



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 3442

DATE FILMED 11/27/91 CAMERA NO. 2

CAMERAMAN AS

91040880678

**REPORTS ANALYSIS REFERRAL**

**TO**

**OFFICE OF GENERAL COUNSEL**

**DATE:** 5 June 1991

**ANALYST:** ANTHONY RAYMOND

**I. COMMITTEE:** NRA Political Victory Fund  
(C00053553)  
Grant A. Wills, Treasurer  
1600 Rhode Island Avenue, NW  
Washington, DC 20036

**II. RELEVANT STATUTE:** 2 U.S.C. §441b(a)  
11 CFR §114.5(b)(3)

**III. BACKGROUND:**

The NRA Political Victory Fund ("the Fund") failed to deposit a \$28,100.24 expense reimbursement from its connected organization, the National Rifle Association within thirty (30) calendar days after the expense(s) was paid by the Fund. Schedule A of the 1990 12 Day Pre-General Report discloses a receipt of \$28,100.24 from NRA/ILA on October 15, 1990, with the notation "Fundraising Expenses Reimb. of 9/90" (Attachment 2). This tardy reimbursement appears to be in violation of 11 CFR §114.5(b)(3).

On March 20, 1991, the Reports Analysis Division ("RAD") analyst sent a Request for Additional Information ("RFAI") requesting clarification of the nature of a \$28,100.24 receipt from the NRA/ILA disclosed on the amended 1990 12 Day Pre-General Report (Attachment 3). The RFAI stated that funds received from a committee's connected organization were prohibited by 2 U.S.C. §441b; however, it was noted, should the funds have represented a reimbursed solicitation or administrative expense under 11 CFR §114.5(b)(3), they could have been deposited no later than thirty (30) days after the expense(s) was paid by the Fund. The RFAI went on to request a transfer-out/refund should the reimbursement have been outside the thirty (30) day window.

On April 11, 1991, a Second Notice was sent due to the Fund's failure to respond (Attachment 4).

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On May 8, 1991, the Fund responded stating that "...a reimbursement for expenses was deposited in error into the wrong account. Thus, the reimbursement was not deposited into the PVF account until November." The response also included a Schedule A as an amendment to the Fund's 1990 30 Day Post-General Report which disclosed the receipt date of the reimbursement as November 13, 1991 (Attachment 5).<sup>1/</sup> The Fund did not address the current status of the \$28,100.24.

On June 3, 1991, the Fund sent further information on the questioned sum (Attachment 6). It stated that the \$28,100.24 expense was originally paid by the Fund on September 10, 1990. The NRA/ILA's reimbursement check was deposited in error to the NRA/ILA's account on October 10, 1990 because the wrong deposit slip was used. The NRA/ILA then issued another check to the Fund for \$28,100.24 on November 9, 1990, which was deposited into the Fund's account on November 13, 1990.

To date, the Fund has failed to disclose a refund to its connected organization, the National Rifle Association.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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<sup>1/</sup> This may represent a typographical error; the date may be November 13, 1990.

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FEDERAL ELECTION COMMISSION  
1989-1990  
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 20MAY91

