**The original documents are located in Box 17, folder "Federal Election Campaign Act Amendments of 1976 - Presidential Veto or Approval Statements" of the John Marsh Files at the Gerald R. Ford Presidential Library.**

MAR 15 1976

THE WHITE HOUSE

WASHINGTON

March 15, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: JACK MARSH
MAX FRIEDERSDORF

FROM: JIM CONNOR JEC

The attached newspaper clipping was returned in the President's outbox with the following notation:

"Good editorial. Save for veto message, if necessary."

Please follow-up with appropriate action.

cc: Dick Cheney
Bob Hartmann

Attachment -
Article from CHRISTIAN SCIENCE MONITOR (no date) entitled "Save Campaign Watchdog"

THE PRESIDENT HAS SEEN.

Thurs. March 11, 1976

# Save campaign watchdog

As the presidential primary machine rumbles along, there is a very real chance that a monkey wrench could be thrown into the gearbox.

The Federal Election Commission, written into law when the need for campaign reform became overwhelming, may well go out of business if Congress fails to move sharply. The result could be not only confusion for the major political parties and remaining candidates, but a setback for the necessary straightening out of campaign problems still needing to be solved.

The nub of the problem is the U.S. Supreme Court's insistence that since the election commission performs essentially executive functions, all its members should be appointed by the president with congressional confirmation instead of having some members named by Congress as is now the case.

The court extended its deadline for restructuring the commission to March 22, but what can only be viewed as obstructionist tactics in Congress — especially the House — threaten to do in this important campaign watchdog at a critical moment.

Among the election commission's tasks are certifying candidate subsidies from the cache of public funds voluntarily set aside from individual income tax returns, writing and enforcing campaign regulations, and investigating wrongdoing. This could all be continued quite simply by a law restructuring the commission to conform with the court decision.

But congressional Democrats, under strong pressure from labor unions, want to tinker with the law by restricting recently legalized corporate campaign committees. They would confine corporate campaign soliciting to stockholders and executives while allowing unions to seek political funds from all members.

Other members of Congress are trying to attach provisions for congressional campaign subsidies to the law urgently needed to keep the election commission alive.

The whole question of corporate and union power in campaigns, especially the pressure from above to support a particular candidate or party, may well need to be examined and perhaps restricted. And it can be argued that extending public financing to congressional races might help relax the tight hold of incumbents on Capitol Hill seats.

But the middle of a campaign is not the time to be rewriting election law. If those kinds of provisions are worthwhile, they should be able to stand on their own and not be pinned to the skirts of something for the moment more essential.

President Ford has warned that he will veto "any bill that will create confusion and will invite further delay and litigation."

Congress should simply legitimize the Federal Election Commission and leave the rest for later.

due: 3/19
2:30

THE WHITE HOUSE

WASHINGTON

March 19, 1976

MEMORANDUM FOR:

PHIL BUCHEN
ROGERS MORTON
JACK MARSH
MAX FRIEDERSDORF
JIM CAVANAUGH
BOB ORBEN
JERRY JONES
BARRY ROTH
STUART SPENCER
BOB VISSER

FROM: JIM CONNOR

SUBJECT: Federal Election Commission Statement

Attached is a proposed statement by the President on which I have been asked to get your comments as soon as possible. If you could send your comments to me (either by phone on in writing) by 2:30 pm today, March 19, it would be greatly appreciated. Thanks.

Encl.

called 3/19 2:05 dd

(GERGEN) March 19, 1976

FEDERAL ELECTION COMMISSION STATEMENT

Early this year, in its ruling on the campaign reform laws, the Supreme Court said the Congress had 30 days to correct a small defect in the Federal Election Commission or the Commission would lose most of its powers.

Three weeks ago, because the Congress had not yet acted, the Court gained a 21-day extension.

Now some 50 days have passed, and this Congress is still engaged in inexcusable and dangerous delays.

