

FEDERAL ELECTION COMMISSION



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FEC SUPPORTS FY '87 BUDGET REQUEST IN HOUSE HEARING

WASHINGTON--"This is a watershed period for the Federal Election Commission," John Warren McGarry, vice chairman of the FEC, said today in testimony before the Subcommittee on Elections of the Committee on House Administration.

"Depending on Congressional action taken over the next few months, we will either be able to continue our unequaled record of public service, or we will see much of the progress made over the past decade reversed," he stated.

Commissioner McGarry, presenting testimony as Chairman of the Agency's Finance Committee, was joined by FEC Chairman Joan D. Aikens and Commissioner Thomas J. Josefiak, Vice Chairman of the Finance Committee.

The FEC reported that disbursements in connection with the 1984 elections exceeded \$1.265 billion, including \$218.8 million spent by presidential candidates. That represents a one-third increase from both the 1980 and the 1982 elections. FEC experience is that Congressional elections following a Presidential year have cost as much as the prior Congressional and Presidential contests combined.

"If that pattern holds true, 1986 campaign finance activity will approximate that of 1984," Commissioner McGarry said. He predicted that in 1988, when both major parties' presidential nominations may be contested by 20 or more publicly-funded candidates, "total spending will surely be astronomical."

This projected increase in financial activity has implications for the Commission: more informational calls and press inquiries; more pages of reports; more presidential certifications; more work for every division, the FEC reported.

"Beyond sheer quantity of information provided to the Commission, many of the issues presented through advisory opinion requests, enforcement matters and audits have grown more complex

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in nature, requiring greater expenditures of time and effort by staff, the Commissioners, and the concerned political committees," Mr. McGarry said.

"Despite this burden of a vastly expanded workload, we have been able to meet our obligations in a timely and efficient manner," he continued. "While improving our timeliness in the face of a growing workload, we have also been able to enhance both our disclosure and outreach programs--up to this point that is," he said.

He explained the repercussions to the FEC of having its budget reduced this year by \$535,000 under the Balanced Budget and Deficit Reduction Act on top of an earlier cut of \$323,000 for a proposed government-wide salary cut that never materialized.

"While the combined dollar amount is not significant by overall Government standards, this reduction proved to be extremely disruptive to a small, personnel-intensive agency such as ours" Commissioner McGarry said.

In addressing the Balanced Budget required cuts in the FEC's computerized campaign finance data base, Mr. McGarry said, "We take great pride in our accomplishments which go beyond what is mandated by law... Yet this performance has obviously led to expectations by some that such service must be continued even at the cost of mandated activities, including enforcement and our small Clearinghouse program, which has already been cut more than 90 percent from previous levels."

He said the Commission was forced this year to react promptly to unanticipated budget reductions. "We have done so in the most responsible manner under the circumstances. It is because we have done so much with so little in previous years that we are being penalized heavily by budget cuts. Funding of \$12.8 million will give us limited flexibility to build on progress to date. A budget of less than \$12.8 million is an alternative we hope not to face," Commissioner McGarry said.

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