

FEDERAL ELECTION COMMISSION



Press Office
1325 K Street, N.W., Washington, D.C. 20463
Phone: Local 523-4065 Toll Free 800-424-9530

FOR IMMEDIATE RELEASE
APRIL 8, 1981

CONTACT: FRED EILAND
SHARON SNYDER

WASHINGTON -- The Federal Election Commission's fiscal year 1982 budget request, described as "substantially and voluntarily reduced" in response to the President's pleas for fiscal restraint, was presented to the Senate Appropriations Committee today.

The \$11.1 million budget request represents a \$2.1 million cut from the Commission's original request, and was described as "an absolutely bare bones budget" by FEC Chairman John Warren McGarry. During his testimony before the Subcommittee on Treasury, Postal Service and General Government, Chairman McGarry declared:

"Without that amount, the Commission's ability to perform its basic statutory mandate would be seriously impaired." He advised the Committee "There are many cost increases over which the Commission has absolutely no control -- our rent has increased by over 50 percent, our copying and microfilming costs have risen substantially and our employees receive pay raises each October. The Commission can do nothing to avoid or reduce these cost increases," Chairman McGarry said.

Joining him in testifying were Vice Chairman Frank Reiche, Staff Director B. Allen Clutter III and General Counsel Charles N. Steele.

As Chairman of the Commission's Budget Task Force, Commissioner Reiche assured the Senators that "the Commission is keenly aware of the need for budgetary restraint. This request is designed solely to enable the Commission to meet its statutory obligations."

Commissioner Reiche further reminded the Senate that during the past two fiscal years the Commission had been forced to cut basic programs in order to pay for unexpected increases in the cost of supplies and Congressionally-mandated expenditures.

Referring to an OMB-proposed Fiscal Year 1982 budget of \$9.7 million, Commissioner Reiche said, "Were it not for the Commission's history of absorbing externally generated increased expenses during the past two or

(over)

three years, a further budget reduction this year might be manageable. But it is precisely that history of financial reallocation which forces the Commission at this time to call to your attention the impact which OMB's proposal would have upon the proper functioning of the FEC during FY 1982."

The Commission also advised the Senate Committee that further reductions below the requested budget "would force the Commission to consider deep cuts in its data entry program, its enforcement program, its public information activities and the National Clearinghouse on Election Administration."

Included in the Commission's revised proposal are a \$200,000 increase in rent; strengthened internal non-Presidential enforcement efforts; development of an index to closed compliance cases; and reinstatement of an Outreach Program of seminars throughout the country for candidates and political committee personnel.