Time is running out. On midnight Monday, the watchdog set up to protect our elections will be stripped of most of its authorities.

The American people have a right to ask -- just as I am asking:

-- Why won't the Congress act immediately to extend the life of the Commission through the November elections? This is the proposal that I have made repeatedly and it is a sound, sensible approach.

-- Why are some members of the Congress still trying to impose massive changes upon the campaign laws right in the midst of a campaign? It is clear that such changes would create greater chaos and uncertainty so that I could not in good conscience accept such a bill.

-- Finally, why do some members of the Congress seem to be retreating from our commitment to fair, clean elections. No one can ignore the fact that the American people have had enough of "politics as usual".

These are the questions to which the Congress must be held to account as we approach Monday's deadline. I urge the Congress to act with dispatch in re-establishing the

Federal Election Commission so that the democratic process in 1976 will be truly worthy of our great nation.

Thank you.

[April 1976?]

THE WHITE HOUSE
WASHINGTON

Jack Not issued

Final FEC

Statement - OK?

Mike

On October 15, 1974, I signed into law the Federal Election Campaign Act Amendments of 1974 which made far-reaching changes in the laws affecting Federal elections in election campaign practices. This law created a Federal Election Commission to administer and enforce a comprehensive regulatory scheme for Federal campaigns.

On January 30, 1976, the United States Supreme Court ruled that certain features of the new law were unconstitutional. The Court allowed 50 days to "afford Congress an opportunity to reconstitute the Commission by law."

At the same time, I urged Congress to enact quickly this required change as an interim solution so the Commission could continue to operate through the 1976 election. This is the simple and fair thing to do.

Instead, Congress has already consumed 83 days in its attempts to amend the existing law in over 100 ways.

Because of this delay, campaigns which were planned in accordance with the funding and regulatory provisions of the election law now lack funds and lack groundrules. The complex changes in the draft conference bill can only introduce added uncertainty in the law, and create confusion for the candidates in the present campaigns.

Accordingly, I again urge the Congress to pass the simple corrections mandated by the Supreme Court immediately upon their return next week. The American people want and deserve an independent and effective Election Commission. There must be a fair and clear law on the books to guide the campaigns. All Presidential candidates need the funds which are blocked by the Congressional inaction. It is appropriate that the candidates get the full benefit of the new law so that they can continue to campaign and the people can render their judgments.

Q: Mr. President, will you sign the compromise worked out by the Conference Committee?

A: As you know, we cannot be certain as to the specific final language of the bill which will have to be submitted to both the House and Senate before it would come to me, because the Conference Committee has not yet adopted its report. I am advised by my Counsel that the Conference Report proposes over 100 changes in the current law. These changes were the result of intense political and partisan debate within the Congress and will have a substantial effect on the work of the Commission and on political campaign practices by all candidates.

The integrity of our system of nominating and electing candidates for Federal offices is a keystone to this Nation's strength. We must consider any changes in that system very seriously because in the final analysis, the election campaign laws must be scrupulously fair or they will not be accepted by the American people.

I continue to feel that the simple reconstitution of the Federal Election Commission as mandated by the Supreme Court is the wisest course for the Nation at this point midway through a Federal election year.

Obviously, I will consider any bill that Congress ultimately does send me, but I would caution the members of Congress against playing politics with the Nation's election campaign laws.

April 22

THE WHITE HOUSE
WASHINGTON

Mr. Marsh:

Mike would like your reaction to the attached as soon as possible. He said if it goes, it will go today.

Donna

DRAFT - M. Duval
4/21/76

Federal Election Commission Statement

The people of this country rightfully demanded -- and received -- federal election reform. Although the new law is not perfect, it did provide for federal campaign funding administered by the Federal Election Commission. The Supreme Court on ruled that there had to be a technical change in the law in order for it to be constitutional. Congress was given fifty-one days to make the simple correction.

