



Myrna Kay Smith <myrnakay@oba.com> on 11/21/2003 04:18:50 PM

To: "payrollded03@fec.gov" <payrollded03@fec.gov>
cc: "Roger M. Beverage" <roger@oba.com>, 'Lee Slater' <leeslaterlaw@sbcglobal.net>
Subject: Letter of Support for FEC Rule Amendment

Please find attached our letter supporting the amendment to the Federal Election Commission Rules making it permissible for banks to take advantage of Payroll Deduction for contributions to the Oklahoma Bankers Association Federal PAC, a separate segregated fund.

Myrna Kay Smith
Deputy Treasurer
Oklahoma Bankers Association
Federal Political Action Committee
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If you'll make time for your Association, your Association will do great things for you!

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- FEC Letter Supporting Rule Change.doc

SERVING BANKERS



SERVING OKLAHOMA

OKLAHOMA BANKERS ASSOCIATION

ROGER M. BEVERAGE
PRESIDENT AND CEO

November 21, 2003

Mr. John Vergelli
Acting Assistant General Counsel
Federal Election Commission
999 E. Street NW
Washington, D.C. 20436

Re: Petition for Rulemaking to amend 11 CFR 114.8(e)(3) to permit, rather than prohibit, corporate members of trade associations to use payroll deductions to facilitate voluntary contributions to the association's separate segregated fund

Dear Mr. Vergelli:

The Oklahoma Bankers Association (the "OBA"), a trade association, and its separate segregated fund ("SSF"), the Oklahoma Bankers Association Federal Political Action Committee [Federal Election Commission Identification No. C00139477] fully support the proposed rulemaking referenced above.

The time is long past when payroll deductions should be made available for eligible individuals who choose to do so to make contributions to a trade association SSF through payroll deductions.

In supporting the amendment, the OBA endorses the Petition for Rulemaking submitted to the Federal Election Commission ("FEC") on September 3, 2003, by America's Community Bankers ("ACB").

To avoid needless repetition, the OBA will neither restate the history of the FEC rulemaking process that produced the current prohibition nor address legal issues. The OBA position on both these topics is more than adequately presented in the ACB Petition.

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OBA represents more than 270 Oklahoma banks, some of which have their own SSFs. Clearly, payroll deductions may be used for contributions to those corporate SSFs.

There is no logical reason, given the technology of the 21st century, why similarly convenient electronic opportunities should not be made available for those wishing to make contributions to the OBA SSF. The current prohibition permits an individual to use payroll deduction to make contributions to a corporate SSF, but prohibits the same method of payment for the trade association of which the corporation is a member. The distinction, if it ever made sense, is untenable today.

From the contributor's perspective, the process of using payroll deduction to make a contribution to a corporate SSF or a trade association SSF is exactly the same.

The ease of using payroll deduction for multiple purposes has made this tool increasingly popular over the last quarter century. To deprive a contributor to a trade association SSF of this option when that same individual may use payroll deductions to make virtually any other type of payment is to deny the tools of modern America.

The FEC has acknowledged the changing technical environment by incorporating use of the Internet in the campaign finance process.

Indeed, the FEC itself is a persuasive proponent of electronic trade. Those commenting on this proposed rule are "strongly encouraged to submit comments electronically." FEC Notice of Availability (Notice 2003-18), *Federal Register*, October 24, 2003.

It is important to underscore that payroll deduction is nothing more than a process, and the FEC rules should encourage contributions by willing donors using whatever process the donor chooses. The current prohibition has precisely the opposite effect, discouraging rather than encouraging participation in the political process.

The OBA wholeheartedly urges the FEC to make this needed change.

Respectfully Submitted