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
						TYPE OF FILER
NRA POLITICAL VICTORY FUND						
CONNECTED ORGANIZATION: RIFLE ASS'N OF AMERICA; NAT'L				ID #000053553 NON-PARTY QUALIFIED		
1989	MISCELLANEOUS REPORT TO FEC			21MAR89	3	89FEC/590/0355
	FEBRUARY MONTHLY	18,697	2,385	1JAN89 - 31JAN89	9	89FEC/595/5454
	FEBRUARY MONTHLY - AMENDMENT	18,697	2,385	1JAN89 - 31JAN89	9	89FEC/590/2526
	NOTICE OF FAILURE TO FILE			1JAN89 - 31JAN89	1	89FEC/598/1788
	MARCH MONTHLY	371	4,970	1FEB89 - 28FEB89	8	89FEC/599/5230
	APRIL MONTHLY	420	6,383	1MAR89 - 31MAR89	9	89FEC/592/2516
	MAY MONTHLY	18,485	19,779	1APR89 - 30APR89	8	89FEC/596/1571
	JUNE MONTHLY	2,340	21,235	1MAY89 - 31MAY89	11	89FEC/598/2410
	JULY MONTHLY	1,479	11,403	1JUN89 - 30JUN89	11	89FEC/600/4948
	JULY MONTHLY - AMENDMENT	1,479	11,403	1JUN89 - 30JUN89	4	89FEC/606/5495
	AUGUST MONTHLY	362	116	1JUL89 - 31JUL89	5	89FEC/608/1042
	SEPTEMBER MONTHLY	119	832	1AUG89 - 31AUG89	6	89FEC/610/4419
	OCTOBER MONTHLY	863,267	180,664	1SEP89 - 30SEP89	36	89FEC/613/4262
	NOVEMBER MONTHLY	181,934	94,742	1OCT89 - 31OCT89	18	89FEC/615/3264
	DECEMBER MONTHLY	39,526	50,507	1NOV89 - 30NOV89	13	89FEC/618/1917
	YEAR-END	21,782	81,391	1DEC89 - 31DEC89	17	90FEC/627/2208
1990	24 HOUR CONTRIBUTION NOTICE			30OCT90	2	90FEC/670/0411
	24 HOUR CONTRIBUTION NOTICE			7NOV90	3	90FEC/670/4564
	FEBRUARY MONTHLY	11,788	213,840	1JAN90 - 31JAN90	9	90FEC/629/4413
	MARCH MONTHLY	5,618	85,322	1FEB90 - 28FEB90	10	90FEC/631/5150
	MARCH MONTHLY - AMENDMENT	5,618	85,322	1FEB90 - 28FEB90	4	90FEC/641/0401
	APRIL MONTHLY	5,938	289,422	1MAR90 - 31MAR90	23	90FEC/638/0188
	APRIL MONTHLY - AMENDMENT	5,938	289,422	1MAR90 - 31MAR90	4	91FEC/690/2819
	MAY MONTHLY	673,234	156,593	1APR90 - 30APR90	24	90FEC/641/0908
	MAY MONTHLY - AMENDMENT	673,234	156,593	1APR90 - 30APR90	12	90FEC/643/3672
	JUNE MONTHLY	294,187	289,547	1MAY90 - 31MAY90	34	90FEC/643/4465
	JUNE MONTHLY - AMENDMENT	-	-	1MAY90 - 30MAY90	2	90FEC/657/0738
	REQUEST FOR ADDITIONAL INFORMATION			1MAY90 - 30MAY90	1	90FEC/654/4087
	JULY MONTHLY	39,965	251,407	1JUN90 - 30JUN90	25	91FEC/650/4574
	AUGUST MONTHLY	292,983	80,014	1JUL90 - 31JUL90	26	90FEC/653/3388
	SEPTEMBER MONTHLY	150,890	434,187	1AUG90 - 31AUG90	40	90FEC/656/5171
	OCTOBER MONTHLY	671,097	206,404	1SEP90 - 30SEP90	56	90FEC/658/0564
	OCTOBER MONTHLY - AMENDMENT	671,097	206,404	1SEP90 - 30SEP90	47	91FEC/658/1075
	OCTOBER MONTHLY - AMENDMENT	-	-	1SEP90 - 30SEP90	3	91FEC/661/2299
	REQUEST FOR ADDITIONAL INFORMATION			1SEP90 - 30SEP90	2	91FEC/660/1453
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1SEP90 - 30SEP90	3	91FEC/656/3755
	REQUEST FOR ADDITIONAL INFORMATION			1SEP90 - 30SEP90	1	91FEC/690/3609
	PRE-GENERAL	207,231	330,087	1OCT90 - 17OCT90	40	90FEC/658/0553
	PRE-GENERAL - AMENDMENT	207,231	330,087	1OCT90 - 17OCT90	6	90FEC/670/4671
	PRE-GENERAL - AMENDMENT	207,231	330,087	1OCT90 - 17OCT90	4	91FEC/658/1670
	PRE-GENERAL - AMENDMENT	179,130	330,087	1OCT90 - 17OCT90	3	91FEC/658/2825
	REQUEST FOR ADDITIONAL INFORMATION			1OCT90 - 17OCT90	1	91FEC/680/1451
	REQUEST FOR ADDITIONAL INFORMATION 2ND			1OCT90 - 17OCT90	2	91FEC/658/0753
	REQUEST FOR ADDITIONAL INFORMATION			1OCT90 - 17OCT90	3	91FEC/690/3631

