

Roy B

Fund

Rely on Your Beliefs Fund
Roy Blunt, Honorary Chairman

January 31, 2003

Mr. J. Duane Pugh, Jr.
Acting Special Assistant General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
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Re: Proposed Regulations Regarding "Leadership" PACs

Dear Mr. Pugh:

I appreciate the opportunity to submit comments to the Commission's proposed regulations issued December 11, 2002, concerning the treatment of "leadership PACs." As a result of the Bipartisan Campaign Reform Act passed by Congress and signed into law last year, the Commission has asked for comment on whether a leadership PAC that is associated with a Member of Congress should be considered "affiliated" with that particular Member's campaign committee. The proposed regulations offer three alternatives to affiliation that are to be commented on as well.

First, let me say that I have a leadership PAC. I am the honorary chairman of the Rely On Your Beliefs Fund. The Fund is run by a Board of Directors that meets on a regular basis to decide the Fund's budgetary concerns, including contributions to candidates. While I regularly consult with the Board, mine is not the final say. The Fund has never contributed to my authorized campaign committee, either directly or indirectly. In fact, to my knowledge the two committees have never even held a joint fundraiser.

So as to the question of whether a leadership PAC should be considered affiliated at all, I respectfully and unequivocally say no. As the Commission itself pointed out in its summary, leadership PACs originated as a way for one Member to garner support from other Members when seeking a leadership position in the House or Senate. More recently, leadership PACs have enabled the Republican party to maintain its majority in the House of Representatives because they were able to contribute to incumbents in key

paces, as well as to challengers who have difficulty raising money from the "traditional" PAC community.

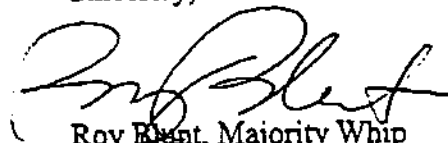
During the 2002 election cycle, the Rely On Your Beliefs Fund raised \$784,361.00. Of the money raised, 41% went to incumbents and 28% went to open seats and challengers. That's a total of \$541,333 that the leadership PAC was able to contribute to candidates this last cycle, which was 69% of the money we raised for the Fund. Other Republican leadership PACs, such as Rep. Tom DeLay's Americans For A Republican Majority and Rep. Dennis Hastert's Keep Our Majority have done as well if not better.

With the rise in number of leadership PACs, those of us in leadership positions have been able to recruit more talented and dedicated individuals to run for office. Individuals who have passed on the opportunity to run for office because they were discouraged by what it costs to win a seat in Congress or how difficult it is to raise money when you're unknown now have the chance to serve their country. Leadership PACs give these candidates the momentum they need to throw their hat into the ring, to meet other Members of Congress and to have Members come to their districts and give their campaigns the fundraising boost they sometimes lack.

Finally, the Commission should not lose sight of the fact that under current FEC rules a Member is able to raise money for his or her leadership PAC within the legal limits set by the Commission from individuals or other PACs who lawfully can contribute to a non-connected committee. The leadership PAC can then contribute to the campaign committees of other candidates within the limits set by the Commission, and must disclose all of the committee's activities to the Commission on a regular basis. In my personal experience, a leadership PAC does not "affiliate" with the Member's reelection campaign in the way the Commission's proposed rules imply. Were that the case, however, it would seem to me that the Commission could punish the offending leadership PAC under its current affiliation rules. The Commission's proposed rules are therefore unnecessary and otherwise redundant.

Again, I appreciate the opportunity to respond.

Sincerely,



Roy Blunt, Majority Whip
United States House of Representatives
Honorary Chairman,
Rely On Your Beliefs Fund