

# SENATE REJECTS 'SLUSH FUND' CURB

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Votes, 48-47, Against Plan  
by Election Agency to  
Restrict Political Use  
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WASHINGTON, Oct. 8—The Senate disapproved by a single vote today a proposed regulation of the Federal Election Commission that would have held all members politically accountable for money they spend from private "office accounts" while they are seeking re-election.

It was the first time that a commission regulation had reached the floor of Congress, and it was defeated by a 48 to 47 vote after a debate that indicated a much bigger majority against the measure.

Under the 1974 campaign law, any regulation of the commission that is disapproved by one house is dead. It will now be up to the six-member bipartisan commission to draft a more acceptable version if it wishes to continue to press the issue.

If no regulation is approved, members of Congress will be able to accept unlimited contributions to such "slush funds" and spend the money for purely political purposes, outside the ceiling on their campaign spending.

## One Defender in Debate

During more than two hours of debate, only one member, Senator Dick Clark, Democrat of Iowa, defended the Commission proposal. It was his motion to approve the new form of political regulation that failed by a single vote.

The Senate then passed a resolution disapproving the office account plan by a voice vote.

As drafted by the commission, the rule would have created a rebuttable presumption that any spending from an office account was political, and thus subject to campaign

spending ceilings during the last two years of a Senator's term or the last year of a Representative's.

Some members maintain such accounts, accepting outside contributions and using the money for transportation, newsletters and other kinds of Congressional activity—not covered by their regular expense allowances—such as Christmas cards, flowers for constituents and the like.

## Watergate Link Seen

Observers concluded a surprisingly large vote in favor of the regulation reflected the reluctance of many Senators, in the wake of the Watergate scandals, to appear to be opposing full implementation of the campaign reform law.

Opponents of the regulation charged that it would class as political a Senator's financing of legitimate officeholder activity out of his own pocket, although Senator Clark maintained that no "personal accounts" would come within its scope.

Such funds have been a politically sensitive subject ever since the discovery in 1952 that the then Senator Richard M. Nixon maintained such a privately financed account almost forced him to withdraw as the Republican nominee for Vice President.

After the vote, Tomas B. Curtis, chairman of the commission, said its members were "obviously disappointed" but indicated they were interested in a revised version of the regulation that would meet objections raised in the Senate Rules Committee and on the floor today.

Floor opponents of the office account rule said it did not treat Senators and house members equally and tended to punish incumbents by limiting their use of such funds while not taking any comparable action with respect to challengers.

Senator Clark maintained that the regulation would apply equally to candidates opposing sitting Senators and Representatives who happened office accounts, as soon as they announced for office or began raising and spending political money.

At times, the debate became heated. Senator Claiborne Pell, Democrat of Rhode Island, called it "ridiculous" for the commission to oversee how he spends his personal income in support of his public office. Senator Mark O. Hatfield, Republican of Oregon, accused the commission of "incompetence" in interpreting its own regulations.