Immediately following the Supreme Court decision, I urged Congress to very quickly enact the technical change as an interim solution to some of the problems created by the election law so that it could continue to operate through the 1976 election. This is the simple and fair thing to do.

Our Constitution and two hundred years of experience under it establishes clearly that the strength of this country is inextricably linked to the integrity of our election process. The laws under which all candidates must operate must be clearly understood by the candidates and perceived as fair by the American people. Nothing is more intolerable than changing the ground rules in the middle of an election, especially when they are tampered with by incumbent politicians in the heat of a political campaign.

Clear, impartial and fair campaign laws are a national imperative. The current law is not perfect, but if it is amended to correct the constitutional defect identified by the Supreme Court, it will suffice to guide the Nation through the November elections. At that time, the Nation's elected leaders can make whatever long-term changes are appropriate and do so in a manner that the American people will accept as being in the national interest.

Accordingly, I again ask the Congress to pass this simple extension with the technical change mandated by the Supreme Court immediately upon their return next week. All candidates need the funds which are being held up by the Congressional inaction. It is appropriate that the candidates get the full benefit of the new law so that they can continue to campaign and the people can render their judgments.

FEDERAL ELECTION LAW AMENDMENTS

Q. Mr. President, will you sign the compromise worked out by the conference committee?

A. As you know, we have not seen the specific language because the conference committee has not yet adopted their report. I am advised by my attorneys that the conference report will make (insert number) of changes in the current law. These changes were the process of intense political and partisan debate within the Congress and will have a profound effect on the electoral process.

As I said in my statement, the integrity of our election process is a keystone to this Nation's strength. We must consider such changes very seriously because in the final analysis, the election laws must be scrupulously fair or they will not be accepted by the American people.

I continue to feel that the simple extension with the technical constitutional change mandated by the Supreme Court is the wisest course for the Nation at this point midway through a Presidential election year.

Obviously, I will consider any bill that Congress ultimately does send me, even if it contains changes, but I would caution the members of Congress against playing politics with the Nation's election laws.

M. D.

4/21/76

EMBARGOED FOR RELEASE UNTIL 3 pm EDT
2 pm CDT

APRIL 27, 1976

Office of the White House Press Secretary
(Shreveport, Louisiana)

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THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

On October 15, 1974, I signed into law the Federal Election Campaign Act Amendments of 1974, which made far-reaching changes in the laws affecting Federal elections in election campaign practices. This law created the Federal Election Commission to administer and enforce a comprehensive regulatory scheme for Federal campaigns.

On January 30, 1976, the United States Supreme Court ruled that certain features of the new law were unconstitutional. The Court allowed a total of 50 days to "afford Congress an opportunity to reconstitute the Commission by law."

On February 16, I submitted legislation to reconstitute the Commission and urged Congress to enact quickly this required change so it could continue to operate through the 1976 election. This is the simple and fair thing to do.

Instead, Congress has already spent over 70 days in its attempt to amend the existing law in many unnecessary areas.

Because of this delay, campaigns which were planned in accordance with the funding and regulatory provisions of the election law, now lack funds and lack ground rules. The complex changes in the draft conference bill can only introduce added uncertainty in the law and thus creat confusion for the candidates in the present campaigns and jeopardize the conduct of this year's Presidential election.

Accordingly, I again urge the Congress to immediately pass the simple corrections mandated by the Supreme Court and proposed by me. The American people want and deserve an independent and effective Election Commission. There must be a fair and clear law on the books to guide the campaigns. All Presidential candidates need the funds which are blocked by the Congressional inaction.

A Congressional conferees committee is still working on the details of the Federal Election Commission legislation. This legislation could have a major impact on how Presidential elections are conducted in this country. This is not a subject that any President can treat lightly, and I will not commit myself to sign or veto until the Congress completes definitive action on the bill.

