

4. The Ohio Republican Party exists to advance the campaigns of Republican candidates for federal, state and local office, as well as the Republican Party's overall legislative agenda in Washington, D.C., Columbus and around the country. The Ohio Republican Party is *an unincorporated association existing under the laws of Ohio*] and 2 U.S.C. 431(15). It is qualified as a Section 527 political committee under the Internal Revenue Code. As a Republican state party, the Ohio Republican Party is part of the Republican National Committee ("RNC"), an unincorporated association that is a national political party committee under 2 U.S.C. 431(14). By virtue of the RNC Rule 1, all state chairs, including myself, are automatically members of the RNC.

5. To accomplish its goals, the Ohio Republican Party's activities fall into three categories: direct contributions to federal candidates under federal law and state candidates under the laws passed by the Ohio Legislature; party building programs such as voter registration, voter identification, voter contact and voter turnout, which I describe more completely in paragraph 17 sections E through I; and advocating Republican positions on issues of public importance, primarily through the airing of so-called "issue ads" discussing the positions of elected public officials and community leaders. I have observed that the Democratic Party in Ohio and other states operates in a similar fashion.

6. Because we support both federal and State candidates, the Ohio Republican Party now pays for these various activities with a combination of federal (also called "hard dollars") and State (also called "soft" or "non-federal" dollars) monies as prescribed by Federal and Ohio law. The rules for Federal candidates are set by the Federal Election Campaign Act of 1976, as amended (the "Act"), and for the [Ohio] candidates by the laws passed by the elected members of our legislature and signed by the Governor. Under current law, state parties pay for joint Federal-State programs with a combination of federal and state dollars, according to a formula established by federal regulations which are based upon either the ratio of Federal to State candidates on the ballot (ballot

composition method) or on the time and space allocated to various Federal and State candidates on a printed piece or in a script (time/space method).

7. In order to comply with both the Federal and State rules, the Ohio Republican Party maintains a federal account and a state account. This allows the State Party to segregate the money legal under the Act from the money legal under the laws of Ohio [describe sources and limits of state law]. We pay for joint activity benefiting our Federal and State candidates from an allocation account or the federal account, as permitted by the Act.

8. The Ohio Republican Party publicly reports all campaign contributions we receive and all expenditures we make to both the Federal Election Commission and the Secretary of State here in Ohio. We file *6 times per year in a federal election year and twice in non-federal election years* with the FEC and our state contributions and disbursements six times a year in even years and 4 times per year in odd years with the Ohio Secretary of State. In addition, as a section 527 political committee, the Ohio Republican Party also registered its non-federal account by filing Form 8871 with the Internal Revenue Service. The Ohio Republican Party also files annual tax returns on Form 1120-POL. The information disclosed on Form 990 provides a portrait of Ohio Republican Party's organization and finances and requires the itemized disclosure of individuals and entities that donate more than \$5,000 to our Party.

9. In the 1995-96 election cycle, we raised \$4,570,682 in the federal account and \$6,103,433 in the state account. In the 1997-98 cycle, we raised \$ 4,730,252 in the federal account and \$2,597,038 in the state account. In the 1999-2000 cycle, we raised \$9,259,955 in the federal account and \$14,523,667 in the state account. Of that amount, \$10,378,036 came in the form of transfers from the RNC and \$0 came as transfers from other state parties. Although it is difficult to precisely determine how much was raised by the national party committees and federal candidates and officeholders, they did participate in events that raised \$??

10. Describe the involvement of federal candidates and federal officeholders and national committee officials in party affairs and your fundraising activities. Federal officeholders and candidates do attend some but not all of our fundraising events. However, a minority of our fundraising is accomplished through events.

11. According to media reports I have seen, numerous special interests groups also funded candidates and conducted voter registration/identification/contact/turnout programs in Ohio in these election cycles including AFL/CIO, Ohio and National Education Associations, Emily's List, Rainbow Coalition, NRA, Right to Life, etc. I do not know how much they raised and spent, or from what sources, because Special Interest Groups are not required to report their activities and they may raise and spend money from any source in any amount.

