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VIA E-MAIL

January 21, 2005

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

Re: Payroll Deductions by Member Corporations for Contributions to a Trade Association's Separate Segregated Fund (Notice 2004-18)  
68 FR 294, December 22, 2004

Dear Mr. Deutsch:

The New Jersey League of Community Bankers\* ("the League") and the League's separate segregated fund, SAPEC-New Jersey, support the proposed rule by the Federal Election Commission ("the Commission") to amend 11 C.F.R. § 114.8(e)(3) to remove the current prohibition on corporate use of the payroll deduction system for employee contributions to a trade association's separate segregated fund ("SSF"). The proposed regulations would allow a corporation that is a member of a trade association, upon written request of the trade association, to take the steps necessary to allow "restricted class employees" (employee-stockholders and executive and administrative personnel) to use a payroll deduction or check-off system for making voluntary contributions to the trade association's SSF and to forward those contributions to the SSF. The rule would also require that any corporation that provides this incidental service must make the same service available to a labor organization representing members employed by the corporation, upon written request.

As we noted in our letter of December 19, 2003 in support of America's Community Bankers' petition for rulemaking, much has changed since 1976 when the current prohibition was adopted. There is a growing trend toward electronic payments and recently enacted legislation

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\* The New Jersey League of Community Bankers, founded in 1908, is a trade association representing 67 of New Jersey's savings banks, savings & loan associations and commercial banks with total assets of over \$75 billion. The League's wholly-owned subsidiary, the Thrift Institutions Community Investment Corporation ("T.I.C.I.C.") assists League members in forming consortia to make loans on low-to-moderate income housing and economic development projects throughout New Jersey. Since its founding in September 1991, T.I.C.I.C. has facilitated loans on over 4,300 affordable housing units and has loans in process on over 600 more affordable housing units. Loans made and loans in process total over \$300 million.

**Gary T. Jolliffe**  
*Chairman*  
President/CEO  
Millington Savings Bank  
Millington, NJ 07946

**Raymond G. Hallock**  
*First Vice Chairman*  
President/CEO  
Columbia Bank  
Fair Lawn, NJ 07410

**Robert S. Monteith**  
*Second Vice Chairman*  
President/CEO  
NVE Bank  
Englewood, NJ 07631

**Samuel J. Damiano**  
*President*  
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Cranford, NJ 07016

allows financial institutions to replace actual checks with electronic images. The use of direct deposit and payroll deductions is now widespread and cost-efficient and the enactment of the Bipartisan Campaign Reform Act of 2002 has made individual contributions to political campaigns much more important.

Permitting the use of payroll deductions would provide employees of corporations that are members of a trade association with a separate segregated fund an easy method of participating in the trade association's PAC and would encourage their participation in the political process. The proposed rule would be of particular help to smaller corporations whose only effective access to the political process is through their trade association.

Again, we support the proposed rule and encourage its adoption as soon as possible.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Silkensen", with a long horizontal flourish extending to the right.

James R. Silkensen  
Executive Vice President

JRS/jz