratory research testing experiments (FRL)
- Provided 105 days of expert testimony in the courts
- Worked 177 days at crime scenes
- Provided 837 days of training instruction for federal, state and local investigators and examiners

h. Financial Investigations

ATF's forensic auditors are experts in the field of forensic accounting and financial investigations. They conduct comprehensive and complex financial investigations for special agents in support of criminal investigations. This includes, but is not limited to, arson-for-profit, alcohol and tobacco diversion, firearms and narcotics trafficking cases, the use of explosives and bombings in the furtherance of financial frauds, counter-terrorism, threats to public safety, as well as investigations into gang and other organized criminal enterprises, and complex investigations involving both domestic and international money laundering. The Financial Investigative Services Division (FISD) supports over 650 criminal financial investigations annually and as a result of the financial investigations document appropriate financial criminal charges to further the prosecution in these cases. These complex investigations involve

criminal organizations, multiple subjects and their businesses, varied and numerous money laundering schemes, asset identification, and forfeiture.

i. Collaboration and Partnerships

ATF is engaged in many cooperative agreements, collaborations and partnerships with other federal agencies, private industry, and in the international arena. For example, ATF is fully engaged with and provides support to government anti-terrorism efforts, especially the FBI-led Joint Terrorism Task Forces (JTTFs). ATF participates in JTTFs, and assigns one ATF special agent to the National JTTF at the National Counter-Terrorism Center. In working with the JTTF, ATF plays an important part in terrorism cases that involve firearms, bombs, illegal explosive possession, and tobacco diversion. ATF furthers the fulfillment of our mission by participating in other multi-agency efforts such as High Intensity Drug Trafficking Area (HIDTA), High Intensity Financial Crime Areas (HIFCA), and the Organized Crime Drug Enforcement Task Force (OCDETF). Through these partnerships, ATF plays a major role in the prevention and investigation of violent firearms crimes involving criminal organizations and gangs, and provides direct investigative expertise to criminal explosives, arson incidents and threats. These collaborative efforts also allow ATF to be a key component in combating organized crime that threatens U.S. national and economic security.

International Policy. At the request of the Department of State, ATF serves as an advocate for the firearms policies of the U.S. in international forums such as the United Nations (UN) and the Organization of American States (OAS). ATF ensures that the international firearms agreements in which the U.S. participates are consistent with U.S. laws, regulations, policies, and practices. The UN Program of Action, the OAS Convention on Firearms, and the International Tracing Instrument are just a few of the agreements through which ATF protects the policies of the U.S. in international settings.

j. Emergency Support Function (ESF) #13

Ensuring the safety and protection of the public is a critical service needed in the aftermath of any disaster. ATF is the lead for the DOJ efforts to manage ESF #13, one of the 15 emergency support functions established by the National Response Framework (NRF).

Through ESF #13, federal law enforcement assets are directed to assist federal, state, local, and tribal authorities with public-safety and security-related missions ranging from any serious, but purely local incident, to large-scale terrorist attacks or catastrophic natural disasters. Although any ESF #13 response will be a collaborative effort among partner law enforcement agencies, ATF is ultimately responsible for maintaining a robust national capability to perform all functions outlined in the ESF #13 Annex to the National Response Framework. As part of this, ATF is required to:

- Establish ESF #13 law enforcement planning for the 50 states and four territories;
- Maintain liaison and build relationships with federal, state, territorial, and local law enforcement agencies, FEMA, emergency operations centers, and other first responders in all 10 FEMA regions;
- Conduct national and regional interagency training; assess shortfalls in state and local capabilities;
- Participate in annual national emergency exercises; and
- Participate in planning activities and other regional meetings.

The close relationships that ATF has developed and is required to maintain across the whole of the nation's law enforcement and first responder communities is crucial in order for ESF #13 to be able to provide fast, effective, and appropriate resources when called upon to do so in an emergency or major disaster. ATF supports operational travel for ESF #13 headquarters and regional staff to travel throughout the year to participate in the aforementioned mandated activities. In FY 2016 alone, ESF #13 activated and deployed personnel in response to nine different incidents, to include Hurricane Joaquin, the Republican and Democratic National Conventions, and the Louisiana Flooding. In addition, in FY 2016, ESF #13 personnel participated in 106 exercises, attended or provided 178 training classes, 38 RISC meetings, 565 Federal planning/liaison meetings, and 277 state planning/liaison meetings in furtherance of the ESF #13 mission.