There is no question that the Congressional conferees can adopt a bill which I can quickly sign into law. They should avoid objectionable and highly controversial provisions by moving toward simple reconstitution suggested by the Supreme Court and proposed by me in February.

# # #

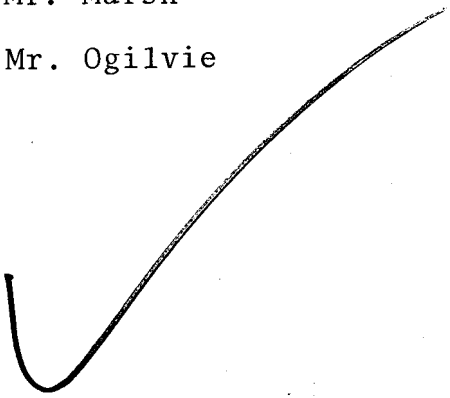
APR 3 0 1976

**ASSOCIATE DIRECTOR**
**OFFICE OF MANAGEMENT AND BUDGET**

4/30/76

TO: Mr. Marsh

FROM: Mr. Ogilvie



To the Senate

I am returning, without my approval, S. 2662, a bill that would make unacceptable encroachments upon the constitutional responsibilities of the President for the conduct of foreign affairs and do serious harm to the long-term foreign policy interests of the United States.

This legislation authorizes appropriations for security assistance programs for fiscal year 1976. These programs are of great importance to our efforts to promote a more stable and secure world in which constructive international cooperation can flourish. However, the numerous restrictions and cumbersome procedures contained in the bill would seriously impair the ability of the Executive Branch to perform its proper functions.

Constitutional Objections

S. 2662 contains an array of constituionally objectionable requirements whereby virtually all significant arms transfer decisions would be subjected on a case-by-case basis to a period of delay for Congressional review and possible disapproval by concurrent resolution of the Congress. These provisions are incompatible with the express provision in the Constitution that a resolution having the force and effect of law must be presented to the President

and, if disapproved, repassed by a two-thirds majority in the Senate and the House of Representatives. They extend to the Congress the power to change the law to prohibit specific transactions through a process not permitted under the Constitution for amending the law. Moreover, they would involve the Congress directly in the performance of Executive functions in disregard of the fundamental principle of separation of powers. Congress can, by duly adopted legislation, authorize or prohibit such actions as the execution of contracts or the issuance of export licenses; but Congress cannot itself participate in the Executive functions of entering into a contract or issuing a license, either directly or through the disapproval procedures contemplated in this bill.

The erosion of the basic distinction between legislative and Executive functions that would result from the enactment of S. 2662 would pose a serious threat to our system of government, and would forge impermissible shackles on the President's ability to carry out the laws and conduct the foreign relations of the United Seates. The President cannot speak for the nation under circumstances where his operational

decisions can be frustrated by Congress. Also, the attempt of Congress to become a virtual co-administrator in operational decisions would seriously distract it from its proper legislative role. Inefficiency, delay, and uncertainty in the management of our nation's foreign affairs would eventually follow.

Apart from these basic constitutional objections to this bill, S. 2662 is faulty legislation, containing numerous unwise restrictions.

Trade with Vietnam

The bill would suspend for 180 days the President's authority to control certain trade with North and South Vietnam, thereby removing a vital bargaining instrument for the settlement of a number of differences between the United States and these countries. I have the deepest sympathy for the intent of this provision, which is to obtain an accounting for Americans missing in action in Vietnam. However, the enactment of this legislation would not provide any real assurances that the Vietnamese would now fulfill their long standing obligation to provide such an accounting. Indeed, the establishment of a direct linkage between trade and missing in action might well only perpetuate Vietnamese demands for greater and greater concessions.

This Administration is prepared to be responsive to Vietnamese action on the question of Americans missing in action. Nevertheless, the delicate process of negotiations with the Vietnamese cannot be replaced by a legislative mandate that would open up trade for a specified number of days and then terminate that trade as a way to achieve our diplomatic objectives. This mandate represents an unacceptable attempt by Congress to manage the diplomatic relations of the United States.

