MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

INTERSTATE COMMERCE COMMISSION

The second assistant legislative clerk read the nominations in the Interstate Commerce Commission, as follows:

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the Senator from Pennsylvania desire to be recognized at this time?

Mr. HUGH SCOTT. Mr. President, I yield back my time.

PUBLIC PRESIDENTIAL ELECTION CAMPAIGN FUND

Mr. BIDEN. Mr. President, Senator Rorh and I are pleased that several of our colleagues have indicated a desire to speak with us today on the desirability of the taxpayers' checkoff to finance the newly amended Presidential election campaign fund.

I know how busy our colleagues are, but they expect to join us or submit statements.

The Presidential election campaign fund represents a major opportunity to finance democratically—small "d"—election campaigns for the one Federal office in which all American voters vote—the Presidency.

Mr. President, constituents are expressing increasing dissatisfaction with the manner in which political campaigns for elective Federal offices are being financed. Professional polling agencies report similar sentiments are widespread elsewhere in the country—although, surely, sufficient public funds achieved by means of the taxpayers' checkoff would greatly ease the burden of solicitation of funds from dubious sources, many of us believe the present system is not constructive.

The checkoff is a hope in the direction of cleaning campaign-financing practices in this Nation. I hope that sufficient publicity can be generated in order that this hope does not become a disappointment.

Taxpayers should be aware of three principal points in respect to the fund:

First. It authorizes individuals to designate $1—spouses filing jointly, $2—of their tax obligation to be placed in a Presidential election campaign fund, a special account to be administered jointly by the Treasury and the Comptroller of the United States.

Second. A participating taxpayer does not add to the amount he or she owes the Federal Government—or conversely, any refund due is not reduced.

Third. Republican and Democratic candidates receive the same amount. I shall not dwell on the genesis of this fund other than to make a couple of points. Others here in the Senate fought for its enactment 2 years before I came to the Senate. As I read the Record, the Senator from Louisiana (Mr. Long) first proposed such a fund 7 years ago. He is to be congratulated. In 1971 a dollar checkoff provision was enacted into law. During 1972 the effectiveness of the fund was grossly diminished by the manner in which the Internal Revenue Service handled its operation. Taxpayers had to record their preference on a separate form.

Last June provisions of the fund were removed. The President's approval of three-fifths of the Senate, and the checkoff provision is now located on line 8 of page 1 of the principal individual income tax return form, either 1040 or 1040A—short form. This should bring the fund's existence to the attention of taxpayers. Moreover, the IRS has produced and distributed a radio and a television "spot" for use by broadcasting stations which some of us have seen. I hope more stations use it and it often.

Mr. President, the three members of the Delaware State Chamber of Commerce delegation have undertaken to secure the widest possible publicity for the fund.

Last week, we wrote Governor Tribbett of Delaware and elected heads of local governments urging them to publicize the fund. We also wrote in a similar vein to more than 1,600 private employers listed in the Delaware State Chamber of Commerce membership list.

Mr. President, I yield the floor in order for other participating Senators, to speak, but ask unanimous consent that at this point in my remarks there appear the text of three items:

First. A joint press release issued re-
February 27, 1974

CONGRESSIONAL RECORD—SENATE

4473

cently by the Delaware congressional delegation.

Second. A set of questions-and-answers about the Presidential campaign fund prepared by the "Dollar Check-off Committee" located at 1826 Jefferson place NW., Washington, D.C., and whose executive director is Thomas F. McCoy; states:

Third. An editorial from the Washington Post of February 26, 1974:

There being no objection, the items were ordered to be printed in the Record, as follows:

JOINT PRESS RELEASE—DELAWARE CONGRESSIONAL DELEGATION

WASHINGTON, D.C.—A bipartisan campaign to urge Delawareans to contribute to the new presidential election campaign fund was announced today by the three members of the Delaware congressional delegation, Senators Biden and Roth and Congressman du Pont.

The law enables an individual, whose income tax liability for the 1973 taxable year is $1 or more, to designate that $1 shall be paid into the Presidential election campaign fund. In the case of a joint return, $2 may be designated in lieu of two $1 designations and in lieu of a separately prepared checkoff card. The fund is used only in the general election—not in presidential primaries. The amount of $1 or $2 designated, to the fund, may be checked off line eight, page one of the 1973 Federal individual income tax form. Designating the money does not increase a taxpayer's payment and it does not reduce any refund he or she may be entitled to.

"In recent years," the three members of the Delaware congressional delegation said, "present contributions to presidential candidates would be divided equally in the total amount raised. The law is used only in the general election—not in presidential primaries. The amount of $1 or $2 designated, to the fund, may be checked off line eight, page one of the 1973 Federal individual income tax form. Designating the money does not increase a taxpayer's payment and it does not reduce any refund he or she may be entitled to."

Specifically, the Delaware congressional delegation has:

1. Following the inclusion of the nearly 1,500 private employers in Delaware asking them to call the attention of their employees to the new fund and urging their participation.

2. Writing to Senator Thomas C. Tribbitt, the heads of the three county governments in Delaware and the Mayors of Dover and Wilmington asking them to urge their employees to participate.

The delegation also suggested that sometime before the April 15th deadline for filing individual tax returns, the pay envelopes of all Delaware employers of 50 or more employees, public and private, contain a slip describing and urging participation in the presidential financing fund.

In addition, Senators Roth and Biden have reserved space for the statement hereof to the Senate as a body to describe what is being done by the congressional delegation. The two Senatora also have invited other members of the Senate to join them in urging Americans everywhere to participate in the presidential fund check-off.

How THE DOLLAR CHECK-OFF WORKS

QUESTIONS AND ANSWERS

1. What is the dollar check-off?

In 1971, Congress passed a new law establishing the Presidential Election Campaign Fund. The purpose of the law is to provide public financing for presidential campaigns by allowing each taxpayer to designate whether $1 or $2 will be placed in his or her Federal income tax to a special fund to be distributed among the candidates.

2. What is the procedure for an individual wishing to make use of the dollar check-off?

On the regular 1040 and 1040A Federal income tax form, line 8 is entitled "Presidential Election Campaign Fund." Taxpayers wishing to contribute to the fund will check the box on that line. If it is a joint return, there is a second box for a total of two dollars.

If a taxpayer would not make use of this option last year (1972), he or she may now do so by additionally checking off a second box in the enclosed line entitled "Note" directly below the signature line at the bottom. This will direct an additional one dollar (or two dollars in joint returns) from the taxes paid to the fund.

Thus, in 1973, a taxpayer can direct a total of two dollars (or a total of four dollars in joint returns) to the fund by checking off both line 8 for 1973 and the additional line at the bottom, in order to retroactively check-off for 1972.

3. What will this cost the individual taxpayer?

Absolutely nothing. The checkoff simply directs a dollar of the individual's normal tax liability to the fund, without increasing anyone's taxes, nor does it reduce any tax refund he or she may be entitled to.

4. Where does the money go?

All funds go directly to a special account in the Treasury Department administered by the Treasury and the Comptroller General of the United States. (Section 9006)

5. How will this Fund be used?

Money from the fund will be distributed to eligible candidates for President and Vice President based on the formula established in the law creating the Fund. The formula is explained above, then candidates will be entitled to receive payments according to the payments received by major parties as the vote of that minor party to the average votes received by the major parties (as defined by the law).

6. When will payments begin?

The amounts designated in the 1972 campaigns will be distributed to candidates for the 1976 election in June.

7. How will the funds be spent?

The funds may be used only for qualified campaign expenses. The law creating the Presidential Election Campaign Fund defines qualified campaign expenses as expenses for which the candidate has already paid and for which the candidate is authorized by the Federal Election Commission. The candidates of minor parties, i.e., those parties which did not reach such high proportions of the vote that the law creating the fund would consider them major parties, are entitled to payments only to the extent that they have already paid for qualified expenses.