BCRA'S IMPACT ON THE POLITICAL PROCESS

12. It is my understanding that the Bipartisan Campaign Reform Act of 2002 ("BCRA") would federalize all our state party activities that aided both the Federal and State candidates on the ticket, by stopping us from using money legal under Ohio law to pay for our State candidates' share of any program that mentioned a specific Federal candidate or urged support for the generic ticket.

13. It is my understanding that under BCRA we will have to allocate any message that includes a generic "vote Republican" call between the Federal account and the so-called Levin account, which consists of contributions of up to \$10,000 if permissible under state law. It is my opinion as a State Chair that generic messages (as opposed to mention of a specific candidate) in voter registration/identification/contact/turnout programs is of minimal impact and value. For that reason, I do not believe that the Levin accounts will be used to any significant degree by state political parties, and will not permit us to participate to as great a degree in voter registration/identification/contact/turnout programs as Special Interest Groups.

14. I have heard BCRA proponents maintain that the ban on state parties using funds legal under state law to pay for State candidates' share of ticket-wide activities will reduce the influence of Special Interest Groups. I believe that is incorrect. The simple fact is that Special Interest Groups, using precisely the same funds that my state party is banned from using under BCRA, will be able to conduct the very same activities.

15. The argument by BCRA proponents that State Parties will still be able to conduct voter registration/identification/contact/turnout programs is also incorrect. BCRA will reduce the amount of funds available to the Party to conduct these programs, which means being able to identify and turnout supporters will be much more difficult. Special Interest Groups will be able to use unlimited, unreported "soft money" from any source to conduct precisely the same activities.

FUNCTIONS OF STATE POLITICAL PARTIES

16. As a 40-year political activist, I have worked for the Ohio State Party and am familiar with its functions and programs. I have also observed the activities of Special Interest Groups in my state, their own attempts to influence the political process, the rules (or lack thereof) that govern their participation, and the apparent growth of their efforts.

17. I am also familiar with the recently enacted BCRA and the changes it will bring to the activities and programs of the Ohio State Party and other state parties around the United States. Among the specific programs and activities undertaken by the Ohio State Party, the impact the BCRA will have on them and the Special Interest Groups in my state are:

a. State Chairs Will No Longer Be Able to Both Fully Participate in State Political Activities and Be Members of their National Committees: As State Chair, I am by Party Rule a member of the Republican National Committee. As such, my job entails working to elect both federal and state Republican candidates. To accomplish this, I assist both federal and state candidates with political activities and fundraising. As a Member of the RNC, I

also work to ensure a strong national committee by assisting in various political activities and by fundraising for the RNC so that it may support its candidates for federal elections with sufficient federal dollars and its candidates for state races with sufficient funds legal under the laws of the various states (the so-called "soft money"). BCRA section 323(a)(1) and (2) prohibits "officers or agents" of the national political parties, which would include all State Chairs of both parties, from soliciting, receiving or directing another person to give any contribution illegal under Federal law (i.e. money legal under State law). In other words, the Chairs of the Republican and Democratic State Political Parties could no longer both be part of their respective National Committees AND raise, solicit or direct contributions legal under the laws of their states to their State/Local candidates or their own party committees.

b. Aiding State and Local Candidates: As a State Chair, I am frequently asked to provide advice to political supporters as to which federal, state and local candidates they should support to aid the Republican Party both in my state and around the nation. As a State Chair who is a member of the National Committee, BCRA sections 323(a)(1) and (2) ban me and all Federal Officeholders and national political party officials from raising, soliciting or directing any contributions not permitted under Federal law, so that we may no longer direct or urge donors to contribute money to State/Local candidates and political parties with funds allowed by State/Local law. I have seen numerous media reports that Special Interest Groups in my state ranging from the AFL-CIO and other unions to the Trial Lawyers have raised funds for their Federal and State candidates of choice and directed their members to races around the country. With State and National parties unable to direct donors to races around the country, Special Interest Groups will be able to conduct that activity and fill the void.