Annual Ceiling on Arms Sales

A further objectionable feature of S. 2662 is an annual ceiling of $9.0 billion on the total of government sales and commercial exports of military equipment and services. In our search to negotiate mutual restraints in the proliferation of conventional weapons this self-imposed ceiling would be an impediment to our efforts to obtain the cooperation of other arms-supplying nations. Such an arbitrary ceiling would also require individual transactions to be evaluated, not on their own merits, but on the basis of their relationship to the volume of other, unrelated transactions. This provision would establish an arbitrary, overall limitation as a substitute for

case by case analyses and decisions based on foreign policy priorities.

Discrimination and Human Rights

This bill also contains well intended but misguided provisions to require the termination of military cooperation with countries which engage in practices that discriminate against United States citizens or practices constituting a consistent pattern of gross human rights violations. This Administration is fully committed to a policy of actively opposing and seeking the elimination of discrimination by foreign governments against United States citizens on the basis of their race, religion, national origin or sex, just as the Administration is fully supportive of internationally recognized human rights as a standard for all nations to respect. The use of automatic sanctions against sovereign States is, however, an awkward and ineffective device for the promotion of those policies. These provisions of the bill represent further attempts to ignore important and complex policy considerations by requiring simple legalistic tests to measure the conduct of sovereign foreign governments. If Congress finds such conduct deficient, specific actions by the United States to terminate or

limit our cooperation with the government concerned would be mandated. By making any single factor the effective determinant of relationships which must take into account other considerations, such provisions would add a new element of uncertainty to our security assistance programs and would cast doubt upon the reliability of the United States in its dealings with other countries. Moreover, such restrictions would most likely be counterproductive as a means for eliminating discriminatory practices and promoting human rights. The likely result of such actions will be a selective disassociation of the U.S. with governments unpopular with the Congress, thereby diminishing the ability of the U.S. to advance the cause of human rights through diplomatic means.

Termination of Grant Military Assistance and Advisory Groups

The legislation would terminate grant military assistance and military assistance advisory groups after fiscal year 1977 except where specifically authorized by Congress, thus creating a presumption against such programs and missions. In the case of grant assistance, this would limit our flexibility to assist countries whose national security is important to us

but which are not themselves able to bear the full cost of their own defense. In the case of advisory groups, termination of missions by legislative fiat would undo close and long standing military relationships with important allies. Moreover, such termination is inconsistent with increasing Congresssional demands for the kind of information about and control over arms sales which these groups now provide. Such provisions would insert Congress deeply into the details of specific country programs, a role which Congress has neither the information nor the organizational structure to play.

* * * * * * *

I particularly regret that, notwithstanding the spirit of genuine cooperation between the Legislative and Executive Branches that has characterized the deliberations on this legislation, we have been unable to overcome the major policy differences that exist.

In disapproving this bill, I act as any President would, and must, to retain the ability to function as the foreign policy leader and spokesman of the Nation. In world affairs today, America can have only one foreign

policy. Moreover, that foreign policy must be certain, clear and consistent. Foreign governments must know that they can treat with the President on foreign policy matters, and that when he speaks within his authority, they can rely upon his words.

Accordingly, I must veto the bill.

The White House

April , 1976

THE WHITE HOUSE

WASHINGTON

MAY 5 1976

May 5, 1976

MEMORANDUM FOR: ROBERT HARTMANN
JACK MARSH
RICHARD CHENEY
RON NESSEN
JIM CONNOR
DAVE GERGEN
GWEN ANDERSON

FROM: PHILIP BUCHEN P.

SUBJECT: Federal Election Campaign Act Amendments of 1976

Attached for your review is a proposed signing statement for consideration by the President in the event he determines that the above act should be signed.