This includes everything from television advertising costs to office space to travel expenses. The law defining "qualified campaign expenses" (Subsection (a) of Section 9006) means an expense—

(A) incurred—

(I) by a candidate or a political party for the office of President to further the election of the candidate of such political party for the office of President, or both (II) by the candidate of a political party for the office of Vice President to further his election to such offices or to further the election of the candidate of such political party for the office of Vice President, or both (III) by an authorized committee of candidates of a political party for the office of President and Vice President to further the election of either or both of such candidates to such offices,

(B) incurred within the expenditure report period (as defined in paragraph (12), (a), of Section 9006) of the candidate or (C) the incurring or payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

7. How may the funds given a candidate be spent?

The funds may be used only for qualified campaign expenses. The law creating the Presidential Election Campaign Fund defines qualified campaign expenses as expenses for which the candidate has already paid and for which the candidate is authorized by the Federal Election Commission. The candidates of minor parties, i.e., those parties which did not reach such high proportions of the vote that the law creating the fund would consider them major parties, are entitled to payments only to the extent that they have already paid for qualified expenses. The law defining "qualified campaign expenses" (Subsection (a) of Section 9006) means an expense—

(A) incurred—

(I) by a candidate or a political party for the office of President to further the election of the candidate of such political party for the office of President, or both (II) by the candidate of a political party for the office of Vice President to further his election to such offices or to further the election of the candidate of such political party for the office of Vice President, or both (III) by an authorized committee of candidates of a political party for the office of President and Vice President to further the election of either or both of such candidates to such offices,

(B) incurred within the expenditure report period (as defined in paragraph (12), (a), of Section 9006) of the candidate or (C) the incurring or payment of which constitutes a violation of any law of the United States or of the State in which such expense is incurred or paid.

Purpose of the law is to provide public financing for presidential campaigns by allowing each taxpayer to designate whether $1 or $2 will be placed in his or her Federal income tax to a special fund to be distributed among the candidates.

8. What about groups, committees, special

The discrepancy in the total is due to votes cast for minor parties or candidates.
interests, and individuals spending money for the election of a candidate for President or Vice President independent of that candidate. It is unlawful for any group or individual to knowingly or willfully incur expenditures above $1,000.00 to further the election of a candidate, when such an expenditure would constitute a qualified campaign expenditure, defined above, if made by the candidate or the campaign itself.

9. What if the amount paid to a candidate exceeds the total sum of the qualified campaign expenditures incurred? All such excess funds will revert back to the general fund of the Treasury after the election, to be used as normal tax revenue.

10. Who pays for the public campaign fund? The dollar checkoff law applies only to the general election, the period following the nominating conventions. Primary campaigns will be conducted with funding from private sources.

12. Who is the responsible for overseeing and reporting on the use of the funds? The Comptroller General of the United States is generally charged with overseeing the administration of the Presidential Election Campaign Fund. All candidates have been notified of this provision, however, the control has not been assigned to him. All candidates are required to periodically report on their campaign expenditures. The Comptroller General is to carry out a complete audit. The Comptroller General is required to report to Congress after each election on the qualified campaign expenditures of each candidate and such information is to be made public as a Senate document.

[From the Washington Post, Feb. 28, 1974]

A TAXPAYER'S REPLY TO POLITICAL CORRUPTION

In the second month of the campaign year 1974, the nation continues to agonize over political corruption and scandal. In the Senate, the secretaries of the Treasury have played devastating roles. At the same time, Congress continues to wrestle with campaign finance reform legislation, including important proposals for public financing of political campaigns. Yet right now—with waiting for the denouement of these developments—every paying citizen has an opportunity to help solve at least one problem—with respect to the presidency a means to make public campaign financing an attractive alternative to big private money. The Federal Election Campaign fund, however, is a need for the public financing of additional campaigns for Federal office.

Public financing of Federal elections is the stiffest, surest way to purge our election system of the corruption that, whatever the safeguards, money inevitably brings.

Mr. BIDEN, Mr. President, I shall make one more observation. Beyond the "dollar checkoff." Financing Presidential campaigns, however, is a need for the public financing of additional campaigns for Federal office.

The dollar checkoff plan has a healthy effect on politics if enough taxpayers decide to make it work by seeing to it that their returns are duly marked.

Mr. ROTH. Mr. President, I shall make one more observation. Beyond the "dollar checkoff"—Financing Presidential campaigns, however, is a need for the public financing of additional campaigns for Federal office.

Public financing of Federal elections is the stiffest, surest way to purge our election system of the corruption that, whatever the safeguards, money inevitably brings.

Public subsidy would allow candidates, incumbents, and challengers alike, to compete more on the basis of merit than on the size of pocketbook free from that influence. Personal family fortune or the gifts of special interest backers. If Theodore Roosevelt had his way, we would all do business with "glass pockets"—politics needs those glass pockets.

I have become convinced that efforts to place ceilings on overall campaign expenditures, to prohibit certain groups from contributing funds, to restrict the size of campaign contributions—these and other devices, however well-intentioned and well-designed, are not fully effective. A public financing bill should include a central reporting system for contributions, provisions for financing of independent and minor party candidates, and modification of the franking privilege.

Mr. President, I ask unanimous consent that any statements made today on this subject by other Senators be printed immediately following the statements made by me and my colleague from Delaware (Mr. Roth).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I am happy to join the junior Senator from Delaware and Representative Fox to engage in an effort to make more people in the State of Delaware aware of the dollar checkoff. Irs purpose is to provide a Presidential campaign fund. I can think of no way of better helping restore confidence in Government than to get millions of people throughout this great country to contribute financially to the next Presidential campaign.

I was concerned yesterday hearing home and discussing the matter with a number of my fellow citizens, that they were unaware of this checkoff provision. It seemed that very few were aware of the program, even though it has been in existence for some time. One reason is that the Internal Revenue tax forms last year, did not highlight this provision and for that reason many people did not contribute as originally hoped.

However, I was pleased and much encouraged by the report that was made yesterday by the senior Senator from Massachusetts and the senior Senator from Pennsylvania which shows that the dollar checkoff is beginning to work. According to this joint report to the Senate, it now appears that, under current returns, approximately 14 percent of the taxpayers are now using the checkoff, with an average designation of $1.50 on each return. I say this is encouraging because it is estimated that, based on these figures alone, approximately $50 million will be raised for the 1976 Presidential campaign.

According to the Washington Post, which published an editorial on this matter yesterday, it would mean that each principal candidate should receive approximately $21 million under the formula that was established in this legislation, so that even under the present rate of contributions, it now appears that we are going to secure adequate funds for the 1976 Presidential race.

Nevertheless, I do not think we should be satisfied with this result. As I said Friday, I am conducting a survey at home to find that many people were unaware of this program; and when I talked to them about it, they became very much interested in making their contribution. I am hopeful not only that
the people of the State of Delaware will increase their contributions, but that the congressional delegation of other States will engage in a similar campaign to that of Delaware in order to make their people aware of the importance of this program, so that we will insure for the future that Presidential campaigns are financed not by a few but by millions of Americans.

If we can make this program succeed, we will have made a major campaign reform that will help restore public confidence not only in our political system, but also in the one who is elected to the highest office. A President who has been elected without substantial contributions from private sources is in a stronger position than the one who has been elected with such contributions.

For the reasons I have set forth, I hope that Senators and other political figures from other States will encourage contributions from their taxpayers, so that we can make certain that the program I have discussed, not only the next Presidential campaign, but those of the future.

Mr. BIDEN. Mr. President, I yield to the distinguished Senator from Rhode Island.

