

the contribution limitations and prohibitions of the Federal Election Campaign Act of 1971, as amended (FECA). Currently Federal Election Commission (FEC) regulations (11 CFR 106.5) allow political parties to raise and spend soft money in elections involving State and Federal candidates by providing an allocation formula between Federal and non-Federal expenses incurred by party committees.

These regulations, and limited additional guidance provided through advisory opinions, are the basis upon which party committees make expenditures and raise funds with respect to Federal and State elections. The use of soft money by party committees is largely based on the direction provided in these regulations.

Whatever the merit of these regulations at the time they were adopted, it has become abundantly clear today that they are no longer adequate to the task of regulating campaigns. The role of soft money has grown dramatically in the past several elections so that by the 1996 elections the two parties raised more than \$250 million, more than triple the total of 4 years before.

The current allocation system, in short, is simply outmoded. Accordingly, I propose that the FEC adopt new rules requiring that candidates for Federal office and national parties be permitted to raise and spend only "hard money"—funds subject to the restrictions, contribution limits, and reporting requirements of FECA.

The soft money ban I seek achieves similar goals as provisions of the "Bipartisan Campaign Reform Act of 1997," introduced by Senators John McCain and Russell Feingold, and Representatives Christopher Shays and Martin Meehan. Specifically, I am requesting that the FEC consider new rulemaking to accomplish the following:

1. Prohibit national political parties (and their congressional campaign committees or agents) from soliciting or receiving any funds not subject to the limitations or prohibitions of FECA. (This action would preclude, for example, contributions directly from corporate or union treasuries, or contributions from individuals in excess of the amount an individual can give to a national party's Federal account.)

2. Prohibit any Federal officeholder or candidate (and his or her agents) from soliciting or receiving any funds not subject to the limitations or prohibitions of FECA.

3. Provide that any expenditure by any national, State, or local political party during a Federal election year for any activity that influences a Federal election (including any voter registration or get-out-the-vote drive, generic advertising, or any communication that refers to a Federal candidate) must be paid for from funds subject to FECA. (This would end the allocation system, currently authorized by the FEC, under which hard and soft money are mixed for campaign activities that affect both State and Federal elections.)

These steps, available to you under your existing statutory authority, will enable our election laws to catch up with the reality of the way elections are financed today, and along with new campaign finance reform legislation, will take significant strides toward restoring public confidence in the campaign finance process.

Sincerely,

WILLIAM J. CLINTON

NOTE: This letter was released by the Office of the Press Secretary on June 5. An original was not available for verification of the content of this letter.

Statement on Requesting Federal Election Commission Action To End the Soft Money System in Domestic Politics

June 5, 1997

Today I have asked the Federal Election Commission to act, within its current legal authority, to end the soft money system. Currently, both parties compete to raise large sums from corporations, individuals, and labor unions.

There is too much money in politics, and the problem worsens with every election. This escalating arms race must stop, and I am determined that we will reform campaign finances, by every means we can.

June 5 / Administration of William J. Clinton, 1997

Such an action by the FEC cannot be a substitute for comprehensive campaign finance reform legislation, which is currently before the Congress. In my State of the Union Address, I challenged Congress to act by July 4th and pass bipartisan reform. That deadline is now one month away, and there is still time for Congress to move forward on this priority. I call on Congress to pass legislation that institutes voluntary spending limits, provides free broadcast time to candidates who abide by those limits, restricts special interest contributions, addresses independent expenditures, and bans soft money.

It is clear that the current campaign finance system has been overwhelmed by an unprecedented volume of money. If we are to restore the public's faith in our institutions and the political system, we must reform the campaign finance system. This request to the FEC makes clear my determination that, one way or another, we will see reform, and we will end the soft money. I want to work in the coming days with Members of Congress to pass bipartisan and comprehensive campaign finance reform.

Statement on Supplemental Disaster Assistance Legislation

June 5, 1997

By attaching a political wish list to the much-needed disaster relief legislation, the congressional majority has chosen politics over the public interest.

The people of the Dakotas and Minnesota have been hit hard by devastating floods. They, and the people in other States around the country that have suffered disasters, urgently need funds from the enactment of a straightforward disaster relief bill. I have asked the Congress for such legislation.

Instead, the Republican majority in Congress has insisted on attaching to this vital legislation political provisions that they know are unacceptable. Among them, the bill would violate our balanced budget agreement, cutting critical investments in education and the environment instead of providing important increases in investments in these and other areas. In addition,

it would prohibit the Commerce Department from taking steps to improve the accuracy and cut the costs of the year 2000 decennial census. There are other unacceptable provisions as well. None of them have any place in this legislation.

Disaster relief legislation is neither the time nor the place for these matters. Congress needs to appropriate this disaster relief, so communities can begin long-term recovery, and funds can continue for families to rebuild homes and businesses and farmers to dig out their fields to plant crops.

I call on the Republican leaders of Congress to keep the politics off disaster relief legislation. They should now, without delay, send me straightforward legislation without provisions that are not in the interest of the American people and that they know I will not accept.

Message to the Congress Transmitting a Report on Proliferation of Weapons of Mass Destruction

June 5, 1997

To the Congress of the United States:

As required by section 204 of the International Emergency Economic Powers Act (50 U.S.C. 1703(c)) and section 401(c) of the National Emergencies Act (50 U.S.C. 1641(c)), I transmit herewith a 6-month report on the na-

tional emergency declared by Executive Order 12938 of November 14, 1994, in response to the threat posed by the proliferation of nuclear, biological, and chemical weapons ("weapons of