Attachment

DRAFT SIGNING STATEMENT

On October 15, 1974, I signed into law the Federal Election Campaign Act Amendments of 1974 which made far-reaching changes in the laws affecting federal elections and election campaign practices. This law created a Federal Election Commission to administer and enforce a comprehensive regulatory scheme for federal campaigns.

On January 30, 1976, the United States Supreme Court ruled that certain features of the 1974 law were unconstitutional and, in particular, declared that the FEC could not constitutionally exercise enforcement and other executive powers unless the manner of appointing the Members of the Commission was changed.

Today, I am signing into law the Federal Election Campaign Act Amendments of 1976. These Amendments will duly reconstitute the Commission so that the President shall appoint all six of its Members, by and with the advice and consent of the Senate.

The failure of the Congress to reconstitute the Commission earlier and the resulting deprivation of essential Federal matching fund monies has so substantially

impacted on seven of the candidates seeking nomination for the Presidency by their respective parties that they felt impelled to seek relief on two occasions from the Supreme Court. The Court determined that it was not in a position to provide that relief.

Further delay in reconstituting the Commission would have an even more egregious and unconscionable impact on these candidates and on the conduct of their campaigns. As President, I cannot allow the outcome of the primary elections to be influenced by the failure of candidates to have the benefits and protections of laws enacted before the campaigns on which they have relied in standing for nomination.

Also, further delay would undermine the fairness of elections this year to the U. S. Senate and the House of Representatives, as well as to the Office of the President, because effective regulation of campaign practices depends on having a Commission with valid rule-making and enforcement powers. It is most important to maintain the integrity of our election process for all Federal offices that all candidates and their respective supporters and contributors are made to feel bound by enforceable laws and regulations which are designed to overcome questionable and unfair campaign practices.

The amendments have received bi-partisan support in both Houses of Congress and by the Chairpersons of both the Republican National Committee and the Democratic National Committee. This support provides assurance that persons strongly interested in the future of both major political parties find the law favors neither party over the other.

Accordingly, in addition to approving this legislation, I am submitting to the Senate for its advice and consent, the nominations of the six current members of the Commission as members of the new Commission. I trust that the Senate will act with dispatch to confirm these appointees, all of whom were previously approved by the Senate, as well as the House, under the law as it previously existed.

Notwithstanding my readiness to take these steps, I do have serious reservations about certain aspects of the present amendments. The Congress instead of acting promptly to adopt the provisions which I urged -- simply to reconstitute the Commission in a constitutional manner -- has proceeded to amend previous campaign laws in a confusing variety of ways.

The result is that the Commission must take additional time to consider the effects of the present amendments on its previously issued opinions and regulations. The amendments lack clarity in many respects and thus may lead to further litigation. Those provisions which purport to restrict communications and solicitations for campaign purposes by unions, corporations, trade associations and their respective political action communities are of doubtful constitutionality and will surely give rise to litigation. Also, the Election Campaign Act, as amended, seriously limits the independence of the Federal Election Committee from Congressional influence and control.

On numerous occasions, my predecessors and I have stated that provisions such as those contained in this legislation that allow one house of Congress to veto the regulations of an Executive agency are an unconstitutional violation of the doctrine of separation of powers. In passing the present legislation under which candidates who serve in the Congress reserve to themselves the right to reverse the decisions of the Commission in this fashion, the Congress has failed to assure that the agency to administer and enforce the Federal election campaign laws can be truly independent in the exercise of its regulatory functions.

For this reason, I have directed the Attorney General to take such steps at the appropriate time as may resolve the Constitutional issues which will arise if either House of Congress chooses to interfere with the independence of the Commission by exercise of the Congressional one-house veto over Commission rules or regulations.

I look to the Commission, as soon as it is reappointed, to do an effective job of administering the campaign laws equitably but forcefully and in a manner that minimizes the confusion which is caused by their complexity. In this regard, the Commission will be aided by a newly provided comprehensive and flexible civil enforcement mechanism designed to facilitate voluntary compliance through conciliation agreements and to penalize non-compliance through means of civil fines.

