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THE FEDERAL ELECTION COMMISSION NOV 25 A 9 41 Washington, DC 20463

AGENDA ITEM

For Meeting of: 11-21-02

SUBMITTED LATE

MEMORANDUM FOR THE COMMISSION

FROM:

CHAIRMAN DAVID M. MASON

DATE:

NOVEMBER 25, 2002

RE:

AMENDMENT TO AGENDA DOCUMENT NO. 02-82-B

(REGARDING "ANY OTHER LAWFUL PURPOSE")

Page 4, delete lines 14-21 and replace with the following:

The Commission concludes that the commentator's reasoning is correct, and therefore is deleting paragraph (d) of former Section 113.2, which referred to "any other lawful purpose." With this revision, it is now clear that in addition to defraying expenses in connection with a campaign for federal office, campaign funds may be used only for the enumerated non-campaign purposes identified in paragraphs (a), (b), and (c) of Section 113.2, and that this listing of permissible non-campaign purposes is exhaustive.

The Commission notes that, pursuant to 2 USC 432(e)(3)(B), authorized committees also may make contributions of \$1,000 or less to authorized committees of other candidates. This provision was not amended by BCRA which otherwise generally increased contribution limits to \$2,000 per person. Authorized committees may not make contributions to organizations other than those described in section 170(c) of the Internal revenue Code of 1986 and other authorized committees (subject to the \$1,000 limit) unless those contributions are in connection with the campaign for Federal office of the authorizing candidate. Thus, authorized committees generally may not make contributions or donations to candidates for state or local office.