

FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

Statement of Chair Ellen L. Weintraub

January 31, 2013

It is my honor to serve as the Chair of the Federal Election Commission for 2013. As we begin this new year, I would like to provide an overview of where the Commission is today and what we can potentially accomplish. It is no secret that the Commission faces many challenges. Commissioners disagree on certain fundamental issues, and those disagreements are not going away. That being said, there are many other areas where we should be able to find common ground. I am committed to doing so whenever possible.

The election of 2012 was record-breaking. Although we will not have final numbers until after 2012 Year-End Reports (due by Midnight tonight) are analyzed, our preliminary estimates indicate that approximately \$7 billion was raised and spent. Candidates spent about \$3.2 billion of this money, the parties spent approximately another \$2 billion, and other outside political committees appear to have spent over \$2.1 billion. Of the total spending by outside committees, approximately \$1.2 billion was spent by traditional PACs and \$950 million by super PACs who can raise and spend unlimited funds. Other individuals and entities spent over \$300 million just on advertising containing express advocacy. Although we are awaiting final data, it appears that non-party outside groups may have outspent the major parties for the first time – and there were a number of races where such groups outspent the candidates themselves.

We expect outside spending to continue to increase, but that trend may also hold for other types of spending, especially since the Commission just <u>announced</u> increases in

¹ Tallying election-related spending is not an exact science. For example, political committees use some of the funds they raise to make direct contributions to candidates or other committees, who then use the funds for expenditures. It is not clear whether such funds should be counted only when contributed or also when spent by the ultimate recipients. Such assessments can have a significant impact on the final number reported as having been raised or spent. In the months ahead, the Commission will perform more detailed analysis of the data coming out of the 2012 election cycle and I am confident that many other experts in the field will do the same, enhancing the utility of the data the Commission makes public.

² I use the term "super PAC" here to connote both IEOPCs and the soft money non-contribution accounts that political committees are allowed to establish pursuant to the Commission's interim guidance. *See* Reporting Guidance for Political Committees that Maintain a Non-Contribution Account, *available at* http://www.fec.gov/press/Press2011/20111006postcarey.shtml.

³ Because these individuals and entities do not have to file regular reports, we do not know their total amount of election-related spending.

a number of contribution limits indexed to inflation. Notably, the limits on individual and PAC contributions to candidates have increased to \$2,600 per candidate per election, and the limits on individual and PAC contributions to national party committees have increased to \$32,400 per calendar year. Likewise, the biennial limit for individual contributions to all candidates has increased to \$48,600, while the biennial limit for individual contributions to traditional PACs and parties has increased to \$74,600.

In keeping with the active 2012 election cycle, the Commission processed 11 million pages of documents filed during the 2012 calendar year. The vast majority of these reports were filed electronically and appeared on the website contemporaneously, in real time. The remaining reports – those filed on paper and those that were exceptionally large – took no more than a few days to be uploaded. Our website received over 4.75 million visits in calendar years 2011 and 2012, with close to 3 million in 2012 alone. This number reveals substantial interest in the information that the Commission collects and makes public. As the Supreme Court has observed, "[p]ublic disclosure ... promotes transparency and accountability in the electoral process to an extent other measures cannot." The public clearly agrees.

This year the Commission will have its work cut out for it. As of January 1, there were 370 pending enforcement, ADR, administrative fine, and audit matters – more than at any time since the Commission began tracking this statistic. By comparison, last year the Commission resolved 229 such matters.

Some of the matters currently pending before the Commission date back to previous election cycles and require prompt resolution. I believe that, absent extraordinary circumstances, no enforcement or audit matter should stretch over more than one full two-year election cycle. In the past five years, the Commission has worked hard to promote transparency and strengthen the procedural protections available to respondents and audited committees. I would like to see us bring that same energy to making sure that all matters before the Commission get resolved as expeditiously and effectively as possible. Excessive delays do a disservice to those appearing before us and to the wider public whom we serve. We must do better, and I believe we can.

I will also continue to work for progress on a number of critical rulemaking projects. I have long advocated that we initiate comprehensive rulemakings in the wake of *Citizens United* and the subsequent emergence of super PACs and other entities that can raise and spend unlimited funds.⁵ I hope that it will be possible for the Commission to move forward on some of these important issues. We have also begun discussing a rulemaking to update the Commission's rules governing electronic transactions. In the last year alone, we received six advisory opinion requests just on the issue of text message contributions. Significantly, we have seen that new technologies can empower

⁴ John Doe # 1 v. Reed, 130 S. Ct. 2811, 2820 (2010).

⁵ See Center for Individual Freedom v. Van Hollen, 694 F.3d 108 (D.C. Cir. 2012); Speechnow.org v. FEC, 599 F.3d 686 (D.C. Cir. 2010); Emily's List v. FEC, 581 F.3d 1 (2009); Carey v. FEC, 791 F. Supp. 2d 121 (D.D.C. 2011); see also Advisory Opinion 2010-11 (Commonsense Ten); Advisory Opinion 2010-09 (Club for Growth).

small donors. A rulemaking to explore and address technological developments could provide the Commission with the opportunity to seek information from a wide variety of stakeholders and should afford Commissioners another opportunity to collaborate.

These are but a few of the tasks the Commission has before it as we begin 2013. I encourage any member of the public who is interested in the work we do to visit our website, www.fec.gov. And I encourage anyone with suggestions on how we can better do our jobs and serve the public interest to contact me directly, at commissionerweintraub@fec.gov. I look forward to a productive year working with my colleagues, the Commission's staff, and the public.