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FEDERAL ELECTION COMMISSION  
1989-1990

DATE 20MAY91

COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

PAGE 2

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION TYPE OF FILER
	REQUEST FOR ADDITIONAL INFORMATION 2ND			10OCT90 -17OCT90	4	91FEC/692/2512
	POST-GENERAL	155,232	603,627	18OCT90 -26NOV90	124	90FEC/676/2795
	POST-GENERAL - AMENDMENT	-	-	18OCT90 -26NOV90	3	90FEC/678/1315
	POST-GENERAL - AMENDMENT	155,231	603,686	18OCT90 -26NOV90	4	91FEC/690/2215
	POST-GENERAL - AMENDMENT	155,232	603,687	18OCT90 -26NOV90	13	91FEC/695/2528
	POST-GENERAL - AMENDMENT	551,232	603,687	18OCT90 -26NOV90	129	91FEC/695/2541
	POST-GENERAL - AMENDMENT	183,231	603,686	18OCT90 -26NOV90	3	91FEC/695/2521
	REQUEST FOR ADDITIONAL INFORMATION			18OCT90 -26NOV90	3	91FEC/690/3635
	REQUEST FOR ADDITIONAL INFORMATION 2ND			18OCT90 -26NOV90	4	91FEC/692/2522
	YEAR-END	40,573	19,219	27NOV90 -31DEC90	17	91FEC/695/4820
	YEAR-END - AMENDMENT	-	-	27NOV90 -31DEC90	3	91FEC/691/2303
	REQUEST FOR ADDITIONAL INFORMATION			27NOV90 -31DEC90	1	91FEC/690/3617
	TOTAL	3,697,516	0 3,466,134 0		986	TOTAL PAGES

All reports have been reviewed.

Cash-on-hand as of 12/31/90: \$270,742

Debts and obligations owed to the Committee as of 12/31/90: \$-0-

Debts and obligations owed by the Committee as of 12/31/90: \$-0-

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MODULE A

ITEMIZED RECEIPTS

Use separate schedule for each category of the Detailed Summary Page

1 1

Page 1 of 1

15

Information reported from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for other purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name: COMMITTEE for Full

NRA Political Victory Fund

<p>A. Full Name, Mailing Address and ZIP Code</p> <p>NRA/ILA 1600 Rhode Island Ave., N.W. Washington, DC 20036</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) Reimb. of 9/90 Fundrais</p>	<p>Name of Employer</p> <p>Occupation</p>	<p>Date (month, day, year)</p> <p>10/15/90</p>	<p>Amount of Each Receipt this Period</p> <p>28,100.00</p>
<p>B. Full Name, Mailing Address and ZIP Code</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Name of Employer</p> <p>Occupation</p> <p>Aggregate Year to Date &gt; \$</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>C. Full Name, Mailing Address and ZIP Code</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Name of Employer</p> <p>Occupation</p> <p>Aggregate Year to Date &gt; \$</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>D. Full Name, Mailing Address and ZIP Code</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Name of Employer</p> <p>Occupation</p> <p>Aggregate Year to Date &gt; \$</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>E. Full Name, Mailing Address and ZIP Code</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Name of Employer</p> <p>Occupation</p> <p>Aggregate Year to Date &gt; \$</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>F. Full Name, Mailing Address and ZIP Code</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Name of Employer</p> <p>Occupation</p> <p>Aggregate Year to Date &gt; \$</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>G. Full Name, Mailing Address and ZIP Code</p> <p>Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Name of Employer</p> <p>Occupation</p> <p>Aggregate Year to Date &gt; \$</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>

