

HIGH COURT UPHOLDS PUBLIC FUNDS FOR PRESIDENTIAL ELECTION RACES, REMOVES MOST LIMITS ON SPENDING

NYTimes

LITTLE 1976 EFFECT

But Some Candidates Could Bar Subsidy and Rely on Gifts

By WARREN WEAVER Jr.
Special to The New York Times

WASHINGTON, Jan. 30—The Supreme Court decision today on campaign financing, for all its length and air of historic pronouncement, will probably not have a great deal of effect on the 1976 Presidential election, in the view of politicians

and political observers here. Because of the sweeping nature of the attack brought by critics of the new campaign law, some politicians had feared, or hoped, that the Court would rewrite all ground rules for the national election, but that did not happen.

While the high court abolished statutory campaign spending ceilings, the ruling did not extend to candidates who accept the new Federal political subsidies, and so far that includes all the major contenders in both the Republican and Democratic Parties.

Some Limits Voided

The justices did strike down some political restrictions on the wealthy, both as promoters and candidates, and it raised considerable question whether the Federal Election Commission would be in existence to referee the competition for longer than the next month.

But the Court left intact the basic limits on the size of campaign contributions, the new system of Federal subsidies for the Presidential election and the disclosure requirements for all contributions and spending by Federal candidates and their committees.

In Congress, members of both chambers as well as legislative aides foresaw a major fight over whether to reconstitute the election commission to answer the objections of the Court, which held that the present commission was unconstitutional. [Page 12.]

Action Almost Impossible

The struggle, these sources said, will probably involve some of the most powerful members of Congress. The general view was that it would be almost impossible for Congress to act conclusively in the 30 days

The decision raised the possibility that one or both of the major party Presidential nominees might refuse his \$20 million Federal subsidy for the general election, gambling that

Continued on Page 13, Column 1

Continued From Page 1, Col. 5

he would raise more money in private contributions now that there is no spending limit for unsubsidized contenders.

However, with the contribution ceilings of \$1,000 per person and \$5,000 per committee still in effect, that could be very difficult. Dr. Mark Siegel, executive director of the Democratic National Committee, said he did not believe any prospective Democratic nominee could do it.

Both the Republican contenders, President Ford and Ronald Reagan, have similar deterrents: Their convention, the third week in August, comes so late that the winner will have little time for private fundraising before the campaign, and both men have effectively blunted the issue by accepting subsidies in the primary campaign.

New Chance

The Court's proposal of unlimited campaign spending to Presidential candidates who reject subsidies presents a totally new opportunity to potential late entries in the democratic competition, such as perhaps Senators Frank Church of Idaho and Hubert H. Humphrey of Minnesota.

Any would-be nominee who was free of the state-by-state primary limits as well as the national \$10 million ceiling would still be required, however, to report all his spending, which would then invite comparison with that of his less restricted competitors.

The court made it clear that a constitutional election commission could be created only if Congress would make all its members appointive by the President, subject to Congressional confirmation. The Court gave the lawmakers 30 days to act, an almost imperceptible period by Congressional standards.

Could Lose Jurisdiction

If the commission is reconstituted as the high court required, it would presumably still lose a big area of its former jurisdiction in administering campaign spending ceilings. This function might be retained, however, with respect to candidates who accept Federal subsidies.

When the Court sustained the \$20 million subsidies for major party Presidential candidates in the general election, it may have lowered the prospect that Gov. George C. Wallace of Alabama will attempt a third-party race if he fails to win the Democratic nomination.

Reaction to the Court's decision from candidates, reformers and critics of the campaign law had a curious sameness; almost everyone on all sides of the issues professed to take comfort from the ruling, in part because of widespread

initial confusion as to the practical effect.

President Ford, for example, called on all Presidential candidates "to join with me in adhering to the spending limit that had been established under the 1974 law," apparently unaware that the limit remained in force for all subsidized candidates.

Says Ceilings Stay

At the commission, Thomas E. Harris, a member who is an election law expert, said, "The ceilings imposed by the act survive if a candidate accepts public funds." John G. Murphy Jr., the general counsel, said "the functional effect" of the ruling was to remove spending ceilings only from privately financed campaigns.

Several Democratic candidates, including Sen. Henry M. Jackson of Washington and Birch Bayh of Indiana, joined President Ford in pledging to observe the ceilings that they thought the Court had eliminated entirely.

Conversely, opponents of the campaign law reacted enthusiastically to the Court's abolition of campaign spending ceilings, unaware that it would probably not affect any of the 1976 Presidential competitors.

Senator James L. Buckley, Conservative-Republican of New York, one of the plaintiffs in the court challenge, called the expenditure ceilings "a blatant attack on the First Amendment freedoms of all citizens." Loren Smith, counsel for Citizens for Reagan, said his group applauded the Court for eliminating "limits restrictive of all free political expression."

Retained Some Limits

Several organizations that supported the new campaign law, among them Common Cause and the League of Women Voters, hailed the decision as a victory because the Court retained limits on contributions, compulsory financial reporting by all candidates and committees and public financing of the Presidential election.

David Cohen, president of Common Cause, said he was encouraged that the ruling would add momentum to the effort to provide public financing for Senate and House elections as well.

Presidential candidates receiving primary subsidies—12 of them currently—will still be subject to spending ceilings because of provisions in the campaign law requiring them to agree to such limits to qualify for the matching funds in the first place.

The high court specifically pointed out that these requirements would remain in force even though the section embodying spending limits for all candidates was stricken as unconstitutional.

REMEMBER THE NEEDIEST