c. Aiding State Parties: As a State Chair, Republicans in my State often ask where the most important races are and which other State Parties they should support with their voter registration/identification/contact/turnout programs using funds legal under the laws of those states. As an agent of the RNC, I can currently direct them to the high priority races around the country. I am informed that BCRA will prohibit State Chairs from performing that function. I have observed that supporters of various Special Interest Groups in my state receive advice from those groups as to which state operations and candidates they should support, often with soft money. In addition, the Special Interest Groups in my state can and do receive funds from their national organizations (which by definition are “soft money”); however, BCRA prohibits national party committee officials from “raising, directing, or soliciting” any funds legal under state law for any state political parties.

d. Ban on Coordinated Expenditures and Independent Expenditures to the Same Candidate: As State Chair, we work with the national and local party committees to support our Federal candidates to the maximum extent permitted by law. Current law allows the parties to spend Federal “coordinated funds” (2 cents times the voting age population as adjusted for inflation) on behalf of their Federal candidates as well as unlimited amounts of Federal dollars on independent expenditures. BCRA prohibits a political party from doing both of these otherwise permissible Federal dollar activities on behalf of a candidate. In addition, the actions of any one party committee on any level binds all others, so that if one party committee (say the RNC) provides coordinated funds or does an independent expenditure, then that decision binds all Republican entities from the national to the local level, even if they were not consulted about the decision. Special Interest Groups in my state will still have the ability to both raise money for Federal candidates and do very large independent expenditures on behalf of those same federal candidates. With BCRA barring

the State Parties from doing both coordinated and independent expenditures, the role of the Political Parties will diminish, but Special Interest Groups will be able to fill the void by providing the very same services. Furthermore, Special Interest Groups, who will fill the void can and will sabotage candidates by representing their support in such a way that it would hurt the candidate. We had such a case here in Ohio in the 2000 cycle. A special interest group ran ad's for a candidate, without the permission of that candidate, that were so reprehensible it killed the candidates chances of being elected.

e. Paying for Generic "Vote Republican" Messages: Our State Party currently pays for generic messages with a combination of Federal and State dollars under the ballot allocation formula set by FEC regulation based on the number of Federal to State candidates in our state for that election cycle. My understanding is that BCRA federalizes all generic messages by requiring that their cost be allocated between the Federal account and the newly created Levin federal accounts. No funds from the Party's State account will be permitted to pay for a generic message. Contributions to Levin accounts are capped at \$10,000, despite our state law permitting unlimited individual contributions to the Ohio Republican Party Operating Account. This new law will severely diminish the Political Party Committees' ability to communicate with their supporters while Special Interest Groups will be able to fill the void by advocating that their members vote Republican or Democratic using their treasury funds raised outside of the Act's limitations, prohibitions and reporting requirements.

Corporations will be able to continue using corporate funds to advocate party and candidate preferences to their "restricted class" employees; labor unions will be able to continue using treasury funds raised outside of the FECA to urge support for parties and candidates from their members, and trade associations will be able to use their treasury funds raised outside of the FECA for advocacy to their member companies and restricted class employees. Only

the Political Parties will be restricted in the sources and amounts of money they may receive and spend.

f. Field Operatives: A key to the Party's ability to aid its candidates is providing staff for the party building voter registration/identification/contact/turnout programs that aid all candidates on the ballot, both Federal and State. State parties are currently able to pay for this staff under the Party overhead allocation formula, which is set by FEC regulation according to the ratio of state and federal candidates on the ballot for that election cycle. It is my understanding that BCRA requires that any state party political field staff spending more than 25 percent of their time aiding a federal campaign must be paid for entirely with Federal dollars, no matter what their actual duties. By contrast, I have seen Special Interest Groups in my state recruit members and employees to volunteer for Republican "Victory" Programs or the Democrat "Coordinated Campaigns". These groups will be able to fill the void created by this restriction on the Parties' since the Special Interest Groups will be able to use treasury money raised outside of the Act to pay for their field staff organizing their members and coordinating with federal and state campaigns. There is no change in the rules for volunteering in federal campaigns, which allows many Special Interest Group member field staff to work directly in federal campaigns and with state political parties.

