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FEDERAL ELECTION COMMISSION  
Washington, DC 20463

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## AGENDA ITEM

For Meeting of: 8-24-00

### MEMORANDUM

**TO:** The Commission

**THROUGH:** James A. Pehrkon  
Staff Director

**FROM:** Lawrence M. Noble  
General Counsel

N. Bradley Litchfield  
Associate General Counsel

Rosemary C. Smith  
Assistant General Counsel

Cheryl A. Fowle  
Attorney

**SUBJECT:** Explanation and Justification for Revisions to FEC Reporting Forms

The Office of General Counsel has prepared the Explanation and Justification to accompany the revisions to reporting Forms 1, 2, 3, 3X, 3P, 4, 5, 6, and 8 regarding electronic filing, state filing waivers and election cycle reporting by authorized committees.

### **Recommendation**

The Office of General Counsel recommends that the Commission approve the attached Explanation and Justification for transmittal to Congress.

Attachment



**EXPLANATION AND JUSTIFICATION FOR REVISED FORMS 1, 1M, 2, 3, 3X, 3P, 4, 5, 6 and 8. REGARDING ELECTRONIC FILING, STATE FILING WAIVERS AND ELECTION CYCLE REPORTING BY AUTHORIZED COMMITTEES**

The Commission has revised Forms 1, 1M, 2, 3, 3X, 3P, 4, 5, 6 and 8, regarding electronic filing, state filing waivers and election cycle reporting by authorized committees.

The forms implement the reporting requirements established by 2 U.S.C. 431 and 434, and the filing requirements established by 2 U.S.C. 439, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act" or "FECA"), 2 U.S.C. 431 *et seq.* as amended by Pub. L. 104-79 (1995) and Pub. L. 106-58 (1999). Additional authority for the promulgation of the forms is contained in 2 U.S.C. 438(a)(8), and in 11 CFR parts 100 and 104. Section 438(d) of Title 2, United States Code, requires that any forms prescribed by the Commission to carry out the provisions of the FECA be transmitted to the Speaker of the House and the President of the Senate for ten legislative days before they are finally promulgated. These forms were transmitted to Congress on >>, 2000.

On June 16, 2000, the Commission transmitted to Congress revisions to section 104.18 of 11 CFR to implement the new statutory requirement that persons exceeding a certain financial threshold must file electronically rather than on paper. The revisions to Forms 1, 2, 3, 3X, 3P, 4, 5 and 6 reflect these statutory and regulatory changes.

On March 17, 2000, the Commission transmitted to Congress regulations at 11 CFR Part 108 implementing the 1995 amendments to 2 U.S.C. 439. These amendments provide for waivers of duplicate filing requirements for states with electronic access to reports filed with the Commission. The revisions to Forms 1, 2, 3, 3X, 3P, 4, 5, 6 and 8 reflect these changes to §439 of the FECA and the Commission's regulations.

Additional revisions to Forms 3 and 3P and to the instructions for those forms, implement revisions to 11 CFR 104.3(b) transmitted by the Commission to Congress on July 6, 2000. The changes to these forms and regulations conform to the 1999 amendments to 2 U.S.C. 434 requiring that authorized committees of federal candidates to aggregate and report their receipts and disbursements on an election cycle basis rather than on a calendar year basis.

Further revisions to Forms 3 and 3X provide space for an optional "category/type" code for the purpose of disbursement. The categories/types and examples are included in the instructions to the forms. These codes have been added to enhance disclosure by providing uniform category types to be entered by committees on a voluntary basis in addition to the mandatory purpose of disbursement.

Once the legislative review period has ended, the Commission anticipates that the revised forms will take effect for reporting periods beginning after December 31, 2000, which is the effective date for the 1999 FECA amendments.