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MATTHEW J. PLATKIN, Attorney General of the STATE OF NEW JERSEY,

Plaintiff,

v.

Point Blank Guns and Ammo LLC,

Defendant.

SUPERIOR COURT OF NEW JERSEY CHANCERY DIVISION – GENERAL EQUITY, MORRIS COUNTY

DOCKET NO.:	DOCKET NO.
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Civil Action

# **COMPLAINT**

The New Jersey Attorney General (the "Attorney General"), by and through his undersigned counsel, hereby alleges as follows against defendant Point Blank Guns and Ammo LLC ("Point Blank Guns and Ammo" or "the Store"):

# **INTRODUCTION**

1. In July 2022, the New Jersey Legislature enacted a law specifying duties of New Jersey gun industry members. The law granted the Attorney General an exclusive cause of action to remedy violations. See P.L. 2022, c.56, N.J.S.A. 2C:58-35 ("Section 58-35").

- 2. Among the law's provisions, Section 58-35(a)(2) requires New Jersey gun industry members to "establish, implement, and enforce reasonable controls" in their sale of ammunition, ammunition magazines, and other "gun-related product[s]." The law defines "Reasonable controls" to mean, among other duties, the establishment of "reasonable procedures, safeguards, and business practices that are designed to: (1) prevent the sale or distribution of a gun-related product to . . . a person prohibited from possessing a firearm under State or federal law."
- 3. Section 58-35(a)(2) therefore obligates New Jersey gun dealers, when selling ammunition or magazines, to take affirmative steps to determine that the buyer may lawfully possess a firearm. This legal obligation protects the public by recognizing the reality that persons who may not lawfully possess firearms sometimes acquire them unlawfully. Thus, the Legislature has provided two safety measures: a seller is required to conduct a check when someone purchases a firearm, and, as a backstop, also when a person purchases ammunition for a firearm.
- 4. In New Jersey, only a person with one of two applicable firearms permits, or who is a particular current or former public safety official and therefore exempt from the permit requirement, may possess a gun. In addition, minors, and persons with felony records or subject to a court dispossession order, are prohibited from obtaining a permit or possessing a firearm. Thus, in order to comply with Section 58-35(a)(2)'s requirement that a seller implement "reasonable controls" to ensure that ammunition is not sold to "a person prohibited from possessing a firearm," sellers must require ammunition and magazine buyers to present either a New Jersey firearms permit or a document demonstrating they are exempt from the permit requirement.

- 5. Point Blank Guns and Ammo is a state and federally licensed gun dealer in East Hanover, New Jersey. It is therefore a "gun industry member" within the meaning of Section 58-35(a)(2).
- 6. In March 2024, Point Blank Guns and Ammo sold a handgun ammunition magazine to a first-time customer. The customer had no prior relationship with the store or the salesperson. The customer paid in cash. The store did not ask to see, and did not review, any type of identification, permit, or credential.
- 7. In May 2024, the same salesperson at Point Blank Guns and Ammo sold a 1,000-round <u>case</u> of .223 caliber rifle ammunition—a high-velocity, military-standard ammunition often used in AR-15-style rifles—to a different first-time customer. The customer had no prior relationship with the store or the salesperson. The customer paid in cash. The Point Blank Guns and Ammo salesperson did not ask to see, and did not review, any type of identification, permit, or credential.
- 8. Point Blank Guns and Ammo's practice of selling ammunition and magazines without implementing "reasonable controls" to "prevent the sale or distribution of a gun-related product to . . . a person prohibited from possessing a firearm" violates Section 58-35(a)(2) and threatens public safety.
- 9. The Attorney General brings this suit to prevent Point Blank Guns and Ammo's continued endangerment of the people of New Jersey.

