

COMPARATIVE ANALYSIS ON POLITICAL PARTY AND CAMPAIGN FINANCING**APPENDIX No. 1****Matrix for collection of information on normative frameworks**

NAME OF COUNTRY AND NATIONAL RESEARCHER United States of America <i>H. ALEXANDER & C. WILCOX</i>	
I. NATURE OF FINANCING REGIMENS (PUBLIC, PRIVATE AND MIXED)	
A. GOVERNMENT DIRECT FUNDING	
1. Conditions for eligibility:	Presidential candidates, in general election campaigns, receive a block grant, indexed to Consumer Price Index, based on US\$ 20 million -also includes vice-presidential candidate on ticket (\$74.4 million in the 2004 election).
2. Limits / amounts:	
3. Fund distribution:	
a. To parties:	
✓ Routine operation	
✓ Electoral campaign	
✓ Research / Capacity building	
✓ Mixed	
b. To candidates:	
✓ Presidency	Pre-nomination, presidential candidates receive matching funds of up to US\$ 250 per donor, once qualified by raising \$5,000 in each of 20 states in amounts up to \$250 —based on \$10 million, also indexed (limit is \$43.8 million in 2004).
✓ Parliament	No public funding is provided for candidates for U.S. Senate or House.
c. To party caucus or individual members of parliament/congress	
d. Other organizations:	
4. Election funding:	
a. Internal party elections	
b. Presidential elections	
c. Parliamentary elections	

d. Local municipal elections	
5. Time of disbursement:	Party national nominating conventions receive public funding also indexed based on \$4 million (\$14.9 million for 2004 conventions).
a. Before campaign	
b. During campaign	
c. After campaign	
d. Combined	
	All public funding is based on amounts raised by a \$3 per person individual federal income tax checkoff.
6. Criteria for distribution:	
a. Equitable (in equal parts)	
b. Proportional to the electoral strength	
c. Parliamentary representation	
d. Mixed methods:	
✓ Equitable and electoral strength	
✓ Electoral strength and parliamentary representation	
✓ Other	
B. INDIRECT GOVERNMENT FUNDING	
1. Objects of financing	
a. Transportation	
b. Publication (printing, mailing and posting)	
c. Exemptions	
d. Grants	
e. Tax benefits	
f. Loans	
g. get-out-the vote campaigns	
h. Political broadcasting	Candidates may purchase time but broadcasters must provide time at lowest unit rate offered to any favored advertiser for the time period.
i. Training	
j. Other	

C. NON-GOVERNMENTAL FUNDING: CONTRIBUTIONS RESTRICTIONS	
1. Contribution limits:	
2. Prohibitions:	
a. Individuals / Legal entities	→ Limit of \$2,000 per candidate per election (primary or general election)
b. Foreign donors	
c. Unions	
d. Associations / Corporations	Corporate & Labor + Issue PACs may contribute up to \$5,000 per candidate per election
e. Government contractors	
f. Anonymous	
g. Other	
D. LIMITATIONS ON EXPENDITURES	
1. Political parties:	
a. Amount	See chart (D-1) at end of document
2. Candidates:	
a. Presidency:	
✓ Amount	
✓ Are election candidates centered?	
b. Parliament:	
✓ Amount	
E. ESTIMATED COSTS OF POLITICAL FINANCING	
1. Previous elections:	
a. Presidency	See chart (E-1) at end of document
b. Parliament	
2. Cost by actors	
a. Political parties	
a. Candidates	
b. Electoral authority	
3. Funding sources: Amounts / Percentages	
a. Public financing	
b. Private financing	
✓ List principal donors	
c. Resources from	

political party budgets	
d. Other	
4. Allocation: greater costs on the campaign	
a. Advertisement (television, radio, press, others)	
b. Staff Salaries	
c. Transportation	
d. Vote buying?	
e. Other	

II. ACCESS TO THE MEDIA

A. FREE POLITICAL BROADCASTING

1. Electoral time slots:	
a. Obligatory:	None
✓ State-run media (TV, radio and press)	
✓ Private media (TV, radio and press)	Yes (See attached A & B on Political Broadcasting)
b. Voluntary:	Yes
✓ Private media (TV, radio and press)	Yes
2. Type time slots:	
a. Unique (only free political broadcasting)	
b. Principal (paid political broadcasting does not exceed the electoral time slots)	
c. Complementary (paid political broadcasting exceeds the electoral time slots)	May exceed
3. Time slots in non-electoral periods	

