

NRA Faces Setback as New York Court Dismisses Counterclaims in Charity Lawsuit



In a recent development, the National Rifle Association of America (NRA) experienced a setback in its defense against New York's charity malfeasance lawsuit. The New York appellate court has dismissed the counterclaims made by the firearms group, dealing a blow to its argument against the state.

Dismissal of Counterclaims

The NRA's attempt to revive counterclaims, asserting that Attorney General Letitia James violated the organization's First Amendment rights, faced rejection by the court. The allegations centered around the selective enforcement of laws, with the NRA contending that it was being targeted for its political speech supporting firearms deregulation rather than addressing the state's accusations of widespread illegal executive compensation practices.

Justice Saliann Scarpulla, delivering the decision for the New York Supreme Court Appellate Division panel, stated, "The state showed as a matter of law that it had probable cause to investigate and sue the NRA." The court emphasized that the New York Attorney General's investigation had uncovered substantial evidence of wrongdoing, as detailed in the lengthy complaint.

First Amendment Claims Rejected

The NRA's First Amendment claims faltered as the court applied a standard making it easier for the government to establish its case. The court maintained that the state had probable cause to bring its claims, a threshold that was met even before the initiation of the investigation. Reports of the NRA providing extravagant perks to executives raised concerns, and the court found that the state had ample grounds to pursue its legal action.

Selective Enforcement Claims and Court's Response

The court dismissed the NRA's argument of selective enforcement, pointing out that the attorney general does enforce charity laws against other organizations. Despite the NRA's assertion that dissolution has not been sought for other organizations facing allegations of executive misconduct, the court held that those organizations had agreed to overhaul their leadership structures to prevent undue benefits to executives.

Justice Scarpulla remarked, "Unlike the NRA, which has retained many of the executives against whom malfeasance is alleged in prominent leadership positions, the other investigated charities where dissolution was not sought agreed to overhaul their leadership."

NRA's Response and Future Legal Proceedings

NRA counsel William A. Brewer III expressed concern over the court's decision, stating, "The government is now given broad latitude to weaponize its law-enforcement powers against those with whom it disagrees." He noted that the U.S. Supreme Court would address similar questions in the upcoming Spring as part of an NRA appeal related to New York's campaign against the association. Brewer expressed confidence that the Supreme Court would clarify the First Amendment implications of retaliatory regulatory enforcement.