Mr. PELL. Mr. President, I am indeed happy to join my colleagues in this discussion, and to support the financing of elections, and to urge that all American taxpayers take advantage of this provision in the law.

I wish to commend Senators Biden and Roraback for organizing this discussion, so that it may receive wide attention. And I am grateful to my distinguished colleague, Senator Pastore, whose pioneering work and leadership helped bring to reality the checkoff system in 1971.

It is particularly appropriate that this discussion take place not only at a time when our Nation's taxpayers are preparing their annual returns, but also at a time when the Senate Committee on Rules and Administration has just reported to the Senate legislation which provides for an increased checkoff provision.

As new and, I believe, immensely important concepts for the public financing of Federal elections.

Last September, as chairman of the Subcommittee on Privileges and Elections, I conducted 4 days of comprehen­sive hearings on the checkoff system. Many thoughtful reforms and recommendations were suggested to us. These were given shape in § 2718, a bill which I introduced in November, which was reported forward to the Rules Committee, and which formed the basis for our controversial checkoff amendment.

As I have stated in the committee report, I believe this legislation will serve to remove the temptation of seeking or accepting the large compromising gift. It returns to our people, to our individual voters a rightful share and a rightful responsibility for their candidates. And it can serve to establish that climate of public trust in elected officials which this country so earnestly desires.

Therefore, as we consider the dollar checkoff and its importance today in the petition process, let us also consider its significance to future elections if this legislation is enacted, and when we truly enter that climate of trust and confidence.

Mr. President, may I also note that an amendment to the dollar checkoff which I offered in committee was adopted during our recent meetings. This would make the increased checkoff—$2 for a single taxpayer, $4 for husband and wife filing jointly—automatic, unless otherwise designated on the tax form.

There was much confusion in the filing of earlier returns in this regard. My amendment is aimed at ending this confusion and at placing emphasis on the positive attributes of the checkoff process.

Mr. ALLEN. Mr. President, will the Senator from Delaware yield for a comment?

Mr. BIDEN. I yield.

Mr. ALLEN. Mr. President, I am delighted that the Senators from Delaware are giving publicity to the so-called $1 checkoff. I was delighted to hear the distinguished Senator from Delaware state that by the time of the 1976 Presidential election, there would be some $24 million in this fund, which is the amount that would be authorized for division between the two parties, if they elect to come under this plan. That would seem to the Senator from Alabama to make unnecessary two provisions of the new public campaign fund bill reported by the Committee on Rules and Administration. The $1 checkoff would become a $2 and a $4 checkoff. That would be unnecessary.

Two, the Rules Committee's bill has a provision stating that if a taxpayer fails to check off the $1, $2, or $4, he will be assumed to have agreed to have it withheld from his income tax.

Also, the report of the Rules Committee indicate that if taxpayers take advantage of the $2 checkoff, which is in effect a $4 checkoff, to the President, it is critical.
and improprieties which distinguished the 1972 election in general, and the campaign to re-elect President Nixon in particular. The checkoff plan can have a healthy effect on politics if enough taxpayers decide to make use of it, seeing to it that their returns are duly marked.

I commend my distinguished colleagues from Delaware for arranging this colloquy, to alert taxpayers to the possibility of making a "reply to political corruption."

Mr. President, the dollar checkoff will this year give every individual American taxpayer the opportunity to participate in a major reform of Presidential campaign financing. Through the dollar checkoff on every individual tax return, American taxpayers have the option of financing the next Presidential general election.

The individual taxpayer pays no more in taxes by using the dollar checkoff. But each dollar designated adds to the funds available for the Presidential election campaign fund, to be used for public financing of the Presidential general election.

If Americans make the dollar checkoff a success, they can help the next Presidential election satisfy the highest of democratic ideals. The dollar checkoff, as an experiment with public campaign financing, has the promise of making the general Presidential election entirely a public process—free from the influence of special interests through large private contributions. And freeing political campaigns from reliance on private fundraising is essential to public confidence in our democracy.

Using the dollar checkoff is simple. On each individual income tax return this year is a well identified box to check to designate $1 of Federal taxes, with separate designated boxes for husband and wife on a joint return, to the Presidential election campaign fund. After appropriations by Congress, the amounts in this fund will be available to pay the costs of the general election campaigns of Presidential candidates, up to specified sums per candidate. Thus, making this fund available, candidates of major parties—which received more than 25 percent of the vote in the last election—will receive 15 cents per voter, or about $21 million based on 1972 statistics. Presidential candidates of minor parties—new parties—for whom receive over 5 percent of the vote in the most recent or current election—are eligible to receive a proportionate share of funds, based on the number of votes cast for them.

But to take advantage of public Presidential campaign funds, candidates in the general Presidential election must renounce private fundraising. The influence of private money—or the suspicion of that influence—would be removed from their campaigns.

Public financing of the general Presidential election will only be a success, however, if the American taxpayer uses the dollar checkoff. And the evidence so far is that the dollar checkoff is in fact working. As of February 15, about 14 percent of individual taxpayers—1.4 million of the 9.8 million tax returns processed—used the dollar checkoff. Of these returns, $40,000—or about 6.5 percent—on all returns were for joint returns designating $2 for the Presidential election campaign fund. If this pattern holds true for all 1973 tax returns filed, a total of about $16 million will be designated for the Presidential election campaign fund from 1973 taxes. At this rate, we may hope to have about $60 million in the fund for the next Presidential election—enough for the candidates to present their case to the American people without private fundraising and the dangers it presents.

The dollar checkoff can safeguard our faith in the process for choosing our political leaders. The dollar checkoff gives all of us the opportunity to endorse this basic reform to make democracy work better.

Americans' frustration with the political process is increasing every day.

Mr. President, I am delighted to join my distinguished colleagues from Delaware in promoting awareness of this opportunity.

Mr. BIDEN. Mr. President, I think the distinguished Senator from Maine. I am delighted that he has pointed out something that I was unaware of until a week or so ago, and that is that the $1 checkoff can be $2 because a husband and wife filing a joint return are each entitled to the $1 checkoff, which makes it a $2 checkoff. That point should be emphasized.

Mr. CLARK. Mr. President, will the Senator from Delaware yield?

Mr. BIDEN. I yield to the Senator from Iowa.

Mr. CLARK. Mr. President, first I wish to acknowledge the two Senators for arranging the discussion and for promoting the tax checkoff system.

The checkoff system has been discussed here thoroughly by both Senators from Delaware, the Senator from Rhode Island, and the Senator from Maine. It is an experiment. One of the things that should be emphasized is that the checkoff system, as important as it is, should be viewed only as a beginning.

When we realize how public trust in government has been lost, both in terms of the Presidency and Congress, we begin to see the necessity for trying to restore it through the tax checkoff, first developed by the Senator from Louisiana (Mr. Long). More recently, Senator Kennedy and Senator Scott and a number of other Senators last year worked to improve and expand on that system, extending it to state and local races. I have concerns about restoring credibility to the Presidency and to Congress this is an essential next step.

Congress does not fare much better than the President in the public opinion polls. A year ago, the Gallup poll showed that public officials were 19th out of 20 in professions. I am not sure we have not fallen to 20. I am not sure the used car salesman has not moved beyond us.

We simply have to do something to restore public confidence, and the checkoff system is only a beginning. From there we have to go to more comprehensive public financing. My own feeling is that total public financing is preferable to matching funds, but that issue will be discussed later.

It is not going to cure all political corruption. If anyone thinks that if we establish public financing, we will have a system that works perfectly, that all the evils of Watergate will disappear, they are mistaken—that is not going to be the case. It will mean big money out of elections; it will mean people can run campaigns for office and be elected on the basis of their qualifications and the issues, rather than money.

