

# Campaign Fund Bill Advances

## Senate Passes \$25,000 Limit On Donations

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The Senate gave overwhelming approval yesterday to a tough new campaign spending reform bill, designed to curb the influence of "big money in federal elections and clean up some of the abuses revealed by the Watergate investigation. The vote was 82 to 8.

Instead of allowing individuals like insurance executive Clement Stone to contribute millions to federal elections, the bill limits aggregate contributions by an individual to all federal candidates combined to \$25,000 in any election.

It further provides that no more than \$9,000 out of the \$25,000 may be given to any one candidate—\$3,000 in the primary, \$3,000 if there is a runoff, and another \$3,000 in the general election.

A similar \$9,000 limit (in three \$3,000 installments) is imposed on contributions to any one candidate by a voluntary political fund like the AFL-CIO's COPE. These limits apply to donations to congressional as well as presidential candidates.

At the same time, the bill curtails spending by congressional candidates, regardless of the source, to 10 cents in the primary for each person in the state of voting age, and 15 cents in the general election, with a minimum allowable of \$175,000 for a Senate race and \$90,000 for a House race. The presidential limits are the same as the Senate's.

With a voting-age population of nearly 140 million nationally at present, this would mean a presidential candidate couldn't exceed approximately \$21 million in spending during the general election. A Senate candidate in Maryland would be limited to \$403,000 in the election, and in Virginia to \$479,550.

Other key provisions of the bill create a seven-member independent commission to enforce the campaign spending law; strengthen penalties for violations; bar transfer of big stashes of unmarked cash; put organizations like the Committee for the re-election of the President virtually out of business by making them obtain approval of the party's national committee for all spending over \$1,000; and impose severe criminal penalties for diverting campaign funds to other uses.

See CAMPAIGN, A22, Col. 1

### CAMPAIGN, From A1

The bill also would require full disclosure of outside income and assets of members of Congress and federal employees making \$25,000 or over. And it would repeal the broadcast equal-time requirement for all federal elections, so stations can carry debates between major-party candidates without having to grant time to others.

All the bill's provisions would be effective as soon as enacted into law.

The bill now goes to the House, where House Administration Committee Chairman Wayne L. Hays (D-Ohio) said he will assign it to the elections subcommittee and "we'll probably be able to have some hearings in September."

Hays said many of the provisions are similar to those in session in November and December, he said, a House bill may reach the floor before the year's end, but otherwise it will go over until next year.

Many observers believe the bill will have considerable difficulty in the House because of its strict spending provisions, but others believe that these low limits might help it there, because such curbs are generally believed to hurt challengers and help better-known incumbents.

The atmosphere created by the Watergate scandal exerted strong pressure on senators to

pass a powerful bill. This fact was acknowledged by Rules Committee Chairman Howard Cannon (D-Nev.) on the floor, and the Senate in almost a week of debate considerably strengthened what had been recommended initially by the Rules Committee.

For example, it approved the \$25,000 aggregate limit on individual contributions, instead of a \$100,000 limit on individual contributions, instead of a \$100,000 limit recommended by the committee; it cut the special limit on contributions by an individual donor or voluntary fund to any one congressional candidate to \$9,000 from the committee's \$15,000 (in three \$5,000 installments for primary, runoff and general election); and it approved the 10-cent (primary election) and 15 cent (general election) limits on spending in place of 15 cents and 20 cents recommended by the committee.

At the same time, the Senate voted directly to clean up Watergate-related abuses. Transfers of big stacks of unmarked cash were barred by a floor amendment requiring contributions over \$50 to be in the form of checks. Diversions of campaign funds to other purposes (like a vacation or a lawyer's fee for a criminal defendant) were covered by strong criminal penalties.

Uncontrolled "paralled" campaign organizations like the Committee for the Re-election of the President were put virtually out of business by a floor amendment forbidding any such organization to spend over \$1,000 without the express permission of the party national committee.

Yesterday, the Senate by voice vote accepted an amendment offered by Sen. John Pastore (D-R.I.) sealing off one of the few remaining major loopholes in the bill's coverage though fears were expressed that the amendment might be an unconstitutional violation of freedom of speech.

The loophole, in effect, permitted any person or voluntary organization having no connection whatever with a candidate, and acting entirely independently, to spend any amount for independent support of that candidate.

Pastore, asserting that this could make a mockery of all the rest of the bill, won passage of an amendment requiring any organization or inde-

pendent person to obtain permission from the candidate if it wishes to spend more than \$1,000 on such independent activity. Any amounts in excess of \$1,000 would be charged against the candidate's own spending limits. Anyone spending over \$1,000 without his permission would be subject to tough criminal penalties. Pastore said this was constitutional, because "it's not to close his mouth; it's to close his pocketbook."

Another provision of the bill repeals existing limits on how much candidates may spend on radio and TV broadcasts, relying on the overall 10-cent and 15-cent spending limits for all types of expenses to take care of broadcast costs as well.

Although the bill sets tight spending limits, it doesn't cut off the flow of private money altogether. A voluntary campaign money group, like the AFL-CIO's COPE, the business community's BIPAC, the medical profession's AMPAC, while restricted on how much it can give directly to a candidate under the \$9,000 limit, isn't subject to the aggregate \$25,000 limit. It can give \$9,000 each to dozens or hundreds of candidates; and it can give any amount it wants to the Democratic or Republican national committees or the Senate and House party campaign committees.