2. Performance Tables – 1, 2

PERFORMANCE AND RESOURCES TABLE											
Decision Unit: Law Enforcement Operations											
WORKLOAD/RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2016		FY 2016		FY 2017		Adjustments and FY 2018 Program Change		FY 2018 Request	
Total Costs and FTE		FTE	\$,000	FTE	\$,000	FTE	\$,000	FTE	\$,000	FTE	\$,000
Total Costs		4,189	1,033,167	4,198	1,031,711	4,187	1,030,585	-21	18,405	4,166	1,048,990
Program Activity	Deter Illegal Firearms Trafficking and Violent Gun Crime	535	125,378	559	129,894	548	132,960	-2	2,375	546	135,335
Program Activity	Firearms Criminal Use and Possession	1,879	475,104	1,967	485,419	1,906	490,852	-9	8,915	1,897	499,767
Program Activity	Diversion of Firearms from Legal Commerce	720	139,973	763	148,591	780	152,227	-4	2,719	776	154,946
Program Activity	Combat Criminal Organizations	345	83,013	383	91,355	360	83,843	-2	1,497	358	85,340
Activity	Deter Misuse of Explosives, Bombs and Bombings	204	49,311	187	45,007	209	49,804	-1	889	208	50,693
Activity	Diversion of Explosives from Legal Commerce	306	60,877	277	54,184	314	61,486	-2	1,098	312	62,584
Activity	Research Fire and Investigate Arson	200	50,588	201	50,265	203	51,094	-1	912	202	52,006

¹ Note: Both of the decision units (Law Enforcement Operations and Investigate Support Services) work interdependently to demonstrate ATF's actual performance.

² Note: The sum of the program activity resources and FTE will not add up to the total for each decision unit, because it does not capture all program activities within the decision unit.

PERFORMANCE AND RESOURCES TABLE

Decision Unit: Investigative Support Services

WORKLOAD/RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2016		FY 2016		FY 2017		Adjustments and FY 2018 Program Change		FY 2018 Request	
Total Costs and FTE		FTE	\$,000	FTE	\$,000	FTE	\$,000	FTE	\$,000	FTE	\$,000
Total Costs		839	206,832	844	207,283	841	207,058	-21	17,728	820	224,786
Program Activity	Firearms and Explosives Licensing and Other Industry Services	124	26,661	127	27,132	135	30,088	-5	2,576	130	32,664
Program Activity	Firearms Tracing	60	38,727	62	37,447	60	40,973	-3	3,508	57	44,481
Program Activity	National Integrated Ballistics Information Network (NIBIN)	27	32,186	25	31,161	27	31,161	0	10,030	27	41,191
Program Activity	National Center for Explosives Training and Research (NCETR)(incl Canine)	121	45,863	132	46,540	123	46,321	-5	4,310	118	50,631
Program Activity	United States Bomb Data Center	14	3,380	15	3,314	14	3,141	-1	269	13	3,410
Program Activity	Terrorist Explosives Device Analytical Center (TEDAC)	8	2,078	8	1,794	12	2,098	-1	180	11	2,278
Program Activity	ATF Laboratories	95	23,671	98	21,139	98	23,908	-3	2,047	95	25,955
Program Activity	Financial Investigative Services	53	12,833	56	12,659	53	12,961	-2	1,110	51	14,071
Program Activity	ESF #13	13	4,891	11	4,579	13	4,940	-1	423	12	5,363

PERFORMANCE AND RESOURCES TABLE						
Decision Unit: Law Enforcement Operations/Investigative Support Services						
WORKLOAD/RESOURCES		Target	Actual	Projected	Changes	Requested (Total)
		FY 2016	FY 2016	FY 2017	Adjustments and FY 2018 Program Change	FY 2018 Request
OUTCOME Measure	Impact the threat to public safety caused by illegal firearms trafficking.	106	105.4	106	1	107
OUTCOME Measure	Impact the threat to public safety caused by criminal possession and use of firearms.	92	108.1	104	0	104
OUTCOME Measure	Impact the threat to public safety caused by criminal organizations.	96	101.9	98	0	98
OUTCOME Measure	Impact the threat to public safety caused by bombs and explosives.	86	103.5	99	0	99
OUTCOME Measure	Impact the threat to public safety caused by the criminal use of fire.	90	106.0	102	0	102
OUTCOME Measure	Improve public safety by increasing compliance with Federal laws and regulations by firearms industry members.	87	91.8	91	0	91
OUTCOME Measure	Improve public safety by increasing compliance with Federal laws and regulations by explosives industry members.	95	104.0	102	0	102

