

Amendment #766 – To End Taxpayer Subsidies for Party Conventions

Members of Congress are debating fewer bills, casting fewer votes, and holding fewer hearings. Meanwhile, important government agencies including the Department of Defense and the Government Accountability Office (GAO) are being targeted by Congress for spending reductions.

What Congress has not considered cutting is the budget for its own summertime parties.

This amendment would prohibit the use of money from the Presidential Election Campaign Fund (PECF) for future political party nominating conventions.

Similar legislation passed with a vote of 95 to 4 in the Senate as an amendment to the Agriculture Reform, Food, and Jobs Act of 2012 (S. 3240) in June 2012. The House of Representatives also passed H.R. 5912 in the 112th Congress, a bill approved by a vote of 310-95 to end future federal funding of political conventions. However, neither piece of legislation was signed into law by the end of the 112th Congress.

Politicians Partying on the Taxpayer Dime

Despite our \$16.4 trillion national debt, political parties received a \$36.6 million check (\$18.3 million per party) from taxpayers to pay for the costs of political conventions that occurred last summer. The funds that are used to cover the conventions come from the PECF.

According to the Congressional Research Service (CRS), “Federal law places relatively few restrictions on how PECF convention funds are spent, as long as purchases are lawful and are used to ‘defray expenses incurred with respect to a presidential nominating convention.’”¹ The money is, after all, essentially being used to throw a party.

Besides funding the event itself, the money is used to pay for entertainment, catering, transportation, hotel costs, “production of candidate biographical films,” and a variety of other expenses.²

¹ “Federal Funding for 2012 Presidential Nominating Conventions, *Congressional Research Service*, October 21, 2011, report provided to office of Senator Coburn, page 2.

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According to the Congressional Research Service (CRS), more than \$220 million in federal funds has gone toward party conventions between 1976 and 2012.

| Political Party Convention Disbursements (1976-2012) | |
|---|----------------------|
| Republican | \$106,815,236 |
| Democratic | \$110,818,889 |
| Other (Reform Party, 2000) | \$2,522,690 |
| | |
| Total | \$220,156,815 |

The Party's Over

It seems only fair if Congress is telling federal agencies to reduce extravagant spending, politicians should stop allocating taxpayer money for partisan political events.

Senator Mark Udall (D-CO) echoed this point when he said the following:

“Over the past several decades, political party nominating conventions have become elaborate celebrations devoted to partisanship. The American taxpayer should not be responsible for footing the bill for these partisan events.”

With a languishing recovery and unsustainable debt, there is no justification for spending public funds on booze, balloons and confetti. Passing this common sense legislation will demonstrate once and for all the party is over when it comes to travel and meetings paid for by the taxpayers.

Background about the President Election Campaign Fund (PECF) Checkoff

Federal funds that are used to pay for the political nominating conventions come from the Presidential Election Campaign Fund (PECF). The PECF is funded by a voluntary checkoff on tax returns. Individuals may elect to send \$3 of their tax bill to the fund rather than the general treasury, and married couples filing jointly may send \$6.

According to the Federal Election Commission, “The checkoff neither increases the amount of taxes owed nor decreases any refund due for the tax year in which the checkoff is made.”³ The following is copied from the 2011 IRS Form 1040.⁴

| |
|---|
| <p style="text-align: center;">Presidential Election Campaign</p> <p>Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.</p> <p style="text-align: center;"><input type="checkbox"/> You <input type="checkbox"/> Spouse</p> |
|---|

The Congressional Research Service notes the following:

“Although taxpayers may believe that how they answer the checkoff question affects the amount of tax they owe or the refund they receive, [d]esignating the allowed amount does not affect the amount of an individual’s tax liability or tax refund; it simply directs the Treasury Department to allocate a specific amount from general revenues to the PECF.’...In short, participating (or not) in the checkoff designation does not affect a taxpayer’s liability or refund. Rather, it allows taxpayers to direct a small portion of the taxes they pay to the PECF instead of the Treasury’s general fund.”⁵

Any expenditures from the PECF, therefore, are not funded by extra contributions from the taxpayers. They are funded by revenue that has been diverted from the general fund.

³ Public Funding of Presidential Elections, Federal Election Commission, updated February 2012, <http://www.fec.gov/pages/brochures/pubfund.shtml>

⁴ 1040 U.S. Individual Income Tax Return, Internal Revenue Service, 2011, <http://www.irs.gov/pub/irs-pdf/f1040.pdf>

⁵ “Public Financing of Presidential Campaigns: Overview and Analysis,” R. Sam Garret, Congressional Research Service, December 5, 2011, <http://www.crs.gov/pages/Reports.aspx?PRODCODE=RL34534&Source=search>