January 21, 2005

Brad C. Deutsch, Esq.
Assistant General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Notice of Proposed Rulemaking Regarding Payroll Deductions

Dear Mr. Deutsch:

The American Society of Association Executives ("ASAE") supports the Federal Election Commission ("FEC" or "the Commission") proposed rulemaking No. 2004-18 published in the *Federal Register*, Vol. 69, No. 245, on December 22, 2004 to amend the Commission's regulations to allow corporate members of trade associations to use a payroll deduction for contributions. ASAE believes that there are numerous compelling reasons why the Commission should permit corporate members of trade associations to use a payroll deduction mechanism for the members of their restricted class and there is absolutely nothing in the Federal Election Campaign Act ("FECA") that precludes such activity.

ASAE is a Washington-based association of more than 24,000 professionals who manage approximately 11,000 trade, individual and voluntary organizations. Many of the associations that these executives lead have corporate members who have given prior approval for their restricted classes to be solicited for contributions to the trade association's separate segregated fund ("SSF") pursuant to 11 C.F.R. § 114.8(d). In order to contribute, these individuals must write one or more checks or have their credit cards charged. ASAE believes that it would be far less burdensome for the individuals if they were able to contribute through the use of a payroll deduction. Furthermore, allowing trade associations to collect contributions via payroll deduction also would be beneficial to the associations and their corporate members.

In general, trade associations allow member companies (or individuals) to join together for a variety of reasons, including self-regulation, professional development, lobbying, and political activity. Just as smaller entities are able to join together to create industry standards or to provide industry education – activities that would be difficult if undertaken individually – the restricted classes of smaller corporate members are able to fund trade association SSFs in order to elect and support candidates who understand the interests of the association. Such activities are fully disclosed and regulated.

The proposed rulemaking removes an unnecessary prohibition on corporate members' ability to utilize payroll deduction in order to collect and forward voluntary employee contributions to the SSF of the corporation's trade association. This change should serve to increase the involvement of individuals in the political process, particularly for those corporate members who do not have their own SSF. In such situations, a trade association SSF may be one of the most straightforward and accessible mechanisms to participate in the political process for the individuals in the corporate members' restricted class. By allowing payroll deductions, those who are eligible to contribute are able to spread out their giving easily. Further, if a corporate member does have an SSF, a payroll deduction for the trade association SSF would allow the members of the restricted class to contribute to the corporate SSF and the trade association SSF in the same simple fashion.

The proposed rulemaking makes clear that the Commission recognizes that there is no legal reason for prohibiting the use of payroll deduction in this manner. While the FECA imposes very specific restrictions on who may be solicited by a trade association comprised of corporate members and requires trade associations to obtain the permission of the corporate members before soliciting the restricted class (2 U.S.C. § 441b(b)(4)(D)), it does not provide any restrictions on how the solicitation may be conducted once approval is given.

ASAE hopes that the FEC will finalize its proposed regulations in their current form, and thereby simplify the process of contributing to trade association SSFs.

Respectfully submitted,

James L. Clarke
Sr. Vice President, Public Policy