

FEDERAL ELECTION COMMISSION

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WASHINGTON -- "The Federal Election Commission's ability to perform its basic statutory mandate would be seriously impaired by any reduction of its budget request for fiscal year 1982," Chairman John Warren McGarry said today in testimony before the House Committee on Administration.

He said the \$11.1 million budget request already represents \$2.1 million voluntarily cut from the original request, and he described it as "an absolutely bare bones budget."

Chairman McGarry said the Commission had "substantially and voluntarily reduced" its budget in response to the President's plea for fiscal restraint.

"There are many cost increases over which the Commission has absolutely no control -- our rent has increased by over 50 percent, our copying and microfilming costs have risen substantially and our employees receive pay raises each October. The Commission can do nothing to avoid or reduce these cost increases," Chairman McGarry added.

Joining him in testifying were Vice Chairman Frank Reiche, Staff Director B. Allen Clutter and General Counsel Charles N. Steele.

As Chairman of the Commission's Budget Task Force, Commissioner Reiche stated to the House Committee that "the Commission is keenly aware of the need for budgetary restraint. This request is designed solely to enable the Commission to meet its statutory obligations."

Commissioner Reiche reminded the Committee that during the past two fiscal years the Commission had been forced to cut basic programs in order to pay for unexpected increases in the cost of supplies and Congressionally-mandated expenditures.

Referring to an OMB-proposed Fiscal Year 1982 budget of \$9.7 million, Commissioner Reiche said, "Were it not for the Commission's history of absorbing externally generated increased expenses during the past two or three years, a further budget reduction this year might be manageable. But it is precisely that history of financial reallocation which forces the Commission at this time to call to your attention the impact which OMB's proposal would have upon the proper functioning of the FEC during FY 1982."

The Commission advised the Committee that further reductions below the requested budget "would force the Commission to consider deep cuts in its data entry program, its enforcement program, its public information activities and the National Clearinghouse on Election Administration."