#### THE PARTIES

10. Plaintiff is the Attorney General of the State of New Jersey. The Attorney General is authorized and charged with the responsibility to enforce Section 58-35. The Attorney General brings the Section 58-35 claims in this action by and through the Statewide Affirmative Firearms Enforcement Office ("SAFE"). SAFE was created within the Office of the

Attorney General by Attorney General Administrative Executive Directive No. 2022-08, which also delegated to SAFE the Attorney General's statutory authority under Section 58-35.

11. Defendant Point Blank Guns and Ammo is a licensed retail firearms dealer organized on February 9, 2023 as a limited liability company under the laws of the State of New Jersey. It received its New Jersey firearms retail license, SFL#4143, on December 7, 2023. It operates a store under the business name "Point Blank Guns and Ammo" at 393 Route 10 East, East Hanover, New Jersey 07936. At that retail location, Point Blank Guns and Ammo sells guns, ammunition, gun accessories, and other gun-related products.

## **JURISDICTION AND VENUE**

- 12. Jurisdiction over Point Blank Guns and Ammo is proper because it is a business incorporated, licensed to do business, and operating in New Jersey, and because its unlawful conduct took place in New Jersey.
- 13. Pursuant to <u>Rule</u> 4:3-2(a)(2), venue is proper in this court because the cause of action arose in Morris County, where Point Blank Guns and Ammo is located, and where Point Blank Guns and Ammo engages in the illegal conduct at issue in this case. This case is filed in the Chancery Division-General Equity because the Attorney General principally seeks equitable relief. R. 4:3-1(a)(1).

#### **FACTS**

# A. New Jersey's Firearms Industry Sales Practices Law

14. The Legislature enacted Section 58-35 in July 2022. Among its provisions, Section 58-35(a)(2) provides that "A gun industry member shall establish, implement, and

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<sup>&</sup>lt;sup>1</sup> See P.L. 2022-56, N.J.S.A. 2C:58-33 to -36.

enforce reasonable controls regarding its manufacture, sale, distribution, importing, and marketing of gun-related products."

- 15. Section 58-35(a)(2) incorporates three defined terms, which are set out in N.J.S.A. 2C:58-34:
  - "Gun industry member" "means a person engaged in the sale, manufacturing, distribution, importing or marketing of a gun-related product, and any officer, agent, employee, or other person authorized to act on behalf of that person or who acts in active concert or participation with one or more such persons."
  - "Gun-related product" "means any firearm, ammunition, ammunition magazine, firearm component or part including, but not limited to, a firearm frame and a firearm receiver, or firearm accessory, which product was, or was intended to be, sold, manufactured, distributed, imported, or marketed in this State, or which product was possessed in this State and as to which it was reasonably foreseeable that the product would be possessed or used in this State."
  - "Reasonable controls" "means," (in relevant part), "reasonable procedures, safeguards, and business practices that are designed to (1) prevent the sale or distribution of a gun-related product to a... person prohibited from possessing a firearm under State or federal law[.]"
- 16. Section 58-35's requirements supplement pre-existing laws and apply to a broader scope of products than many of those other laws. For instance, N.J.S.A. 2C:58-2 establishes conditions for the retail dealing of "firearms" and contains additional provisions concerning the sale of "handgun ammunition," whereas Section 58-35(a)(2) goes further, since it additionally concerns the retail sale or distribution of <u>any</u> "gun-related product," including any ammunition or ammunition magazine. New Jersey gun industry members must comply with both laws.
- 17. Under Section 58-35(a)(2), a New Jersey gun industry member must establish, implement, and enforce reasonable affirmative measures to ensure that a purchaser of ammunition or an ammunition magazine is not a "person prohibited from possessing a firearm under State or federal law." This requires retail firearms dealerships to take meaningful steps to

determine the purchaser's ability to lawfully "possess" a firearm. They may not sell ammunition, magazines, or other "gun related product[s]" without doing so.

