



National Funeral Directors Association

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January 21, 2005

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Brad C. Deutsch
Assistant General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Notice of Proposed Rulemaking on Payroll Deductions by
Member Corporations for Contributions to a Trade
Association's Separate Segregated Fund (69 FR 76628, 12/22/04)

Dear Mr. Deutsch:

The National Funeral Directors Association (NFDA) represents over 20,000 licensed funeral directors and over 12,000 funeral homes in all 50 states. It is the leading funeral service organization in the United States, providing a national voice for the profession.

NFDA supports the referenced Federal Election Commission (FEC) proposal to amend its rules to permit trade association corporate members to use a payroll deduction or check-off system for voluntary employee contributions to the trade association's separate segregated fund (SSF). Following are NFDA's comments on the proposal.

The Commission advises that the comments supporting the Petition for Rulemaking upon which its proposals are based fell into three categories: legal, policy and practical. With respect to the legal argument, NFDA agrees that the Federal Election Campaign Act does not prohibit the use of payroll deduction or check-off systems as a means of collecting voluntary contributions to a trade association SSF from restricted class employees. The Act is silent on this issue and NFDA is not aware of any legislative basis or rationale having been articulated for maintaining or perpetuating the regulatory prohibition. To the contrary, as commentators have pointed out (69 FR 76630), permitting the practice is compatible with the Act, existing FEC regulations and Advisory Opinions.

NFDA agrees that no policy basis exists for the prohibition on corporate use of payroll deductions to collect voluntary employee contributions to a trade association SSF. NFDA also agrees that removing the regulatory prohibition would help advance fairness in fund raising, participation and representation between large association and labor organization SSFs and small associations. The average NFDA corporate member, for example, employs less than 10 workers.

Few maintain their own SSFs. Instead, they rely on the NFDA SSF to serve as their political voice. As the commentators note (69 FR 76631), the cumbersome, inefficient methods imposed on the fund raising abilities of SSFs like those of NFDA by the current regulations significantly reduce their accessibility and utility to association members and put them at a disadvantage compared to their larger counterparts and labor organization SSFs.

Lastly, NFDA agrees that permitting member corporations to make payroll deductions available to restricted class employees for contributions to a trade association's SSF has many practical advantages. The methodology and uses of payroll deductions are well understood and widely used by employers and employees. There is no reason not to extend the reliability, convenience and cost-efficiencies of this methodology to the collection of voluntary contributions to trade association SSFs.

Conclusion

NFDA believes it is time to level the playing field with respect to payroll deductions for voluntary employee contributions to trade association separate segregated funds and supports the FEC proposal to amend its rules to permit such deductions. NFDA appreciates the opportunity to comment on the proposal. Please include these comments in the record of the Commission's proceedings on this matter.

Sincerely,



William A. Isokait
Director of Advocacy