SUBTOTAL of Receipts This Page (optional)

Period (last page this line number only)

28,100.00



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20543

RG-2

Grant A. Willie, Treasurer  
NRA Political Victory Fund  
1600 Rhode Island Avenue, N.W.  
Washington, D.C. 20036

WR 20 1991

Identification Number: C00053553

Reference: Amended 12th, Pre-General Report (10/1/90 10.12/90)  
dated 11/5/90

Dear Mr. Willie:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

Schedule A of your report discloses the receipt of funds from your connected organization (pertinent portion(s) attached). 2 U.S.C. §461h prohibits the receipt of funds from national banks, corporations, and labor organizations. Under 11 CFR §116.5(b)(3), however, a separate segregated fund may be reimbursed for any solicitation or other administrative expense provided that the reimbursement is made no later than thirty (30) days after the expense was paid by the separate segregated fund.

Please provide further clarifying information regarding the date that your committee made payments for any solicitation or other administrative expenses. To the extent that the reimbursement was made beyond the thirty (30) days permitted under 11 CFR §116.5(b)(3), the Commission recommends that you refund the full amount to the donor in accordance with 11 CFR §101.1(b). Alternatively, if you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer out) from the donor for any transfer out to protect the donor's interests.

Please inform the Commission immediately in writing and provide a photocopy of your check for the refund or transfer out. In the best interests of the committee, all refunds and transfers out should be made within

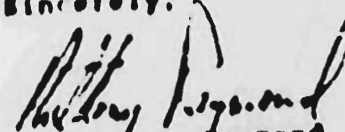
thirty (30) days of the treasurer's receipt of the funds. See 11 CFR §103.11(b). Refunds and transfers-out should be disclosed on a supporting Schedule B for Line 26 or 27 of the report covering the period during which they are made.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

Although the Commission may take further legal steps concerning the acceptance of a prohibited contribution, prompt action by your committee to refund or transfer-out the amount will be taken into consideration.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll free number, (800) 424-9530. My home number is (617) 2480.

Sincerely,



Anthony D. Raymond  
Senior Reports Analyst  
Reports Analysis Division





## FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20463

HQ-3

April 11, 1991

Richard I. Crawford, Treasurer  
 International Brotherhood of  
 Electrical Workers Local Union  
 313 PAC  
 Western Avenue & Clay Street  
 Ambler, PA 19002

Identification Number: C00143396

Reference: 12 Day Pre-General (10/1/90-10/17/90) and 30 Day  
 Post-General (10/18/90-11/26/90) Reports

Dear Mr. Crawford:

This letter is to inform you that as of April 10, 1991, the Commission has not received your response to our requests for additional information dated March 21, 1991. Those notices requested information essential to full public disclosure of your federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). Copies of our original requests are enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Brian J. Hancock on our toll-free number (800) 424-9530 or our local number (202) 376-2400.

Sincerely,

John D. Gibson  
 Assistant Staff Director  
 Reports Analysis Division

Enclosures



**NRA**  
**Political Victory Fund**  
Institute for Legislative Action  
P O Box 18911, Washington DC 20036

91 MAY 15 10:59

May 7, 1991

Federal Election Commission  
999 E Street, N.W.  
Washington, DC 20463

Identification Number: C00053553  
Re: Amended 12 Day Pre-General Report  
Amended 30 Day Post General Report

Dear Sirs:

This is an amendment for the report of receipts and disbursements for the NRA Political Victory Fund for the periods of October 1, 1990 to October 17, 1990 and October 18, 1990 to November 26, 1990.

On the original reports, a reimbursement for expenses was deposited in error into the wrong account. Thus, the reimbursement was not deposited into the PVF account until November. The amended reports show the correct changes.