PERFORMANCE AND RESOURCES TABLE								
Decision Unit: Law Enforcement Operations/Investigative Support Services								
Performance Report and Performance Plan Targets		2013	2014	2015	2016		2017	2018
		Actual	Actual	Actual	Target	Actual	Target	Target
OUTCOME Measure	Impact the threat to public safety caused by illegal firearms trafficking.	74.5	84.6	105.2	106	105.4	106	107
OUTCOME Measure	Impact the threat to public safety caused by criminal possession and use of firearms.	81.8	58.7	102.6	92	108.1	104	104
OUTCOME Measure	Impact the threat to public safety caused by criminal organizations.	74.3	78.2	96.2	96	101.9	98	98
OUTCOME Measure	Impact the threat to public safety caused by bombs and explosives.	83.3	81.8	100.2	86	103.5	99	99
OUTCOME Measure	Impact the threat to public safety caused by the criminal use of fire.	89.5	86.8	103.9	90	106	102	102
OUTCOME Measure	Improve public safety by increasing compliance with Federal laws and regulations by firearms industry members.	102.5	95.4	90.4	87	91.8	91	91
OUTCOME Measure	Improve public safety by increasing compliance with Federal laws and regulations by explosives industry members.	88.2	89.3	104.3	95	104	102	102

C. Performance, Resources, and Strategies

1. Performance Plan and Report for Outcomes

The ATF Performance Index is a management tool that helps facilitate informed decision making regarding ATF's priorities, activities and resources. The Performance Index aligns ATF's budget decision units with the Bureau's performance goal measures provides comprehensive tracking and measurement of performance across the Bureau which:

- Summarizes related facts (indicators) into a single outcome (performance goal measure) to show impact, effectiveness and progress towards established goals (targets).
- Collects trend analysis over time of the impact and effectiveness of performance goal measures (outcome) relative to the established base year.

ATF's Executive leadership has focused on the seven mission driven core functions (highlighted in blue below) to report ATF's outcome-based performance goal measures.

<i>Core Function</i>	<i>Performance Goal Measure</i>
Deter Illegal Firearms Trafficking and Violent Gun Crime	Impact the threat to public safety caused by illegal firearms trafficking.
Firearms Criminal Possession and Use	Impact the threat to public safety caused by criminal possession and use of firearms.
Combat Criminal Organizations	Impact the threat to public safety caused by criminal organizations.
Firearms Industry Operations	Improve public safety by increasing compliance with Federal laws and regulations by firearms industry members.
Deter Misuse of Explosives, Bombs and Bombings	Impact the threat to public safety caused by bombs and explosives.
Research Fire and Investigate Arson	Impact the threat to public safety caused by the criminal use of fire.
Explosives Industry Operations	Improve public safety by increasing compliance with Federal laws and regulations by explosives industry members.
Alcohol and Tobacco Diversion	Impact the threat to public safety and reduce the loss of tax revenues caused by contraband alcohol and tobacco trafficking
Modernize Our Processes and Systems	Modernize business processes and systems for improved information sharing and knowledge management. Use innovative technologies to support ATF's mission.
Manage Our Workforce	Attract, develop, and retrain a diverse, expert, and high-performing workforce to execute the ATF mission and administrative responsibilities in the current and emerging business environment.

ATF's performance measures support both the Law Enforcement Operations and the Investigative Support Services decision units working interdependently to demonstrate ATF's actual performance. ATF's performance data is compiled and calculated into actuals for each performance goal measure, which is measured against the established target in the budget to provide a statistical measure of achievements, assess how performance changes over time and demonstrate how performance relates to resources. The Performance Index allows ATF to collect and analyze data in ways that give ATF leaders the ability to:

- Recognize performance trends
- Push for organizational efficiencies
- Have needed discussions and exchange ideas
- Implement corrective action plans, if needed

The Alcohol and Tobacco Diversion core function is not measured at the performance goal level, however, the underlying indicators and performance data are captured under the Combat Criminal Organizations performance goal measure. Modernize Our Processes and Systems and Manage Our Workforce performance data is tracked at the bureau wide level since they are not tied to the Budget decision units.

The performance indicators and assigned weights are based on Executive leadership decisions that define each indicator's impact on its respective performance goal measure.

2. Strategies to Accomplish Outcomes

ATF's strategies to investigate and prevent violent crime are focused under Frontline. ATF develops customized strategies within each of its 25 field divisions based on assessments of the most significant violent crime threats within their areas of responsibility. The assessments factor in emerging crime trends, significant criminal activity, issues faced by local industry members, the proximity and priorities of federal, state, local and other external partners, available ATF resources, as well as, unique data and intelligence developed by ATF, and other intelligence and crime-related data available through federal, state and local partners. All of this information is used to plan the best use of resources at the local and national level for the greatest impact to reduce violent crime and safeguard the public.

