

# FEDERAL ELECTION COMMISSION

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WASHINGTON -- Public comments are being solicited by the Federal Election Commission on proposed rules to relax some restrictions now imposed by regulations on loans obtained by candidates in their political campaigns for Federal office. Deadline for the comments is August 19.

Current FEC regulations permit candidates to make unlimited expenditures from personal funds. Also, they limit a spouse's contribution to that of any other individual--\$1,000 per election.

But the need to have a spouse as co-signer on a loan because of co-ownership of or a statutory interest in property can become a barrier to a candidate's use of assets as security for a campaign loan. Under current FEC regulations, the spouse in such a situation is considered a contributor, which has the effect of severely limiting the amount a candidate may borrow against funds in which he or she has an ownership interest.

FEC revision of this regulation would state that a signatory spouse will not be considered a contributor if the value of the candidate's share of the property used as collateral or as a basis for a loan equals or exceeds the amount of the loan to be used for a campaign. This would extend to liquid assets, as well.

Other changes proposed by the Federal Election Commission rulemaking would be of a clarifying nature.

Additionally, the Commission is asking for comments as to whether or not the proposed exception should be extended to include other co-owners, such as immediate family members or unrelated co-owners.

All public comments received will be considered by the FEC as it deliberates the final form of the proposed regulations. If approved by the Commission, the revised regulations must be sent to Congress where each house has 30 legislative days to consider them. If neither the House nor the Senate vetoes them, the Commission may then put the regulations into effect.