In addition, the new legislation refines the provisions intended to control the size of contributions from a single source by avoiding proliferation of political action committees which are under common control, and it strengthens provisions for reporting money spent on campaigns by requiring disclosure of previously unreported costs of partisan communications intended to affect the outcome of Federal elections.

I would have much preferred postponing consideration of needed improvements to the Federal Election Campaign laws until after the experience of the 1976 elections could be studied. Yet, I do welcome certain of the changes made by the present bill which apprear to go part way in making improvements. I still plan to recommend to the Congress in 1977 passage of legislation that will correct problems created by the present laws and will make additional needed reforms in the election process.

Proposed Signing Statement: FEC

After extensive consultation and review, I have decided that the Federal Campaign Act Amendments of 1976 warrant my signature.

I am therefore signing those amendments into law this afternoon. I am also submitting to the Senate for its advice and consent the nominations of six persons to serve as members of the reconstituted Commission. All but one of these individuals has served previously on the Commission, so [redacted] the Senate should be able to confirm all six nominees expeditiously.

Shortly after the Supreme Court ruled on January 30 that the Federal Election Commission was invalid as then constituted, I made it clear that I favored a simple reconstitution of the Commission because efforts to amend and reform the law could cause massive confusion in election campaigns that had already started.

The Congress, however, was unwilling to accept my straightforward proposal and instead became bogged down in a controversy that has now extended beyond 100 days in length.

In the process, there was also an effort to add several provisions to the law which I thought were thoroughly objectionable. These suggested provisions would have further tilted the balance of political power to a single party and to a

single element within that party. I could not accept those provisions under any circumstance and I so communicated my views to Members of the Congress.

Since that time, to my gratification, those features of the bill have been modified so as to avoid in large measure the objections I had raised.

In fact, in weighing the merits of this legislation, I have found that the amendments as now drafted command widespread, bipartisan support in both Houses of Congress and by the Chairpersons of both the Republican National Committee and the Democratic National Committee.

I still have serious reservations about certain aspects of the present amendments. For one thing, the changes now incorporated will force the Commission to take additional time in considering the effects of the present amendments on its previously issued opinions and regulations.

More fundamentally, these amendments jeopardize the independence of the Federal Election Commission by permitting either House of Congress to veto regulations which the Commission, as an Executive agency, issues. This provision not only circumvents the original intent of campaign reform but, in my opinion, violates the Constitution. I have therefore directed the Attorney General to challenge its constitutionality at the earliest possible opportunity.

Recognizing these weaknesses in the bill, I have nevertheless concluded that it is the better part of wisdom to sign this legislation. Great effort has been invested by members of both parties to make this bill as fair and reasonable as possible.

Moreover, I think we have to recognize that further delay would undermine the fairness of elections this year to the U.S. Senate, to the House of Representatives and to the Presidency. Effective regulation of campaign practices depends fundamentally on having a Commission with valid rule-making and enforcement powers. It is critical that we maintain the integrity of our election process for all Federal offices so that all candidates and their respective supporters and contributors are bound by enforceable laws and regulations which are designed to overcome questionable and unfair campaign practices.

I look to the Commission, as soon as it is reappointed, to do an effective job of administering the campaign laws equitably but forcefully and in a manner that minimizes the confusion which is caused by the added complexity of the present amendments. In this regard, the Commission will be aided by a newly provided comprehensive and flexible civil enforcement mechanism designed to facilitate voluntary compliance through conciliation agreements and to penalize non-compliance through means of civil fines.

In addition, the new legislation refines the provisions intended to control the size of contributions from a single source by avoiding proliferation of political action committees which are under common control. Also, this law strengthens provisions for reporting money spent on campaigns by requiring disclosure of previously unreported costs of partisan communciations intended to affect the outcome of Federal elections.

