

The Federal Election Commission (FEC) and Federal Campaign Finance Law Captioning

Please stand by for realtime captions.

One last sound check. We will be getting started a 2:00.

Good afternoon, everyone. We've got another great webinar for you today. I am from GPL. I am with my colleague, Cory, who will be the tech support today. The title of a webinar is a federal election committee and federal campaign finance law. A timely webinar. Our presenter today is David. David is a communication specialist in the information division at the federal election commission. Previous to joining the information division, he was with the reports analysis division. He has been with the FEC for 10 years. He hasn't in a from Georgetown University communication culture and technology program. Before we get started, I will walk you through some housekeeping reminders. If you have any questions you would like to ask or if you have technical issues, feel free to use the chat box. It is located in the bottom left-hand corner of your screen. I will keep track of the questions to come in and then I will read them back to David and he will respond to each of them. We are recording today's session. We will send a link to everyone who signed up for this webinar. We will send you a certificate of participation. If anyone needs additional certificates, because multiple people watched with you, email us and include the title of today's webinar along with the names and email addresses of those that need certificates. Desktop computer or laptop users may zoom in on the sides being presented. Click on the full-screen button to exit the full-screen mode. The blue bar at the top of your screen will expand and then click on the blue return button to get back to the default. We will be sharing a webinar satisfaction survey with you. We will let you know when the survey is available and the URL will appear in the chat box. We would appreciate your feedback including comments on the presentation style and value of the webinar. David will be screen sharing part of this presentation today. We will be going to live websites. When he does that, you won't be able to see the chat box. One screen sharing begins, mouse over the bar at the top and when the menu drops down click on chat to enable the chat box. With that, I will hand the virtual microphone over to David.

Thank you very much. Hopefully you can all hear me all right. Let's jump right in. Will come to today's presentation.

Today I will be going over the Federal election commission and federal campaign finance law. I am a communications specialist.

Over the course of this presentation I will go through a brief history of campaign-finance rules, regulations and laws followed by an overview of the commission. I will briefly talk about the current state of federal campaign finance laws and the resources we have at the commission. I built-in some time to walk you through our website, resources, and to answer any questions you may have.

To start off, who are we? The Federal election commission is the independent agency charged with enforcing federal campaign finance laws. This includes jurisdiction over campaigns for the House of Representatives, U.S. Senate, and the presidency. Our mission here at the commission is to protect the integrity of the campaign-finance process by providing transparency and enforcing the contribution restrictions and fairly enforcing the federal election campaign act and its related statutes. I will come back to our mission and how we achieve it, but let's put the campaign-finance laws in context. Throughout the course of our country's history, there have been numerous bills and actions to try and provide clarity and guidance on financing in federal elections. In the past century Congress has enacted numerous pieces of legislation to regulate financing and federal elections. These include in 1867 the Naval appropriations bill which prohibited federal officers from requesting contributions from workers. In 1907 we had the Tillman act which prohibited corporations and national banks from contributing money to federal campaigns. In 1925, we have the federal corrupt practices act which imposed spending limits on political parties and candidates. In 1939 we have the Hatch Act which imposed contribution and expenditure limits on individuals and restricted political activities of federal employees. In 1947 we have the Taft-Hartley act which barred labor unions from making expenditures and contributions in connection with federal elections.

In total, these look to limit contribution amounts and sources, control campaign spending, and enhance public disposer. These laws were for the most part [Indiscernible].

A vision of these rules and regulations became evident. This leads up to 1971 when Congress passed the Federal election campaign act. It was to create in a forceful federal election reporting requirements, limit spending on advertising, and allow for separate segregated funds connected with employees and corporations and labor unions. In 1971 we got the revenue act but set up a system for public, funding of presidential candidates over the federal elections. Following the Watergate scandal in 1974, the act was amended to enforce the campaign-finance laws as well as writing regulations of monetary compliance with the federal campaign act. The commission came into being in 1975. The commission was given jurisdiction as well as the authority to write regulations and the responsibility for monitoring compliance. There is six Commissioner positions that oversee this process. These commissioners are appointed by the president and confirmed by the Senate and serve on six years staggered terms and no more than three commissioners can be from the same political party. They preside on matters before the commission and hold executive session meetings.

