



Submitted via fax and email
 email: internetnoi@fec.gov
 fax: (202) 219-3923

January 7, 2000

Rosemary C. Smith
 Acting Assistant General Counsel
 Federal Election Commission
 999 E Street NW
 Washington, DC 20463

re: Notice of Inquiry, 1999-24

Dear Ms. Smith and Commission Members:

I am writing on behalf of the California Voter Foundation to offer our suggestions and ideas regarding the debate over if and how political activity on the Internet should be regulated.

The California Voter Foundation (CVF) is a nonprofit 501(c)3 organization advancing new technologies to improve democracy. Since 1994, CVF has published nonpartisan guides on the Internet to help California voters make more informed election choices. We do not take positions on any ballot issues, and we include all candidates -- major and minor party alike -- in our voter information resources. CVF also advocates for "digital sunlight" by promoting electronic filing and Internet disclosure of campaign finance data.

Over the years our web site, www.calvoter.org, and our voter guides continue to grow in popularity. Our success advancing online voter education is one of many examples of how the Internet is helping to make information more accessible to more people. Each voter guide that CVF creates includes links to the official California campaign web sites. It has been fascinating to watch the number of links featured in our guide grow with each election. In 1994, CVF's online voter guide was one of just six election-related Internet sites in the entire country. In the 1996 election, our guide linked to 60 campaign web sites. By 1998, the number rose to 200.

CVF promotes the Internet as a tool for voter education because it is economical, effective, and available 24 hours a day. These features make online voter education

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much more convenient for voters, who often complain they are just too busy to vote, especially in a state like California, where we have eight independently-elected statewide officers and at least a dozen propositions on every ballot. Thanks to the Internet, it is now possible for voters to get themselves informed and vote with confidence.

Now that the Internet is more of a necessity than a novelty in political campaigns, it's important that the rules of this new playing field be better defined in order to protect this medium as a tool for political activism. The California Voter Foundation endorses the comments made by the Center for Democracy and Technology et al regarding how the FEC should treat individuals. On the question of how PACs, political parties and campaign committees should be treated, we have a few additional comments we'd like the Commission to consider.

We believe it is important to distinguish between anonymous free speech and anonymous paid speech. While anonymous free speech needs to be protected, paid speech needs to be disclosed. Paid speech today is generally disclosed in two steps: first, the committee name and ID number is disclosed on the communication itself; and secondly, that name and ID number can be matched to a campaign finance disclosure report that discloses the contributors that finance the committee responsible for the speech.

We encourage the commission to make it clear to political entities subject to campaign finance disclosure requirements that they must include their committee name and ID number in any communication that is sent out by the campaign over the Internet. By requiring political campaigns, parties and PACs to disclose their name and ID number on email and web sites, (as now required in other media such as TV commercials), the FEC will insure that voters who encounter paid political speech on the Internet have the ability to evaluate both the message and the messenger.

Without such a requirement, there is every reason to expect, given the nature of political campaigning, that it is just a matter of time before campaigns unleash anonymous email and/or web attacks on opponents. Such attacks are likely to contain false or misleading information. Without a committee name and disclosure ID requirement, it will be impossible for voters or the victims of such attacks to hold the responsible party accountable. With a committee name and ID number disclosure requirement, it will be possible for voters to determine who is sponsoring the message, particularly given the FEC's and state disclosure agencies' efforts to make campaign finance data accessible on the Internet.

An important question still remains: how should the FEC determine where to draw the line that determines who must form a political committee and file disclosure reports in the first place? On this question, CVF endorses the Center for Democracy and Technology's position, which is to establish a rule that there is no requirement to register or report unless an individual has direct out of pocket expenses that

exceed \$250. Direct costs would not include any allocation for technology expenses, such as equipment or Internet service fees, unless the costs were incurred principally to advance or oppose a candidate or measure.

By protecting the rights of individuals to express their political opinions online, while at the same time ensuring that paid political information on the Internet is clearly identified, the FEC will be establishing rules that will keep the Internet a vibrant, exciting and meaningful place for American politics.

We appreciate your consideration of our position on these important issues. Please feel free to contact us if we can be of any further assistance to the commission as you continue your deliberations.

Sincerely,



Kim Alexander, President
California Voter Foundation

Contact Information:

phone: (916) 325-2120

U.S. Postal Address: 2401 L Street, Second Floor, Sacramento, CA 95816

email: kimalex@calvoter.org

web: <http://www.calvoter.org>, <http://www.digitalsunlight.org>