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January 21, 2005

Mr. Brad C. Deutsch
Assistant General Counsel
Federal Election Commission
999 E Street, NW
Washington, D.C. 20463
Via fax to: 202-219-3923

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Federal Election Commission, Notice of Proposed Rulemaking: 11 CFR Part 114; Payroll Deductions by Member Corporations for Contributions to a Trade Association's Separate Segregated Fund; 69 Federal Register 76628, December 22, 2004

Dear Mr. Deutsch:

The Pennsylvania Bankers Association ("PBA") appreciates the opportunity to comment in support of the Commission's proposed amendments to its rules regarding contributions to the separate segregated fund (SSF) of a trade association by employee-stockholders and executive and administrative personnel (collectively, restricted class employees) of corporations that are members of trade associations. PBA is a statewide trade association representing approximately 200 financial institutions of all sizes in the Commonwealth of Pennsylvania.

PBA urges its quick adoption and implementation for the following reasons.

As the Commission stated at the beginning of the Analysis section of the Notice of Proposed Rulemaking, at 69 Federal Register 76631, the question is "...whether the regulatory prohibition against payroll deduction and check-off systems continues to make sense." In PBA's view, the prohibition does not make sense. Payroll deduction is commonly used to make many types of payments including contributions for charitable, savings, and other purposes. The Commission permits employee contributions to SSFs sponsored by corporations and labor organizations and should do so for members of trade associations as well.

As the Commission points out in its proposal, the Federal Election Campaign Act of 1971, as amended, at 2 U.S.C. 441b(b)(4)(D), allows trade associations to solicit contributions from restricted class employees of member corporations. 69 Federal Register 76629 December 22, 2004. Further, the Commission's regulations provide that "(t)here is no limitation on the method of facilitating the making of voluntary contributions which a trade association may use." 11 CFR 114.8(e)(3).

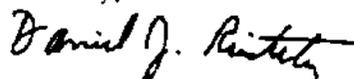
These provisions were further explained in the Commission's Advisory Opinion 2003-22, wherein the Commission authorized the collecting of voluntary contributions by a corporate member of a trade association from the member's restricted class employees and forwarding the contributions to the trade association's SSF. In addition, the Commission's Advisory Opinion 1999-35 permits restricted class employees' contributions to a trade association's SSF to be deducted from the contributors' depository accounts.

These provisions and the Commission's own interpretations demonstrate that the proposed change to permit payroll deductions is well-grounded in statute and regulation. Extending this authority to payroll deductions for a trade association's SSF is a logical and fair regulatory change that would permit corporate members of trade associations to have the same opportunities that labor organizations and corporations themselves enjoy. The proposed changes to the Commission's regulations would be consistent with the regulatory and statutory provisions mentioned above and would allow trade associations access to a means of collecting contributions that is currently available to corporations and labor organizations.

For all of these reasons, PBA supports prompt adoption of the proposed rulemaking and urges its speedy implementation.

Thank you for this opportunity to share our views. If you have any questions or need additional information regarding this letter, please do not hesitate to contact us.

Sincerely,



Daniel J. Reisteter
Treasurer
PaBPAC (Federal)