If we are ever going to do it, if there ever is going to be congressional and Presidential campaigns in the future, we must do it now. So we cannot miss this opportunity.

It is possible to talk about all the problems of the checkoff system—where the money goes and all the difficulties of public financing—but to somehow say we cannot face up to those difficulties is really to say we like the present system, that the present system is working so well that we do not have to make any changes. Every time we raise objections to this phase or that phase or that problem or this problem, whatever they are, we have to remember the central point: Do we want to invest in the present system or do we want to make the present system work well? I do not think it does. I think the checkoff system is better, and it represents the beginning of a better method of electing public officials in this country.

Mr. CRANSTON. Mr. President, I think it should be emphasized that we are not talking about passing any new legislation. The law already exists.

The Senator from California (Mr. CRANSTON) indicated he may have an interest in commenting on this matter.

Mr. CRANSTON. I thank the Senator for yielding.

Mr. President, I thank the Senator from Delaware also for bringing about a discussion on a very important matter. To paraphrase what the Senator from Alabama said, the Senator from Delaware is an advocate of public financing.

When Americans file their income tax returns sometime between now and April 15, they can strike a blow for good government and clean politics with a simple checkmark.

Near the top of the form 1040 are boxes for assigning one tax dollar—or $2 if it is a joint return—to the 1976 Presidential campaign fund.

Choosing one of the boxes will not raise an individual's taxes. And it will not reduce the refund if the Government owes the taxpayer money.

No matter who the people's choice for President may be in 1976, the dollars of millions of private citizens will help make candidates less dependent on wealthy campaign contributors who often have a scant regard for the public interest.

The next Presidential campaign and every political campaign is really the people's campaign—not some candidate's campaign. Political campaigns determine the kind of government they will get and the kind of country—and world—they will live in.

The dollar checkoff will help remove the curse of big private money from politics, and help give us clean politics and good government.

Big money in political campaigns
February 27, 1974

CONGRESSIONAL RECORD—SENATE

nature of the effort for true campaign reform, which can be, perhaps, the single most important legislative action Congress takes this year.

I am also heartened by the presence of the majority leader, who more than anyone else was responsible, with the Senator from Louisiana (Mr. Long) and the Senator from Ohio (Mr. Mansfield) for the enactment of the dollar checkoff in 1971. I am also pleased to be here with Senator Cranston and Senator Stafford, who have been among the most vigorous and effective leaders in the Senate working for public financing of elections.

Together, we are here this morning to urge taxpayers throughout the Nation to use the dollar checkoff on their tax returns.

Under present law, the public funds available through the checkoff will be used to pay for the cost of the 1976 Presidential election. In effect, a great new national experiment is underway. If the checkoff proves successful, the 1976 election will be a historic first—an election paid for out of public dollars, and an end to the reign of massive private contributions and the appearance of corruption that travels in their wake.

The results so far indicate a dramatic improvement over 1972, when it was used on only 31.1 percent of the returns and brought in only $2.9 million. By contrast, the early results for 1973 show that the checkoff is beginning to catch on. As of February 22, 29 million tax returns, or approximately 36 percent of the expected returns for 1973, had already been filed. And on 14.4 percent of those returns, taxpayers are using their current returns retroactively, to also make a checkoff designation for the 1972 tax year, amounting to another $1.4 million for the fund.

The weekly and cumulative results of the checkoff make clear, however, the rate of use of the checkoff has leveled off in recent weeks, at about 15 percent for 1973 and 7 percent for 1972. At that rate, the funds available from the checkoff will bring in about $50 million by April 1976, enough to pay for the 1976 Presidential election.

But that is not good enough. If public financing is necessary for Presidential elections, it is also necessary for Senate and House elections and for primaries as well. To pay the cost of public financing for all Federal primaries and general elections, as proposed under the Rules Committee bill now on the Senate Calendar, the checkoff will have to bring in about $80 million a year. Under the terms of the checkoff, the $2 billion would be doubled, which means that each designation will bring in $2 instead of $1. Still, at this new level, participation will have to increase to the point where one in every three taxpayers are using the checkoff.

That is the real challenge the checkoff faces today. It is doing well, but it has to do even better. That is why I am honored to take this opportunity in the Senate to urge every taxpayer, as he prepares his return between now and April 15, to use the checkoff. It is the wisest possible investment a citizen can make in the future of his country.

In closing, I again commend the Internal Revenue Service for the vigorous and imaginative initiatives it is using this year to publicize the dollar checkoff, especially in the public service radio and television spot announcements that are being broadcast at this time. Let us hope that in the 6 weeks left in the current filing period, people in public and private life will take up the call, so that working together, we can enable the checkoff to meet the goal of public financing for all elections to Federal office.

Mr. President, I ask unanimous consent that a table summarizing the weekly and cumulative results of the dollar checkoff, as made public by the Internal Revenue Service, may be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

### RESULTS OF DOLLAR CHECKOFF

<table>
<thead>
<tr>
<th>Period</th>
<th>Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through Jan. 19</td>
<td>43,198</td>
<td>10.7 $69,066</td>
</tr>
<tr>
<td>Week of Jan. 25</td>
<td>120,676</td>
<td>13.2 1,462,672</td>
</tr>
<tr>
<td>Week of Feb. 1</td>
<td>251,312</td>
<td>14.7 3,657,777</td>
</tr>
<tr>
<td>Week of Feb. 8</td>
<td>396,287</td>
<td>14.3 5,856,519</td>
</tr>
<tr>
<td>Week of Feb. 15</td>
<td>533,100</td>
<td>15.0 8,203,993</td>
</tr>
<tr>
<td>Week of Feb. 22</td>
<td>629,822</td>
<td>15.1 9,306,641</td>
</tr>
<tr>
<td>Cumulative: Jan. 25</td>
<td>163,400</td>
<td>13.0 $232,050</td>
</tr>
<tr>
<td>Feb. 8</td>
<td>414,909</td>
<td>14.9 597,168</td>
</tr>
<tr>
<td>Feb. 15</td>
<td>810,999</td>
<td>14.1 1,185,346</td>
</tr>
<tr>
<td>Feb. 22</td>
<td>1,984,628</td>
<td>14.4 2,934,974</td>
</tr>
</tbody>
</table>

Note: Total returns processed: 13,825,948. 81,000,000 returns expected by Apr. 15, 1974; as of Feb. 22, 22,550,000 returns had been filed. The figures in the table are based on returns processed.

### RESULTS OF DOLLAR CHECKOFF

<table>
<thead>
<tr>
<th>Period</th>
<th>Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through Jan. 19</td>
<td>21,580</td>
<td>5.3 $30,461</td>
</tr>
<tr>
<td>Week of Jan. 25</td>
<td>59,360</td>
<td>6.8 $85,998</td>
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<tr>
<td>Week of Feb. 1</td>
<td>120,180</td>
<td>7.8 177,418</td>
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<tr>
<td>Week of Feb. 8</td>
<td>166,534</td>
<td>6.7 292,083</td>
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<tr>
<td>Week of Feb. 15</td>
<td>256,272</td>
<td>6.6 396,459</td>
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<tr>
<td>Week of Feb. 22</td>
<td>394,289</td>
<td>7.1 443,644</td>
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<tr>
<td>Cumulative: Jan. 25</td>
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<td>6.4 $116,459</td>
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<td>Feb. 15</td>
<td>391,561</td>
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<tr>
<td>Feb. 22</td>
<td>756,047</td>
<td>6.7 954,429</td>
</tr>
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</table>

Mr. BIDEN. I thank the Senator very much.

Mr. President, at this point I ask unanimous consent to have printed at the conclusion of the colloquy a statement by my distinguished colleague from Minnesota (Mr. Mondale) on this subject.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The foregoing printed.

