

FEDERAL ELECTION COMMISSION



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FEC PUBLISHES REPORT ON PRESIDENTIAL FUNDING -Forecasts dire warning for 1996 elections-

WASHINGTON -- As the Congressional debate continues on campaign finance reform, the Federal Election Commission announces the formal release of its comprehensive Report on the Presidential Funding Program. The Report covers the history of public funding of presidential elections from the first legislative proposal in 1904, through the 1992 election, and chronicles the FEC's administration of the law.

"The purpose of the Report is to educate policy-makers and other interested persons about the goals, problems and successes of the public funding system," said FEC Chairman Scott E. Thomas. "We have detailed the many challenges met by the FEC in administering the program, and outlined the legislative recommendations we feel will best address the problems that exist."

The agency's Report begins with the dire advisory that "the current system of financing Presidential elections will all but collapse in 1996, unless Congress takes action." Replete with charts, graphs and statistical tables - some of which appear on the back of this release - the Report specifically addresses a serious flaw in the funding law which adjusts candidate entitlements to inflation, but not the \$1 checked off by taxpayers. If the dollar amount had been adjusted for inflation since 1974, the check-off today would be almost \$3 per taxpayer. The FEC has painted a dismal picture for 1996, saying that general election nominees will not be fully funded and that no monies will be available for matching funds in the primaries.

Advance copies of the Report were initially made available in April. The completed volumes are available free of charge from the agency's Information Division, 999 E St., N.W., Washington, D.C. 20463. Copies may be ordered by telephone: 202/219-3420, or 800/424-9530.

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CHART 5-3
Revenue and Payments from the Presidential Election Campaign Fund

Millions of Dollars

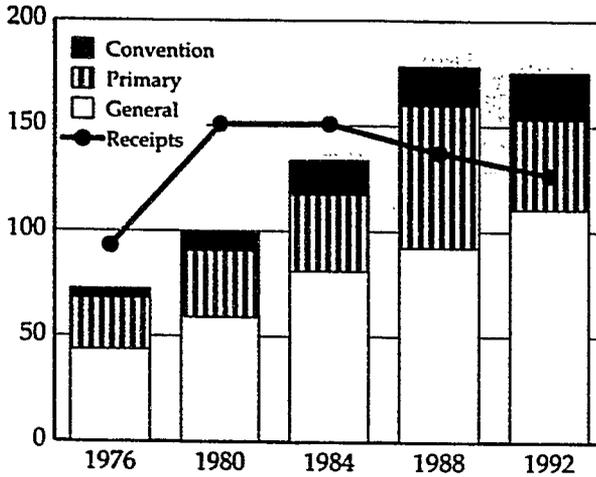


Chart 5-3 demonstrates that while inflation has increased general election and convention grants over time, primary matching payments have varied from one cycle to the next. On the supply side, the tax checkoff generated a surplus in 1976, 1980, and 1984, but the full amount of that surplus had been consumed by the end of 1992.

CHART 5-4
Presidential Election Campaign Fund 1992 Balance By Month—Total and Available For Primary Matching

Millions of Dollars

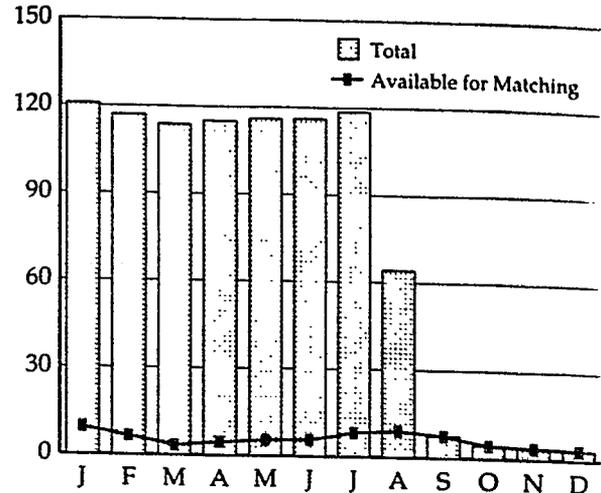


Chart 5-4 tracks the monthly balance of the Fund during 1992. It came within about \$3 million of insolvency in March because of the Treasury rule requiring general election funds to be set aside. The year-end balance stood at roughly \$4 million.

CHART 5-5
Projections for 1996 Payments and Funds Available

Millions of Dollars

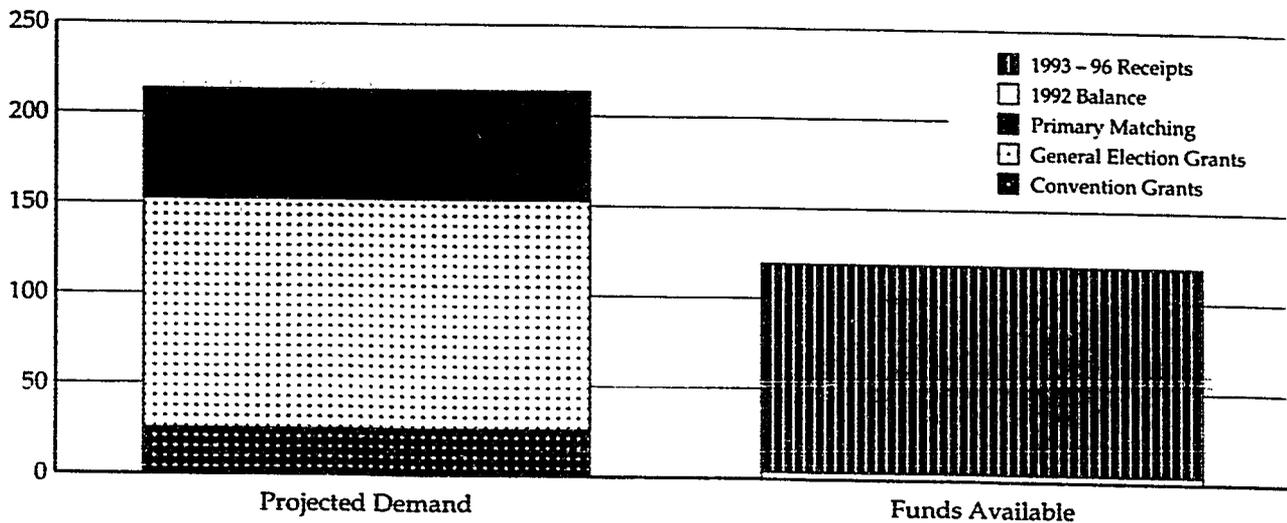


Chart 5-5 illustrates the Commission's projections for the 1996 cycle. Based on these estimates, only the party nominating conventions would be fully funded. General election nominees would each receive about \$15 million less than the law permits and primary candidates would not receive any matching funds at all.