Of the six seats I previously mentioned, the commission has three vacancies. I know as Commissioner and the current chair was confirmed this past spring. And just for a little bit of context for the commission from the beginning to where we are now, when the commission was created we had a staff of 124 employees and a budget of \$6.25 million. We have a picture of our original headquarters. On first Street we have a staff of 330 employees. A little bit bigger of the budget and \$70 million. To take a step back, I want to make clear the delineation between what the FEC does and the process of voting . The actual process of voting also registering for a ballot, collecting and counting balances all handled at the state level. It is at the

centralized process. The FEC does not have jurisdiction over this area. But we do have oversight is on how the federal candidates, parties, and political action parties raise and spend money. That is where our care of the commission begins. When we say money and there is a lot of information that gets passed around about how much money, let's look into that information. In 2016 there was a \$.6 billion spent on that presidential election. Two years later in the nonpresidential cycle, \$.8 billion was spent on that election. So far through June of this year, \$.95 billion has been spent on this presidential election. What I am talking about with money being spent, I am talking about money for campaign operations, television, radio and Internet advertising, fundraisers and other processes. How does this measure up with other events in the United States? Just for comparison sake, it is fairly close, the \$.95 billion is comparable to how much we spent on Halloween last year which was a \$.8 billion. In comparison, for the Super Bowl we spent \$17.2 million. This last Valentine's Day we spent \$27.4 billion. And from our context, we spent less than \$1 billion on the past national lawful day which is March 25. I am disappointed but it is what it is.

Back to the commission of what we do. Our mission is to protect the integrity of the federal campaign process through transparency to enforce restrictions and the force the Federal election campaign act and its statute. There were four areas where we meet this mission. Administering the funding of presidential elections, facilitating disclosure of spending, and clarifying and enforcing the law. Those last two checkpoints we will get into in a little bit.

To understand needs, it is important to understand the elements of the current law. These are contribution limits, prohibited sources, presidential public funding and public disclosure.

Here we have a chart of the contribution limits for various entities in the federal elections. Questions we often get pertained to the first row, the individual contribution limits. The individual contribution limit for this current election cycle is \$2800 per person per election. This is adjusted for inflation every two years. Other limits like where you can see the contribution limits including separate segregated funds that are associated with the employees of corporations and labor unions and other traditional are not adjusted for inflation. As I mentioned, one of the responsibilities is to enforce the prohibitions in the federal election financing process. What are we talking about?

There are prohibitions that restrict certain entities and organizations for making contributions. This includes corporations, labor unions, federal government contractors and foreign nationals. Additionally, we have prohibitions in place for contributions in the name of another as well as cash contributions of more than \$100. Taking it a step back to our mission, one of our core duties is to administer the public funding of the presidential election program. We will take a look into that now. Under the presidential public funding program eligible candidates can receive federal government funds to pay for the expenses in their political campaigns in the primary and general elections. If we look at the current presidential election, the 2020 grant is \$103.7 million. That is compared to the grant in 2016 which was \$96.14 million. Additionally, minor party candidates are eligible for partial grants based on past performance and other nominees are eligible for postelection funding if they receive more than 5% of the vote. Well

these are large sums of money, taking the grant does restrict candidates and their ability to raise and spend money. The last major party candidate to take the federal funds for John McCain back in 2008. It has been a little while since a major party candidate has used this program. Where does this money come from? When you're filling out your taxes on a 1040 form, you probably seen a box it us if you would like to donate three dollars to the presidential election campaign fund. That is where this money is coming from.

Taking a step back to our mission, another important element is facilitating disclosure. But that means is making sure the information provided by candidates is available, for public inspection.

Prior to the last two decades or so, that meant coming into our public records office and reviewing reports on paper or microfiche. It means the reports are available on our website. When we receive information those reports are available for public inspection within 48 hours of our receipt of those reports. When filing electronically, those reports are available almost instantly once the committee has submitted the paperwork. The committee will have their own distinct page created for their filings on our website or the next day. There are two main sources that I mentioned for viewing the content, reviewing reports. One is the FEC website, the other is our public records office where we have a specialist who can help whether risk committees to go through the information or the public can understand it. We have an analyst that review all the reports coming in to verify the accuracy with the laws and regulations. What information are we talking about that is available on our website? Our website has a lot of information. If you wanted to go and get an updated account for let's say who is running for president, you could go to our website and get an up-to-the-minute report of the candidates who have declared and submitted their paperwork for the candidacy if you are interested in a particular candidate, you could go to their informational page and see how much money they are raising and how much they are raising from whom. You can see how those candidates are spending the money that they have raised. You've got the ability to do a deep dive into the reports to see what information is being reported.