Mr. BIDEN. I thank the Senator very much.

Mr. Kennedy. Mr. President, I want to join my colleagues in commending the distinguished Senators from Delaware for sponsoring the colloquy taking place on the floor of the Senate. It is extremely timely.

I have had a chance to review the testimony of the Senator from Delaware before the Rules Committee meeting, and I want to commend him for his contributions to the debate. I think, in many respects, it was some of the most eloquent and telling testimony before the committee. I think the fact that the two Senators from Delaware are sponsoring this colloquy shows the bipartisan.
system in that it was anticipated long before Watergate was a big problem, and this was one way of getting around it. It is unfortunate that, for various reasons, without casting blame on anyone in particular, the IRS did not see fit to advertise it last time as widely as is being done now.

Second, there is an absolute ceiling on what can be spent. The American public should not think that if, in fact, more money is raised than allowed for under the law, somehow or other that money is going to be frittered away on balloons and billboards. That is not the case. The IRS will, at the very least, tell the public what revenues to be spent for everything from the military to social welfare programs.

In addition to that, the cost to the taxpayer is nothing. It does not increase or diminish the taxpayer's payment one iota. In addition, it should be pointed out that it is important to emphasize this because it could have an effect in increasing by 25 percent the amount that is returned to the general revenue.

The taxpayer can on a joint return check off $2, not just $1. I would like to emphasize that it is important to explore my colleagues in the Senate and the House to advertise this fact in their newsletters which are about to go out prior to the deadlines for the filing of returns. This provision does in fact exist in the law.

It seems to me that, as one strong supporter of public financing, I would be delighted not to continue contributing to the argument on public financing with those who oppose my position, as I will be able to do, if in fact we eliminate this issue by having enough money derived from this particular method of funding Presidential elections.

I would like nothing better than to never have to talk again on this issue of the public financing of Presidential elections. If we can, in fact, encourage enough Americans to take advantage of the existing law, I will not have to talk about it any more. Mr. President, does my colleague, the distinguished senior Senator from Alabama (Mr. SPARKMAN), intend to comment on the $1 checkoff provision before I yield back the remainder of my time?

Mr. SPARKMAN. Mr. President, if the Senator would yield, I would point out that that provision is already in the law. It was on the tax returns last year. Unfortunately, however, it was badly placed. This year, however, it is right on the front page. I used the checkoff for myself, and my wife used it for herself.

I think it is a great idea. I hope that the taxpayers in the country will take advantage of it.

Mr. BIDEN. I thank the Senator. I would like to conclude by saying that I think it is important that the taxpayers of this country realize that there is a method by which this money can be disbursed.

The two major parties would have equal amounts of money to spend, assuming that they get more than a 25 percent vote in the preceding election. The minor parties and third parties will be taken care of if they get a certain percentage of the vote in the preceding election.

We can make the particulars of this legislation made known to the people of Delaware. I hope that we will be able to make it known not only in Delaware, but also across the United States by emphasizing the fairness of the legislation and what it contains.

I thank my colleagues for participating in this, and particularly I thank my senior colleague, Senator ROZINSKI, who helped arrange this entire colloquy.

I hope that the people will be made known of this. I hope that the ladies and gentlemen of the press who sit up there and look down on us, attribute little on the Senate and to this endeavor and that the American public can get out of the business of buying elections and can through the Presidential election procedure check off the $1 provision on their returns.

I hope that the American press will help this effort by donating full-page ads advertising this fact.

Mr. President, I am really just being facetious. However, I would hope that the press would disseminate this information.

Mr. President, I yield back the remainder of my time.
political party. Moreover, in this era of increased sensitivities about preserving one's personal privacy, many people, quite frankly, did not want to list a political party preference on their public tax returns, feeling that this was a personal item.

In July of 1973, we in the Senate corrected these shortcomings. No longer will taxpayers have to hunt for the "checkoff"—now, by law, it must appear on either the front page or the signature page of every form. And, perhaps more importantly, the Republican and Democratic Party designations have been eliminated—all moneys will now be accumulated in a nonpartisan fund, with the major parties to be allocated equal amounts. Minor parties will also be eligible for funding.

With these corrections, taxpayers are participating at a higher rate than before, 13 percent of the returns for January 1974 included the "checkoff." Although continued participation at this rate will not finance the 1976 Presidential campaigns to be financed entirely from public dollars, I would hope that the rate might go yet higher. For only if we remove those seeking public office from their reliance on large donors, can we then be absolutely certain that those holding public office will not be under an obligation to the individuals and interest groups that contributed to their campaigns.

Thus, I would like to join my colleagues today in calling for increased usage of the checkoff. The 1972 checkoff was a taxpayer's way of influencing the political system. This year, form 1040 provides a space where a taxpayer may still check for candidates for President or Senator, or for the Democratic or Republican party. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing political campaigns.

I believe that the existing tax checkoff provision is a step in the right direction. It provides that future Presidential election campaigns will be financed, at least partially, through the tax-checkoff approach. Taxpayers can indicate on their tax forms that $1 of their tax liability will go to a fund for financing Presidential campaigns. This law is intended to provide public funds for paying the qualified campaign expenses of eligible Presidential and Vice Presidential candidates of a political party, or the Democratic or Republican Party.

The General Accounting Office has prepared an excellent summary of the Presidential Election Campaign Fund Act, and how it will work. I ask unanimous consent it be inserted in the Congressional Record immediately following these remarks.

In addition, my amendment had two other provisions intended to encourage small political contributions.

These provisions provide tax incentives for contributions to candidates for public office. The first provision allows a maximum tax credit against an individual's income tax of $12.50 if filing individually, or $25 in the case of a joint return, for political contributions.

The second provision is an alternative to the first: it provides a maximum deduction in lieu of a credit of $50, or $100 if a joint return.

Mr. President, before Watergate I was among those in the Senate who urged election campaign reform. I also sponsored the legislation which effected the first major overhaul of our Federal campaign laws in over 25 years. I also managed that bill on the floor. It, of course, became the Campaign Reform Act of 1971.

Last year I introduced further amendments to that law designed to tighten it further in view of the experience of the 1972 election campaign. That bill, S. 372, has passed the Senate and now awaits House action.

Mr. President, the cornerstone of our Reform Act is its provision regarding the electoral process—is in jeopardy. Unless that process is sanitized, and faith in its integrity restored, people will remain cynical and regard it as a sham.

The quickest and soundest way to restore the voters faith in the electoral process is to remove the necessity of candidates to rely on large individual contributions privately solicited. This is where the trouble starts, and abuse creeps in.

I hasten to add, I am not reflecting on the integrity of any elected official. The fact of contributions creates the appearance of impropriety, and this in and of itself undermines the electoral process.

The Presidential Election Campaign Fund with the "dollar checkoff" is remarkably suited to accomplish a good deal of what we need and will generate additional interest in public financing.

If it succeeds as many of us believe it will, I see no reason why it cannot be extended to other elective offices, such as Senator or Representative.

Mr. President, I therefore urge all Americans to make use of the "dollar checkoff" when they file their 1973 income tax.

Mr. MOSS. Mr. President, on several occasions I have stated my strong support for some form of public financing of campaigns. I am glad to join with several of my distinguished colleagues this morning in stating again that public financing is necessary, and that the temptation of recent elections is to be avoided.

The traditional practice of campaign revenue raising is susceptible to much abuse. Political campaign costs require a candidate to raise hundreds of thousands, and sometimes millions of dollars. Since campaigns can be conducted in such extensive means, they solicit them from private sources—primarily wealthy individuals. As a result, 90 percent of all contributions come from only 1 percent of the voters. The lists of contributors is open to abuse by the wealthy and corporations, special interest groups, and certain individuals with loaded personal and political concerns and expectations. I agree with the distinguished Senate majority leader that "it is not healthy for the Nation for politics to become a sporting game of the rich." I also agree with such leaders as America in far too many instances, has become a sporting game of the rich.

