

FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
NRA Victory Fund, Inc. and)	MUR 7879
Christina M. Majors in her official)	
capacity as treasurer)	

STATEMENT OF REASONS OF VICE CHAIR STEVEN T. WALTHER AND COMMISSIONERS SHANA M. BROUSSARD AND ELLEN L. WEINTRAUB

This matter arose from a Complaint that NRA Victory Fund, Inc. ("the Committee"), a super PAC, ¹ failed to collect or report employer and occupation information ² for 40 of its 42 total contributors between its formation in early 2020 and the end of the 2020 election cycle, representing roughly \$500,000 of the \$510,500 it raised altogether during that period. ³ After receiving the Complaint, as well as a Request for Additional Information ("RFAI") from the Reports Analysis Division, the Committee amended its 2020 Year-End Report to add the missing information for nearly all contributors. ⁴ The Committee also represented to the Commission that it had implemented a new policy that requires contributors to provide their occupation and employer information before their contribution will be deposited in the Committee's bank account. ⁵

The Commission's Office of General Counsel ("OGC") concluded that these actions by the Committee address the reporting failures raised by the Complaint, while also vindicating the Commission's interest in ensuring transparency through accurate campaign finance reporting. ⁶ As a result, OGC recommended that the Commission dismiss the allegations against the

NRA Victory Fund, Inc., Amended Statement of Organization (Oct. 20, 2021).

² See 52 U.S.C. § 30104(b)(3)(A); 52 U.S.C. § 30101(13)(A).

Compl. ¶¶ 1-2, 7-8; FEC Receipts: Filtered Results, FEC.GOV, https://www.fec.gov/data/receipts/?%E2%80%8Ccommittee_id=C00741710&data_type=processed&committee_id=C00741710&two_year_transaction_period=2020&line_number=F3X-11AI (last visited July 14, 2022) (showing contributions to NRA Victory Fund during the 2020 election cycle).

NRA Victory Fund, Amended 2020 Year-End Report at 6-22 (Mar. 9, 2021); Resp. at 1 (Mar. 22, 2021).

⁵ Resp. at 2

⁶ First General Counsel's Report ("FGCR") at 8, MUR 7879 (NRA Victory Fund).

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Committee as a matter of prosecutorial discretion,⁷ but send a letter of caution reminding the Committee of its duties under the Federal Election Campaign Act of 1971, as amended ("the Act").⁸ We disagreed that the issuance of a caution letter vindicates the Commission's interest in ensuring transparency in campaign finance. We therefore voted to find reason to believe that the Committee violated the Act and to instruct OGC to negotiate a conciliation agreement with an appropriate civil penalty.⁹ Our colleagues voted against our motion.¹⁰

Caution letters can serve as a helpful reminder to a wayward committee of its duties under the Act. ¹¹ However, this Committee cannot reasonably be said to have carelessly lapsed in its duties. The Committee is closely related to another political committee that responded to an identical charge as recently as 2016. ¹² The Committee has shared a treasurer with the National Rifle Association of America Political Victory Fund ("the Political Victory Fund") since the former's creation. ¹³ When the Committee enlisted Robert Owens as treasurer at its founding in early 2020, he had already been serving as treasurer to the Political Victory Fund since August 2018. ¹⁴ Owens joined the Political Victory Fund just two years after it successfully rebutted a charge that it, too, had failed to collect or report employer and occupation information. It did so by providing substantial evidence that it had used best efforts to obtain the information as required by the Act. ¹⁵

There are no "best efforts" in evidence here. In fact, the Committee appears to have made virtually no effort to obtain employer and occupation information despite the relatively small number of contributors and the relatively large amount they each contributed. ¹⁶ Those

⁷ See Heckler v. Chaney, 470 U.S. 821 (1985).

FGCR at 8-9, MUR 7879 (NRA Victory Fund).

⁹ Certification, MUR 7879 (NRA Victory Fund) (June 22, 2022); Certification, MUR 7879 (NRA Victory Fund) (June 23, 2022).

¹⁰ *Id*.

See Certification, MUR 7594 (Enbridge) (July 2, 2020) (approving, *inter alia*, a recommendation that the Commission issue a caution letter to a group whose policy for making political contributions "suggest[ed] it may believe it may legally make contributions in connection with state and local elections"); Notification to Enbridge, Inc., *et al.* (July 27, 2020) (cautioning the group that such contributions would violate 52 U.S.C. § 30121).

Factual and Legal Analysis ("F&LA") at 6-7, MUR 7879 (NRA Victory Fund).

Compare NRA Victory Fund, Original Statement of Organization (Mar. 10, 2020) (listing Robert Owens as treasurer); and NRA Victory Fund, Amended Statement of Organization (Oct. 20, 2021) (listing Christina M. Majors as treasurer); with National Rifle Association of America Political Victory Fund, Amended Statement of Organization (Jan. 31, 2020) (listing Robert Owens as treasurer); and National Rifle Association of America Political Victory Fund, Amended Statement of Organization (Oct. 20, 2021) (listing Christina M. Majors as treasurer).

National Rifle Association of America Political Victory Fund, Amended Statement of Organization (Sept. 5, 2018).

¹⁵ F&LA at 10–11, MUR 6941 (National Rifle Association of America Political Victory Fund, et al.).

F&LA at 6, MUR 7879 (NRA Victory Fund); Statement of Policy Regarding Treasurers' Best Efforts To Obtain, Maintain, and Submit Information as Required by the Federal Election Campaign Act, 72 FR 31438, 31439-

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contributions exceeded half a million dollars, which flowed into the 2020 general election without the transparency Congress has deemed necessary to our electoral processes. ¹⁷

The Committee waited until approximately five months *after the election* to disclose this information, long after that information would have aided members of the public in weighing their choices at the ballot box, and only at the urging of both an enforcement complaint and an RFAI. The Committee was or should have been aware of its obligations to collect and report—or, at the very least, to make a good faith effort to obtain—this information. ¹⁸ They chose not to do so. The Commission should have sought a civil penalty as a consequence of that choice.

July 28, 2022

Date

Steven T. Walther

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Vice Chair

July 28, 2022

Date

Shana M. Broussard

Commissioner

July 28, 2022

Date

Ellen L. Weintraub

Commissioner

^{40 (}June 7, 2007) ("The Commission does not intend to consider the best efforts defense . . . unless a respondent or audited committee asserts the facts that form the basis of that defense.").

See supra, n. 2; see also Buckley v. Valeo, 424 U.S. 1, 66-67, 82-84 (1976) (upholding the part of the Act requiring disclosure of employer and occupation information, and saying of disclosure generally that it serves to, among other things, "alert the voter to the interests to which a candidate is likely to be responsive and thus facilitate predictions of future performance in office," "deter actual corruption and avoid the appearance of corruption by exposing large contributions and expenditures to the light of publicity," and "detect violations of the contribution limitations").

¹⁸ See supra, n. 16.