g. Voter Registration Programs: We currently conduct our voter registration program by identifying unregistered individuals, determining whether they are potential supporters and then attempting to get them to register. This is a function of our Political Department field staff. They work with the County Party organizations to develop voter registration plans. Without the staff working on this with the counties we could not effectively do voter registration. We pay for this under the overhead allocation formula established by FEC regulations based on the ratio of federal to state candidates on the ballot in that state for that

election cycle. We usually receive transfers from the RNC to both our Federal and State accounts to help pay for this. It is my understanding that BCRA bans funds raised pursuant to the laws of our state from paying for the state portions of voter registration programs. Prior to 120 days before an election, a State Political Party may pay for the costs of a voter registration program with a combination of Federal and Levin account funds based on the ballot composition in the state. Within 120 days of an election, a State Party may use only Federal funds to conduct a voter registration program. In addition state laws are different state to state and the Levin Accounts under BCRA will give certain state parties an advantage over others in collecting these funds. These restrictions will severely limit what our state party will be able to do to register voters since 57 percent of the cost of the program was paid for last cycle with State money permitted under the laws of our state. While the State Party's activities will be severely circumscribed by the BCRA, Special Interest Groups in my state will be able to continue using any funds they can raise from any source in any amount to conduct a voter registration program. The sources and amounts of these contributions to the Special Interest Groups do not have to be publicly reported. BCRA creates an unfair imbalance because Federal officeholders and candidates may not raise any State dollars for the Political Parties, but Federal officeholders and candidates are permitted to raise unlimited funds from any source for section 501(c) Special Interest groups for general purposes and up to \$20,000 from individuals for these Special Interest Groups' voter registration programs within 120 days of an election.

h. Voter List Development: The development of our state's voter list is a joint project between the national, and local state Political Parties. The State Party collects the basic information from the Ohio Secretary of State who collects it from the local boards of election. We have a centralized, computerized voting list; ORP computer staff takes each

election voter update from the Secretary of State and updates our master file. That staff is paid for in accordance with the FEC's overhead allocation formula determined by ballot composition. The information is then sent to the RNC where it makes refinements paid for as part of its overall administration costs (which FEC regulations place at 40 percent non-Federal State dollars in odd years and 35 percent in election years). The list is then sent back to us at the State Party to aid our federal, state and local candidates by contacting and turning out voters. It is my understanding that BCRA prohibits the National Political Parties from raising or spending State dollars, so the National Political Parties would have to use all Federal Dollars to maintain a voter list. Under the FEC's regulations (which are being challenged by the sponsors of the legislation under the Congressional Review Act) list development *is a subpart of a voter registration*. I have seen frequent media reports that Special Interest Groups in my state develop a voter list for their own political purposes. While political party committees' ability to develop voter lists will be reduced by BCRA, there are no restrictions on the ability of Special Interest Groups to use money from their treasuries (which may or may not be legal under either Federal or State law) to obtain and develop this publicly available information. None of the funds used by Special Interest Groups to collect this information has to be reported and may be raised from any source in any amount. Special Interest Groups can use this information to both turnout their members and send turnout messages on a "non-partisan basis" to voters they determine are sympathetic to their issues.

i. Voter Identification Programs: The Ohio State Party now uses the ballot allocation formula to determine the combination of Federal and State dollars we may use to identify voters sympathetic to our candidates and issues. We often receive transfers from the national political party committees to both our federal and state accounts to pay for this

program. The voter identification programs are generally carried out using a combination of telephone polls and door-to-door activity often performed by volunteers. Most programs ask about a number of candidates, both Federal and State, and issues of public importance to gauge what will motivate that individual to vote. It is my understanding that BCRA prohibits the use of a State Political Party's state account for any inquiry mentioning a specific federal candidate and that such inquires must be paid for entirely with Federal dollars, no matter how many State candidates and issues are also asked about. I have seen numerous media reports that Special Interest Groups in my state conduct their own voter identification programs. I do not know the sources and amounts of the funds they use because they do not have to report that information (as the State Party does), and they may use any funds from any source for their voter identification program. Although Federal officeholders and candidates may not raise any State dollars for the Political Parties, BCRA permits Federal officeholders and candidates to raise unlimited funds for section 501(c) Special Interest Groups for general purposes and up to \$20,000 from individuals for these Special Interest Groups' voter identification programs within 120 days of an election.