18. Section 58-35(a)(2)'s purchaser verification requirement for all gun-related products extends well-settled point-of-sale requirements New Jersey has long applied for sales of other products. For example, New Jersey's licensed gun dealers may not sell most firearms or handgun ammunition to would-be purchasers unless the purchaser possesses and exhibits a valid and applicable state firearms permit. See N.J.S.A. 2C:58-2(a)(4)-(5); N.J.S.A. 2C:58-3.3(b). Gun dealers must also comply with federal point-of-sale requirements. E.g., 18 U.S.C. § 922(t). Sellers of handguns and handgun ammunition are subject to additional requirements related to obtaining and recording purchaser identity information. See N.J.S.A. 2C:58-2(b); N.J.A.C. 13:54-3.14(b).

# B. State Laws Concerning "Persons Prohibited from Possessing a Firearm"

- 19. In enacting Section 58-35, the Legislature relied on pre-existing laws that define who is a "person prohibited from possessing a firearm under State or federal law."
- 20. Most relevantly, N.J.S.A. 2C:39-5 ("Section 39-5," titled "Unlawful possession of weapons") prohibits a person from "knowingly [having] in his possession any handgun . . . without first having obtained a permit to carry the same as provided in N.J.S.A. 2C:58-4." See N.J.S.A. 2C:39-5(b). Section 39-5 also prohibits a person from "knowingly [having] in his possession any rifle or shotgun without having first obtained a firearms purchaser identification card in accordance with the provisions of N.J.S.A 2C:58-3." See N.J.S.A. 2C:39-5(c).
- 21. Under N.J.S.A. 2C:39-6 ("Section 39-6", titled "Exemptions"), Section 39-5's possession prohibitions "do[] not apply" to certain categories of active public safety personnel. See N.J.S.A. 2C:39-6(a) (c), (n). Likewise, qualified retired law enforcement officers within

the meaning of 18 U.S.C. § 926(c) who are carrying that statute's required identification are also exempt. See also N.J.S.A. 2C:39-6(*l*). Absent one of these exemptions, only a person with a valid New Jersey firearms purchaser identification card or handgun carry permit may lawfully "possess" a firearm in New Jersey.

- 22. Additional state and federal statutes prohibit certain categories of persons from possessing a firearm independent of Section 39-5. These additional disqualifiers include N.J.S.A. 2C:39-7 (identifying "certain persons not to have weapons or ammunition") and 18 U.S.C. § 922(g) (identifying "person[s]" who may not "possess in or affecting commerce, any firearm or ammunition"). A person may also be subject to a court order prohibiting them from having a firearm. See, e.g., N.J.S.A. 2C:58-20 to -31 ("Extreme Risk Protective Order Act of 2018"); 2C:25-17 to -35 ("Prevention of Domestic Violence Act of 1991"); 2C:14-13 to -21 ("Victim's Assistance and Survivor Protection Act"); 2C:12-14 (providing for temporary protection order).
- 23. New Jersey has separate laws governing the issuance of the relevant firearms permits. Those laws harmonize Section 39-5's requirement of a permit for lawful firearms possession with the additional, independent disqualifiers against firearms possession. N.J.S.A. 2C:58-3(c) states that the firearms purchaser identification card necessary to possess a rifle or shotgun "shall not be issued" to, among others, persons statutorily disqualified from having a firearm or adjudicated to be disqualified from having a firearm. N.J.S.A. 2C:58-4(c) likewise requires that an applicant for a handgun carry permit demonstrate that they are "not subject to any of the disabilities set forth in N.J.S.A. 2C:58-3." Those disabilities include, but are not limited to: (i) having been convicted of certain enumerated types of crime, including: "any crime in [New Jersey] or its felony counterpart in any other state or federal jurisdiction" and "a

disorderly persons offense in [New Jersey] involving an act of domestic violence... or its felony or misdemeanor counterpart... in any other state or federal jurisdiction,"; (ii) being under the age of 18 years for a firearms purchaser identification card or under 21 years for a permit to purchase a handgun; (iii) being subject to or ha[ving] violated a temporary or final domestic violence restraining order prohibiting the possession of firearms. See N.J.S.A. 2C:58-3(c)(1), (4), and (6).

