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FEDERAL ELECTION COMMISSION



1325 K Street, N.W., Washington, D.C. 20463

RELEASE: EMBARGOED UNTIL 10:00 A.M.,
THURSDAY, MARCH 15, 1979

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FEC TESTIFIES ON PUBLIC FINANCING OF U.S. HOUSE CAMPAIGNS

WASHINGTON -

Suggestions for strengthening a proposed House bill providing financing of general election campaigns for U.S. House of Representatives were made today by Federal Election Commission Chairman Joan D. Aikens.

Throughout her testimony, Mrs. Aikens emphasized the need to ensure public confidence in the distribution and use of public funds. "The Commission feels that there is a need in any public funding system for effective safeguards...for establishing the system's integrity," she said.

Mrs. Aikens stated that the FEC "takes no position on the substantive merits of establishing any system of public financing for Congressional elections." She noted, however, that "certain provisions of H.R. 1 are somewhat ambiguous."

The FEC's testimony stressed the need for a thorough and workable certification process as a prerequisite to ensuring the integrity of any public financing system. This certification process, in the Commission's view, should include a thorough Commission review of all submissions, as well as of a candidate's bookkeeping system, and a mandatory audit program of both public and private funds involved in those Congressional campaigns which accepted public funds. Mrs. Aikens noted that if Congress decided upon a minimal role for the Commission in this certification process, that is, to certify funds without a comprehensive review of the submissions, it would "constitute a drastic departure from the type of review that the Commission undertakes for Presidential primary candidates."

Chairman Aikens also recommended that a repayment provision be included in the legislation to provide for situations where public money is certified in excess of eligibility or where funds are used for non-campaign purposes.

One additional area in which the FEC expressed concern was the question of suspension of expenditure limits where a publicly-funded candidate's opponent exceeds certain limits. "Based on past reporting experience," Mrs. Aikens asserted, "the

Commission feels that current provisions in H.R. 1 for enforcement of such expenditure limits would be difficult, particularly in view of the limited time in which this activity would be monitored."

The FEC was asked to testify on several issues involved in H.R. 1, including projected cost estimates of administering the program, the amount available in the checkoff fund for the 1980 elections, and requirements candidates should be subject to if they received public funding. Depending on the number of candidates involved in the general election, (the Commission based its estimates on numbers ranging from 878 to 1095 candidates), and on the level of enforcement, Mrs. Aikens estimated it would cost the FEC between \$1.8 million and \$8.1 million, over and above the Fiscal Year 1980 budget request of \$10.7 million. Cost to the checkoff fund would range from \$35 million to \$44 million.

Mrs. Aikens said that her testimony is based on the experience and knowledge gained by the FEC Commissioners and staff through their experience in administering public financing of the 1976 Presidential election. The Chairman said she felt the FEC's experience would be "valuable in evaluating the administrative impact of any proposal for Congressional election financing."

FEC Vice-chairman Robert O. Tiernan joined Chairman Aikens in today's appearance before the House Committee.