

FEDERAL ELECTION COMMISSION

1325 K Street, N.W.
Washington, D.C. 20463

RELEASE: ON RECEIPT

MONDAY, DECEMBER 29, 1975

CONTACT: DAVID FISKE
SUSAN TIFFT
(202) 382-4733

FEC RULES ON FUNDRAISING EXEMPTION

WASHINGTON - DECEMBER 29 - The twenty per cent fundraising exemption applies only to a Presidential candidate's overall ten million dollar expenditure limit in the primary period, and "need not be pro-rated state-by-state", the Federal Election Commission ruled December 23, 1975.

The law provides that a Presidential candidate may spend on fundraising up to twenty per cent of his ten million dollar expenditure limit without attribution to his expenditure limit. Within the overall spending limit, Presidential candidates may spend in any state up to twice the Senatorial expenditure limit in each state. In issuing Advisory Opinion 1975-33, requested by the Bentsen in '76 Committee, the Commission stated "a candidate for the presidential nomination may spend up to two million dollars for fund-raising in any state or combination of states subject, of course, to the qualification that these expenses are attributable to fund-raising and not to other campaign related expenses."

The Commission noted further that candidates are not required to pro-rate fund-raising costs on a state by state basis "as long as the funds are being raised for the candidate's overall, national campaign and are not made for the purpose of directly influencing particular state primaries....even though (such funds) might incidentally affect the outcome of primaries in particular states".

In other action December 23, the Commission issued the following Advisory Opinions:

-----Working for a Dual Candidate: If a person works for a candidate seeking election as President and re-election to the Senate simultaneously, "the two separate campaigns may adopt any accounting method which reflects the actual billable time spent by the individual on each of the campaigns" to compute the expenditure attributable to each committee.

(AO #61, requested by the Bentsen in '76 Committee).

-----Honorarium: An honorarium is treated as "accepted", for purposes of the \$1,000 per appearance, \$15,000 per year honorarium limitation in the calendar year it was earned rather than the year it was received. The FEC stated that "it is the right to receive and not the actual receipt that determines when the honorarium is accepted. When the right to receive an honorarium becomes fixed, the honorarium is accepted". (AO #89, requested by Rep. Mike McCormack (D, Wash.-2).