In order that participation by the American electorate in the political process could be broadened, I have supported the "tax-cheek-off" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns. My voting record and statements have indicated this. I was happy to join with one-third of my colleagues in support of eight basic principles as the dollar checkoff. This is popularly known as the "dollar checkoff" approach to financing of political campaigns.
should provide a better means of assessing the success of the tax checkoff provision. The checkoff now appears on the face of the 1040 tax form and on the short form, rather than on a separate form. The IRS has given this tax checkoff much more publicity than a year ago. This has created some hesitancy on the part of a few individuals, but has eliminated it.

An important aspect of the tax checkoff is that it provides a means by which the taxpayer can choose whether some of his tax dollar should go to political campaigns, rather than to the Federal government. It gives the average American the opportunity of participating in democratic government.

If the tax checkoff option could be increased to $2 per individual, and $4 per joint return, and if all American voters who would participate, all Federal elections, including primaries, could be financed by this means. Thus, of course, is the ultimate goal. Philip M. Stern, president of the Center for Public Financing of Elections, estimates that the cost for all Federal elections at $262 million, or only $1.88 for all 140 million Americans of voting age.

I am happy to report that support for the tax checkoff in Utah was greater than support nationally. A Utah poll, conducted by the Salt Lake Tribune, indicated that slightly more than 10 percent of Utah voters exercised the option to contribute through the tax checkoff. Utah is one of the few States that provides for a State tax checkoff. In Utah, the taxpayer checks a box on the State tax form designating $1 of his taxes to his party's State committee. The money collected will be split between the State and county party central committees to be spent for campaign purposes. I commend government representatives in my State for their efforts in this regard.

I am confident that the allowance for tax checkoff on both Federal and State income tax for campaign purposes is an alternative to the many scandals of big money contributions and the problems of past elections. I endorse the concept of the tax checkoff entirely. I hope that the real intent of this method of campaign financing will be realized. I hold that if it will be realized, we must continue to give active support to it.

Mr. MONToya. Mr. President, last December I sent a newsletter to my constituents in New Mexico concerning the dollar tax check-off on their Internal Revenue tax forms, and urging their use of this most important alternative method of financing political campaigns.

I said then that it was "a chance to put the public interest first," and I still believe that to be true. Certainly this year every American must be called upon to put his money for a way to make our political system more responsive to his needs and less open to the corruptive influence of big money and hidden power. Testimony before the Senate Select Committee on Presidential Election Campaigns, and thereby dilute or destroy the influence of "big money." The law, as amended, would assure public disclosure of campaign expenses, an audit of financial reports, and equitable financial distribution of campaign money, and place some limitation on private contributors. The tax checkoff authorizes the individual contributor is being allowed to buy more than his citizen's share of influence with a winning candidate.

Congress believed that this opportunity, if used by taxpayers, would prevent the tax checkoff option. Only 4 percent of taxpayers checked the option, either through lack of information or lack of the proper form. As chairman of the Appropriations Subcommittee on Treasury, U.S. Postal Service, and General Government, I urged the Internal Revenue Service to place the checkoff box on both form 1040 and 1040A. In better position, and to make information concerning the Presidential election campaign fund checkoff available to all taxpayers.

I am pleased to note that this year the box is in a prominent place on both forms, and in addition a box has been included, making it possible for those who neglected or did not have the opportunity to checkoff last year to do so this year for 1972 as well as 1973.

In Publication 585, "Voluntary Tax Methods to Help Finance Political Campaigns," is now available through the Government Printing Office. I have made this publication available to New Mexico taxpayers through my Washington and New Mexico offices, and urge my colleagues to consider this additional tax service to their constituents.

It is essential that all Senators and Representatives who discuss this method of paying for Presidential campaigns with voters emphasize that utilizing the tax checkoff system will not increase the individual tax of any taxpayer. Despite efforts by the IRS to explain this to taxpayers, the idea persists that the $1 or $2 checked will add to the individual tax. I urge Congress to help publicize the fact that the tax checkoff system simply authorizes the establishment of the fund and authorizes Congress to appropriate from the fund in an election year. It will neither increase the tax paid by any citizen nor decrease the amount of his refund.

The first Presidential campaign in which we will have an opportunity to utilize this fund will be in 1976. But the important year for this alternative method of financing Presidential campaigns may well be this year, 1974. This is the year in which a clear-cut opportunity to participate fully will be opened to the people of this Nation. The key to success of the system will be the number of taxpayers who understand fully the system and who share the feeling that the only "big contributor" to any candidate should be the American taxpayer.

This is our chance to prove the Government of the United States belongs to the people—and not to special interests. I urge my colleagues to do all in their power to reaffirm the principle of free elections, and to do everything possible to remove temptations to illegality and impropriety which the old system provides.

Mr. CASE. Mr. President, the elementary obligations of citizenship can, and often are, reduced to platitudes. We say, "register and vote" and certainly that is what good citizens, by the millions, do.

As I have noted before, this is the beginning—rather than the end—of a citizen's responsibility. To me, the essence of citizenship is the extent that an individual accepts responsibility for the quality of public life.

Each day I grow more aware that individual citizens are terribly disturbed about the quality of public life. My mail is heavy with queries from constituents who demand what in the world is going on down there?

A few also ask what role is left to the Individual citizen as the purveyor of fact and fiction concerning Watergate grows deeper.

I would like to take this occasion to call attention to one additional way individuals can accept responsibility for the quality of public life.

I refer, of course, to the dollar checkoff.

The voluntary act of checking off a dollar contribution to establishment of a Presidential election campaign fund is an act of responsible citizenship.

This is a painless way to direct money be spent and, perhaps, it could mark the beginning of the end of one of the most disturbing truths in American politics.

Eight grade government texts teach that the raising of money is one additional tax service to their constituents.

It is essential that all Senators and Representatives who discuss this method of paying for Presidential campaigns with voters emphasize that utilizing the tax checkoff system will not increase the individual tax of any taxpayer. Despite efforts by the IRS to explain this to taxpayers, the idea persists that the $1 or $2 checked will add to the individual tax. I urge Congress to help publicize the fact that the tax checkoff system simply authorizes the establishment of the fund and authorizes Congress to appropriate from the fund in an election year. It will neither increase the tax paid by any citizen nor decrease the amount of his refund.
Mr. BENTSEN. Mr. President, the Congress recently approved a Presidential election campaign fund to be financed through taxpayer contributions. This is the $1 tax checkoff that American taxpayers used the dollar check-off in 1972.

I do not believe that most campaign contributors expect a quid pro quo, a favor for favor return when they make political contributions. Abuses by some, though, have called into question the activities of all and have undermined public support for our most important institutions.

The figures behind this loss of confidence are startling. The campaign for President of the United States is estimated to run over $100 million in a given election. We know that the Committee To Re-Elect the President spent nearly $40 million in 1972 and that was without any meaningful primary campaigns. The figures also indicate that 90 percent of political contributions come from 1 percent of the population.

If we are concerned with the dangers threatening our democratic form of government, we must be concerned with the eroding confidence of the people in their Government then we must be concerned with the issue of campaign spending.

The Congress, through the dollar checkoff, has given the people an avenue for reform. Their collective dollars can now have the same influence in determining how candidates campaign that their collective votes have always had on how candidates are elected. A candidate for President can now be beholden to the people for their contributions as well as their votes and that combination could create a powerful force for the common good in the Office of the Presidency.

