



FEDERAL ELECTION COMMISSION
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AGENDA ITEM
For Meeting of: 07-24-03

SUBMITTED LATE

MEMORANDUM

To: The Commission

From: Ellen L. Weintraub *EW*
Chair

Subject: Proposed Amendments to Agenda Document 03-51

Date: July 24, 2003

I propose the following changes to Agenda Document 03-51.

Page 4, line 11: Replace "implementing" with "the Commission implemented".

Page 7, line 9: Insert "that are" after "committees".

Page 7, line 12: Replace "to simply" with "simply to".

Page 8, lines 9-11: Replace the sentence beginning "The NPRM" and ending " earlier date" with "Regulations issued in 1999 barred the solicitation and deposit of GELAC contributions prior to June 1 of the calendar year of a Presidential general election."

Page 8, line 14: Replace "The proposal suggested changing" with "The NPRM sought comment on whether to change".

Page 8, line 18-21: Delete first sentence in paragraph. Move full citation to abbreviated cite on page 9, lines 3-4.

Page 8, line 22: Replace "difficulties" with "issues".

Page 9, line 2: Replace "The second was ensuring" with "The second concern was to ensure".

Page 11, line 16: Delete "the" before "respect".
Delete "as" after "election".
Insert "(i.e.," before "chronologically".

Page 11, line 17: Insert a second ")" after "(i)".

- Page 11, line 19: Replace "to explicitly state" with "to state explicitly".
- Page 11, line 21: Replace "referred to is" with "must be".
Replace comma with semi-colon.
Insert "it is" after semi-colon.
- Page 12, line 22: Replace "it" with "the contribution".
- Page 13, line 6: Replace "like" with "as with".
- Page 13, line 14: Replace "presumptively redesignate excessive contribution" with "redesignate excessive contributions presumptively".
- Page 14, lines 16-17: Replace "expressed opposition...also opposed" with "opposed the proposed revision, based on an expressed opposition to GELACs in general."
- Page 14, line 19: Insert "be used to" after "GELAC may".
- Page 15, line 11: Replace "stating" with ", which stated".
- Page 15, line 22: Replace: "GELACs and, consequently, any" with "GELACs in general and, by extension, any".
- Page 16, line 15: Replace "to be" with "were for".
- Page 20, line 20: Replace: "to specifically state" with "to state specifically".
- Page 21, line 10: Replace brackets with parentheses.
- Page 24, line 21: Replace "a minimum of" with "at least".
- Page 24, line 22: Replace "minimum winding down limitation" with "allowance".
- Page 25, line 8: Replace "will" with "do".
- Page 30, line 20: Insert "and" after "expenses,".
Replace comma after "ends" with period, and insert "This commenter further noted that" before "campaigns".
- Page 30, line 21: Replace "are" with "responding to a compliance matter is an" and delete "s" at end of "diversions".
- Page 30, lines 22-23: Replace "do" with "does." Delete sentence beginning "The commenter" and ending "GELAC".
- Page 31, lines 6-9: Replace the sentence starting "This new rule..." with:
"This new rule allows candidates to classify compliance matters arising from the campaign as winding down costs. To the extent that such costs fall within the specified limitations, candidates may use public funds to pay for them. This rule is consistent with the Commission's prior practice."

- Page 31, line 11: Delete comma after "Act".
Replace "which includes" with "(e.g., costs related to".
Replace comma at end of line with "and".
- Page 31, line 12: Replace "and costs" with "as well as costs" and add ")" after "matters".
- Page 32, line 14: Replace "to 'promptly' repay" with "'promptly' to repay".
- Page 33, line 21: Add "s" to "issue".
- Page 36, line 3 Insert an indent at the start of the new paragraph.
- Page 36, line 11 - Delete "since", insert "because".
- Page 38, line 1: Replace "mostly" with "substantially".
- Page 40, line 8: Insert "it" after "but".
- Page 40, lines 11-12: Delete "in the same section".
- Page 43, line 13 - Delete "since", insert "because".
- Page 43, line 14: Replace "so that they may" with "and permitting municipal funds to".
- Page 43, line 23: Replace "timeframe" with "time frame" [Also at: Page 44, line 3; and Page 45, line 12].
- Page 44, line 10: Replace "While the" with "The".
- Page 44, line 10: Replace "434, host" with "434. Host".
- Page 44, line 11: After "437," delete "which authorizes the Commission to prescribe the form and detail for any required finance statements. Nevertheless". Insert "which explicitly allows the Commission to require a "full and complete financial statement, in such form and detail as it may prescribe."".
- Page 44, line 16: Delete the sentence that begins on line 16, and ends on line 18.
- Page 46, line 17: Replace "decision to treat" with "other parallel treatment of".
- Page 46, line 18: Replace "the same" with "as similar".
- Page 48, footnote 3: Between the word "same" and "expenses" insert "types of".
- Page 51, footnote 4: Delete footnote.
- Page 52, line 20: Replace "redesignated" with "re-designated".
- Page 53, line 3: Delete "and in place".
- Page 54, line 10: Delete "but".

Page 54, line 22: Strike "certainly".

Page 55, line 9: Add "s" to "rule".

Page 57, line 6 – Delete "will be entitled to receive" and insert "received".

Page 57, line 6: After "and" insert "are entitled to receive".

Page 57, footnote 5: Delete "The Commission" on line 3 of the footnote through "nominating convention." on line 6.

Page 58, line 2 through Page 62, line 6: Delete.