4. Cost of time slots	
a. Completely free	
b. Reduced fee or State sponsored	Yes
5. Access to time slots:	
a. Per previous election results:	
✓ Number of votes gained	
✓ Positions gained	
✓ Criteria for new political organizations	
b. Combined criteria	
c. Completely free	
6. Production cost (time slots)	
a. Paid by the State	
b. Non-paid	
7. Time granted:	
a. As a whole	
b. To parties and electoral alliances	
c. To candidates	
8. Organizations granting the time slots	
9. Organizations monitoring the time slots	
10. Sanctions	
B. CONTRACTING OF TIME SLOTS	
1. Advertising paid by parties, candidates, etc:	Permitted to be bought at lowest unit rate
a. In addition to paid time slots:	
✓ Limits	
b. Resulting from lack of time slots:	
✓ Limits	None
✓ Unlimited	Yes
c. Rules and fees for	

paid advertising	
d. Controller agencies	
e. Radio adds/Publicity spots: Cost per minute/second.	
2. Indirect advertising:	
a. Indirect information (positive, negative, neutral)	
b. Journalistic programs	
c. Other	
3. Debate regulations:	Negotiated by candidates
4. Pre-election polls:	
a. Limits	none
b. Rules guaranteeing technical quality of data	
5. Regulation for Exit Polls	Broadcasters have voluntarily agreed not to broadcast results
6. Specific dispositions for mass media:	
a. Television	
b. Cable	
c. Press	
d. Satellite TV	
e. Internet	

III. PUBLIC DISCLOSURE			
1. Who discloses?	<input checked="" type="checkbox"/> Political parties Yes <input type="checkbox"/> Pongos or donors (a Pongo is a political NGO for fundraising purposes)	<input checked="" type="checkbox"/> Candidates Yes <input type="checkbox"/> Others (Please specify) Political Action Committees	<input type="checkbox"/> Donors
2. What is disclosed?	Receipts & disbursements		
a. Parties:			
<input checked="" type="checkbox"/> Cash Contributions	<input checked="" type="checkbox"/> Itemized \$200 cash	In excess of	<input checked="" type="checkbox"/> Aggregated Less than \$200

✓ In-kind contributions (materials and equipment, including loans)	✓ Itemized value All in-Kind	□ Aggregated	
✓ Expenditures	□ Listed by categories or itemized, e.g. media, etc. Itemized	□ Aggregated or not categorized In excess of \$100	
✓ Names of donors	✓ Itemized listing Yes	□ No donor names listed with contribution amounts	
✓ Addresses of donors	✓ Full address YES	□ Partial address	□ No address required
✓ Names of vendors	✓ Itemized listing names YES	□ No names of vendors listed with expenditures amounts	
✓ Personal assets	✓ Required to be filed YES	□ Not required to be filed	
b. Candidates:			
✓ Cash Contributions	□ Itemized	□ Aggregated	
✓ In-kind contributions (materials and equipment, including loans)	□ Itemized	□ Aggregated	
✓ Expenditures	□ Listed by categories or itemized, e.g. media, etc.	□ Aggregated or not categorized	
✓ Names of donors	□ Itemized listing names	□ No names of donors listed with contribution amounts	
✓ Addresses of donors	□ Full address	□ Partial address	□ No address required
✓ Names of vendors	□ Itemized listing names	□ No names of vendors listed with expenditures amounts	
✓ Personal assets	□ Required to be filed NO	✓ Not required to be filled	
3. Do party and candidate expenditure reports record campaign and operational expenses separately?	✓ Yes Explain: _____ _____ _____ _____	□ No Explain: _____ _____ _____ _____	