- C. Point Blank Guns and Ammo Sells Ammunition and Magazines, For Cash, to **Unverified Purchasers.**
- On March 20, 2024, an individual known to the Attorney General's Office entered 24. the Point Blank Guns and Ammo store and retrieved a Glock Model 22 .40 caliber 10-round pistol magazine from a display shelf and approached a salesperson in order to purchase it. At the sales counter, the store's computer system suddenly failed. The salesperson told the individual that the magazine would normally cost "twenty-three [dollars]" but to just pay "twenty cash" instead because the system failure prevented the salesperson from making change. The individual paid in cash. No receipt was generated. See Pictures A and B below.

Pictures A and B: Magazine sold by Point Blank Guns and Ammo on March 20, 2024<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> Due to the computer system failure, the store was unable to generate a sales receipt.





- 25. The salesperson never asked to see a firearms purchaser identification card, a handgun carry permit, or a document demonstrating that the individual did not need a permit. The salesperson never asked if the purchaser could lawfully possess a firearm in New Jersey. The salesperson did not take any measures to ensure that the purchaser was not "a person prohibited from possessing a firearm." N.J.S.A. 2C:58-34.
- 26. On May 30, 2024, a second individual known to the Attorney General's Office entered the Point Blank Guns and Ammo store and asked about buying .223 caliber rifle ammunition. The customer asked for a cash price on a 1,000-round case of ammunition. The salesperson retrieved a case containing 50 boxes of 20 rounds each and quoted a cash price of \$848.16. The individual bought the case, paying cash. See Pictures C and D below.

<u>Picture C: Case of .223 caliber rifle ammunition, purchased from Point Blank Guns and Ammo on May 30, 2024</u>



# Picture D: Point Blank Guns and Ammo sales receipt, May 30, 2024

# **POINT BLANK GUNS & AMMO**

393 RT 10 EAST STE B EAST HANOVER, NJ 07936 9737537733

#### Default

Cashier: John 30-May-2024 12:43:39P

1 PMC 223 Case 55gr Subtotal Cash Discount		\$799.00		
		\$799.00 -\$31.96		
			D - f la	
Sales Tax	6.625%	\$50.82	Default	
Credit Card	3.95%	\$30.30	Server: John	
Convenience Fee			361VEL. 001111	
Total Taxes		\$81.12	30-May-2024 12:43:39P	
***************************************			Printed: 12:44:28P	
Total		\$848.16	Sent: 12:44:25P	
CASH SALE		\$848.16		
Cash tendered		\$850.00		
Change		\$1.84	PMC 223 Case 55gr	

Online: https://clover.com/p /M6ZR8MVEH96X2

Clover ID: A2K0KF8ST9ZDG Payment M6ZR8MVEH96X2

Clover Privacy Policy https://clover.com/privacy Clover ID: A2K0KF8ST9ZDG

- 27. The salesperson never asked to see a firearms purchaser identification card, a handgun carry permit, or a document demonstrating that the individual did not need a permit. The salesperson never asked if the purchaser could lawfully possess a firearm in New Jersey. The salesperson did not take any measures to ensure that the purchaser was not "a person prohibited from possessing a firearm." N.J.S.A. 2C:58-34.
  - D. Point Blank Guns and Ammo Fails to Establish, Implement, and/or Enforce Reasonable Controls to Prevent Sales to Persons Prohibited from Possessing Firearms.
- 28. Point Blank Guns and Ammo's verification-less cash sales of .223 caliber rifle ammunition and a pistol magazine—across two different dates, involving two different purchasers, and processed by the same store employee—lacked procedures, safeguards, and/or business practices to ensure that the purchaser was not "a person prohibited from possessing a firearm under State or federal law." N.J.S.A. 2C:58-34.
- 29. Point Blank Guns and Ammo has not established, implemented, and enforced reasonable procedures, safeguards, and business practices that are designed to prevent the sale of a gun-related product to a person prohibited from possessing a firearm.

