

Presidential Candidates May Escape Fund Limit

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WASHINGTON, Feb. 2—The reaction was that the decision active Presidential candidates, would have relatively little effect on the 1976 Presidential race because the public financing program was upheld and because all announced candidates were participating in it.

Meeting in special session to assess last Friday's Court ruling, the commission agreed that Presidential candidates' Federal subsidies would be cut off if Congress allowed the agency to cease all but relatively routine functions on Feb. 29 without creating any substitute agency.

Legislation to restore the commission's constitutional authority was introduced in both houses of Congress today, but with little assurance that it could be approved in the 30-day grace period set by the justices.

When the Supreme Court ruled last Friday, the immediate

reaction was that the decision would have relatively little effect on the 1976 Presidential race because the public financing program was upheld and because all announced candidates were participating in it.

However, over the weekend, legal experts on the commission explored broader aspects of the decision, among them the possibility that Congress might not reconstitute the commission. In that event, payment of matching funds to candidates would cease, and in the eyes of some authorities, candidates who had received them would no longer be bound to observe spending ceilings in the campaign law.

The Supreme Court ruled that any candidate who had accepted campaign subsidies, thereby committed himself to observing spending limits for the primaries and general elec-

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tion, even though such ceilings could not constitutionally be imposed on others.

Commissioner Thomas E. Harris inquired at this morning's session whether candidates who had accepted initial matching payments but were denied the rest of the money for which they were eligible because the commission has ceased to exist would then become free of any spending limits.

John G. Murphy Jr., the commission's general counsel, said that he "would have difficulty telling a candidate he is stuck with" a \$10 million limit on his primary spending and \$20 million for the general election, if he had accepted those restrictions on the assurance he would receive full Federal subsidies, rather than partial ones.

Although the Supreme Court upheld the constitutionality of Federal campaign subsidies, it said that the commission had no power to distribute them unless it was reconstituted so that all members were appointed by the President. Four of the six present members were appointed by Congressional leaders.

Today, a group of Senators sponsored a bill to revise the system under which the commission is appointed to meet the objections of the Court. It would also extend to Senate elections the public financing available to Presidential candidates for the first time this year.

A second Senate bill was restricted to reconstituting the commission. Its chief sponsor, Senator Richard S. Schweiker of Pennsylvania, predicted that including campaign financing in the measure "would give critics of the F.E.C. a perfect excuse for abolishing the commission."

The unofficial leader of those critics, Representative Wayne L. Hays, Republican of Ohio, was reported today to be study-

ing the Court's decision before proposing legislation. He has threatened to call for abolishing the commission and transferring its record-keeping functions to some other agency.

No one on Capitol Hill was prepared to predict that any legislation could be approved before March 1, the deadline set by the Court. Senator Mike Mansfield of Montana, the Democratic leader, said that prospects for prompt Senate approval were "fair," but that he could not speak for the House.

Trying to keep the election commission bill short and simple for rapid processing is clearly going to be difficult. Senator Mansfield said that he favored transferring some enforcement power to the Department of Justice and reducing the size of the commission.

In the House, Representative William A. Steiger, Republican of Wisconsin, one of the plaintiffs who brought the Supreme Court challenge, said that he favored reconstituting the commission, but simultaneously raising the ceilings on political contributions.

As sustained by the Supreme Court, the campaign law limits individuals to giving \$1,000 to a single candidate and committees to \$5,000. Mr. Steiger would raise those figures to \$10,000 and \$25,000.

At the White House, Ron Nessen, the President's press secretary, said that Mr. Ford was awaiting reports on the election commission situation from Attorney General Edward H. Levi and Philip W. Buchen, his counsel, before scheduling a bipartisan meeting with Congressional leaders.

At that time, the President is expected to commit himself to reappointing all six present members of the commission if Congress transfers the sole authority to him. This would mean continuing in office two Democrats named by the Senate majority leader and House Speaker.