



## Reform Groups' Views on Campaign Finance and Internet Communications

September 22, 2005

Dear Representative:

The House Administration Committee is holding a hearing today to examine “regulation of political speech on the Internet” under the campaign finance laws. The Committee has already reported H.R. 1316, the Pence-Wynn bill which, among a number of other provisions, would exempt the Internet from the statutory definition of “public communication.”

The undersigned groups strongly oppose this blanket exemption for expenditures made to finance communications on the Internet, which would open up new huge soft money loopholes in the federal campaign finance laws for federal candidates, parties, corporations, labor unions and wealthy donors.

The groups are the Campaign Legal Center, Common Cause, Democracy 21, the League of Women Voters, Public Citizen and US PIRG.

We recognize, as do most others, that the growth of the Internet is an important and positive development for political discourse and activities, and for increasing the number of small donors in politics, an important goal for those of us who support campaign finance reform.

The blanket Internet exemption in the Pence-Wynn bill, however, is not necessary for individual bloggers communicating on their own Web sites to be exempt from the campaign finance laws. The FEC currently is considering proposed rules that would affirm that the campaign finance laws already do not apply to such individual bloggers.

The blanket Internet exemption in Pence-Wynn would wrongly allow federal candidates to coordinate with corporations, labor unions and wealthy donors in the expenditure of unlimited amounts of soft money to purchase Internet banner and video ads supporting their federal campaigns or attacking their opponents.

The Internet exemption also would wrongly allow state political parties to spend unlimited amounts of soft money to finance ad campaigns on the Internet that support or oppose federal candidates.

One of the great virtues of the Internet is that it facilitates political discourse at very low cost. But simply because it is possible to communicate through the Internet at very low cost, it does not

**Derek Bok**  
Chairman

**Chellie Pingree**  
President and CEO

**Archibald Cox**  
Chairman Emeritus

**John Gardner**  
Founding Chairman

follow that very large sums of money cannot also be spent to communicate through the Internet to influence federal elections.

And when such large sums represent soft money being used by candidates, parties, corporations, labor unions and wealthy donors to influence federal elections, the campaign finance laws that protect against corruption or the appearance of corruption have as much application to the financing of federal election activities conducted on the Internet as they do to activities conducted through television or other off-line media.

This problem is all the more pernicious if the spending of large sums of soft money for ads on the Internet to support a federal candidate could be done in coordination with that federal candidate, which the blanket Internet exemption in Pence-Wynn would allow. This provision in Pence-Wynn would virtually invite federal candidates to directly control the spending of unlimited amounts of corporate and union soft money to pay for Internet banner and video ad campaigns to promote their candidacies.

The same pernicious problem would exist if state political parties were permitted to use the Internet as a vehicle to spend soft money on Internet ad campaigns supporting or opposing federal candidates, which the blanket exemption in the Pence-Wynn bill would also allow.

Individual bloggers communicating on their own Web sites are not and should not be covered by the campaign finance laws. Thus, bloggers do not need any additional exemption, such as would be provided by the so-called "press exemption." In any event, however, individual bloggers should not automatically be treated as "members of the media" and thereby exempt from the laws under the "press exemption," as some bloggers have proposed.

A blogger distributing information may or may not be eligible for the "press exemption." The FEC should apply the "press exemption" on a case-by case basis to Internet activities, just as it has in the past to off-line activities. It is simply wrong to define every individual in the world with a Web site as a member of the media for purposes of the campaign finance laws.

The campaign finance laws should not, and do not, limit political discourse by individual bloggers on the Internet. At the same time, the campaign finance laws must not be subverted by opening new soft money loopholes that would allow the Internet to become the vehicle for candidates, parties and others to spend soft money to influence federal elections.

We strongly urge you to oppose any blanket exemption for the Internet that would create new huge soft money loopholes in the campaign finance laws.

Campaign Legal Center  
Common Cause  
Democracy 21

League of Women Voters  
Public Citizen  
US PIRG