#### **CAUSES OF ACTION**

#### **Count One**

# (Failure to Establish, Implement, and Enforce Reasonable Controls) (Public Law 2022, c. 56, N.J.S.A. 2C:58-35(a)(2))

30. Under N.J.S.A. 2C:58-35(a)(2), "a gun industry member shall establish, implement, and enforce reasonable controls regarding its manufacture, sale, distribution, importing, and marketing of gun-related products." Those "reasonable controls" include "reasonable procedures, safeguards, and business practices that are designed to . . . prevent the

sale or distribution of a gun-related product to . . . a person prohibited from possessing a firearm under State or federal law." See N.J.S.A. 2C:58-34.

- 31. Defendant Point Blank Guns and Ammo is a "gun industry member" within the meaning of Section 58-35.
- 32. Point Blank Guns and Ammo's sales of ammunition and ammunition magazines in New Jersey are sales of "gun-related products" within the meaning of Section 58-35.
- 33. Point Blank Guns and Ammo's sales of ammunition and ammunition magazines lack "reasonable procedures, safeguards, and business practices that are designed to . . . prevent the sale or distribution of a gun-related product to . . . a person prohibited from possessing a firearm under State or federal law." N.J.S.A. 2C:58-34.
- 34. Point Blank Guns and Ammo has failed, and continues to fail, to establish, implement and enforce reasonable controls regarding its sale of ammunition and ammunition magazines.
  - 35. Point Blank Guns and Ammo's conduct violates Section 58-35(a)(2).
- 36. It is a public nuisance to engage in conduct that violates Section 58-35(a)(2). See N.J.S.A. 2C:58-35(a)(3).
- 37. Because Point Blank Guns and Ammo has violated Section 58-35(a), the Attorney General commenced this action seeking "an injunction prohibiting [defendant] from continuing that conduct or engaging therein or doing any acts in furtherance thereof." See N.J.S.A. 2C:58-35(b). Such injunctive relief is necessary here to prevent further, continuing, irreparable injury.
- 38. The Attorney General also seeks its reasonable attorneys' fees, filing fees, and reasonable costs of suit, as well as any other appropriate relief. <u>Ibid.</u>

## PRAYER FOR RELIEF

WHEREFORE, the Attorney General requests judgment in his favor and against defendant Point Blank Guns and Ammo as follows:

- A. Ordering injunctive relief as necessary to prevent continuing harm, such as ordering Point Blank Guns and Ammo to, at minimum, establish, implement, and enforce a requirement that purchasers of gun-related products exhibit for inspection a valid firearms purchaser identification card, a valid permit to carry a handgun, or a valid credential or identification demonstrating exemption from N.J.S.A. 2C:39-5;
- B. Pursuant to N.J.S.A. 2C:58-35(b), awarding the Attorney General the costs and expenses incurred in connection with this action, including attorneys' fees, filing fees, and reasonable costs of suit; and
- C. Awarding the Attorney General such other and further relief as the court deems just and proper.

Dated: November 13, 2024 Newark, New Jersey

> MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY Attorney for Plaintiff

By: /s/ David Leit

David Leit [024351995]
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# **CERTIFICATION OF COMPLIANCE**

I certify that confidential personal identifiers will be redacted from all documents submitted in the future in accordance with <u>Rule 1:38-7(b)</u>.

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY Attorney for Plaintiff

By: /s/ David Leit

David Leit
Assistant Attorney General

Dated: November 13, 2024

Newark, New Jersey

# **DESIGNATION OF TRIAL COUNSEL**

Pursuant to <u>Rule</u> 4:25-4, Assistant Attorney General David Leit is hereby designated as trial counsel on behalf of the Plaintiff.

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY Attorney for Plaintiff

By: /s/ David Leit

David Leit

Assistant Attorney General

Dated: November 13, 2024 Newark, New Jersey