<p>4. Are reporting requirements in this country temporary or permanent, i.e. are they only in effect during an election cycle, or year-round before and after an election?</p>	<p><input type="checkbox"/> Temporary during elections</p> <p>Explain: _____ _____ _____ _____</p>		<p><input checked="" type="checkbox"/> Permanent</p> <p>Explain: Every Year _____</p>
<p>5. What kind of monies can the party or candidate legally receive?</p>	<p><input checked="" type="checkbox"/> Private funds</p> <p><input type="checkbox"/> Foreign company funds NO</p>	<p><input checked="" type="checkbox"/> Corporate funds PACs</p> <p><input type="checkbox"/> Foreign national funds NO</p>	<p><input checked="" type="checkbox"/> Union funds PACs</p> <p><input type="checkbox"/> Expatriate nationals' funds living overseas</p>
<p>6. What sources of illicit funds for parties and candidates are suspected?</p>	<p><input type="checkbox"/> Illegal funds given over the limit but not declared by corporations, unions, or persons Occasionally</p>	<p><input type="checkbox"/> Organized crime</p> <p><input type="checkbox"/> Drug trafficking funds</p> <p><input type="checkbox"/> Laundered funds</p>	<p><input type="checkbox"/> Foreign influence funds</p> <p><input type="checkbox"/> Others</p> <p><input type="checkbox"/> No illegal funds are suspected</p>
<p>7. What is the name of the body receiving the financial disclosure reports?</p>	<p><input checked="" type="checkbox"/> This is a governmental body created by statute Federal Election Commission</p>	<p><input type="checkbox"/> This is a private body created and funded by government</p>	<p><input type="checkbox"/> This body is constitutionally created</p>
<p>a. Name:</p>			
<p>b. Phone No:</p>			
<p>8. Are there contribution thresholds? (Donations below a certain amount don't have to be reported)</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p><input type="checkbox"/> If yes, what is the amount of the threshold: \$ 200</p>		<p>Explain: Gross amounts for \$200 or less</p>

<p>9. When are the disclosure reports due from politicians or parties?</p>	<p><input checked="" type="checkbox"/> Before the election - How many weeks before the election? _10 days_ weeks. before - How many reports are required? Quarterly or Monthly_ reports. + Pre & Post-election</p>	<p><input checked="" type="checkbox"/> After the election. - How many weeks after the election? 30 days_ weeks.</p>	
<p>10. How are the reports transmitted to the public?</p>	<p><input type="checkbox"/> Fax <input checked="" type="checkbox"/> Photocopy Permitted <input type="checkbox"/> Internet</p>	<p><input type="checkbox"/> Hand copying (copying by hand) <input type="checkbox"/> Gazette or published in local newspapers or bulletins.</p>	<p><input type="checkbox"/> Other. Please specify. Periodical Reports</p>
<p>11. Rate how easy or how difficult it is to access the public reports? (Difficulty of accessibility)</p>	<p><input type="checkbox"/> High</p>	<p><input type="checkbox"/> Medium</p>	<p><input checked="" type="checkbox"/> Low Readily available</p>
<p>12. How much time elapses between the receipt and dissemination of the report by the election commission?</p>	<p>Fill in the blanks: <input type="checkbox"/> Weeks: _48 hours_ <input type="checkbox"/> Months _____ <input type="checkbox"/> Years _____</p>		<p><input type="checkbox"/> Explain: FEC to make data available within 48 hours of receipts.</p>
<p>13. Quality of report criteria:</p>			
<p>a. Are reports itemized or aggregate figures reported?</p>			
<p><input checked="" type="checkbox"/> Cash contributions</p>	<p><input type="checkbox"/> Itemized</p>	<p><input checked="" type="checkbox"/> Aggregated</p>	
<p><input checked="" type="checkbox"/> In-Kind Contributions (materials and equipment, including loans)</p>	<p><input checked="" type="checkbox"/> Itemized</p>	<p><input type="checkbox"/> Aggregated</p>	
<p><input checked="" type="checkbox"/> Expenditures</p>	<p><input type="checkbox"/> Listed by categories or itemized, e.g. media, etc</p>	<p><input type="checkbox"/> Aggregated or not categorized</p>	
<p><input checked="" type="checkbox"/> Names of donors</p>	<p><input checked="" type="checkbox"/> Itemized listing names</p>	<p><input type="checkbox"/> No names of donors listed with contribution amounts</p>	

b. Names of donors	✓ Full names of donors required? YES	✓ Full mailing address of donor required? YES	✓ Is donor's name listed on the report by specific amounts of money contributed? YES
c. Names of vendors	✓ Full names of vendors required? YES	✓ Full mailing address of vendor required? YES	✓ Is vendor's name listed on the report by specific amounts of money paid? YES
d. Categories of expenses	✓ Are vendor products or services categorized on the disclosure report? (e.g. media expense, transportation, labor, meals, etc.?) YES	✓ Are vendor purchases listed in aggregate or itemized on expenditure reports? Itemized	
14. Quality of enforcement criteria:			
a. What is the name of the body that enforces the disclosure reporting laws?	✓ Same as electoral commission or body that receives the disclosure reports? <input type="checkbox"/> Different body than the one receiving the disclosure reports? Name of body. <input type="checkbox"/> Is the enforcement body a tribunal or special court?	Explain: Federal Election Commission	
✓ What are the powers of the enforcement body?	<input type="checkbox"/> Passive: - Receive the report with little investigation	✓ Active: - Does it audit reports and conducts investigations? Yes, has subpoena power - Have sanctions and fines offenders? - Criminal penalties also possible?	
✓ Strength and weakness of the enforcement bodies	<input type="checkbox"/> Strengths:	<input type="checkbox"/> Weaknesses:	
✓ What's the reputation of the enforcement body? Check all apply.	<input type="checkbox"/> Strict <input type="checkbox"/> Not Strict <input type="checkbox"/> Politically bold and doesn't play favorites YES	<input type="checkbox"/> Politically timid and bends with the power <input type="checkbox"/> Respected YES <input type="checkbox"/> Not too respected	
15. Reality check / actual practices			