I hope that taxpayers will make their money felt along with their votes. I hope that President will make it possible for the highest office can be removed from the campaign finance auction block and placed back in the hands of the people to whom it belongs. I believe it is time to replace the era of suitcases full of laundered, cash contributions with one where public funds are raised in the open and spent according to law.

For those who are wondering what can be done about Watergate, I say that the solution begins with you, the individual taxpayer. Your dollar checkoff can mean the beginning of a new era in campaign financing.

Mr. HUMPHREY. Mr. President, last June, during debate on my dollar-check-off amendment to the debt ceiling bill, I noted that only 3.1 percent of all taxpayers used the dollar-check-off in 1972. If nothing else, this failure of so many Americans to avail themselves of this opportunity to reduce the role of private money in politics was in large part the result of obstacles which the administration put in their way. Executive inaction, and footdragging, thwarted this opportunity. By Congress to build equitable citizen participation into the political process.

It was this failure of the executive branch to publicize this opportunity and to make the check-off as easy as possible for the American public that was the major impetus for his and other question-able election activities, simply re­plied, "Too much money."

Never were conditions and public sentiments in our country more supportive of significant campaign finance reform than in 1975. Congress will soon move ahead with the substantial campaign finance reform that our people are demanding.

I am very pleased to report to the Senate today that our decision to require a box on the frontpage of the income tax return from and, to report its public information plan on the check-off to Congress each year, is beginning to have the intended result.

Mr. President, the Internal Revenue Service informed me today that, with only 17 percent of the 1973 income tax returns processed, we have already exceeded total collections from the dollar check-off last year. For returns pro­cessed as of February 22, participation was as a 14.4–percent rate for 1973, and this participation pattern is increasing further. Moreover, the participation rate of taxpayers who had not used the check-off in 1972 and are correcting for that as provided in this year's forms, is currently at a level of 6.8 percent.

As a result of these participation rates, the IRS has already collected $5.3 million this year, compared to $4 million designated for all of last year. Even if the current rate of participation continues, without the further increase that is possible, the dollar check-off generated more than $25 million this year. Assuming that the rates of participation on 1974 and 1975 returns is about the same, a pessimistic assumption, a public fund of at least $6 million would be available to finance the Presidential campaigns in 1976. This will indeed have a profound impact on the nature of the next Presidential election.

Mr. President, I would also like to take this opportunity to publicly commend all of those in public and private organizations that are making this nearly five-fold increase in the participation rate possible.

The Internal Revenue Service has done a commendable job of publicizing the dollar checkoff. Our labor unions have made a key contribution by heavily publicizing the dollar checkoff in their publications and by working with employers to encourage its use. Private firms have also provided information to their employees encouraging their participation, with many accounting firms reminding clients of this opportunity. Public service organizations like Common Cause have made an important contribution.

I am also pleased to note that many Government officials have informed me that they will include an information note on the dollar checkoff, enclosed with the W–2 form sent to all of their employees.

This is the kind of broad-based and active support that can make the dollar checkoff the success that it must be. These and all of the other organizations that have contributed their support are providing a valuable public service.

Mr. President, no less a man than James Madison stated in issue No. 10 of the Federalist Papers that "the more free a people, the greater likelihood that they would choose more knowledgeable and more honest governors." But freedom requires favorable conditions—an educated electorate and equality at the starting gate.

Mr. President, if the rate of participation continues at the current level or increases, the dollar checkoff will move us closer to financial "equality at the starting gate" than ever before in American political history.

Mr. President, I ask unanimous consent that a few examples of efforts to promote use of the dollar checkoff be included at this point in the Record. These include a few of the responses by governors to my suggestion to them that they include a note on the dollar checkoff along with the W–2 form that goes to each State employee. I also request that the February 25, Washington Post edi­
I believe the unfortunate circumstances of this election have proven that an alternative to the dependence of presidential election campaigns on large private contributions is absolutely essential.

Let us find good forms or variations thereof to bring this matter to the attention of all state employees.

Sincerely yours,

Arthur A. Link, Governor.

From the Laborer, February 1974]

ExcerptsFrom the Labor Press

There is a way to help reduce the influence of the big money in politics; replace it with an honestly-administered "citizens fund" for presidential campaigns, at least.

And that way is by using a little line on the front of your federal income tax form. The line permits you to put $1 out of tax money you owe and be put into a presidential campaign fund for 1976. You can direct the $1 into a fund for a specific candidate. The fund would help major party candidates equally and other candidates on a sliding scale basis.

Remember, it won't cost you a penny. The check-off is for $1 out of tax money you've already assessed.

If enough citizens use the check-off, there will be no need in 1976 for presidential candidates to resort to arm-twisting, finagling, or begging from big-money interests.

From UPI News, Jan. 19, 1974

Clean Up Politics With Tax Bucks

Money in politics—it has become a national disgrace. Months of revelations about huge sums virtually extorted from big corporations ... stories about huge sums 'laundered' funds coming through foreign banks to President Nixon's campaign committee ... all this and other muck dredged up by the Senate Watergate committee and other investigators shows us never before the corrupting influence of big money in politics.

The best way out of it is to ban absolutely any private contributions to political candidates and to have the Federal Government finance federal campaigns.

But that may be a long way off, and the need is now.

There is a way to help drive dirty money out of the system. It is with an honestly administered "citizens fund" for presidential campaigns at least.

And that way is by using a little line on the front of your Federal income tax form. The line simply enables you to authorize that $1 be deducted from the tax you owe and be put into a presidential campaign fund for 1976. You can direct the $1 into a fund for a specific candidate. The fund would help major party candidates equally and other candidates on a sliding scale basis.

Remember, it won't cost you a penny. The check-off is for $1 out of tax money you've already assessed.

If enough citizens use the check-off, there'll be no need in 1976 for presidential candidates to resort to arm-twisting, finagling, or begging from big-money interests.

From the Machinist, Jan. 24, 1974

To Help Clean Up Presidential Politics

Two boxes on your Federal income tax Form 1040 give you the chance to help end the corrupting influence of huge corporate contributors in Presidential election campaigns.

Check the top box. This tells the Government to take $1 ($2 in the case of a couple filing jointly) from the tax you have paid and put it in a 1976 Presidential Campaign Fund. It doesn't come out of a cent nor does it tie you to any political party.

All money designated for the years 1972-75 will be divided, with major parties receiving equal shares, minor ones lesser shares on a sliding scale basis.

This can raise a big campaign fund when you consider that this year alone the Internal Revenue Service estimates $81 million individual income tax returns will be filed. Such a fund would eliminate the need for political parties and candidates to tap huge corporations for contributions. The lower box permits you to encourage all American citizens to contribute to their preferred candidate in the 1976 election. It's a great new way to clean up politics.


The President,
The White House, Washington, D.C.

Dear Mr. President:

Public financing is one method that many feel can eliminate the dependence of presidential candidates on large private contributions to finance campaigns.

Many of us feel this is indeed, the best answer to the campaign financing problem. However, the only law presently on the books providing for any form of public financing is the Presidential Election Campaign Act, calling for the "dollar check-off" question box to be placed on individual income tax forms.

But if approved by the taxpayer, there is no doubt that a substantial fund can be raised to finance presidential campaigns of all parties.

The Internal Revenue Service has advised that it is appropriate and proper to publicize the check-off by allowing employers to include with 1973 W-2 forms they mail to employees a public service notice calling attention to the dollar check-off system.

Since the federal government is one of the largest employers in the nation, it would seem appropriate to the taxpayer to be aware of the public financing opportunity.

We know you are interested in solutions to the financing problem. Therefore, we are appealing to you to order federal departments to participate in a program to have public service announcements inserted into W-2 form packets distributed to federal employees.

We realize that time is short, but we understand that with prompt action notices can be placed on the W-2 forms for 1973.