Sincerely,

Grant A. Wills  
PVF Treasurer

910408890687

DUPLICATE

ITEMIZED RECEIPTS

Use separate schedule(s)  
for each category of the  
Detailed Summary Page

PAGE 1 OF 1  
FOR LINE NUMBER 15

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

NRA Political Victory Fund

<p>A. Full Name, Mailing Address and ZIP Code NRA/ILA 1600 Rhode Island Ave., N.W. Washington, DC 20036</p>	<p>Name of Employer</p>	<p>Date (month, day, year) 11/13/91</p>	<p>Amount of Each Receipt this Period \$28,100.24</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input checked="" type="checkbox"/> Other (specify) Reimb. of 9/90 Fundrais</p>	<p>Occupation Expenses</p>	<p>Aggregate Year-to-Date &gt; \$</p>	
<p>B. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Occupation</p>	<p>Aggregate Year-to-Date &gt; \$</p>	
<p>C. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Occupation</p>	<p>Aggregate Year-to-Date &gt; \$</p>	
<p>D. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Occupation</p>	<p>Aggregate Year-to-Date &gt; \$</p>	
<p>E. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Occupation</p>	<p>Aggregate Year-to-Date &gt; \$</p>	
<p>F. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Occupation</p>	<p>Aggregate Year-to-Date &gt; \$</p>	
<p>G. Full Name, Mailing Address and ZIP Code</p>	<p>Name of Employer</p>	<p>Date (month, day, year)</p>	<p>Amount of Each Receipt this Period</p>
<p>Receipt For <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)</p>	<p>Occupation</p>	<p>Aggregate Year-to-Date &gt; \$</p>	

SUBTOTAL

\$28,100.24



**NRA**  
**Political Victory Fund**  
Institute for Legislative Action  
P.O. Box 2019, Washington, D.C. 20013

Attachment 6  
Page 1 of 4

FEDERAL ELECTION COMMISSION

91 JUN -3 PM 12:13

May 22, 1991

Federal Election Commission  
999 E Street, NW  
Report Analysis Division  
Washington, DC 20036

Attn: John D. Gibson

Identification Number: C00053553  
Re: Amended 12 Day Pre-General Report

Dear Mr. Gibson:

This is in response to your letter of April 11, 1991.

Amended reports for the 12 Day Pre-General Report (October 1-17, 1990) and the 30 Day Post General Report (October 18-November 26, 1990) have been previously filed.

The sum about which you have inquired was a reimbursement to the PVF from ILA on October 10, 1990 (See enclosed copy of ILA check #28072,) for expenses incurred in soliciting contributions to the PVF # 3914 paid September 10, 1990 (See attached cancelled PVF check). This was deposited in error to ILA's account on October 10, 1990 because the wrong deposit slip was used (even though the deposit endorsement on the back of the check was to the PVF bank account)(See enclosed copy of the deposit slip and back of cancelled check #28072.) As soon as the accounting error was detected, another ILA check was then issued and deposited to the PVF (See enclosed copy of check #28297.) The PVF had paid the expense originally on September 10, 1990.

If you have any questions, please call me at (202) 828-6067.

Sincerely,

Grant A. Wills  
PVF Treasurer

GAW:mca  
Attachments

91040880639



N.R.A. POLITICAL VICTORY FUND  
1800 RHODE ISLAND AVENUE, N.W.  
WASHINGTON, D.C. 20036

Attachment 6  
Page 2 of 43914

September 10, 1990

12-28  
340 D01

PAY TO THE  
ORDER OF

USA Direct

\$28,100.24

Twenty Eight Thousand One Hundred and 24/100

DOLLARS

SOVRAN  
BANK  
NATIONAL

MAIN OFFICE  
1801 K STREET, NW  
WASHINGTON, D.C. 20006

NOT-NEGOTIABLE

⑈003914⑈ ⑆054001204⑆ 716166 2⑈

N.R.A. POLITICAL VICTORY FUND

DELUXE - FORM DVO-4 V-7

CK# 3914  
9/10/90  
\$28,100.24  
S/TX  
19c

USA Direct  
4075 N. George Street (Extended)  
Manchester, PA 17345

Invoice # USA-2163

POSTAGE REDEMPTION CH.

