

# First \$2.6 Million in Election Funds Authorized

By LESLEY OELSNER  
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WASHINGTON, Dec. 23—Federal financing of political campaigns, one of the major reforms enacted after Watergate, began today when the Federal Election Commission authorized the Treasury Department to make initial payments totaling \$2.6 million to the two major political parties and to 11 Presidential contenders.

The Treasury Department will have checks payable to the parties ready tomorrow morning, and checks for the contenders the first week of January.

The campaign law, still under challenge in the Supreme Court, provides "matching funds" grants, reflecting the amounts of contributions raised by the candidates or parties, within certain limits. The amounts authorized today reflect contributions reported in certain time periods, for which the various contenders and parties requested matching funds, and not necessarily the entire amount raised to date.

The Democratic National Committee was allotted \$460,000 and the Republican National Committee, \$250,000, for their conventions. Each is ultimately expected to get a total of about \$2 million.

Each of the 11 candidates was allotted a "threshold," or "eligibility," fund of \$100,000, reflecting the minimum amount that must be raised before a contender can be given a subsidy for a primary race. The \$100,000 minimum comes from the requirement that the contender raise \$5,000 in contributions of \$250 or less in each of 20 states.

The 11 contenders are two Republicans, President Ford and former Gov. Ronald Reagan of California, and nine Democrats, Senators Birch Bayh of

Indiana, Lloyd M. Bentsen Jr. of Texas, Henry M. Jackson of Washington, former Senator Fred R. Harris of Oklahoma, former Gov. Jimmy Carter of Georgia, former Gov. Terry Sanford of North Carolina, Representative Morris K. Udall of Arizona, Gov. George C. Wallace of Alabama, and Sargent Shriver, the 1972 Vice-Presidential candidate.

President Ford, Senator Bentsen and Mr. Sanford were allotted additional funds, reflecting reports that they submitted of contributions received during the first 10 months of 1975.

Mr. Ford received an additional \$274,422.10; Senator Bentsen, \$392,029.84 and Mr. Sanford, \$114,050.27.

Mr. Ford and Senator Bentsen had each submitted reports of contributions totaling several thousand dollars higher for matching. The commission staff marked some as "ID," for insufficient documentation, and some as "NM," for not matchable.

In each case, slightly more than \$1,000 was listed as not matchable because the checks appeared to be company checks. According to the commission staff, these are being checked to see if they represent corporate funds or, instead, private funds, as in the case of a president of a one-person or small company whose check represented his own rather than corporate funds.

If the funds are corporate contributions, they are illegal and must be returned.

Uncertainty over the constitutionality of the financing plan and of other portions of the new election legislation continued today, in the absence of a Supreme Court ruling on the challenge to the legislation. The Justices heard Nov. 10, The Federal Election Com-

mission acted after the Supreme Court tied 4 to 4 last night on a request by the law's challengers for an injunction blocking the payments pending the court's ruling on the case—a tie vote that resulted in the denial of a request for an injunction.

The four-to-four vote and the resulting denial of the injunction meant that the first round of payment could go forward regardless of the eventual outcome of the case. Presumably once they are made they cannot be recovered.

Whether the Court's action last night indicated the direction of its ultimate ruling on the constitutionality of the financing method, however, or of any other part of the legislation, was impossible to tell. Lawyers familiar with the case suggested today that the vote could be interpreted in a variety of ways, favoring each side.

### Reargument a Possibility

One possible interpretation is that the eight Justices who heard the case—the ninth, John Paul Stevens, was sworn in last week and did not participate—are evenly split on the underlying issue. The lower court ruling upheld the major portions of the law; a 4-to-4 vote would leave the lower court ruling in effect.

On the other hand, if the Court is now split 4 to 4, it could call for reargument so all nine Justices could decide. Another possible interpretation, moreover, is that the four Justices who voted to grant the injunction are a solid bloc committed to striking down at least the financing portion of the law, and possibly others, and are now working to win over one more justice.

The system of financing sets priorities in funding, specifying

that conventions and candidates in general elections have priority over candidates in primaries. Thus money must be set aside for the first-priority groups and persons before money is paid out to the others.

Currently, according to Sidney Cox, Deputy Fiscal Assistant Secretary of the Treasury, it is expected that the conventions will require "\$4 million plus," and the two major party candidates in the general election, \$40 million plus. If a third party candidate qualifies, the funding will be higher.

The Treasury now has about \$62 million on hand for the funding, leaving about \$18 million for primaries after the first-priority amounts are set aside. Funds are appropriated for the subsidies equal to the amount that has been checked off on tax returns for contributions, so the total amount will rise when the 1975 returns are in. However, Mr. Cox said, it is possible that there will not be enough to match all the fund sought by primary contenders.

Under the new law the government will provide matching funds to candidates in the Presidential primaries up to a total of \$5 million each.

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