The next part of our mission and resources I wanted to discuss with you are the efforts we have and clarifying the law. This effort takes the form and disclosing and updating our regulations as well as providing avenues for the public and regulator communities to get items from the commission on a specific question to our advisory process. We also do a number of educational outreach opportunities. We have four make guidebooks that we offer to candidates, committees, and the public. Both in physical form as well as a downloadable PDF. Every two years we offer three regional conferences and 10 to 12 webinars. Additionally, we have a phone line that anyone can call and ask campaign related questions about online resources, specific pages devoted to helping people understand the rules and regulations as well as a public email. If anybody has any general questions or just wants guidance on the campaign rules and regulations.

As I mentioned, we have specific portions on our website devoted to different issues and areas. We also have a specific section on our website devoted to legal resources and information. This includes our pages like a regulations page which has resources for federal regulations, our

rulemaking's, also are explanations and justifications if there has been any kind of changes in the rules as well as our archive of public hearings. We also have a page, whenever there is any kind of information that is not as clear through the regulations of the law, anybody can submit an advisory opinion and you can search are the rules and regulations as well as to find out how to go about submitting an advisory opinion.

The legal resources page can clarify the law. In addition to advisory opinions and regulations, you can see the enforcement actions the commission has taken as well as the statutes and legislation that of help clarify the law. Additionally, we have a portion of our website that you can search through the court cases pertaining to the federal election campaign financing as well as review our audits as well as our policy and other guidance documents.

As I mentioned, we have campaign guides that we have as part of our publication resources. This includes our campaign guides for congressional candidates and committees, our political party committee guy, archive for non-connected committees and a guide for corporations and labor organizations. These publications are available in print but also available in PDF form on our website. We have various pages associated with these guides that have the subject matter broken down to individual pages to discuss the various rules and regulations concerning the different types of political entities.

Something we also have riches always a popular resource is our citizens guide, understand the ways to support federal candidates. We have resources for individuals on how they may impact the federal campaigns. This information includes the contribution limits I showed you earlier as well as explanations about how individuals can volunteer and even how an individual can file a federal election finance complaint. Again, this is always a popular resource when it comes to the elections.

We also have a YouTube page. This page has numerous videos on subjects ranging from various campaign finance related issues to how to report certain types of contributions or expenses as well as video archives of our public meetings before the commission.

Returning to our mission, I would like to discuss our efforts in enforcing the law. The FEC has exclusive jurisdiction over the civil enforcement of the federal campaign finance law. In our capacity, the enforcement process they represent an administrative find through our administrative find program along with alternative dispute resolution, audits are involved as well as monetary penalties as well as matters under review better with their General Counsel's office. So now that I have given you some general information, I would like to show you some of these resources on our website. Hopefully you are able to see our current website. This is our home page. One of the things I'd like to show you first is our campaign finance data portal. The real campaign finance portal, we have numerous resources including the ability to search for specific candidates or committees. You can pull up their committee pages and review the reports. This is available for public inspection. You can search by an individual contributor and see what contributions they have made as well. Committees are required to report certain levels of contributions. We have a database for these pieces of information. We also have

resources that you can look by state to see what candidates are running whether in a specific state such as a Senate race. You can break it down by house districts and see the candidates who have applied and registered to run for those races.

You can also see information about raising money. You can see information pertaining to all of the receipts and the money being brought into the campaigns. We have some nice graphs we can show as well that have fairly up-to-the-minute information on how much money has been raised to various entities throughout the cycle. This is always a good resource and an interesting resource if you want to get a better sense of how much money in general is being spent on the general elections.

And just as we have a page devoted to money being raised, we have a resource for the money being spent. You can go through the reports and see the money being spent and also we have just as we had with raising funds, we have money that shows the amount of money being spent. I want to point out that earlier I mentioned there has been \$9.5 billion spent on the elections. This chart only shows the amount of money being spent by specific political committees. It doesn't have information pertaining to independent expenditures and other communication costs that can be filed by individuals or groups that are not required to register. Just to give you a little bit more information about that graph.

