RESOLVED, That the American Bar Association urges Congress to consider the following recommendations regarding the structure and administration of the Federal Election Commission (FEC) as a necessary part of any new legislation affecting the regulation of federal campaign finances:

1. Disclosure
   a) Declare that disclosure is the FEC's highest priority, and assure the adequacy of the FEC's resources to carry out its disclosure responsibilities.
   b) Authorize the FEC as the "single point of entry" for all campaign finance filing; and direct the FEC to establish an electronic filing mechanism, to provide for appropriate sharing of costs among all filing committees, and to make available at nominal cost software for low-budget committees (those with total funds of, e.g., $50,000 or less).
   c) Direct the FEC to review:
      i) Whether its allocation of resources assures disclosure its properly high priority;
      ii) Whether improvements may be made in the scope, detail and timeliness of the FEC's analyses and publications;
      iii) Whether it can broaden and facilitate public access to information.

2. Structure of the FEC
   a) Retain the FEC's six-member structure. The Committee will continue to study this issue and report back to the House of Delegates.
   b) Amend the FEC's authorizing legislation to provide for a two-year Chairmanship with authority for administration, budget preparation and enforcement priorities. The statute should specify that the Chairmanship not be held consecutively by members of the same party.
   c) Authorize and direct the FEC to delegate to its staff the ordinary administrative decisions, in particular the hiring of personnel below the most senior levels.
   d) Amend the FEC's authorizing legislation to provide that Commissioners be appointed for a single term of six years. However, the present Commissioners should be eligible for reappointment to another term.
e) More actively exercise oversight responsibility to assure both that
the statutory mandates are faithfully carried out and that
nominations and confirmations, and review of Commission
activities, enjoy the openness that only Congress can provide.

3. Biennial Budget Authorization
Authorize a biennial budget authorization and appropriation process for
the FEC budget.

4. Enforcement Authority
a) Authorize the FEC to establish a system by which civil penalties
may be imposed for minor or routine violations. This proposed
"traffic ticket"-type system should have a "ceiling amount" not to
exceed $5,000. However, respondents may, upon request, obtain
a full due process hearing on the alleged violation instead of
accepting a "traffic ticket" sanction. This "ticket system" should
include:
  i) Identification of appropriate violations by statute and explicit
     regulation;
  ii) Authorization for the FEC to provide notice of an apparent
      violation, accept an initial response and make a disposition
      with a finding of violation and notice of penalty;
  iii) Authorization for the FEC to hear appeals, in its discretion,
      by respondents;
  iv) Authorization for appeals from the FEC to the courts, with
      review pursuant to the Administrative Procedure Act.

b) The FEC, in enforcement proceedings involving complex factual
and/or legal issues, should provide respondents an opportunity to
receive written material that the FEC receives from staff and to
submit written response to such material; and should provide an
opportunity, in the FEC's discretion, for a hearing before the full
FEC.

5. Adequacy of Audit Program
a) Support increased funding for FEC audits "for cause."

b) The FEC should review its auditing procedures to avoid undue
emphasis on matters that do not substantially affect the integrity of
the campaign process. Further, the FEC should adopt a standard
(at least for non-presidential committees) analogous to the
"materiality" standard established in generally accepted accounting
principles.

c) The FEC should expand its new priority-setting, in its efforts to
make the most productive use of its resources.

6. General Funding Levels
a) Provide funds sufficient to permit the FEC to continue its role as the
agency with exclusive jurisdiction in the administration and
enforcement of federal election campaign laws, and to assure that
its enforcement keeps pace with the increase in campaign
spending.
b) Provide direction to the FEC with regard to establishing priorities for campaign regulation in light of current federal budget constraints.