



## NEWS RELEASE

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The New Jersey Election Law Enforcement Commission (N.J.- ELEC) has called on Governor Thomas H. Kean and the State Legislature to adopt legislation setting forth standards for the use of surplus campaign funds.

According to Frederick M. Herrmann, Executive Director of the Commission, the Commissioners are urging state law makers to enact legislation that would prohibit personal use of leftover campaign funds and clearly set forth how these funds may be used.

The Commission made its position known in a letter sent to the Governor and leaders of the Legislature. The members of the Commission are Chairman Stanley G. Bedford, Vice Chairman Owen V. McNany, III, Andrew C. Axtell, and David Linett.

Herrmann said, "the Federal Campaign Act deals directly with these questions and expressly prohibits the personal use of leftover campaign funds. It is time that the issue of surplus funds be addressed in New Jersey."

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Herrmann noted that the Commission has tried to deal with some of these questions by adopting regulations and issuing advisory opinions, but believes that it is the duty of the Legislature to make these policy decisions for the people of New Jersey.

The Commission's regulation prohibits the personal use of surplus campaign funds. It permits such funds to be used to pay campaign debts, to repay contributors, and to repay loans. It also permits surplus campaign funds to be used for charitable purpose, for future campaigns, and for transmittal to other candidates.

"Despite this regulatory language," said Herrmann, "there is considerable uncertainty with respect to how these funds may be used. The law is quite vague, merely requiring that a final accounting as to the disposition of funds be made to N.J.- ELEC."

Herrmann added that the letter from the four commissioners states that the Campaign Act does not specifically prohibit personal use nor does it set forth how these funds may be used. He said, moreover, that the Act does not give the Commission jurisdiction over the issue of whether or not these campaign funds can be used to support legislative district office operations.

"The Act simply ignores the question of whether or not a legislator can use excess campaign funds to support his or her district office, or for any other ordinary expense of holding public office," said Herrmann. "The Commission has traditionally felt that it had no jurisdiction to regulate in this area."

Herrmann said that the Act also fails to define how remaining campaign funds are to be dispensed upon a candidate's death.

"The Commission believes that the law must indicate whether surplus funds can pass through a deceased candidate's estate or whether those funds should escheat to the State," continued Herrmann.

According to the letter, the Commission has attempted to deal with the question of surplus funds for several years and has written to legislative leadership about it on two previous occasions.

"There is no doubt among the Commissioners," concluded Herrmann, "that the Legislature and Governor must address this issue."

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