Next I would like to show you our help the candidates and committees portion. This is where we have specific guides devoted to the committees and the committee types. For example, if you wanted to see information about candidates and how they can raise and spend money, if you go to our guides page or you can download our comprehensive PDF which is a couple hundred pages of information. You can click through the different categories to see that information taken from the guide and broken down into the individual subjects. We have this for all four committee types. Canada committees, party committees, corporations, labor organizations as well as PACs. And just to take a step back, we have a popular topic section these are updated fairly frequently and these are helpful tidbits we send out to committees to let them know if they need any kind of resources, some helpful links to help the committees out.

Next I'd like to show you our legal resources portion. Here, as I mentioned, we've got resources devoted to our regulations. You can see the code of federal agents and our activities. You can search for rulemaking's, you can take a look at our explanations and justifications as well as go to our archive of public hearings. The other resource in this section I would like to show is the advisory opinion portion. Whenever there is information that needs clarification or the committee has a question does not explicitly contained in the rules and regulations, they can ask for guidance, formal guidance from the commission to our advisory opinion process. You can search by specific number or a keyword as well as you can go to see what the advisory opinion process looks like and how anybody can go ahead and submit an advisory opinion.

Going back to our home page, one resource that we have close to the election is our citizens bag. If you scroll down you will see right here understanding ways to support federal

candidates. Going to this page, you can see information on how to make a contribution and what those contribution limits are. This is our contribution limit chart. You can see other ways to support candidates and campaigns. You can get information on how to volunteer and what would fall under our volunteer exemptions. You can also get information about how to file a complaint. Additionally, appear at the top our election day information page. Care we have information, voter information on state laws and polling place accessibility. We have resources for reporting issues pertaining to voter intimidation and fraud and other helpful resources. The last thing I want to assure you and I'm just going to scroll down the page is a contact portion. As I mentioned, anybody who has a campaign question or if one of our stakeholders have a general question, they can call us anonymously at the commission and speak with us in the information division and they can ask their question. They can send an e mail to our PAC and we will respond within five business days. That is always a helpful resource. Another helpful resource as resources for reports analysis division. Whenever a committee has filed with us and they're filing a report, the division reviews those reports. When a committee files and they want to either contact you via phone or email, they can come to this page and submit an email to the page or look up the committee and find out who their analyst is in the division. With that, I'm just going to go back to the presentation. That is a walk-through of our website. What I would like to do is open it up and see if anybody has any questions.

Thank you, David. Great presentation. Really appreciate it. Let's see if we have some questions for David.

Let's see. Woops. I don't see any yet. David, maybe we can go over, I probably should've talked about this before, here we go. We got a question here.

Since 2016, how many times have hostile foreign entities tried hacking or harvesting data from the FEC website ?

That is outside of my realm of understanding and information. I don't have too much information on our security procedures or how much somebody has tried to infiltrate information. I will say that when ever committees file with us, as I mentioned in the presentation, the reports are available almost instantaneously. Any kind of information pertaining to candidates or committees, that information is publicly available for inspection. Generally speaking, that information is out there on the website. In terms of specifics on foreign entities that tried to harvest data, I would not be privy to that information. I am sorry.

Thanks. José says, any state specific rags/laws info which is not federal jurisdiction?

Generally speaking, and I hope I'm approaching the topic, generally speaking, state rules and regulations for various state-level PACs and parties when it comes to the federal regulations, the federal regulations are specific to the federal campaigns. Federal campaigns and committees can have some activity but stay candidates and state party committees. They can

make contributions. However, it does require that it is acceptable at the state level as well. Hopefully I am getting to the question.

Thank you.

Are there any other questions for David?

David, maybe you could discuss, before the webinar we were talking and I was asking about what you can do with the money left over. Can you expand upon that about transferring and someone else spending it on various things can you go into that a bit?

Sure. Committees have a wide discretion in how to use the remaining funds. If it is a candidate committee and they intend to run in a future election, they can keep the money and their account as long as they continue to report the information and they can use it for their next election. Campaigns in general can make contributions to charities. They can transfer funds to party committees and they can make contributions to other candidates or PACs. The one thing that we do watch out for is what we call personal use prohibitions. Candidates cannot use the funds from their campaigns for their own personal purposes. A candidate would not be able to pay your mortgage with committee fines or pay for clothing with committee funds. That is one of the big prohibitions when it comes to the way committees cannot spend their money. In general, like I said, there is a wide array of different ways that committees can use those funds. They can make charitable contributions.

