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April 13, 2018

Federal Election Commission
Office of Complaints Examination and Legal Administration
Attn: Jeff Jordan, Assistant General Counsel & Kathryn Ross, Paralegal
999 E Street, NW
Washington, DC 20463

Re: MUR 7314

Dear Mr. Jordan,

This is a follow-up to the NRA's letter in this matter dated March 19, 2018. As you may be aware, the NRA has recently responded to a series of letters from Sen. Ron Wyden, which started as inquiries about the issues raised in this MUR, but have expanded to include matters beyond its scope.¹ Many reports of NRA's responses to Sen. Wyden have been highly sensationalized, and have displayed shockingly little attention to detail and regard for fact. I write to clarify that our initial response stands as written.

In our initial response, NRA's research into potential contributions or donations from Russian nationals was limited to searches for contributions from specific individuals and entities who were identified as being of particular interest, and to confirming that there was no reason to believe any contributor of more than \$5,000 in the aggregate during a calendar year might have been a Russian national. That search also was restricted to calendar years 2015 and 2016. It found only one contribution from a person that NRA had reason to believe was Russian national: a \$520 purchase at a fundraising auction.

Since filing that response, NRA has had the opportunity to conduct a more in-depth review of funds received, over a longer period of time, looking for any evidence of contributions from known Russian nationals, people using Russian addresses, and transfers from Russian banks. That inquiry was not limited by dollar amount, and was expanded to cover the period from January 1, 2015 through the end of March, 2018. It uncovered only one additional contribution—\$5 in 2015, from an individual who may be a U.S. national living in Russia. In the context of replying to Sen. Wyden's broad inquiries, NRA also examined and disclosed payments received for membership dues and magazine subscriptions from people using Russian addresses.

Our most recent letter to Senator Wyden has been characterized in some media as the NRA having "admitted" receiving "over 20 Russia-linked contributions" since 2015. What the letter actually said was that during the period from 2015 to the end of March, 2018, inclusive (the period specified by Sen. Wyden), NRA had received an aggregate of \$2512.85 in membership dues,

¹ For example, one of Sen. Wyden's most recent questions related to unequivocal issue advocacy, utterly unrelated to any election ("spending to sway American political discourse" following the tragedy at Marjory Stoneman Douglas High School), which he appears to believe may be subject to FECA.

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magazine subscriptions, and contributions from persons NRA has reason to believe may be Russian nationals: the aforementioned \$525 in contributions from two individuals, and approximately \$1992.85 in membership dues and magazine subscriptions from approximately 23 NRA members associated with addresses in Russia.² That acknowledgment has been characterized as inconsistent with NRA's prior assertions. It was not. The most recent letter addressed a longer period than previously had been discussed, and, in light of Sen. Wyden's broad questions, expanded the discussion to include dues and subscriptions.³

It may be useful to step back and consider these numbers in the context of NRA's overall expenses for the period in question. As we mentioned in our initial reply, NRA's Form 990 expenses for 2015 and 2016 were \$303,534,567 and \$412,737,440, respectively. Although NRA has not yet completed its 2017 Form 990, it clearly is reasonable to assume that expenses for that year will amount to hundreds of millions of dollars. On any reasonable set of assumptions, NRA's aggregate expenses for the period, when finally known, will be something on the order of a billion dollars. Sums from anyone NRA has reason to believe may be a Russian national amount to at most a few *ten-thousandths of one percent* of that aggregate. In short, they are a *vanishingly* small proportion of NRA's spending for the period. And again, all were payments to general treasury funds, not earmarked for any election-related purpose.

This MUR initially arose as the consequence of an article that strongly insinuated that NRA's \$33 million in independent expenditures during the 2015-2016 election cycle were funded, in whole or in substantial part, by money "funneled" from Russian nationals. That sensational, virtually evidence-free insinuation was credulously repeated many times. The fact that the same irresponsible voices now attempt to play "gotcha" over dues payments and magazine subscriptions from fewer than 25 people, averaging less than \$700 per year in the aggregate, says much—none of it good—about their credibility. It is a farce, and it makes a mockery of journalism. We very respectfully suggest that Commission staff and the commissioners themselves read with very critical eyes when they encounter reports on this matter in the popular media.

Respectfully,



Matthew H. Bower
Assistant General Counsel

² As our initial response in this MUR acknowledged, Alexander Torshin is a life member of the NRA and purchased that life membership in 2012. He has made no contributions or donations. In an interview by ABC News with NRA outside counsel Steve Hart, dated March 28, 2018, Mr. Hart is quoted as saying that Mr. Torshin's \$1000 membership dues were NRA's "one contribution from a Russian" during 2012-2018. Mr. Hart disputes the accuracy of that quote. In any event, Torshin's dues payment was not a contribution or donation, and Torshin joined NRA years before the periods discussed in NRA's response to this MUR, and in its communications to Sen. Wyden.

³ We do not understand routine membership dues and magazine subscriptions—which are payments for consideration—to constitute contributions or donations under FECA, and we do not believe they are relevant to the MUR. But even if they are treated as contributions or donations, their inclusion as part of general treasury funds spent to influence U.S. elections is permissible under the logic of AO 1981-36 (Japan Business Association of Southern California), as long as the NRA itself is not a foreign national, and no foreign nationals participate in its decisions relating to spending to influence U.S. elections. As we established in our initial reply, the NRA is a U.S. corporation with its principal place of business in the U.S., and its political spending decisions are made by U.S. citizens.