Disclosure, Aim of 1st Election

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Congress waited almost 50 years before undertaking to reform an election-campaign financing statute that was, as the late President Lyndon B. Johnson once put it, more loophole than law. The overriding purpose of the reform law Congress finally enacted was disclosure, mainly, to enable voters to find out who gave how much to whom.

The reform law has been in effect only six months and has been tested in only one election. Even so, Congress is in the process of enacting still tighter controls. The reason, of course, is the Watergate scandal.

Ironically, however, the reform bill, reported this week by the Senate Rules Committee, puts the disclosure requirement of the existing law in severe jeopardy.

The 1971 law provides that committees must report not only the name of each contributor of more than $100, but also his occupation and principal place of business.

Members of the Rules Committee, along with numerous other legislators, say the requirement is onerous. Senate minority whip Robert P. Griffin of Michigan, for example, told fellow members of the Rules Committee that the requirement inconvenienced his campaign staff and annoyed contributors. Other committee members agreed and voted unanimously on June 27 to delete the requirement.

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Not that the committee view is universally held. Griffin's Democratic opponent, Michigan Attorney General Frank P. Kelley, didn't fine the requirement a serious burden, one of Kelley's campaign aides said. Neither did Sen. Walter F. Mondale (D-Minn.), who had to send out only an occasional postcard or make an occasional phone call to identify a contributor.

Last year, even with the benefit of a listing of occupations and business addresses, newsmen found it difficult to provide voters with useful disclosures about contributors when it was most useful — before election day.

For one thing, the disclosure requirement was sometimes violated. The solution suggested by Common Cause, the citizens' lobby, is to require candidates to return contributions that remain inadequately identified five days after receipt.

Other difficulties were more basic. To take a major case in point, the Democratic and Republican presidential campaign organizations confused and delayed processing of their financing reports by the General Accounting Office and reporters simply by creating multitudes of paper committees. The purpose of this was to divide up large contributions so that the donors could avoid gift taxes.

Reform, May Be Lost in 2d

Nor were these the only obstacles. Campaign committees commonly listed a husband's contribution separately from his wife's, or from his son's, say, impeding efforts to assemble contributions in illuminating patterns. The same was true of gifts from executives in a single business enterprise.

One gift may be listed to "John T. Doe" and another to "J. T. DOE." A clerk may innocently make a typing error, so that the donor you suspect to be Doe appears as, say, "John T. Woe."

Especially on Capitol Hill, where Congress provided newsmen with personnel but cramped, inadequate facilities, an additional problem was created by numerous special-interest committees. These concealed their gifts to specific congressional candidates by "laundering" them in pass-through Democratic and Republican congressional committees. The candidate's report then usually would list the pass-through committees rather than the original donor.

The overall result was that the identification provided under the 1971 law, even if highly useful to anyone wanting to fully identify contributors, was nonetheless insufficient for all but well-known contributors, such as W. Clement Stone, who was President Nixon's most generous donor, and Stewart Mott, who was Sen. George McGovern's. Many new donors in 1972 were listed for large sums—more than $200,000 each, in many cases—but were unknowns.

To be useful, all of the checking and digging must be completed in time to permit reasonably full disclosure to the voters before they go to the polls. If the law is changed as proposed by the Senate Rules Committee, the job will become more difficult, if not impossible, according to reporters who checked out contributors last year.

The committee did create a loophole. It approved a proposed independent elections commission empowered to adopt disclosure rules. Conceivably, the commission could go administratively what the committee would not do legislatively.

Meanwhile, other proposals to simplify the disclosure process have been made by, among others, Secretary of the Senate Francis R. Valeo. In testimony to the Rules Committee, he suggested, for example, that contributors be required to disclose a family relationship. Another idea, suggested by Sen. Lowell P. Weicker (R-Conn.) and Vleo, is to list a contributors Social Security number.

Mondale, in any event, has decided not to take a chance on what the independent commission may do and has announced that he will seek to restore the existing disclosure requirement when the committee bill comes up on the Senate floor, probably late this month.