APPROV. BY: *[Signature]*

Dr.

APPROV. BY: *[Signature]*

APPROV. BY: *[Signature]*

APPROV. BY: *[Signature]*

APPROV. BY: *[Signature]*

APPROV. BY: *[Signature]*

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APPROV. BY: *[Signature]*

U.S.A. DIRECT, INC.

4075 NORTH GEORGE STREET (EXTENDED) MANCHESTER, PA 17345

TELEPHONE (717) 266-5601

see  
CK # 28297  
296 10-16

01 0174

1

DEPOSITS MAY NOT BE AVAILABLE  
FOR IMMEDIATE WITHDRAWAL

PLAS	
ENTER	
TOTAL	

28-100-24

**CXG DEPOSIT**

003 093 0507 24 100 24 OFFICE  
11/13/90 13 58 170 TREY LAW  
WASHINGTON, D.C. 2000

11/13/90 170

SOVRAN BANK VERMONT AVENUE  
11/18/57 21  
Rein. from ILA

4:5030 10050: 712157 00

28297

# RIGGS

The Sage National Bank of Washington, DC  
 Thomas Clark Miller  
 Washington, DC 20004-0001

Nov 9 1990

15-3/540

TWENTY EIGHT THOUSAND ONE HUNDRED AND 24/100-----DOLLARS\$28,100.24

**DOLLARS \$28,100.24**

NRA-PVF

TO  
THE  
ORDER  
OF

028297 054000030 2408202184

RECEIVED  
F.E.C.  
SECRETARIAT

91 OCT 18 PM 3:52

FEDERAL ELECTION COMMISSION  
999 E STREET, N.W.  
Washington, D.C. 20463

**SENSITIVE**

**FIRST GENERAL COUNSEL'S REPORT**

RAD Referral # 91L-65  
Staff Member: Mary Ann Bumgarner

SOURCE: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS: NRA Political Victory Fund  
and Grant A. Wills, as treasurer  
NRA-Institute for Legislative Action

RELEVANT STATUTES: 2 U.S.C. § 441b  
11 C.F.R. § 114.5(b)(3)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

**I. GENERATION OF MATTER**

On June 7, 1991, the Reports Analysis Division ("RAD") referred the NRA Political Victory Fund (the "PVF"), the separate segregated fund of the National Rifle Association (the "NRA"), and Grant A. Wills, as treasurer, to this Office. Attachment 1. The basis of the referral was the apparent failure of the PVF to deposit an expense reimbursement check in the amount of \$28,100.24 from the NRA-Institute for Legislative Action (the "NRA-ILA"), the "political action arm" of the NRA, within 30 calendar days after the expense was paid by the PVF.

**II. FACTUAL AND LEGAL ANALYSIS**

The Federal Election Campaign Act of 1971, as amended (the "Act"), prohibits corporations from making a contribution or

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expenditure in connection with a Federal election. 2 U.S.C. § 441b(a). For purposes of section 441b, a contribution or expenditure includes any direct or indirect payment, loan, deposit or gift of money or anything of value to any campaign committee or political organization in connection with any election to Federal office. 2 U.S.C. § 441b(b)(2). However, an exception to this prohibition allows corporations to use their general treasury monies to pay the costs of establishment, administration, and contribution solicitations for a separate segregated fund that is utilized for political purposes by the corporation. 2 U.S.C. § 441b(2)(c); 11 C.F.R. § 114.5(b). If the separate segregated fund pays any solicitation or other administrative expense from its own account, which expense could be paid for as an administrative expense by the connected organization, the connected organization may reimburse the separate segregated fund no later than thirty (30) calendar days after the expense was paid by the separate segregated fund. 11 C.F.R. § 114.5(b)(3).

