

FEDERAL ELECTION COMMISSION

Press Office
1325 K Street, N.W., Washington, D.C. 20463
Phone: Local 523-4065 Toll Free 800-424-9630



FOR IMMEDIATE RELEASE
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CONTACT: FRED EILAND
SHARON SNYDER

WASHINGTON -- At least seven witnesses are expected to be heard by the Federal Election Commission on Monday, October 26, during public hearings on a proposed rulemaking that would permit corporations or labor organizations to make contributions or expenditures for nonpartisan communications to the general public, such as urging registration to vote and voting.

Proceedings will start at 10:00 a.m. in the FEC's fifth floor conference room.

Those scheduled to appear include:

Thomas A. Daly, General Counsel, National Soft Drink Association;
Erwin G. Krasnow, Counsel, National Association of Broadcasters;
Paul Kamenar, Washington Legal Foundation;
James P. Greene, Senior Counsel, Southern California Gas Company;
Reed Larson, President, National Right to Work Committee;
Larry Gold, Special Counsel, AFL-CIO;
Clair A. Snyder, Executive Vice President
American Bank and Trust Company of Pa.

The Federal Election Campaign Act of 1971 contains a provision which broadly prohibits all corporate or union spending where a Federal election is involved. This section was first enacted into law in 1907, and during the past 70 years has been amended into its present form.

Section 114.4 of the FEC regulations, however, allows corporations and unions to make nonpartisan registration and get-out-the-vote communications to their employees and members. The current regulations also permit a corporation or union to reprint or distribute to the general public registration and voting information produced by official elections administrators, or voter guides produced by nonpartisan nonprofit organizations.

The FEC's proposed rulemaking stems from a 1980 advisory opinion in which the Commission approved a proposal by Rexnord, Inc., to pay for an advertisement in a general circulation newspaper stating "Please Register To Vote." The corporate name was included as part of the advertisement.

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The Commissioners, on approving that opinion, directed that regulations be written permitting such corporate or union activity and which would ensure that the activity was nonpartisan and aimed at the general public.

The proposed rulemaking includes three possible revisions:

1) permitting corporations or labor organizations to make contributions or expenditures for nonpartisan communications to the general public with regard to registration and voting;

2) permitting corporations or unions to make contributions or expenditures to prepare and distribute to the general public nonpartisan publications concerning the voting records of Members of Congress; and

3) permitting corporations or unions to make contributions or expenditures to prepare and distribute to the general public voter guides setting forth positions of candidates on various issues.

Regulations which the FEC may propose as a result of this process must be submitted to Congress, and could only be implemented if neither the House nor the Senate object to them.