

# FEDERAL ELECTION COMMISSION



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## COMPREHENSIVE FEC REPORT CHRONICLES HISTORY AND EXPERIENCES OF PRESIDENTIAL PUBLIC FUNDING--AND FORECASTS A DIRE WARNING

WASHINGTON --

- Do you know how long American Presidential elections have been financed by public funds?

Answer: Seventeen years - since the 1976 elections.

- Do you know where this money comes from?

Answer: The Presidential Election Campaign Fund, which is entirely funded by taxpayers who check "yes" on their tax returns to earmark \$1 of their taxes to help pay for Presidential campaigns.

- Do you know why this program was created by Congress?

Answer: To reduce the influence of wealthy contributors; to reduce the demands of fundraising - allowing candidates more time to present their views to the public; to promote a more level field through a combination of public funding and expenditure limits - ensuring that qualified candidates have enough money to wage competitive campaigns even if they do not have access to large sums of money.

- Has the program worked?

Answer: Some say yes, some say no.

These and many other questions relating to the financing of Presidential elections are answered in a new comprehensive report by the Federal Election Commission. The FEC Report on the Presidential Public Funding Program covers the history of the public funding program and chronicles the FEC's efforts to administer the law.

Prefaced by the dire advisory that "the current system of financing Presidential elections will all but collapse in 1996, unless Congress takes action," the FEC's Report traces public funding of Presidential campaigns from the first legislative proposal in 1904,

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through the 1992 election. During the existing program's 17-year history, the FEC has certified money to more than 83 campaigns and party convention committees.

"The purpose of the Report is to educate policy-makers and Americans of all ages about the goals, problems and successes of the public funding system," said FEC Chairman Scott E. Thomas. "Our Report tracks how the FEC has met many challenges in administering the program, and sets forth the legislative recommendations we have made to address the problems that many agree exist."

One problem the Report specifically addresses is the FEC's projection that the amount collected under the \$1 checkoff program will be insufficient to pay the projected amounts needed for the 1996 Presidential election. The shortfall could be as much as \$100 million and would mean that no public funding would be available for primary candidates and a greatly reduced grant would be available for general election candidates. The fatal flaw in the statute is that the \$1 checkoff amount has not been adjusted for inflation since the program's inception, while payments from the Fund have been adjusted yearly. Moreover, fewer taxpayers are checking "yes" for one reason or another.

Organized into five sections, the Report examines the three phases of the public funding program: payments to the major party nominating conventions, general election funding, and primary matching funds. A fourth section evaluates Presidential public funding in light of its original goals. The final chapter examines the tax checkoff and the projected funding deficit for 1996.

The Report will be published in early summer. Advance copies are available from the FEC's Information Division, 999 E St., N.W., Washington, D.C. 20463.

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