It appears that on September 10, 1990, the PVF paid \$28,100.24 to U.S.A. Direct Inc., a direct mailing company, for its assistance in soliciting contributions to the PVF. On their amended 1990 12 Day Pre-General Election Report, the PVF listed the receipt of \$28,100.24 on October 15, 1990 from the NRA-ILA. In a memo entry, the PVF reported these funds represented a reimbursement of September 1990 fundraising expenses. In the PVF's response to a Request for Additional Information ("RFAI") from RAD concerning this apparently

untimely reimbursement, the PVF asserts that the reimbursement was in fact received on October 10, 1990, but the money was mistakenly deposited into the NRA-ILA's account due to the use of an incorrect deposit slip.<sup>1</sup> On November 9, 1990, after detecting the error, the NRA-ILA issued another check to the PVF in the amount of \$28,100.24, which was then deposited into the PVF's account on November 13, 1990.

Pursuant to 11 C.F.R. § 114.5(b)(3), the NRA-ILA may reimburse the PVF for the costs of solicitations within 30 days from the date the PVF pays such costs. In this case, it does not appear that the reimbursement was made within the permitted 30-day time period. The PVF paid U.S.A. Direct, Inc. on September 10, 1990. The date on the first reimbursement check from the NRA-ILA was October 10, 1990. In a letter to RAD, the PVF asserts that this particular check was deposited on October 10, 1990; however, a notation on the deposit slip states that this check was recorded in the "cr. journal" in error and further reference is made indicating that this credit journal entry was made on October 15, 1990. In addition, the check is also reported on the PVF's amended 1990 12 Day Pre-General Election Report as being received on October 15, 1990 and the apparent date of deposit stamped on the back of the check is October 23, 1990.

Regardless of the discrepancy in dates which exists in this matter, the fact remains that the reimbursement money was not

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1. The apparent date of deposit stamped on the back of the check is October 23, 1990.

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actually deposited by the PVF until November 13, 1990. According to the PVF, the initial deposit, whether made on October 10 or 15, was mistakenly made into the NRA-ILA's account. Thus, no transfer of funds occurred at that time. However, as soon as the "accounting error" was discovered, the NRA-ILA issued the second reimbursement check to the PVF on November 9, 1990. This check was then deposited into the PVF's account, more than 60 days after the PVF had paid the expense.<sup>2</sup>

Accordingly, this Office recommends that the Commission open a MUR and find reason to believe that the NRA Political Victory Fund and Grant A. Wills, as treasurer, and the NRA-Institute for Legislative Action violated 2 U.S.C. § 441b(a) in connection with the untimely reimbursement. However, based on the circumstances of this case, particularly the fact that the initial reimbursement check was mistakenly deposited into the NRA-ILA's account, and upon discovery of this error, and before notification from the Commission, the NRA-ILA issued a second reimbursement check to the PVF in an attempt to correct this error, and consistent with the proper ordering of the

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2. The NRA-ILA and the PVF were involved in several previous MURs concerning alleged violations of section 441b(a). However, most of the violations in these MURs are distinguishable from the present matter in that it was the corporate entity, the NRA-ILA, that initially advanced the funds, not the PVF. Unlike the prior cases, there is no indication that the corporation initiated the series of transactions.

In MUR 1521, one apparent violation did involve the reimbursement of the PVF by the NRA-ILA for inaugural tickets which had been purchased by the PVF. The reimbursement by the NRA-ILA took place within a month and the Commission did not pursue that transaction. The Commission subsequently adopted the present 30 day reimbursement regulation.

Commission's priorities and resources, this Office further recommends that the Commission take no further action with respect to the violations by the NRA Political Victory Fund and Grant A. Wills, as treasurer, and NRA-Institute for Legislative Action and close the entire file in this matter. See Heckler v. Chaney, 470 U.S. 821 (1985).