j. Get-Out-the Vote Programs: We spend significant amounts on Election Day get-out-the-vote programs. We conduct many of these activities every year regardless of whether or not there is a federal election on the ballot. We now use the combination of Federal and State dollars permissible under the FEC formula based on our State's ballot composition for that election cycle. We use that combination of dollars in accordance with the ballot composition for that cycle regardless of whether or not there is a federal candidate in that district. Occasionally we will not field a candidate to run in a congressional district. If that should occur we still utilize federal dollars under the existing formula. One unanswered question is, if BCRA was in effect, how would we pay for GOTV Programs/Slate Cards and

the like going to districts with no federal candidate on the ballot when other districts within the state have a federal candidate on the ballot? The get-out-the-vote programs use a combination of telephone banks and door-to-door activity, generally with volunteers. These programs can be ticket-wide or for a combination of candidates, both Federal and State, or for a specific candidate. If that candidate is a federal candidate, the costs are now paid for solely by that campaign or by Party coordinated dollars. It is my understanding that under BCRA any mention of a specific Federal candidate in any GOTV communication requires the entire communication to be paid for exclusively with Federal dollars, even if it also mentions State candidates and issues, and that any generic GOTV communication must be allocated between the Federal and Levin accounts. No funds from the State accounts may be used unless the communication is exclusively for State and Local candidates and does not include a generic "Republican" or "Democratic" mention. Moreover, all the funds used for these efforts must be raised by the state party, without assistance from the RNC or other national party committees, federal officeholders, federal officials or other state parties. I have seen numerous media reports and observed that Special Interest Groups in my state conduct extensive get-out-the-vote programs and that there are no restrictions on the Special Interest Groups' use of non-federal funds to turn out their members to vote. I do not know the sources and amounts of the funds they use because they do not have to report that information (as the State Party does), but the law does permit them to use any funds from any source in any amount for their voter program. Special Interest Groups may also use these funds for get-out-the-vote programs on a "non-partisan basis". Although Federal officeholders and candidates may not raise any State dollars for the Political Parties, Federal officeholders and candidates are permitted to raise unlimited funds not permitted under Federal law for section 501(c) Special Interest groups for general purposes and up to \$20,000

from individuals for these Special Interest Groups' turnout programs if the program is part of a voter registration program within 120 days of an election.

k. Slate Cards, Sample Ballots, Palm Cards: We are permitted to allocate the costs of these written communications according to a "time-space" formula, as established by FEC regulations. Under this allocation formula, a state party can divide the cost between a State Political Party's Federal and State accounts according to the amount of space devoted to federal vs. state candidates in each piece. A generic message would be allocated according to the ballot composition in that state for that cycle, as determined by FEC regulation. It is my understanding that under the BCRA any mention of a specific Federal candidate in such a piece, no matter how fleeting the reference, requires that the entire piece be paid for with Federal funds. No State funds may be used, even if the overwhelming majority of candidates mentioned are State candidates. No allocation between the Federal account and the Levin account is permitted if one Federal candidate is specifically mentioned. Only a generic message with no specific mention of a Federal candidate may be allocated between the Federal and Levin accounts. I have observed that Special Interest Groups in my state produce and distribute slate cards, sample ballots and palm cards to assist their members in voting. There is no reporting requirement for the sources of these funds, and the funds may be raised in any amount from any source. Special Interest Groups may also use these funds to produce "non-partisan voter guides" that discuss candidates' positions on specific issues as long as they do not advocate the election or defeat of any candidate. Although Federal officeholders and candidates may not raise any State dollars for the Political Parties, Federal officeholders and candidates are permitted to raise unlimited funds not permitted under Federal law for section 501(c) Special Interest groups for general purposes such as the production of voter guides for the public and sample ballots for members. As BCRA

