

FEDERAL ELECTION COMMISSION



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CHAIRMAN MCDONALD SAYS RESCISSION IN FY'95 ALLOCATION UNFORTUNATE, VERY DAMAGING TO FEC EFFECTIVENESS

WASHINGTON -- Federal Election Commission Chairman Danny L. McDonald today issued the following statement concerning last week's action by the House Subcommittee on Treasury, Postal Service, and General Government to rescind some \$2.8 million of the FEC's FY'95 allocation of \$27.1 million:

"We understand that virtually every governmental department and agency must bite the budget bullet these days. At the same time, however, it is unfortunate and very damaging to the FEC for Congress' appropriations panels to reduce so drastically our effectiveness in disclosure and enforcement.

"The stated reason in subcommittee for the rescission was the Commission's inefficiency and unwillingness to modernize through computerization. This is an entirely erroneous contention. Our operations have realized tremendous technological strides over the past seven years through strong bipartisan Congressional support. As (Treasury appropriations) Subcommittee Chairman Jim Lightfoot recently noted, specifically regarding our enforcement priority system, 'They (FEC) have basically done a good job with what we've given them to work with. Their strategy is right....'"

McDonald continued, "If this rescission becomes law, the stated 10 percent cut of \$2.8 million from our FY 1995 budget will have the effect of a 20 percent reduction at this point in the fiscal year. This reduction is substantially higher than any other agency within the Treasury/Postal appropriations. Most important, both the FEC and the American public would lose the hard-fought strides made in disclosure and compliance during the last several years.

"The Federal Election Commission was established 20 years ago in the wake of a political scandal called Watergate. I know Congress realizes the importance the public places on this agency's responsibility to our democratic process."

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