You are correct. I know that we have a member, number of committees for the candidate stopped running maybe a decade ago or two decades ago but their committee is still active. Sometimes those funds are used to make contributions to other candidates or maybe they are being used to make contributions to party committees. Regardless, we have committees that remain active and hold onto funds for numerous years past the candidates last election.

Thank you. I have one quick follow-up. What about after the election. A lot of candidates have debts. Can you contribute after an election to a candidate?

There is a possibility to contribute to a candidate after the election if the candidate has net that's outstanding. If they have debts from the previous selection and the individual who wants to make the contribution has not already maxed out to that candidate for the election, they can make a contribution for debt retirement. It has to be specifically designated for debt retirement.

Thank you.

Secretaries of State have divisions which regulate state and local elections. And then Jane asks, any regulations pertaining to the election of representatives through territories?

In reference to the first point, each state has around whether the secretary of state or elections division. They handled the rules and regulations for state-level candidates. Sometimes they have different rules and regulations that local candidates need to abide by. Each state will have their own entity for handling the stay candidates. In terms of the rules and regulations pertaining to members from territories, but those candidates do have to abide by the federal regulations when it comes to reporting and how they can raise and spend money.

Thank you. J asks, any regulations pertaining to the election, wait a minute. I am sorry. Ron one.

Does your website allow citizens who will get mailings asking for contributions to see if they are real or fake?

Our website does have resources that individuals can look up the committees that are sending days. They can look up to see the committees information and there is contact information that should be on the initial paperwork for committees. In terms of whether the solicitations are real or fake, from our standpoint the thing that we want to make sure is that if a committee is sending out solicitation notices or any kind of publications, that they have disclaimer language included on who paid for it. If anybody may be getting real or maybe a scam, that will be handled by the Federal Trade Commission. Organizations that are trying to scam money out of individual contributors will be handled under the Federal Trade Commission.

Thank you. Nonprofit organizations don't have to report their donors when they contribute. Are there some that do? How is that handled?

We get questions like this a lot. Nonprofit organizations, I think what you are returned to our social welfare groups. From their standpoint, all of the rules and regulation when it comes to this are with the IRS. Sometimes nonprofits or other organizations will have what we call super PACs . They are a little bit different type of committee in that they can raise limited funds from different groups like labor unions and individuals. They can raise those funds and limited amounts. Those types of committees can raise more than a traditional pack. They do need to disclose where those funds are coming from.

Are there any more questions for David?

This is great information. I really appreciate it. Okay.

Could you put the satisfaction survey in? Please fill that out. This particular webinar will be up there tomorrow or the day after. We've got a great way of searching our archive. We've got two locations. This is a very modern search capability and all the elements before that. Give that a look. Almost all of them, I should say. Quite a few.

We've got some shout outs here. Keep those questions coming. We are good on time. I will go into some wrap up comments.

First off, let me take David for a great webinar. Really terrific. I really appreciate him doing it. I learned quite a bit today. I would like to thank my colleague for his great work today and his tech support keeping everything running smoothly. Don't forget our upcoming webinars. We have three more webinars scheduled for October. The next webinar, on Tuesday, October 13. Also, don't forget our virtual form 2020 Federal depository library conference October 20-23. We've got about 1000 people registered so far. We've got great speakers. All the recordings at the virtual conference, all of the presentations will be recorded. Let me just name a few. National Science Foundation, Congressional Budget Office, and also Internet archive which I am really excited about. That should be very exciting. You will receive notice when they are announced if you sign up for our email alert service. From the webpage, you can see how they link to an index at the bottom. You can also view a calendar of upcoming webinars and other events and access past webinars. You can also link to a web form to volunteer to present a webinar. That could be on any topic related to government information. And how depository management, anything is good.

It looks like we have a question about outreach to schools. When it comes to outreach from schools, most of the time they contact as a speaker. We have schools when our fiscal office is open. Right now our offices all remote. We do have school groups that command and we do give presentations to school groups as well as our commissioners will meet with those school groups and answer any kind of questions that they may have. Generally, whenever schools are interested they will contact us and we will give them presentations.