reduces the ability of State Parties to conduct these activities, Special Interest Groups will be able to fill the void using exactly the same money which state parties, will be prohibited from spending on these activities. It should be noted that the slate cards produced by the Ohio Republican Party have far more local and state candidates than federal. This year in Cuyahoga County a voters will receive a slate card with one federal candidate (congress) and 33 state and local candidates listed. The average ratio of state and local candidates to federal candidates on the ballot is approximately 18 to 1. Moreover we will include the advocacy of a defeat of a statewide ballot issue on this years slate card as approved by the Ohio Republican State Central Committee.

1. Absentee Ballot Programs: Absentee ballot programs have become an integral part of the Ohio Republican Party's efforts to get our political supporters to participate. To pay for this, the State Party is currently permitted to allocate the costs based on either the ballot composition method if generic or according to a time/space formula if specific candidates are mentioned. Again, we always include all Republican candidates on the ballot with the vast majority being state and local candidates. It is my understanding that under BCRA, the mention of any Federal candidate, no matter the space devoted to the mention, requires that the entire piece be paid for with Federal funds. No State funds will be permitted, even if the overwhelming majority of candidates mentioned are State candidates. No allocation between the Federal account and the Levin account is permitted if one Federal candidate is specifically mentioned. Only a generic message with no specific mention of a Federal candidate may be allocated between the Federal and Levin accounts. I have seen numerous media reports that Special Interest Groups in my state conducting very active absentee ballot programs. These organizations target select candidates, usually those running for federal office. They use the very non-federal funds the State Party will no longer be permitted to use

to get their members to cast absentee ballots for their endorsed candidates. There is no reporting requirement for the sources of these funds, and the funds may be raised in any amount from any source. Special Interest Groups also use this "soft money" to inform their members which candidates they support as they cast their absentee ballots. Although Federal officeholders and candidates may not raise any State dollars for the Political Parties, Federal officeholders and candidates are permitted to raise unlimited funds not permitted under Federal law for section 501(c) Special Interest groups for general purposes including absentee ballot programs for their members. As the ability of State Parties to conduct these activities is limited by BCRA, Special Interest Groups will be able to fill the void using exactly the same money which my state party will not be able to spend on these activities.

m. Collateral Materials: In order to promote our candidates and heighten awareness of them, the Ohio Republican Party produces large quantities of buttons, bumper stickers, pens, potholders and other similar small items used by volunteers in their party building activities. We are permitted by FEC regulations to pay for these with Federal money if solely about a Federal candidate and State money if about a state candidate. State Political Parties often wish to promote Federal and State candidates together on these items, and current FEC regulations permit allocation of the costs between the Federal and State accounts according to the time/space method. It is my understanding that under BCRA, any mention of a Federal candidate would require that the entire cost of the item be paid for with Federal funds. This would mean that state political parties would become much less likely to promote jointly their entire ticket of Federal and State candidates. I have observed that Special Interest Groups in Ohio provide buttons, bumper stickers and similar to items to members stating that "XYZ Special Interest Group Members Support Candidate A." The Special Interest Group may use unlimited, unreported funds from any source to pay for

those materials, and these materials will continue to be produced and will fill the void since the Parties will only be able to spend tightly regulated Federal dollars on these items.

