EW

Paul J. Weinstein Jr. 02/02/98 06:02:07 PM

Record Type: Record

To: Paul E. Begala/WHO/EOP, Thomas L. Freedman/OPD/EOP

cc:

Subject: FEC Petition

--------------------- Forwarded by Paul J. Weinstein Jr./OPD/EOP on 02/02/98 06:02 PM ---------------------------

Paul J. Weinstein Jr. 02/02/98 06:00:16 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: FEC Petition

I have talked with Bobby Rozen who agrees with me that we need to make a strong statement this week in support of the General Counsel's recommendation that the Commission approve a draft notice of a proposed rulemaking to virtually eliminate "soft money" fundraising by the national party committees. While the odds of the Commission taking any action are slim, they are almost non-existent without some pressure from the Administration. In addition, a statement from us, before this draft notice of a proposed rulemaking becomes public, insures that the President continues to get credit for his efforts on banning soft money.

Below is a proposed statement and my earlier e-mail describing the recommendations of the FEC General Counsel:

"I want to applaud the General Counsel of the Federal Elections Commission (FEC) for proposing a ban of "soft money" fundraising by national party committees. While this proposed rulemaking does not fully meet my request for a complete ban of "soft money", it would significantly decrease the impact of soft money on our political system and I call on the Commission to adopt the General Counsel's recommendation at their February 12 meeting.

I am pleased that the General Counsel has concluded, as I stated in my petition of June 7, 1997, that banning "soft money" fundraising is within the FEC's existing statutory authority. I believe this authority should be fully exercised by the Commission. Banning "soft money" fundraising by national party committees will enable our election laws to catch up with the reality of the way elections are financed today, and along with new campaign finance reform legislation, will take significant strides toward restoring public confidence in the campaign finance process.

But the proposed rulemaking of the General Counsel is not the total solution. It remains imperative that Congress pass legislation that deals with other soft money issues such as state party spending and issue advocacy. I challenge Congress to pass the McCain-Feingold and Shays-Meehan bills this Spring. The American people deserve nothing less."

--------------------- Forwarded by Paul J. Weinstein Jr./OPD/EOP on 02/02/98 03:34 PM ---------------------------

Paul J. Weinstein Jr. 01/28/98 02:53:41 PM

Record Type: Record

To: Rahm I. Emanuel/WHO/EOP, Michael Waldman/WHO/EOP, Bruce N. Reed/OPD/EOP

cc: See the distribution list at the bottom of this message
Subject: FEC Petition

In response to the President's petition to ban "soft money" and the petitions of Members of Congress, the FEC's General Counsel is recommending that the Commission approve a draft notice of a proposed rulemaking to virtually eliminate "soft money" fundraising by the national party committees, and require them to defray nearly all of their expenses, including their mixed activity expenses, with hard dollars. The proposal also recommends the following:

1. Seeks comments to on ways to ensure that transfers of both hard and soft money from national to state and local party committees and to non-profit organizations do not circumvent the 1991 allocation rules;

2. Seeks comments on an alternative approach that would allow national party committees to raise and spend soft money for nonfederal candidates;

3. Describes a number of approaches for ensuring that state and local committees do not use soft dollars to influence federal elections, including requiring state and local party committees to pay for their mixed activities entirely with hard dollars (this is not clear whether the Commission has the jurisdiction to implement such a rule). Another approach would involve earmarking;

4. Seeks comments on the possibility of requring additional reporting by state and local party committees in order to enable the Commission to monitory compliance with these proposals, should they be implemented;

5. Requires state and local committees to allocate the costs of generic voter drives whether they are conducted directly by the party committee or are financed by the party committee and conducted by another entity;

6. Establishes new rules to make it clear that all contributions that result from a solicitation made by a federal candidate or officeholder are subject to FECA, unless the donor expressly designates the contribution for an otherwise permissable nonfederal account, sucha s a building fund account.

The Commission will consider this draft notice of proposed rulemaking for publication in the Federal Register on February 12, 1998. I would recommend we strongly support the Commission taking that action. While this rulemaking does not completely ban soft money, it would establish new limits on the fundraising and use of soft money.

Please advise.

Message Copied To:

Elena Kagan/OPD/EOP
William P. Marshall/WHO/EOP
Morley A. Winograd/OVP @ OVP
Peter G. Jacoby/WHO/EOP
Thomas L. Freedman/OPD/EOP
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Message Sent To:

Bruce N. Reed/OPD/EOP
Rahm I. Emanuel/WHO/EOP
Michael Waldman/WHO/EOP
Elena Kagan/OPD/EOP
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