V. Program Increases by Item

Item Name: **Violent and Gun-Related Crime Reduction Task Force**

Budget Decision Unit(s): Investigative Support Services

Organizational Program: National Integrated Ballistic Information Network (NIBIN)

Program Increase: Positions 0 Agt/Atty 0 FTE 0 Dollars \$3,530,000

Description of Item

The ATF requests \$3.53 million to support the President’s February 9, 2017 Executive Order “Task Force on Crime Reduction and Public Safety.” The task force was created by the Attorney General on February 28, 2017. The task force includes the Director of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), the Administrator of the Drug Enforcement Administration (DEA), the Director of the Federal Bureau of Investigation (FBI) and the Director of the U.S. Marshals Service (USMS). The task force is central to the Attorney General’s commitment to combatting illegal immigration and violent crime, such as drug trafficking, gang violence and gun crimes, and to restoring public safety to all of the nation’s communities. Requested resources will support the implementation of recommendations from the Task Force.

This initiative supports the President’s Executive Order on a Task Force on Crime Reduction and Public Safety and the Attorney General’s memorandum in support of the same initiative. In an April 5, 2017, memorandum, the Attorney General stated:

“The Violent Crime Reduction Strategy Development Subcommittee will make recommendations for the Department’s overall violent crime reduction strategy, which will include focused enforcement against violent offenders. This subcommittee will also examine ways in which we can support local partners engaged in enforcement, prevention and reentry efforts; leverage existing law enforcement efforts and measure the effectiveness of our work.”

ATF is prepared to support the Attorney General’s overall violent crime reduction strategy through the ability to facilitate increased and agile ballistic collection capabilities for state and local law enforcement. ATF can deploy its recently developed National Integrated Ballistic Information Network (NIBIN) mobile laboratories in support of strategies developed by the Violent Crime Subcommittee, as well as increase contract support to process investigative leads. This increase will also complement other ATF efforts to modernize and expand its NIBIN infrastructure.

NIBIN is a major law enforcement network, like others operated by DOJ such as the National Crime Information Center (NCIC), the Integrated Automated Fingerprint Identification System (IAFIS), and the Combined DNA Index System (CODIS). NIBIN is a unique national system for ballistics imaging; it is the only nationally integrated system that enables the capture and

comparison of ammunition components to aid in solving violent crimes involving firearms. Currently, the NIBIN database has over 2.4 million ballistic images.

Justification

The Violent and Gun-Related Crime Reduction Task Force has a multi-agency focus on reducing violent and gun-related crime in particularly hard-hit urban areas by using innovative means to locate individuals, organizations and gangs within specific high crime jurisdictions. Requested resources will support the recommendations of the task force. Among other things, this work will include efforts made by the DEA, ATF and USMS to work with community leaders, educators, and local business owners to share information on identities, gang affiliation markers, and crime networking patterns with state and local law enforcement and members of the public. Resources will support the short-term deployment of federal law enforcement personnel to select urban areas to foster community awareness of criminal elements living, networking and thriving in their communities. Resources will also provide for convening town hall informational sessions, providing designated signage, communications, surveillance and monitoring equipment, and dedicated tip-lines and rewards in select high crime areas – and provide community and individual incentives for reporting crime to ensure violent and gun-related crime reduction is sustained long-term.

ATF's NIBIN system provides criminal intelligence and investigative leads through the analysis and comparison of ballistic evidence left at the crime scene. When a gun is fired, it leaves unique marks on the ammunition's cartridge case. NIBIN maps those unique markings and

creates a searchable 3-D image. These images are correlated and compared by specially trained forensic personnel to identify matches, or "hits," between cartridge casings retrieved from different crime scenes. Hits that connect separate shooting incidents provide law enforcement with actionable leads that aid in the identification of the suspects. The NIBIN system



currently links 172 sites across the United States; these sites are utilized by more than 3,700 law enforcement agencies. The NIBIN system allows agencies to search and compare ballistic evidence recovered in one jurisdiction to evidence and test fires from all other NIBIN sites. ATF recently unveiled a state-of-the-art mobile NIBIN lab (see above) which will travel around the

country to help law enforcement develop cases involving recovered crime guns and ballistics evidence. The new van is the first of its kind and will become part of the ATF's overall NIBIN strategy. NIBIN vans will allow ATF to focus resources on multiple geographic locations where law enforcement might not otherwise have the resources to analyze ballistics evidence and intelligence. Ultimately, the NIBIN Mobile unit allows ATF to instantly establish best practices for utilizing NIBIN. The mobile unit provides crucial investigative information at the most critical point of an investigation. As such, the NIBIN mobile unit serves as an educational platform as well as a promotional tool for NIBIN.

The areas or regions of focus for this effort will coincide with the Department's efforts and strategies identified through the Violent Crime Subcommittee which will ultimately afford DOJ flexibility in responding to regions in need of ballistic collection capability.

ATF, in conjunction with its state and local law enforcement partners, focuses its resources on the 'worst of the worst' violent offenders. In fiscal year 2016, ATF recommended more than 14,000 individual subjects for prosecution; those subjects had an average of 8.5 prior arrests and 2.2 prior convictions. Many of ATF's referrals for prosecution are developed in partnership with state, local and Federal partners in a manual effort to disrupt and dismantle gangs and other violent criminal organizations.