Thank you.

We are getting an awful lot of shout outs. Terrific webinar and thank you very much. That is all good to hear. Any other questions for David? We have a little bit of time here. We don't want to shortchange anyone.

It looks like there's a question about who names the commissioners. The President will nominate a commissioner and they will be confirmed by the Senate. Right now, we have three sitting commissioners and three open positions. I know that there was a candidate named by the president about two or three weeks ago. We haven't gotten a notification on if there is a Senate hearing coming up or any progress on that. Generally speaking, they are nominated by the president and confirmed by the Senate.

Thank you.

Any more questions? Another shout out. A lot of great shout outs here. A good shout out on the survey.

We have a great presentation from the government accountability office besides our usual library counsel and JPL. I think that we may have a few librarian presentations also.

How about foreign countries, laws, and regulations?

The State Department would be a better resource for that. We have a number of international delegations that will talk to us about the rules and regulations and they want to get a sense on how we operate our elections and oversight that takes place. We get a lot of information about their countries and the rules, but in terms of the interplay between foreign countries and our country, from our standpoint, a foreign entity cannot make a contribution to the federal campaigns. It is prohibited. That is really where the limit is.

Thank you. Any more questions?

Is there an administrative tribunal?

I am not quite sure what you mean by tribunal. Of the six commissioners, they do preside over our public meetings and they have executive meetings. We do have our office of General Counsel that does handle lot type questions and supports the commissioners when they're trying to figure out applicable parts of the laws are working to advisory opinions. We do have our office of General Counsel that works in tandem with our commissioners to clarify the law.

Thank you. I was on mute. I wanted to say that José clarified. Patrick says, is there any info that is not public?

We do have information that will eventually become public, but for anything like for example are matters under review or our administrative science program where we work with the campaign to the committees to try and figure out why something happened whether it was misreporting information or certain data, there is information that does not look correct on the data. We will do internal processes before that information is released. Eventually, all of our information is available.

Thank you.

I had a question, David. In a new campaign laws coming down the pike that you are aware of that may change things for you?

None coming from Congress that I am aware of. Our commissioners have been looking into digital ads and especially how to require disclaimers or try to figure out how disclaimers, understand how we can get that information pertaining to disclaimers try to get that information reportable. Right now, information that is put on another person's website, committees and be for communications on the Internet need to be reported and have disclaimers. Any information that is put on the Internet, the commission is trying to figure out the digital disclaimer information. That is something that the commission has been talking about for a little while. I know that the commissioners want to be able to get that done. Right now with the lack of a quorum, we need more commissioners. The timeline is a little TBD.

You didn't clarify what you meant by disclaimer.

Whenever there is a public communication are what we call a public communication which could include phone banks and things like back, the committees are required to disclose who paid for the information. That might be in a box on the Billboard or a yard sign that says paid for by the Canada committee or if it's a TV advertisement, the candidate has to say something about them approving this sad. There has to be language in the disclaimer as well. If it's not a candidate, who is the entity or the organization to pay for the lab and there has to be information on who authorized. Additional written language or in the case of phone banking, it has to be audibly explain. For the most part, it is written language that describes who was paying for it and whether it was authorized by a candidate or their committee.

Thank you. I need to close out. We have a couple more minutes. Somebody makes an unbelievable while slander in their ads. You don't get involved without it all to you?

Our focus is going to be to make sure that the payment for the ad is being appropriately disclosed on the reports and also they've got the information that I just talked about. That is where our focus will be and not necessarily the content of the ad, but make sure everything is as close as the crew paid for it and it was authorized by a candidate or their committee.

Thank you.

Can we squeeze any last questions in? We have a minute or two if anyone has a question for David. It looks like we have run the course and you've answered all of these gray questions with great answers. I really appreciate it. Let me thank you one last time. Terrific webinar. We will have you come back someday and go through this again. We really appreciated. I think Corey put the survey and the chat box. Corey, please drop it in there again if you could.

The satisfaction survey is in the chat. There it is. Please fill that out. I would like to think the audience., And back. We will have a great webinar on October 13 with a library of congruence. Internet archive, great agencies, keynote speaker. I'm going to close things out. Thank you very much again., Back to the Academy and have a great rest of the day.

Thank you

[Event Concluded]