Following the 1976 elections, I will submit to the Congress legislation that will correct problems created by the present laws and will make additional needed reforms in the election process.

In addition to my approving this bill, I am submitting to the Senate the following nominations for the terms specified: Marlow W. Cook, and Neil Staebler, ~~for terms expiring April 30, 1977,~~ Vernon Thomson, ~~and~~ Thomas E. Harris, ~~for terms expiring April 30, 1979, and~~ Joan D. Aiken and Robert O. Tiernan, ~~for terms expiring April 30, 1981.~~

I urge the Senate to act quickly to confirm all these nominees at the same time.

FOR IMMEDIATE RELEASE May 11, 1976

Office of the White House Press Secretary

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THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

After extensive consultation and review, I have decided that the Federal Campaign Act Amendments of 1976 warrant my signature.

I am therefore signing those amendments into law this afternoon. I will also be submitting to the Senate for its advice and consent the nominations of six persons to serve as members of the reconstituted Commission.

Shortly after the Supreme Court ruled on January 30 that the Federal Election Commission was invalid as then constituted, I made it clear that I favored a simple reconstitution of the Commission because efforts to amend and reform the law could cause massive confusion in election campaigns that had already started.

The Congress, however, was unwilling to accept my straightforward proposal and instead became bogged down in a controversy that has now extended for more than three months.

In the process, efforts were made to add several provisions to the law which I thought were thoroughly objectionable. These suggested provisions would have further tipped the balance of political power to a single party and to a single element within that party. I could not accept those provisions under any circumstance and I so communicated my views to various Members of the Congress.

Since that time, to my gratification, those features of the bill have been modified so as to avoid in large measure the objections I had raised.

Weighing the merits of this legislation, I have found that the amendments as now drafted command widespread, bipartisan support in both Houses of Congress and by the Chairpersons of both the Republican National Committee and the Democratic National Committee.

I still have serious reservations about certain aspects of the present amendments. For one thing, the bill as presently written will require that the Commission take additional time to consider the effects which the present amendments will have on its previously issued opinions and regulations.

more

A more fundamental concern is that these amendments jeopardize the independence of the Federal Election Commission by permitting either House of Congress to veto regulations which the Commission, as an Executive agency, issues. This provision not only circumvents the original intent of campaign reform but, in my opinion, violates the Constitution. I have therefore directed the Attorney General to challenge the constitutionality of this provision at the earliest possible opportunity.

Recognizing these weaknesses in the bill, I have nevertheless concluded that it is in the best interest of the Nation that I sign this legislation. Considerable effort has been expended by members of both parties to make this bill as fair and balanced as possible.

Moreover, further delay would undermine the fair and proper conduct of elections this year for seats in the U.S. Senate, the House of Representatives and for the Presidency. Effective regulation of campaign practices depends upon the existence of a Commission with valid rulemaking and enforcement powers. It is critical that we maintain the integrity of our election process for all Federal offices so that all candidates and their respective supporters and contributors are bound by enforceable laws and regulations which are designed to control questionable and unfair campaign practices.

I look to the Commission, as soon as it is reappointed, to do an effective job of administering the campaign laws equitably but forcefully, and in a manner that minimizes the confusion which is caused by the added complexity of the present amendments. In this regard, the Commission will be aided by a newly provided civil enforcement mechanism sufficiently flexible to facilitate voluntary compliance through conciliation agreements and, where necessary, penalize noncompliance through means of civil fines.

In addition, the new legislation refines the provisions intended to control the size of contributions from a single source by avoiding proliferation of political action committees which are under common control. Also, this law strengthens provisions for reporting money spent on campaigns by requiring disclosure of previously unreported costs of partisan communications which are intended to affect the outcome of Federal elections.

Following the 1976 elections, I will submit to the Congress legislation that will correct problems created by the present laws and make additional needed reforms in the election process.

# # # #