criteria:			
a. Looking over the above answers, how would you compare the disclosure laws on the books in this nation with the actual practice of disclosure?	<input type="checkbox"/> Distant relationship between the laws on the books and practice of disclosure	<input type="checkbox"/> Reasonable degree of fit between books and practices.	<input checked="" type="checkbox"/> Excellent degree of fit between laws and practices
b. Using the Disclosure Ranking in Column 8 of the Latin America Disclosure Table listed below (produced by USAID for the OAS countries) how do your findings correspond with the table?			

IV. ENFORCEMENT	
A. CONTROLLER AGENCIES	
1. Nature of regulatory agencies:	Bipartisan, independent regulatory commission Administer presidential public financing
a. Electoral management bodies	
b. Judges with electoral jurisdiction	
c. Auditing bodies	Has audit authority
d. Combined	
2. Election / Composition of controller agencies:	Federal election Commission
3. Functions / Responsibilities:	Disclosure, enforcement, administration
4. Autonomies / Dependencies:	Independent regulatory commission
5. Institutional capacity:	
a. Financial resources	Annual Congressional appropriations
c. Human resources	
d. Technical capacity	On internet
6. Internal party controlling mechanisms:	Bipartisan—3 democrats or 3 Republicans; Requires 4 votes for action

B. SANCTION REGIMENS	
1. Mechanisms:	
a. Permanent and systematic oversight	YES
b. Complaint-based system	YES
c. Random auditing	YES
d. Alternative mechanisms (compliance agreements, etc.)	YES
e. Combined	YES
2. Sanction regimens:	YES
a. Financial penalties:	YES
✓ Political parties	YES
✓ Candidates	YES
✓ Donors	YES
b. Legal sanctions:	
✓ Political parties	Civil cases
✓ Candidates	
✓ Donors	
c. Administrative sanctions:	
d. Other sanctions:	Refers criminal cases to justice department
3. Provide examples of sanctions already applied:	Mostly fine, very few referrals
C. CULTURE OF COMPLIANCE AND PUBLIC OVERSIGHT	
a. Incentives for voluntary compliance:	Education
✓ Training of campaign workers	Holds seminars for finance operatives
✓ Technical assistance	YES
✓ Provision of material support	Provides software for compliance
✓ Subsidies for auditing services	NO
✓ Public education	YES
b. Public oversight of resources:	YES

✓ Names of participating civil society organizations	Can bring suits or testify at public hearings
✓ Initiatives of citizens	Can bring suits
✓ Other	
c. Cases of corruption? If yes, provide examples:	Mostly fines

V. INFORMATION ABOUT PARLIAMENTS	
1. Total cost to Parliament (Figures from general national budget and Parliament budget)	\$3.5 billion this fiscal year
2. Who is the parliamentary budget administrator?	Secretary of the Senate \$ 663.4 million; Chief Administrative Office of the House \$ 960 million (see attached V)
3. Cost of each Member of Parliament.	
a. Gross cost (divide total cost by number of Members of Parliament)	
b. Net Cost (salaries of Members of Parliament)	\$154,700 salaries of both Senate & House
4. Parliamentary services (costs of support services, advisors, secretaries, etc.)	Library of Congress General Accounting Office Congressional Research service c. 1.9 billion
5. Allocation of resources: caucus vs. individual.	
6. Access to other resources for parliamentary needs (special funds, resources from political party budgets, etc.)	