n. Telephone Banks: Telephone banks that identify our supporters, keep in contact with them throughout the election cycle and then turn them out on election-day are a staple of the Ohio Republican Party, as well as Republican and Democratic parties throughout the nation. Under current law, the parties may allocate the costs of telephone banks urging support for their Federal and State candidates according to a “time/space allocation” formula set by FEC regulation. The precise allocation formula depends on the actual script. Often State Political Party telephone banks will urge the election of a combination of Federal and State candidates as part of a script advocating the Party’s and candidates’ positions on issues of particular importance to the voters of that area. It is my understanding that under BCRA, any mention of a Federal candidate will require the entire cost of the telephone bank to be paid for with Federal funds. The mention of any Federal candidate, no matter how long in the overall script, will require that all the calls be paid for only with Federal funds. No State funds may be used, even if the overwhelming majority of candidates mentioned are State candidates. No allocation between the Federal account and the Levin account is permitted if any Federal candidate is specifically mentioned. Only a generic message with no specific mention of a Federal candidate may be allocated between the Federal and Levin accounts. The result will be a reduction in joint Federal and State activities by State Political Parties. However, I have seen numerous media reports that Special Interest Groups in Ohio conduct very large telephone banks for the very same purposes as the political parties. It is my understanding that under BCRA, there will continue to be no restrictions placed on the funds used by them for the very same activities that the State Parties are now severely limited in undertaking. The Special Interest Groups

will be able to use Non-federal funds to conduct telephone banks to identify and recruit supporters and members, keep in contact with them year around, and then turn them out to vote for their endorsed candidates. There is no reporting requirement for the sources of these Special Interest Group funds, and the funds may be raised in any amount from any source. Although Federal officeholders and candidates may not raise any State dollars for the Political Parties, Federal officeholders and candidates are permitted to raise unlimited funds not permissible under Federal law for section 501(c) Special Interest Groups for general purposes including telephone banks for their members.

o. Issue Ads: Since 1996, the Ohio Republican Party has run issue ads which help define where the Party stands on issues of public importance. These ads do not advocate the election or defeat of any candidate but do discuss the positions of elected public officials and community leaders on a variety of issues. Since the ads benefit the entire Republican ticket, including state, local and federal candidates, they are paid for with a combination of Federal and State dollars determined by the Party's overhead allocation formula which, in turn, is based on the ballot composition for that election cycle. Because these messages often involve issues that are important to the Republican Party nationwide, the national political party committees transfer funds to us to help broadcast or disseminate these ads. I have observed many Special Interest Groups also broadcast issue ads concerning the public policy positions of elected public officials and other community leaders. These groups do not have to report publicly the sources of these funds, which may be raised in unlimited amounts from any source (the state party always had to pay for these ads with a combination of federal and state funds). Since 1996, these ads have become increasingly important for the Party to be able to run in order to inform the public where our Party and its elected officials and leaders stand on issues of importance. It is my understanding that under

BCRA, state political parties will be unable to use any of the funds that are legal under state law to help pay for these messages. This means the ability of the parties to get out their message in the issue debate will be diminished drastically, while Special Interest Groups using non-disclosed unrestricted funds from any source in any amount will be able to dominate in defining our elected public officials and Party positions. This will put the parties at a severe disadvantage in engaging in this form of speech.

p. Statewide Candidates and State Legislative Caucuses: As Chair of the Ohio Republican Party, a major part of my duties include aiding candidates for statewide office, the state legislature and local offices. The laws of Ohio permit state candidates to receive contributions from individuals up to \$2,500. Both the Republican and Democratic parties run ticket-wide programs designed to aid all candidates on the ballot. The portion geared to Federal candidates is paid for with dollars raised pursuant to the Act and the portion geared to Ohio candidates is paid for with funds raised pursuant to our State's laws. Generic messages are paid for according to the ballot allocation formula. Our state candidates agree to participate in this program because we can aid them with funds permissible under state law. It is my understanding that under BCRA, any mention of a Federal candidate stops the Party from using any funds raised under State law. It is my belief that, given this restraint, the statewide, state legislative and local candidates will insist on running their own programs which do not mention any Federal candidate and do not promote the "Republican ticket" in order to avoid having to allocate with the Levin account. This will lead to the decline of the State Political Parties since their ability to aid all candidates on the ticket will be drastically reduced, and therefore lead to the decline of the political parties generally. Special Interest Groups using unlimited, unrestricted, unreported "soft dollars" from any source will be positioned to fill this void.

I declare under penalty of perjury that the foregoing is true and correct.



Robert Bennett

Executed on October 4th, 2002