

FEDERAL ELECTION COMMISSION

PR



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FEC HOLDS HEARING TO DISCUSS ALLOCATION OF POLITICAL PARTY SPENDING

WASHINGTON -- The Federal Election Commission does not condone the use of illegally raised campaign funds, contrary to impressions left by some well-publicized stories about "soft money," FEC Chairman Thomas J. Josefiak said today.

In an opening statement during the Commission's public hearing on proposed methods of allocation between federal and non-federal campaign accounts, Chairman Josefiak said that the Federal Election Campaign Act and FEC regulations directly prohibit the use of soft money. The Chairman noted that those who allege the influence of soft money in federal elections focus their arguments on who and how the funds are raised rather than how they are spent.

Josefiak said the purpose of today's hearing is to discuss ways to give political committees better guidance as to how they should allocate expenses between their federal and non-federal accounts.

"There is no ambiguity or loophole in federal election law that permits the spending of soft money in support of federal candidates," said Josefiak. "If any abuses in the spending of soft dollars actually occurred in the past election cycle by the presidential campaigns or political parties, or anyone else, the Commission will vigorously pursue any complaint brought before it."

Those advocates who argue the FEC should broaden its rules to regulate money entering the political process for state and local races refuse to acknowledge that the law Congress wrote creating the agency does not grant it non-federal election authority, he said.

"We cannot impose our jurisdiction upon legitimate state and local political activity by virtue of an imputed effect upon federal elections," said Josefiak, a native of Massachusetts.

Congress and the courts have clearly endorsed the FEC's authority to prescribe how political committees should allocate common expenses between their federal and non-federal accounts, Josefiak said.

The current Commission undertaking, which prompted the public hearing, is a review of proposed new allocation methods. This review was initiated to insure that all funds actually in support of federal candidates are raised legally, not to expand the agency's regulatory powers and dictate state and local election law.

"The Commission must assure the public of the continuing integrity of federal election law contribution limits and the public financing of presidential elections," said Josefiak. "We believe we are taking a positive step in meeting our responsibility by seeking necessary improvements in the regulations through this hearing and our rulemaking proceeding."

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