

FEDERAL ELECTION COMMISSION



Press Office
999 E Street, N.W., Washington, D.C. 20463
Phone: Local 202-219-4155 Toll Free 800-424-9530

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Contact: Ron Harris
Sharon Snyder
Ian Stirton
Kelly Huff

APPROPRIATIONS SUBCOMMITTEE HEARS FEC BUDGET NEEDS

WASHINGTON -- Federal Election Commission Vice Chairman Joan D. Aikens told a House subcommittee today that the Commission's workload continues to be overwhelming and that Congress should augment the FEC's budget "...with the resources necessary to address the extraordinary compliance issues raised in the 1996 election cycle."

Vice Chairman Aikens, appearing before the House Appropriations Subcommittee on Treasury, Postal Service, and General Government in her role as Chairman of the FEC's Finance Committee, told panel members that the FEC's fiscal year 1997 budget requires \$1.7 million in supplemental funding, while the FY'98 request should be amended to reflect an additional \$4.9 million appropriation. The present operating budget for the FEC is \$28.1 million, with an FY'98 request of \$29.3 million. Approval of the requests for the supplemental and the amendment would bring the fiscal year budget totals to \$29.8 million and \$34.2 million, respectively.

Aikens noted that an appropriation of the FEC floor budget request of \$29.3 million with 313 employees "...will support a performance level beneath which we do not believe we can responsibly go. A standard performance level [\$32.6 million and 331 employees] would roughly return us to the performance level we were approaching prior to the FY'95 rescission. The Office of Management and Budget concurs with our \$29.3 million budget request. It is important to remember, however, that this budget was formulated before certain campaign financing controversies arose during the 1996 elections."

The Commission's enforcement division in the Office of General Counsel, Aikens said, had a total caseload of 365 matters as of February 28, but only 104 of those are being actively worked due to lack of resources, with but 22 attorneys available to handle enforcement cases. At the beginning of FY'95, Aikens noted, the FEC's Office of General Counsel had 32 attorneys assigned to enforcement cases with 163 cases being actively worked.

With appropriation of the additional funding, Aikens said, "...we propose to augment the floor budget with a special multi-year and multi-disciplined project to mount an appropriate investigative response to the extraordinary problems associated with the 1996 election. This election generated a third more complaints than the 1994 election. Among them are several allegations of violations of unparalleled scale. These cases entail complex factual matters, contentious legal and constitutional issues that involve millions of dollars and thousands of financial transactions requiring detailed review."

While the law's confidentiality provisions preclude much elaboration on these matters, Aikens said, "...we all read the newspapers and know well the alleged excesses that arose in this election. The alleged abuses involve fundraising from non-resident foreign nationals, the use of soft money possibly spent to circumvent the party spending limits on behalf of publicly funded presidential candidates, coordination in assertedly independent expenditures, and massive, but undisclosed, expenditures on issue advertisements with an electioneering message by labor and business interests."

Aikens said the Commission will need investigators, attorneys, auditors, systems analysts, and clerical support staff to "uncover the extent of the potential violations....Until such time as we have developed more complete evidentiary records on these allegations and deliberated on whether and to what extent the law may have been broken, it is difficult to project how many discrete investigations should go forward and with what degree of depth. We also do not know the degree of cooperation or recalcitrance we may encounter from respondents. Our supplemental and amended requests assume these matters warrant a thorough investigation."

The Vice Chairman concluded, "Finally, I need to state that this budget request speaks only to our responsibilities under the current law. We know Congress is going to be deliberating a number of proposals that would significantly amend the law. Any additional mandate imposed on the agency for rapid implementation will likely require additional funding."

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