



John Herzog <john@ms.acca.org> on 11/25/2003 04:53:16 PM

To: "payrollded03@fec.gov" <payrollded03@fec.gov>

cc:

Subject: 11-cfr Part 114.8(e)(3)

Please accept our comments on the proposal by the America's Community bankers for a rulemaking petition to allow payroll deductions for trade association's segregated funds. Thank you and have a good Thanksgiving.

John Herzog  
Vice President, Public Policy  
Air Conditioning Contractors of America  
(703) 824-8842  
FAX (703) 575-9101

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John Herzog  
Vice President, Public Policy  
Air Conditioning Contractors of America  
(703) 824-8842  
FAX (703) 575-9101



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Mr. John C. Vergelli  
Payrollded03@fec.gov

### **Comments**

**Rulemaking Petition: Payroll Deduction  
Contributions to a Trade Association's Separate Segregated Fund  
11-CFR Part 114.8(e)(3)**

Contact: John Herzog  
(703) 824-8842  
[john.herzog@acca.org](mailto:john.herzog@acca.org)  
Air Conditioning Contractors of America  
2800 Shirlington Road, Suite 300  
Arlington, VA 22206

We appreciate the opportunity to provide input on this significant petition for rule making and support the position espoused by America's Community Bankers.

The Air Conditioning Contractors of America (ACCA) represents the technical, educational and policy interests of those who design, install and maintain indoor environmental systems. The majority of our approximately 4,000 members average 16 to 20 employees. We have a network of 51 state and local chapters throughout the nation.

ACCA strongly endorses the proposal to allow payroll deductions to support our ACCA Political Action Committee. As you know, trade associations have an additional hurdle to cross in soliciting funds for PACs. We need to get signed prior approvals annually in order to solicit our restricted class - members and their management teams - which adds to our dramatically to our paperwork burden. It also interrupts an unfettered flow of information to our members as government relations is an important reason they joined the organization. ACCA-PAC is integral to that effort but we can only send information on it to those who have signed prior approvals, and this is not always feasible.

Large companies and unions don't have to meet that test. They solicit their entire membership without advance approvals. We face another barrier in that many of our members belong to more than one trade association. Under the law they can only grant prior approval to one association per year, even if they desire to receive PAC information from each of their associations.

Restricting the opportunity for our members and their management staffs to contribute to the PAC through payroll deductions does not recognize the changes electronic commerce has brought to the way we do business today. By allowing payroll deductions you would facilitate the spirit and purpose of the law which is to affirm the right for members of trade associations to support their PACs with fully-regulated contributions.

The change proposed by America's Community Bankers is indicative of the efforts in other agencies of government to facilitate the delivery of information while reducing the paperwork burden, especially for small businesses. The Paperwork

Reduction Act was passed because of the growing recognition that government red tape was curtailing our nation's economic growth.

As an example of the government's move toward electronic transactions, the Internal Revenue Service has made great efforts and strides in convincing America's small businesses to file their taxes electronically. They have provided incentives to encourage this practice because it increases the accuracy of the returns, thus reducing the need for physically handling and checking each return...a very expensive process.

Many agencies have developed outreach activities to primarily help small businesses comply with federal regulations and rules. They largely rely on their electronic resources to get the information out.

As you know, more than half of the American workforce has one transaction or more – often their paycheck – electronically deposited into their account. They understand and are comfortable with the system. Even the Social Security Administration encourages direct deposit of monthly checks, largely for security measures but also for convenience.

In your May 26, 1976 Federal Register notice you recognized the role of payroll deductions. Yet, for some reason, you changed your mind at the commission meeting a month later. This revision was published in the August 25 Federal Register. This was 30 years ago. It's time to change the rule and reflect the times.

Again, we encourage you undertake a rulemaking proceeding and finally, allow payroll deductions for PAC contributions.

As all businesses, our members must devote the majority of their time running their business. By making this change, you will free many of them of at least one burden.

Thank you for the opportunity to provide our input.