The ultimate goal of this effort is to bring to bear the appropriate level of NIBIN support to an affected region to bridge any information/technological gaps with respect to the NIBIN program.

These efforts will include elements of:

- Deployment and upgrade of mobile technological solutions;
- Increase of contractor capacity within the firearm examiner cadre;
- Sustained and consistent communication and education platform which teaches and reinforces NIBIN best practices for collection, follow-up and feedback

Impact on Performance

ATF recognizes the role that crime guns play in violent crime across the Nation and focuses its resources and enforcement strategy on armed violent offenders, career criminals, narcotics traffickers, violent criminal organizations, gangs and illegal arms traffickers. Title 18 USC 924(c) and (e) provide mandatory and enhanced sentencing guidelines for armed career criminals, narcotics traffickers and other dangerous armed criminals. ATF's enforcement strategies are intended to arrest the "worst of the worst" under these Federal statutes in order to enhance public safety and reduce violent firearms crime in our communities.

Funding

Base Funding

FY 2016 Enacted				FY 2017 Continuing Resolution				FY 2018 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
0	0	0	0	0	0	0	0	0	0	0	0

Personnel Increase Cost Summary

Type of Position/Series	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2018 Request (\$000)	FY 2019 Net Annualiz ation (change from 2018) (\$000)	FY 2020 Net Annualiz ation (change from 2019) (\$000)
Miscellaneous Operations (0001-0099)	0	0	0	0	0
Total Personnel	0	0	0	0	0

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2018 Request (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)
Violent and Gun- Related Crime Reduction Task Force	0	0	3,530	0	0
Total Non- Personnel	0	0	3,530	3,530	3,530

Total Request for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)
Current Services	0	0	0	0	0	0	3,530	3,530
Increases	0	0	0	0	3,530	3,530	0	0
Grand Total	0	0	0	0	3,530	3,530	3,530	3,530

Item Name: **National Integrated Ballistic Information Network**

Budget Decision Unit(s): Investigative Support Services

Organizational Program: National Integrated Ballistic Information Network

Program Increase: Positions 0 Agt/Atty 0 FTE 0 Dollars \$6,500,000

Description of Item

NIBIN is the only interstate automated ballistic imaging network in operation in the U.S. The NIBIN system is currently composed of 172 individual sites integrated through a regional and national networking system. Under NIBIN's original service delivery model, state and local jurisdictions utilizing the NIBIN network must provide the personnel to perform both the cartridge imaging process and the correlation process. Performing correlations is the most labor-intensive portion of the NIBIN process, consuming roughly two-thirds of the entire NIBIN processing time. Most jurisdictions have not been able to maximize the operational and lead-generating potential of NIBIN because, due to resource and expertise constraints, their crime labs generally focus ballistic technicians on trial preparation, forgoing the network's ability to generate actionable investigative leads.

In April of 2016, ATF established a small beta test of the NIBIN National Correlation and Training Center (NNCTC) concept. The NNCTC allows NIBIN network users to send imaged ballistic evidence to a single center that performs correlation services for participating partners. Centralizing the correlation process enables ATF to provide ballistic identification services for its law enforcement partners in a more accurate, efficient and streamlined manner. Importantly, the NNCTC also gives participating NIBIN sites the ability to redirect limited resources to other matters, such as implementing a comprehensive ballistic evidence collection and imaging program. Additional funds will be dedicated to expand the capacity and capability of the NNCTC.

Justification

The NNCTC provides a more efficient and fiscally responsible method to provide ballistic identification services by highly specialized extremely well trained staff. Prior to the NNCTC model, ATF or the state or local site would be required to purchase both an acquisition unit (BrassTrax) as well as the correlation unit (MatchPoint). The initial cost for both units are approximately \$250,000. Under the NNCTC model, sites would only need to purchase the acquisition unit, as the NNCTC performs the correlation, making NIBIN available to more sites at a discounted rate of approximately \$150,000. In addition, sites would only need to train and staff their site to enter the evidence into NIBIN. The NNCTC model maximizes the use of the expensive NIBIN equipment while reducing the workload of overburdened law enforcement and laboratories. The NNCTC provides a crucial service that equates to roughly two thirds of the NIBIN process. Acquisition entries requires about seven minutes and the correlations require about 15 minutes per entry. By taking on the correlations, the NNCTC ensures that when those

resources are reallocated to the NIBIN entries, sites achieve comprehensive and timely NIBIN leads that investigators can utilize at a critical time in the investigation.

