Todd White <TWHITE@arvest.com> on 11/20/2003 05:22:51 PM

To: payrollded03@fec.gov
cc:

Subject: Comtirbutions by payroll deduction

Please accept this letter as our comment on this issue

G. Todd White
Arvest Mortgage Co
Loan Production Manager
P.O. Box 579
Lowell AR 72745
Cell - 479-366-6333

- Payroll Deduction FEC Comment Letter.doc

November 20, 2003

Mr. John C. Vergelli
Acting Assistant General Counsel
Federal Election Commission
999 E Street, NW.,
Washington, DC 20463

Re: Rulemaking Petition: Payroll Deduction Contributions to a Trade Association's Separate Segregated Fund, Notice 2003-18, dated October 24, 2003

Dear Mr. Vergelli:

I am writing on behalf of Arvest Mortgage Co, an Arkansas corporation, a mortgage banking company that is a member of the Mortgage Bankers Association ("MBA"). MBA, is a not for profit trade association organized under the laws of Illinois. It is the national association representing the real estate finance industry. Its membership of approximately 2,700 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, life insurance companies and others in the mortgage lending field.

MBA maintains a separate segregated fund ("SSF"), MORPAC. As an active participant in MORPAC, my company and I support a rulemaking by the FEC that would allow me and other members of my firm to make voluntary contributions to MORPAC through a payroll deduction mechanism.

It is clear that corporate trade association members may facilitate contributions to their trade association's SSF by their qualified employees so long as the solicitations meet all applicable regulations of the FEC. Given that, with my company's permission, MBA can solicit me and I can lawfully contribute to its SSF, I would appreciate the convenience of being able to make my contributions via payroll deduction.

I believe that the petition of America's Community Bankers ("ACB") urging the FEC to revise 11 CFR 114.8(e) (3) makes sense as more and more Americans receive and transmit funds electronically. Furthermore, ACB's petition represents a permissible interpretation of the Federal Campaign Act ("FECA"), specifically, 2 U.S.C. Sec. 441(b).

The FEC recently opined that FECA places no limits on the methods that a trade association may use to facilitate the making of contributions to its SSF. FEC Advisory Opinion 2003-22. Accordingly, the current restriction on payroll deduction contained in the FEC's regulations is inconsistent with the FECA itself.

An increasing number of the workforce has grown up with computers and electronic payments. My industry currently allows and even encourages mortgagors to pay their mortgage loans electronically, and MBA is currently developing standards for electronic mortgage transactions. Absent a compelling reason, it is inappropriate for the FEC to continue to encapsulate in a regulation a prejudice against an electronic payment mechanism that is now widely available, reliable and inexpensive.

Thank you for your attention.

Sincerely,

G. Todd White
Sr. Vice President,
Arvest Mortgage Company