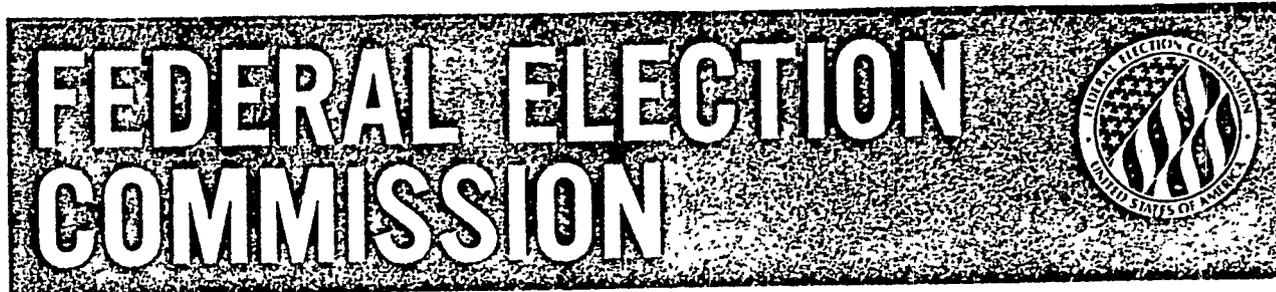


NEWS FROM...



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FEC ISSUES POLICY STATEMENT  
ON INDEPENDENT EXPENDITURES

WASHINGTON - MAY 28 - The Federal Election Commission today pointed out that under the new election law, no person may contribute more than \$5,000 per calendar year to a political committee making independent expenditures on behalf of federal candidates.

The Commission unanimously adopted a "Policy Statement" on the subject in order to provide immediate "interim guidance" to candidates and political committees. Earlier this week, the Commission set out this principle in draft regulations published for public comment prior to adoption and submission to Congress.

There is no limit in the law to the making of independent expenditures, so long as they are made without any cooperation or connection with a candidate or agent of the candidate.

THE COMMISSION'S POLICY STATEMENT FOLLOWS:

"The Commission's proposed regulations, §110.1(h), provide that a person may contribute \$1,000 to a candidate, and also contribute to a political committee which has supported, or anticipates supporting that candidate without violating the \$1,000 per election limitation, as long as the contributor does not give to the committee with the knowledge that a substantial portion of the contributor's funds will be contributed by the committee to that candidate.

"However, it is the view of the Commission that contributions made to a political committee including those committees making independent expenditures on behalf of a clearly identified candidate are limited to \$5,000 per calendar year to each political committee, (see 2 U.S.C. §441a(a) (1) (c) and §110.1(d) of the proposed regulations,) and, for individuals, are limited to a total of \$25,000 per calendar year, (see 2 U.S.C. §441a(a) (3) and §110.5(c) of the proposed regulations.)

"Contributions, by definition, are made for the purpose of influencing a Federal election. That the contribution is made to a committee making independent expenditures does not change this definition. Therefore, the \$5,000 and \$25,000 contribution limitations apply to contributions made to committees making independent expenditures.

"It is further the view of the Commission that expenditures made on behalf of a clearly identified candidate by or through any person who is, or has been, authorized to raise or expend funds; who is, or has been, an officer of an authorized committee of that candidate; or who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's committee or agent is presumptively not independent, see §109.1(b) (4) of the proposed regulations.

"This policy is set out, as noted, in proposed regulations published in the Federal Register on May 26, 1976. This policy statement is being issued on an interim basis for guidance to candidates and committees pending final promulgation of the regulations."