In order to expand the capabilities and capacity of the NNCTC it will be necessary to provide:

- Suitable space to house 100 contractors who will perform the NIBIN correlations and provide the necessary training to state and local law enforcement;
- An increase in the correlation contractor cadre, including contract firearms examiners;
- Sustained and consistent communication and education platform - one that teaches and reinforces NIBIN best practices for collection, follow-up and feedback; and
- Equipment needed to provide the technological capability to receive, data warehouse and correlate NIBIN submissions from state and local law enforcement.

Impact on Performance

The NNCTC enables ATF to alleviate chokepoints at NIBIN sites. Due to workload and processes at NIBIN sites, often times vital crime gun intelligence made available through NIBIN is significantly delayed. The NNCTC provides results to investigators within 24-48 hours. The timing and critical information provided by NIBIN allows ATF to have direct access to vital Crime Gun Intelligence so that it can be exploited nationally to target violent firearm offenders. Since criminals do not restrict their crime to jurisdictional boundaries, violent firearm trends and patterns that cross jurisdictions can go unnoticed and unaddressed. The NNCTC provides a central funnel point for vital crime gun intelligence that crosses all participating jurisdictions. In addition, the NNCTC provides unbiased results back to state and local law enforcement. The NNCTC is not overly invested in any one case; it provides the lead information from a position of neutrality.

The NNCTC provides ATF with a facility to provide training for up to 10 NIBIN technicians at any one time. Previously, ATF was only able to provide ad hoc NIBIN training as an ancillary duty at one of ATF's laboratory facilities. This provided limited availability and inconsistencies in the training program. The NNCTC provides a facility and staff that solely focuses on providing the necessary training to state, local and federal participants. Since June of 2016, the NNCTC has provided NIBIN training for more than 120 people. In addition to providing a crucial service for NIBIN sites, the NNCTC also serves as a quality control mechanism that prevents bad images/entries from effecting the network. The NNCTC reviews every entry by NNCTC sites and in the event of a poor image, the NNCTC rejects the entry and requires the entry site recapture the evidence.

Funding

Base Funding

FY 2016 Enacted				FY 2017 Continuing Resolution				FY 2018 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
21	0	21	30,349	21	0	21	30,349	21	0	21	31,259

Personnel Increase Cost Summary

Type of Position/Series	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2018 Request (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)
Miscellaneous Operations (0001-0099)	0	0	0	0	0
Total Personnel	0	0	0	0	0

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2018 Request (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)
NNCTC Expansion	0	0	6,500	-13	207
Total Non- Personnel	0	0	6,500	6,487	6,694

Total Request for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2019 Net Annualiz ation (change from 2018) (\$000)	FY 2020 Net Annualiz ation (change from 2019) (\$000)
Current Services	21	0	21	3,474	27,785	31,259	37,759	37,746
Increases	0	0	0	0	6,500	6,500	-13	207
Grand Total	21	0	21	3,474	34,285	37,759	37,746	37,953

Item Name: **Expediting NFA Applications**

Budget Decision Unit(s): Investigative Support Services

Organizational Program: Industry Support

Program Change: Positions 0 Agt 0 FTE 0 Dollars \$4,000,000

Description of Item

ATF requests \$4.0 million for the administration of the National Firearms Act (NFA) to support the timely and effective registration of restricted weapons and better support law enforcement criminal prosecutions while upholding the constitutional rights of the America public. These resources will bolster ATF's mission to fight violent crime, aid the federal government's effort to partner with the firearms industry, and instill efficiencies in the handling and processing of NFA applications. This effort will provide support in processing NFA applications within a 90-day timeframe as targeted in performance goals set by the Bureau. The requested funds will aid in the handling of the unprecedented application volume being received by employing technology to enhance processing capabilities.

In FY 2016, ATF issued a Notice for Proposed Rulemaking (NPRM) under ATF Docket 41F, implementing a definition for responsible persons of exempt entities (e.g. trusts, LLCs, corporations, etc.) who would now be required to undergo background checks that were not previously performed by ATF. This change has increased both volume and costs associated with ATF submission of fingerprint cards to the FBI under a reimbursable agreement for biometric identification services. Further, it has necessitated revisions to ATF's information systems and processes.

ATF requires a modification to the National Firearms Registration and Transfer Record (NFRTR) system that will allow ATF to comply with new regulatory requirements to capture responsible persons of previously exempt legal entities, and handle the data entry of paper based application information through conversion into machine-readable data for more efficient database input. In addition, these resources will be used to develop a mechanism for individuals and industry members to submit electronic NFA applications in lieu of paper based forms, thus reducing processing times via automation and eliminating labor-intensive manual practices currently in place. Finally, the modification will support seamless transmission of responsible person data to the FBI for the purposes of conducting required National Instant Background Check System (NICS) checks.

