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FEDERAL ELECTION COMMISSION



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FEC 1976 Annual Report

WASHINGTON-March 28 - The Federal Election Commission today reported that meeting public financing deadlines for the 1976 Presidential election, making all policy decisions in the "sunshine", expanding public disclosure of campaign finance information and launching a computer system for campaign finance data were among its major accomplishments during its first election year.

In its Annual Report for 1976, transmitted today to Congress, the FEC said it "received disclosure reports from 3,022 federal candidates (230 for the Presidency, 415 for the Senate and 2,377 for the House of Representatives), from 5,651 political committees, and from 376 individuals and committees reporting money spent independently on behalf of candidates. Altogether, 9,049 filers, representing 3,390 campaigns, filed a total of half-million disclosure documents. . . representing \$300 million in campaign funds which the FEC was charged with monitoring", the FEC reported.

Sunshine: The Commission said that 88 formal meetings and numerous internal task force meetings were open to the public. The FEC reported, "In debating and discussing all advisory opinions, proposed regulations, policy statements and internal procedures in the public view, the Commission has discovered that a policy of openness is beneficial to the Commission itself, as well as to the public." It said its experience has been that "a routine policy of openness helps to increase the credibility of the Commission as a non-partisan agency," and that open discussions helped to elicit additional "public comment that would not have been so readily available to the Commission had discussion been held in closed session."

Public Financing: In the public financing area, the Commission reported that it was able to meet the January 1, 1976 statutory deadline for certification of primary matching funds for Presidential candidates while at the same time establishing "careful procedures for verifying contributions." To help facilitate the matching fund process, the Commission reported that it established "a two-week turn-around time from submission to verification" and also "made special efforts to assist candidates in establishing record-keeping practices which would facilitate prompt certification of their submissions." During the two-month period when the Supreme Court's decision prevented the FEC from certifying public funds, the Commission continued "accepting and processing requests for matching payments" so that it was "able to certify a backlog of \$3.2 million to nine candidates on May 21," the day it resumed its powers. The Commission also reported on its timely certifications for the Presidential nominating conventions and the Presidential general election.

Computer: The FEC reported that during 1976, it "began designing a computer system which could assist in the storage and retrieval of information on the disclosure documents, both for purposes of Commission . . . and public review." The Commission said that the computer would be utilized to assist in the initial review of disclosure documents, to help the Commission meet the statutory requirements for publication of a variety of indexes, and to help tabulate receipts and expenditures for each candidate and committee.

Legislative Recommendations: The Commission also made numerous recommendations for changes in the federal campaign finance laws. These were publicly released earlier this year, on February 8.

Other items in the FEC 1976 Annual Report follow:

Public Information: 25,000 telephone and letter inquiries about the FEC and the campaign act came in to the FEC's Public Communications section, which was "the focal point for those seeking information." Six toll-free telephone lines were receiving 1,000 calls per week shortly before the November election.

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Opinion Requests: The Commission reported that "roughly half of all opinion requests had to do with campaign contribution questions. The rest concerned expenditures, solicitations to separate segregated funds, excess campaign funds, political committees, reporting and other questions in that order of frequency."

During 1976, the Commission issued 57 formal advisory opinions, 51 responses to requests for advisory opinions which involved reliance on FEC proposed regulations and which did not afford the same statutory protection afforded for formal advisory opinions, and "numerous informational letters from the Office of General Counsel to persons who did not have proper standing for an advisory opinion, where the subject matter was overly general, or where the incoming letter did not otherwise require a Commission-level response."

Public Records: The Commission opened a "store-front" public records office. The FEC said, "During 1976, this office provided 1.1 million pages of federal campaign finance data for public inspection. Visitors to this office ranged from 100 per week in early 1976 to several hundred per week during October 1976. In addition to making documents available for direct viewing on microfilm, this office copied and sold over 1/3 million pages of statements and reports on self-service microfilm reader/printers and photocopiers, and responded to 2,012 written orders and 1,379 phone orders."

Compliance: During 1976, the Commission instituted a new three-step procedure provided for in the 1976 legislation for handling sworn, notarized complaints or compliance cases arising "in the normal course of. . . (the Commission's) supervisory responsibilities." The FEC reported, "The Commission reviewed 319 enforcement cases during 1976, including 34 which were initiated in 1975. The files on 245 completed compliance cases (from 1975 and 1976) were made public by the FEC during 1976. The Commission reported, "Nearly 80% of these 319 cases resulted from complaints. The average number of enforcement matters initiated per month reached a peak of 70 in October, the month prior to the election. Two-thirds (210) of the cases were closed after preliminary review or investigation without the Commission finding 'reasonable cause to believe' a violation had occurred. Approximately 79% (166) of these 210 closings did not proceed to an investigation but were closed after only a preliminary review of the complaint and relevant documents in the Commission's files."

The Commission also reported, "Since the effective date of the 1976 amendments to the law (May 11, 1976), there has been a steady decline in frivolous complaints (e.g., those matters which could be closed without an inquiry or investigation), and a corresponding increase in the number of matters which require some form of extended inquiry."

Non-Filing: The Commission instituted a program to notify all candidates of the requirements for timely filing of pre-election reports, and to send at least two notices to "non-filers" before publicly publishing a list of those candidates failing to file the pre-election report. "Each successive notice substantially reduced the number of non-filers," the Commission said. Before the November general election, 1300 candidates received the routine advance notice. Of that total 888 candidates received the first notice of failure to file. This was reduced to 358 candidates who had to be sent the second notice. The published "non-filer" list before the election contained 127 "non-filers". The Commission said, "Following publication, many candidates and committees did submit their required reports, and as of the end of the year, delinquency rate for all reporting periods was no more than three percent. Of the final number 22 resulted in civil litigation."

Indexes: A number of indexes were released by the FEC. An index listing "Independent Expenditures" was released on October 14, and updated on October 27. Another index of political communications by "Corporations and Member Organizations" was published on October 18. A list of "Multicandidate Committees" who qualify for a higher contribution limit was published in the Federal Register on October 6, and updated on November 9.

Clearinghouse: The report summarized the activities of the Commission in assisting the administration of elections by the states through the FEC's National Clearinghouse for Information on Election Administration. The Clearinghouse distributed formal research studies in functional areas of election administration. During 1976, an Advisory Panel of twenty state and local election officials and legislators was created to provide advice on research needs and priorities. The Clearinghouse began a technical assistance program, and started a Clearinghouse Documents Center to collect information relating to elections administration.