**III. RECOMMENDATIONS**

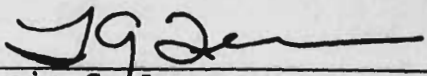
1. Open a MUR.
2. Find reason to believe that the NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a), but take no further action.
3. Find reason to believe that the NRA-Institute for Legislative Action violated 2 U.S.C. § 441b(a), but take no further action.
4. Approve the appropriate letters.
5. Close the file.

Lawrence M. Noble  
General Counsel

Date

10/18/91

By:

  
Lois G. Lerner  
Associate General Counsel

**Attachments**

1. Referral Materials

Staff Member: Mary Ann Bumgarner

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**RAD Referral #91L-65**

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1. Open a MUR.
2. Find reason to believe that the NRA Political Victory Fund and Grant A. Wills, as treasurer, violated 2 U.S.C. § 441b(a), but take no further action.
3. Find reason to believe that the NRA-Institute for Legislative Action violated 2 U.S.C. § 441b(a), but take no further action.

(Continued)

4. Approve the appropriate letters, as recommended in the General Counsel's Report dated October 18, 1991.
5. Close the file.

Commissioners Aikens, Elliott, Josefiak, and Thomas voted affirmatively for the decision; Commissioners McDonald and McGarry did not cast votes.

Attest:

10-23-91

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Fri., Oct. 18, 1991 3:52 p.m.  
Circulated to the Commission: Mon., Oct. 21, 1991 11:00 a.m.  
Deadline for vote: Wed., Oct. 23, 1991 11:00 a.m.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 8, 1991

Grant A. Willis, Treasurer  
NRA Political Victory Fund  
1600 Rhode Island Avenue, N.W.  
Washington, D.C. 20036

RE: MUR 3442  
NRA Political Victory Fund and  
Grant A. Willis, as treasurer

Dear Mr. Willis:

On October 23, 1991, the Federal Election Commission found reason to believe that the NRA Political Victory Fund and you, as treasurer, violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The First General Counsel's Report is attached for your information.

The Commission reminds you that if the separate segregated fund pays any solicitation from its own account, the connected organization may reimburse the separate segregated fund no later than thirty (30) calendar days after the expense was paid by the separate segregated fund. Therefore, the untimely reimbursement in this matter appears to be a violation of 2 U.S.C. § 441b. You should take immediate steps to insure that this activity does not occur in the future.

The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

If you have any questions, please direct them to Mary Ann Bumgarner, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

  
John Warren McGarry  
Chairman

Enclosure  
First General Counsel's Report

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FEDERAL ELECTION COMMISSION

WASHINGTON D.C. 20463

November 8, 1991

NRA-Institute for Legislative Action  
1600 Rhode Island Avenue, N.W.  
Washington, D.C. 20036

RE: MUR 3442  
NRA-Institute for  
Legislative Action

Dear Sir or Madam:

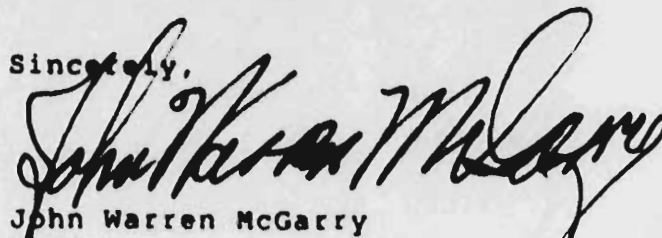
On October 23, 1991, the Federal Election Commission found reason to believe that the NRA-Institute for Legislative Action violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The First General Counsel's Report is attached for your information.

The Commission reminds you that when issuing an expense reimbursement check, the reimbursement must occur no later than thirty (30) calendar days after the expense was paid by the separate segregated fund. Therefore, the untimely reimbursement in this matter appears to be a violation of 2 U.S.C. § 441b. You should take immediate steps to insure that this activity does not occur in the future.

The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

If you have any questions, please direct them to Mary Ann Bumgarner, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

  
John Warren McGarry  
Chairman

Enclosure  
First General Counsel's Report

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3448

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