TESTIMONY OF PATRINA M. CLARK

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Thank you, Madam Chairman, Ranking Member Bennett, and Members of the Committee. I am Patrina M. Clark, Staff Director of the Federal Election Commission. I am pleased to have this opportunity to address you on behalf of the Commission and to answer your questions about electronic filing of campaign finance reports.

There is bipartisan support from all six Commissioners for electronic filing of Senate campaign finance reports. Years of experience with a variety of campaigns and committees have shown us that electronic filing is secure and efficient for committees, streamlines processing for the Commission, and provides fast and comprehensive disclosure of campaign finance activity to the public. The infrastructure we have developed over these years has been able to process effectively the largest reports from national party committees and Presidential campaigns, and we are confident that it will handle all Senate filings as well.

In January of 1999, PriceWaterhouseCoopers performed a Technology and Performance Audit and Management Review of the FEC. This audit, which examined all Commission programs and procedures, included mandatory electronic filing as one of its 21 efficiency recommendations. We have seen the benefits of this process with the political committees who file reports with us and would encourage the extension of the program to Senate filers as well. In fact, the Commission has included a recommendation for mandatory electronic filing in its annual legislative recommendations sent to Congress and the President for many years. I have attached for the record a copy of the Commission's 2007 proposal.

Under current law all federal House and Presidential candidates, Political Action Committees, and party committees who file directly with the FEC submit their reports electronically once they reach a specified level of activity. During the ten-year history of the Commission's electronic filing program, we have received hundreds of thousands of electronic reports from nearly 7,000 committees disclosing approximately $10 billion in financial activity. The FEC's electronic filing system reduces the workload for the campaigns and committees who are filing these reports and streamlines the Commission's work in ensuring compliance with the Federal Election Campaign Act.

Campaigns and committees, the vast majority of whom keep all of their financial records in computer files, are able to submit reports quickly with immediate, detailed confirmation from the Commission that the filing was properly received. There is no need to print and transmit hundreds or thousands of pages of reports, with the attendant expense or risk of loss or delay.

Within the Commission, electronic filings allow us to provide comprehensive disclosure in the shortest possible time. The public can access individual reports within minutes of their arrival at the FEC. The flexibility provided by computer data allows for a more comprehensive and detailed understanding and analysis of the material being submitted.

The electronic filing process helps us be more efficient in nearly all other aspects of our work. We are able to make greater use of computer resources in our review of reports, which allows us to communicate with committees more quickly if we have questions, leading to a more accurate public record. Audits can be conducted more effectively because more and better analysis of committee information is possible before any field work must be done. In addition, research related to enforcement matters can be undertaken more efficiently where required. We are confident that the implementation of electronic filing for Senate reports would result in real cost savings because we will no longer need outside contractors to manually process data-entry, which can take up to 30 days.

Electronic filing offers other advantages given the stricter security procedures implemented over the last several years to handle regular mail received by government agencies. Due to these security measures, the actual receipt by the Senate of mailed paper filings made by Senate campaigns is delayed.

Madam Chairman, thank you again for the opportunity to present the Commission's experience with electronic filing and its view on this important legislation. The FEC has an electronic filing process in place that works to the benefit of political campaigns, the FEC, and the public, and we look forward to working with you and your staff as you bring the Senate into this process.