



FEDERAL ELECTION COMMISSION

WASHINGTON D C 20463

May 16, 1997

Advisory to News Editors, Correspondents, Broadcasters

The following is a statement by FEC Chairman John Warren McGarry, concerning rejection by the House of Representatives of the Federal Election Commission's request for \$1.7 million in FY'97 supplemental funding for audits and investigations into numerous complaints involving campaign donations in the 1996 elections:

"The House on May 15 eliminated from consideration in the Emergency Supplemental Appropriations Act \$1.7 million in supplemental funds requested by the FEC and the Administration. The FEC had sought the supplemental funding to investigate the extraordinary number of compliance issues raised in the 1996 election cycle.

"The loss of this supplemental funding places the Commission in the difficult position of having to severely restrict the number of investigations it undertakes. Even before the 1996 election problems, the Commission had to implement an Enforcement Priority System [initiated spring 1993] to focus our limited staff resources on only a portion of the complaints filed. This priority system allows the Commission to work fewer cases, but to finalize them more rapidly. Unfortunately, to accomplish this we are obliged to dismiss or close without action many matters that warrant full investigation.

"This dilemma is worse today. The 1996 election cycle generated 30 percent more complaints than a normal election, many of them extraordinary in terms of money, numbers of individuals involved, and the complexity of the issues embraced. We have some 'monster' cases we must deal with. But dealing only with those isn't fair to the complainants and respondents in the some 300 cases currently being investigated or under preliminary review. An unfettered supplemental funding of \$1.7 million would have allowed us to proceed with some additional staff and without some of the constraints we consistently face. Now we must assess our options very carefully."

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