VI. LIST OF REGULATIONS ON FINANCING	
✓ Code of Federal Regulations enclosed 11CFR	
VII. BIBLIOGRAPHY LIST RELATED TO POLITICAL FINANCING	
✓ Attached	
VIII. OTHER ANNEXES	

(D-1) Limitations on Expenditures for Candidates accepting public financing—No limits if candidate opts out--

	<u>2004</u>	<u>2000</u>	<u>1996</u>	<u>1992</u>	<u>1988</u>	<u>1984</u>	<u>1980</u>
Primary (+ 20%)	\$36,480,000 \$43,776,000	\$33,780,000 \$40,536,000	\$30,910,000.00 \$37,092,000.00	\$27,620,000.00 \$33,144,000.00	\$23,050,000.00 \$27,660,000.00	\$20,200,000.00 \$24,240,000.00	\$14,720,000.0 0 \$17,664,000.0 0
Maximum entitlement	\$18,600,000	\$16,890,000	\$15,455,000.00	\$13,810,000.00	\$11,525,000.00	\$10,100,000.00	\$7,360,000.00
Convention	\$14,880,000	\$13,512,000	\$12,364,000.00	\$11,048,000.00	\$9,220,000.00	\$8,080,000.00	\$4,416,000.00
General	\$74,400,000	\$67,560,000	\$61,820,000.00	\$55,240,000.00	\$46,100,000.00	\$40,400,000.00	\$29,440,000.0 0
Party 441a(d)	\$15,721,000	\$13,680,292	\$11,994,007.30	\$10,331,702.92	\$8,291,453.80	\$6,924,802.40	\$4,637,653.76

Spending limits per statute:

Primary	\$10,000 + COLA = 'base' spending limit. Campaigns are also allowed to exempt 20% of fundraising costs from overall limit, which, in effect, raises their total spending limit by 20%. Legal accounting costs incurred to comply with the law are limited to 15% of the 'base' spending limit during the period the campaign is active. Once the campaign is over, all salary and overhead expenses may also be considered exem[pt to??] compliance.
Convention	\$4 million + COLA. Originally, the limit was \$2 million + COLA. The base was raised to \$3 million + COLA for the 1980 conventions; then to \$4 million + COLA for the 1984 conventions.
General	\$20,000,000 + COLA. Legal and accounting costs incurred to comply with the law are exempt from the limit and may be defrayed from private monies raised in separate compliance funds (subject to contribution limitations and prohibitions).
Party 441a(d)	\$.02 x VAP of U.S. + COLA. Commonly referred to as the coordinated party spending limit, this is the amount that the national party may spend on behalf of its nominee. The party may work in conjunction with the campaign, but the money is raised, spent, and reported by the national party committee. This limit only applies to the general election.

(NOTE: COLA is the cost-of-living adjustment [increase] over the base year of 1974.)

(E-1) Estimated Costs**PROPOSED PRESENTATION
OF CAMPAIGN COSTS**

Country	Year(s)	System	Costs in U.S. \$ Millions^a	Votes in Millions^b	Index
United States	1999-2000 election cycle	Presidential	607	105.4	13.7
		Congressional	1,006	99.5	18.1
		Party-federal	693	Some additional soft money & presidential issue ads were broadcast, part of the soft money & issues ads totals	
		Soft money	498		
		Issue ads	509		

^a Candice J. Nelson, "Spending in the 2000 Elections," in David B. Magleby (ed.), *Financing the 2000 Elections* (Washington, D.C.: Brookings Institution Press, 2002), Table 2-1, p. 24, based on Federal Election Commission compilations.

^b *Federal Elections 2000: Election Results for the U.S. President, the U.S. Senate and the U.S. House of Representatives*, Federal Election Commission, Washington, D.C., June 2001, pp. 4-5.

^c Total \$1,700 counting arbitrarily half to Presidential and half to Congressional equals \$850 each.

II. A & B**CAMPAIGN BROADCASTING**

Country	Allocation of Free Time	Costs of Paid Broadcasting
United States 2000 Elections	4 debate Hours presidential, general election, and two debate hours nationally televised for pre-nomination candidates, free time	\$1,000,000,000 ^a at all levels, not just Presidential

V.

Information about the FEC, the regulatory agency, more pertinent than information about Congress. In 2003 fiscal year, the FEC has a budget of \$49 million. Funding is appropriated by the Congress each year. There are currently 373 FEC employees: lawyers, accountants, administrators, and computer specialists. The Staff director is responsible for carrying out FEC actions, with the guidance and sanctions decided by six FEC Commissioners (three Democrats and three Republicans).

^a Includes hard and soft money, primary and general election, federal and non-federal, mostly at reduced rate.