Respectfully,


Hon. Hubert H. Humphrey,
U.S. Senator,
Washington, D.C.

Dear Senator Humphrey:

Further reference is made to the December 7 letter to the President from colleagues and myself urging that a notice be enclosed with W-2 forms to call federal employees’ attention to the dollar check-off question box for campaign contributions which appears on income tax forms.

I have been informed by the Treasury Department that the suggestion was received too late to implement in the manner proposed. As an alternative, however, the Treasury has prepared such a notice and will, in the next few days, request each Federal agency to convey the message to its employees.

The State of Ohio,

Hon. Hubert H. Humphrey,
U.S. Senator, Washington, D.C.

Dear Senator Humphrey:

This letter is in response to your suggestion about notifying state employees of the "dollar checkoff" for political parties on their income tax forms. You are correct, the time is short, but I am going to work with the Department for Finance and Administration including a notice with each state employee's W-2 and K-2 Individual income tax form.

Sincerely,

Wendell.

Hon. Hubert H. Humphrey,
U.S. Senator, White House, Washing to, D.C.

Dear Senator Humphrey:

Thank you for your letter of December 14 and for calling my attention to your most commendable program to encourage all American citizens to use the check-off by allowing employers to participate in the "dollar check-off" plan for political contributions.

I shall see to it that our Director of Personnel takes all appropriate steps to inform the 55,000 employees of the State of Ohio of the advantages of this program, and we shall attempt to give this effort the widest possible publicity.

May I take this opportunity to wish you and your family a wonderful holiday season and a happy and prosperous New Year. With warmest personal regards,

Sincerely,

John J. Gilligan.

Executive Chambers,
Honolulu, Hawaii, January 21, 1974.

Hon. Hubert H. Humphrey,
U.S. Senator, Washington, D.C.

Dear Senator Humphrey:

This letter is to let you know, in connection with your letter of December 14 to Governor Burns, that our State of Hawaii government will be including a notice with each 1973 W-2 form, urging the recipients to consider the dollar check-off on their income tax returns to help finance the presidential campaigns of all parties in 1976. Because of the degree of centralization of our State's payroll system, we can assure that the notice will accompany each W-2 form, of which over 56,000 are being issued for 1973.

Governor Burns joins me in expressing our appreciation for your encouragement in support of the campaign financing law. With such support, I am sure that you and your colleagues have advanced significantly the potential for success of this worthwhile effort.

With warm personal regards, I remain

George R. Ariyoshi,
Acting Governor.

Hon. Hubert H. Humphrey,
U.S. Senator, Washington, D.C.

Dear Senator Humphrey:

Thank you for your letter of December 14, 1973, urging your support of the public financing law. I appreciate your bringing this matter to my attention, especially at this time when W-2 forms will be soon delivered to each state employee.

State of North Dakota,
Executive Office,

Hon. Hubert H. Humphrey,
U.S. Senator, Washington, D.C.

Dear Senator Humphrey:

This letter is in response to your suggestion about notifying state employees of the "dollar check-off" for political parties on their income tax forms. You are correct, the time is short, but I am going to work with the Department for Finance and Administration including a notice with each state employee's W-2 and K-2 Individual income tax form.

Sincerely,

Wendell.

State of Ohio,
Office of the Governor,
Columbus, Ohio, December 19, 1973.

Hon. Hubert H. Humphrey,
U.S. Senator, White House, Washing to, D.C.

Dear Senator Humphrey:

This letter is to let you know, in connection with your letter of December 14 to Governor Burns, that our State of Ohio government will be including a notice with each 1973 W-2 form, urging the recipients to consider the dollar check-off on their income tax returns to help finance the presidential campaigns of all parties in 1976. Because of the degree of centralization of our State's payroll system, we can assure that the notice will accompany each W-2 form, of which over 56,000 are being issued for 1973.

Governor Burns joins me in expressing our appreciation for your encouragement in support of the campaign financing law. With such support, I am sure that you and your colleagues have advanced significantly the potential for success of this worthwhile effort.

With warm personal regards, I remain

George R. Ariyoshi,
Acting Governor.

I have been Informed by the Treasury Department that the suggestion was received too late to implement in the manner proposed. As an alternative, however, the Treasury has prepared such a notice and will, in the next few days, request each Federal agency to convey the message to its employees.
As you are aware, the Internal Revenue Service also has made plans to publicize extensively the taxpayer's right to make campaign fund designations.

With kindest personal regards,

Sincerely,

TOM C. KOROLOGOS
Deputy Assistant to the President.

To: All employees.

Subject: Presidential Election Campaign Fund.

I want to remind all employees that we have an opportunity to provide for public financing of political parties in our personal income tax returns. To do so by amending their return is done on the completely voluntary basis.

Your individual income tax return makes provision for designating that $1 of your taxes be paid into the Presidential Election Campaign Fund. In the case of joint returns, either spouse may designate $1, or both spouses may designate $1 each for a total of $2. A designation of this kind does not increase your tax or reduce your refund. It is merely an allocation of $1 or $2 of the taxes you pay.

When the Presidential Election Campaign Fund will be used to pay the qualified campaign expenses of eligible candidates for the office of President or Vice President, the fund will be available to the candidates, parties, and political action committees. If there is enough money in the fund, eligible candidates of all political parties will receive a full accounting of their campaign expenses.

The front cover of the 1973 tax form packages for both the 1040 and 1040A contain a prominent reference to the check-off. Boldface type and line drawings direct attention to the check-off on the package covers and on the forms themselves. Those who did not indicate a check-off on their 1973 returns will be able to do so by amending their return with Form 1040X. "Amended U.S. Income Tax Return." The check-off is the same for both forms,

The provision has been changed—for the better—in our view since last year. There are no longer three specific check-off boxes, for the Democratic and Republican parties or a nonpartisan fund. All money checked off is to be distributed by IRS field offices, to candidates for the office of President or Vice President who didn't check this provision last year (for your 1972 return), there's another space on the current form to earmark an additional dollar or two to help support the candidates who didn't check this provision last year (for your 1973 return).

The provision has been changed—for the better—in our view since last year. There are no longer three specific check-off boxes, for the Democratic and Republican parties or a nonpartisan fund. All money checked off is to be distributed by IRS field officers for candidates for the presidency, according to the candidate's name or the party to which the money is directed.

The procedure, however, is difficult to work with. Public money accumulated in the fund by 1976 will be administered by the Comptroller General and will require congressional appropriation. The fund will be distributed among the major parties in proportion to the number of votes each candidate received in the presidential election of 1976. This will be determined by the Comptroller General and will be entitled to 15 cents times the certified voting age population as of June 1, 1975. (The figure as of June 1, 1972 was 130.2 million, so the amount would be $21 million under this formula.)

A candidate nominated by a minority party whose candidate in the preceding election received 25 per cent or more of the popular vote would be entitled to a proportionate share of the amount determined for each major party candidate. Also each candidate's political party would be entitled to public funds if he or she receives 5 per cent or more of the popular vote in the current election. Funds would be apportioned after the election, however, in amounts calculated under a set of formulas.

Last year, the "dollars check-off" had a rocky beginning. A taxpayer who didn't include the regular taxpayers' income check-off in the 1972 return had to check it off. The check-off plan can have a healthy effect on every taxpayer citizen has an effortless way to help solve at least part of the problem—with rules that exist today—of making public campaign financing an attractive alternative to big private money in the presidential election of 1976 is already in the law. The only refinement that Congress continues to wrestle with campaign finance reform legislation, including important proposals for public financing of political campaigns. Yet right now—without waiting for Congress to act—taxpayers may still enact, the system works this way: At the current election. These funds would be apportioned after the election, however, in amounts calculated under a set of formulas.

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