

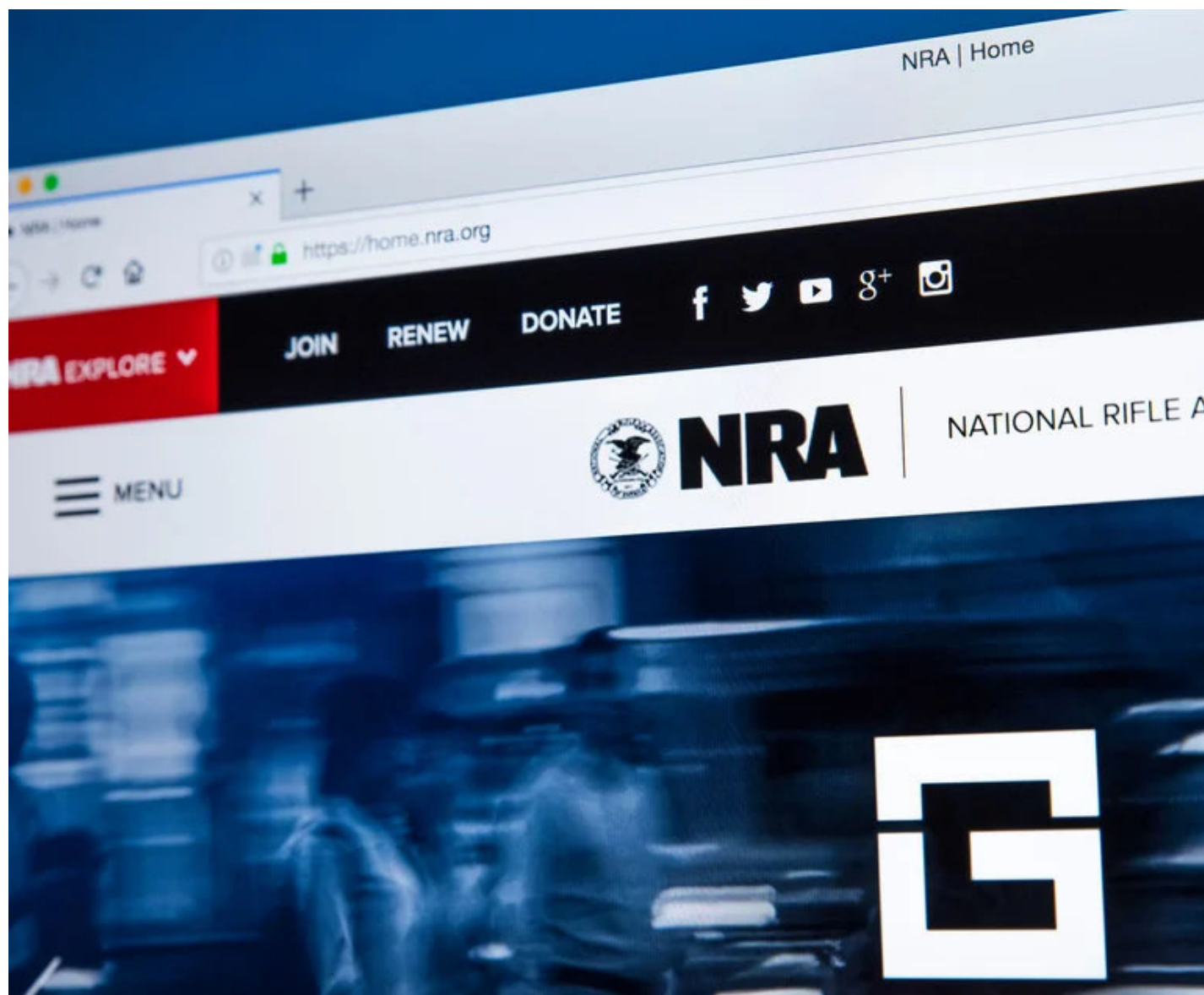
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NRA Files Motion to Dismiss New York AG's Lawsuit for Dissolution

In the NRA's motion to dismiss, NRA counsel William A. Brewer III of Brewer, Attorneys & Counselors repeatedly referenced a May ruling from a Texas bankruptcy judge, who dismissed the NRA's Chapter 11 bankruptcy petition on the grounds that it was not filed in good faith.

By Jane Wester | September 16, 2021



The homepage of the official website for the National Rifle Association. Credit: Shutterstock

Attorneys for the National Rifle Association and two of its top executives are seeking to throw out a lawsuit from the New York Attorney General's office that aims to dissolve the gun rights advocacy organization, arguing that the suit is politically motivated.

Attorney General Letitia James filed the lawsuit in Manhattan Supreme Court in August 2020, asserting that the NRA, as a New York-chartered nonprofit, misused funds for the personal gain of its top executives. She alleged that NRA chief executive Wayne LaPierre improperly spent millions of dollars on personal travel, including private flights and extravagant safaris.

On Wednesday, lawyers for the NRA and LaPierre argued, in separate motions to dismiss, that James is pursuing a "political vendetta" against the organization rather than bringing up legitimate problems.

In the NRA's motion to dismiss, NRA counsel William A. Brewer III of Brewer, Attorneys & Counselors repeatedly referenced a May ruling from a Texas bankruptcy judge, who dismissed the NRA's Chapter 11 bankruptcy petition on the grounds that it was not filed in good faith.

James' office was one of several parties that moved to dismiss the bankruptcy petition or, in the alternative, for the appointment of a Chapter 11 trustee.

Brewer argued that, despite the eventual dismissal, several of the findings made by U.S. Bankruptcy Judge Harlin Hale of the Northern District of Texas were relevant to the New York lawsuit.

Notably, Hale found that the NRA had improved its disclosure and self-reporting since 2018, Brewer argued.

"The Texas federal court expressly concluded that the NRA is well-placed to continue improving governance and internal controls and to fulfill its mission, as it has since its whistleblowers came forward," Brewer wrote. "These findings comprehensively undermine the NYAG's contrived narrative of an organization rife with corruption that is unable to reform itself and that must, therefore, be dissolved."

In a statement Thursday, Brewer reiterated the NRA's argument that the suit was filed for political reasons.

"Since taking office in 2019, the Attorney General has ignored evidence that dissolution is improper and that the NRA Board of Directors acted appropriately at all times," he said. "The NRA will continue to confront this partisan attack—in the interest of its members and the Second Amendment freedom for which they stand."

LaPierre's attorney, P. Kent Correll of the Correll Law Group, quoted extensively in his motion to dismiss from the New York Court of Appeals' ruling in *People v. Grasso*, a 2008 decision regarding the compensation paid to former New York Stock Exchange chairman Richard Grasso.

Correll argued that the claims against LaPierre should be dismissed because the attorney general failed to allege fault.

"As the Court of Appeals held in *Grasso*, such causes of action may only be maintained in the absence of good faith, and, hence, require allegation and proof of a lack of good faith," Correll wrote.