Equipment and software updates will support transmittal of information to the FBI required to conduct biometric and background checks while employing for the first time a mechanism for ATF to receive electronic fingerprint card data. These developmental efforts would make significant improvements in streamlining NFA application processing and implementing technology advancements to improve overall efficiency and performance.

Justification

ATF is the sole entity responsible for administering the statutory requirements for licensing, permitting, and tax and fee collection codified in the Gun Control Act (GCA), National Firearms Act (NFA), Safe Explosives Act (SEA), and Arms Export Control Act (AECA). The National Firearms Act, as amended, imposed a tax on the making and transfer of firearms defined by the NFA, as well as a special occupational tax (SOT) on persons and entities engaged in the business of importing, manufacturing, and dealing in NFA firearms. The law also requires the registration of all NFA firearms with the Attorney General. ATF's unique role means the efficiency and effectiveness of this aspect of ATF's mission has a direct bearing on the ability of many small businesses to cycle inventory and thrive. The NFA does not have any statutory time constraints for processing of registration or transfer applications that are similar to the requirements that ATF act on licensed applications under as do the Gun Control Act (60 days) and the Safe Explosives Act (90 days).

The FY 2016 Notice for Proposed Rulemaking (NPRM) ATF Docket 41F closed a loophole by implementing a definition for responsible persons of exempt entities (e.g. trusts, LLCs, corporations, etc.). Individuals with ownership shares of these entities could previously circumvent firearm background check requirements in the sale or transfer of certain firearms. Closing this loophole increased the number of background checks and has contributed to a delay in processing NFA applications.

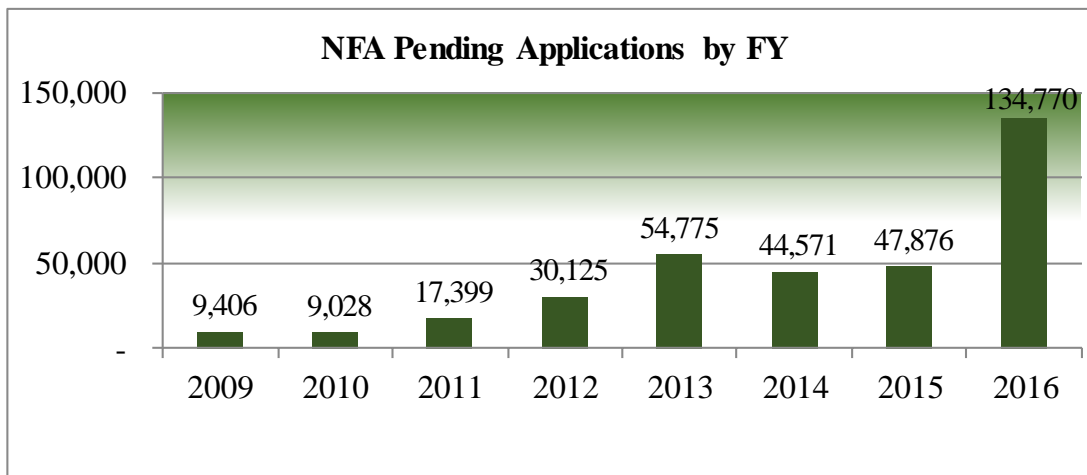
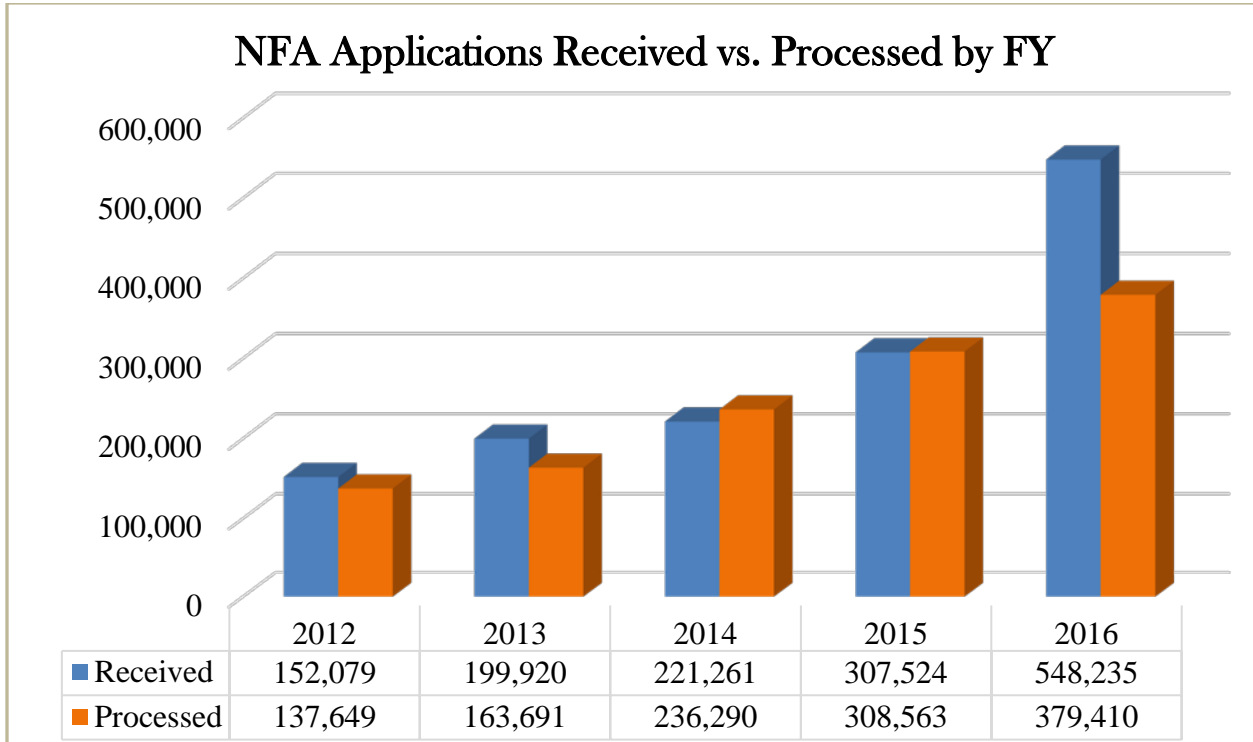
The National Firearms Act Division (NFA) is responsible for the administration of the National Firearms Act, as amended, and regulations issued pursuant to the Act. It maintains the NFRTR, the central registry of all NFA firearms in the United States. ATF is obligated by statute to process applications from businesses and individuals desiring to make, import, acquire, transfer, and export NFA firearms. The current average processing time for an NFA tax paid applications is eight months. ATF receives hundreds of daily contacts from external customers in the form of phone calls, mails, and e-mail inquiries. The NFA Branch is also obligated by statute to process applications to transport temporarily NFA firearms across state lines. ATF has observed a workload surge fueled by sustained growth in commerce in regulated firearms being produced by and transferred from the firearms industry to individual citizens. There has been an average 30 percent year over year increase in applications from FY 2012 to FY 2015, with FY 2016 alone having a 78 percent increase.

