

FEDERAL ELECTION COMMISSION



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FEC SETS PUBLIC HEARING ON MCGOVERN PAYBACK ORDER; CANCELS SUNSHINE REGULATIONS HEARING

WASHINGTON — The Federal Election Commission said today it has granted a request by former Senator George S. McGovern, and his 1984 Presidential campaign committee, for a public hearing to appeal a Commission order for repayment of federal matching funds to the U.S. Treasury.

The hearing is scheduled to be held in the Commission's 5th floor conference room, on Wednesday, April 24, 1985, at 10:00 a.m. The FEC has cancelled another hearing, scheduled for the same day, on proposed revisions to its Sunshine Act Regulations since no requests to testify were received.

This is only the third such hearing granted to a Presidential candidate challenging a Commission repayment determination. The two previous hearings were April 3, 1978 and November 27, 1979, attended, respectively, by Governor George C. Wallace and representatives of Congressman Morris K. Udall's presidential campaign.

On February 11, 1985, the FEC released its audit report of the "Friends of George McGovern," concluding that McGovern should repay \$25,104.99, which the Commission had determined to be "non-qualified expenses." Of the total, the McGovern committee is challenging repayment of \$13,549.35.

In a March 5 response, the McGovern committee disputed the FEC's determination that salary payments of \$50,000 to the candidate were non-qualified campaign expenses and that the pro-rata portion \$13,549.35 must be repaid to the U.S. Treasury.

(The Commission's regulations provide as a condition precedent to requesting an opportunity for an oral presentation that the candidate respond to the initial repayment determination by submitting legal and factual materials intended to demonstrate that no repayment, or a lesser repayment, should be made. The regulations further provide that upon an affirmative vote of four of its members, the Commission may grant the candidate's request.)

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