Page 58, line 2: Insert:

"As mentioned in the discussion of 11 CFR 9008.50, above, the Commission has historically allowed host committees and municipal funds to raise and spend money for activities related to conventions. The NPRM provided a detailed history of the development of the Commission's policy in this area. Although a convention committee is precluded from receiving contributions, the Commission has held that host committees and municipal funds may solicit and receive funds because such funds "are not politically motivated but are undertaken chiefly to promote economic activity and good will of the host city." Explanation and Justification for 1977 Amendments to the Federal Election Campaign Act of 1971, H.R. Doc. No. 95-44, 136 (1977).

Similarly, the Commission has allowed donations to these entities from sources prohibited from making contributions under 2 U.S.C. 441b, because such donations are "sufficiently akin to commercial transactions to fall outside the scope of that prohibition." Explanation and Justification of Presidential Election Campaign Fund and Federal Financing of Presidential Nominating Conventions, 44 Fed. Reg. 63036, 63037-38. (Nov. 1, 1979).

The Commission has repeatedly endorsed the use of these funds for convention-related activities. Recent testimony on behalf of the 2004 host committees amply supports the Commission's long-held view that "businesses and organizations that donate to municipal funds are motivated by commercial and civic reasons, rather than election-influencing purposes." Explanation and Justification of Presidential Election Campaign Fund and Federal Financing of Presidential Nominating Conventions, 59 Fed. Reg. 33606, 33615 (June 29, 1994)."

Page 64, lines 1-9: Delete.

Page 64, line 18 through Page 65, line 6: From the start of line 18 through the phrase "CFR 300.2(c)" on line 6: Delete.

Page 65, line 6 starting with the word "Typically," through the end of line 7: Move to page 64, line 17 following the word "expenses."

Page 65, lines 13-16: Amend sentence as follows: "Given that a convention committee is authorized by law to receive the national party committee's convention funds, this aspect of their

relationship is sufficient to make the convention committee an agent of the relevant national party committee under 11 CFR 300.2(b)."

Page 67, line 8: Replace "soft money contributions" with "non-Federal funds".

Page 67, lines 20 – 21: Delete "jointly filed by three organizations".

Page 68, line 1: Page 68, line 4: Delete footnote and sentence beginning "The petition"

Page 68, line 11: Replace "They also observed" with "However, the commenter also documented".

Page 68, line 12: Replace "by the other party" with "in their cities to nominate candidates of the opposing party."

Page 68, line 18: Replace "the issues commented upon" with "these issues".

Page 68, line 19 through Page 69, line 5: Delete from the sentence that begins "The Commission agrees..." through "...aware that" at the beginning of line 5.

Page 69, line 5: Replace "nothing" with "Nothing" and insert ", however," after BCRA.

Page 69, line 5 through page 69, line 7: Delete sentence that begins with "For the reasons...".

Page 69, line 8: Replace "also considered" with "then looked to".

Page 69, lines 20-22: Delete sentence beginning "The commenter characterized".

Page 70, line 3 through line 5: Replace sentence beginning "While" and ending "weight" with: "Because of the scarcity of comment indicating the pre-enactment intent of those who wrote or voted for the bill, the Commission affords little weight to the passing comment of a staunch opponent of the legislation, particularly in that it was made in the waning hours of floor debate." Delete footnote.

Page 70, line 10 through Page 71, line 2: Delete, from the sentence that begins "They noted..." through the sentence on line 2 that ends "...may be permissible."

Page 72, lines 9-17: Move long sentence beginning "In light of" through "part 9008" to new paragraph, Page 73, between lines 2 and 3.

Page 73, line 14 through Page 76, line 3: Delete.

Page 77, line 15: Replace "One" with "Counsel to one".

Page 77, line 16: Replace "it" with "the committee".

Page 77, line 17: Replace "The" with "Counsel to the".

Page 77, line 18: Replace "it" with "the committee".

Page 77, line 18: Replace "fundraise" with "raise funds".

Page 78, line 11: Replace "so" with "as".

Page 78, lines 20-22: Replace "If" through "themselves" with "If a particular host committee or municipal fund were to become an 'agent' of a national party committee, then it, like the national party committee itself".

Page 84, footnote 13: Delete.

Page 90, line 12: Delete "While it is true that".

Page 90, line 13: Move "section 9009(b)" to line 14, after "committees," and begin sentence with "Unlike".

Page 90, line 15: Replace "committees, it grants" with "committees. It does, however, grant".

Page 91, line 4: Delete "however,".

Page 100, line 13: Delete "since", insert "because".

Page 103, line 20: Delete "winding down limitation".

Page 112, line 15: Delete "since", insert "because".

Page 130, line 5: Insert comma after "post general election report".

Page 130, line 6: Delete comma after "and".

Page 130, line 16: Delete "current" and replace with "pre-existing."

Page 132, line 17: Insert comma after "equipment".

Page 133, line 4: Delete "retroactively will" and replace with "shall".

Page 133, line 5: Delete "is" and replace with "shall be".

Page 140, line 23: Add "s" to "cost".

Page 141, line 12: Replace "winding down" with "ending".

Page 143, line 14: Delete "for" and replace with "of".

Page 146, line 18: Replace "includes" with "is".

Page 146, line 20: Insert comma after "bureau".

Page 148, line 15: Insert "submitted to" after "been".

Page 154, line 9: Insert "that" after "provided".

Page 159, line 12: Strike "to".

Page 160, line 5: Insert comma after “contribution to”.

Page 160, line 6: Insert comma after “expense by”.

Page 161, line 7: Delete “retroactively will” and replace with “shall”.

Page 161, line 8: Delete “is” and replace with “shall be”.