ATF processes applications for the possession and transfer of collectible NFA weapons, authorizes the import of NFA firearms for use by the United States Government, and authorizes the export of NFA weapons to foreign allies of the United States. The services provided by ATF are vital to the commerce and livelihood of industry members, international defense contractors, and suppliers of federal, state, and local law enforcement agencies.

Impact on Performance

This request for additional resources will provide for technology changes, process improvements, and address the requirements from the regulatory change requirement enacted for exempt entities. This will also allow enhanced database functionality and provide the resources

needed to enable shorter processing times and improve performance for law enforcement support. This program increase to NFA is crucial to meet the continuously growing regulatory and industry demands. The following charts depict the substantial increase in NFA applications as well as increase in backlog of workload:



Funding

Base Funding

FY 2016 Enacted				FY 2017 Continuing Resolution				FY 2018 Current Services			
Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)	Pos	Agt/ Atty	FTE	\$(000)
105	0	105	16,236	105	0	105	16,205	105	0	105	16,240

Personnel Increase Cost Summary

Type of Position/Series	Modular Cost per Position (\$000)	Number of Positions Requested	FY 2018 Request (\$000)	FY 2019 Net Annualiz ation (change from 2018) (\$000)	FY 2020 Net Annualiz ation (change from 2019) (\$000)
Miscellaneous Operations (0001-0099)	0	0	0	0	0
Total Personnel	0	0	0	0	0

Non-Personnel Increase Cost Summary

Non-Personnel Item	Unit Cost	Quantity	FY 2018 Request (\$000)	FY 2019 Net Annualization (change from 2018) (\$000)	FY 2020 Net Annualization (change from 2019) (\$000)
NFA Responsible Party Background Cost Requirement		1	2,300	0	0
NFRTR Database Modernization		1	1,000	0	-500
Equipment, Software Update, and contract support		1	700	-700	0
Total Non- Personnel			4,000	3,300	2,800

Total Request for this Item

	Pos	Agt/ Atty	FTE	Personnel (\$000)	Non- Personnel (\$000)	Total (\$000)	FY 2019 Net Annualiz ation (change from 2018) (\$000)	FY 2020 Net Annualiz ation (change from 2019) (\$000)
Current Services	105	0	105	11,368	4,872	16,240	20,240	19,540
Increases	0	0	0	0	4,000	4,000	-700	-500
Grand Total	105	0	105	11,368	8,872	20,240	19,540	19,040