



NEWS RELEASE

CONTACT: FREDERICK M. HERRMANN, Ph.D.
EXECUTIVE DIRECTOR
(609) 292-8700

FOR RELEASE: IMMEDIATELY
May 8, 1989

Frederick M. Herrmann, Executive Director of the Election Law Enforcement Commission (ELEC), today called for reform of New Jersey's Personal Financial Disclosure (PFD) Act.

"The PFD law," said Herrmann, "should be amended to require legislative and gubernatorial candidates to report the amounts of honoraria, reimbursements, and gifts they received during the previous year."

"The law should also be changed to provide for a uniform reporting threshold for each of these earned income categories," continued Herrmann.

Only the sources of honoraria and reimbursements over \$100, and gifts worth more than \$250 are now reportable.

In making the proposal, Herrmann reiterated recommendations that have been made by the Commission on numerous occasions in the past.

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"As it stands, the PFD law is almost worthless," said Herrmann. "To make it a meaningful law that provides useful information to the public, the Legislature must reform it to require disclosure of how much money in honoraria, reimbursements and gifts has been received by legislative and gubernatorial candidates.

"The reporting of the source of a gift without an amount makes it impossible for the public to distinguish the receipt of a Rolex watch from a Rolls-Royce automobile," Herrmann remarked.

On April 24, 1989, 170 out of a total field of 212 gubernatorial, special Senate, and Assembly candidates filed PFD reports with the Commission

According to statistics compiled by ELEC, gubernatorial and legislative candidates reported receipt of 57 honoraria, 72 reimbursements and 23 gifts in 1988.

Six gubernatorial candidates reported receiving 37 honoraria and 11 Assembly candidates reported receiving 20 honoraria. A total of two gifts were reported by two gubernatorial candidates while 21 gifts were reported by 16 Assembly candidates. Finally, five gubernatorial candidates received 12 reimbursements and 34 Assembly candidates received 60 reimbursements.

On the basis of party, two Democratic gubernatorial candidates reported

receiving 31 honoraria while four Republican gubernatorial candidates reported six honoraria. Four Democratic Assembly candidates reported 13 honoraria and seven Republican Assembly candidates reported seven honoraria.

There were no Democratic gubernatorial candidates reporting gifts, but two Republican gubernatorial candidates reported receiving two gifts. Eight Assembly Democratic candidates received a total of 11 gifts, while eight Assembly Republican candidates received ten gifts.

Two Democratic gubernatorial candidates reported two reimbursements; whereas, three Republican gubernatorial candidates reported reimbursements in the amount of ten. Sixteen Democratic Assembly candidates reported 35 reimbursements, 16 Republican Assembly candidates reported 22 reimbursements, and two independent Assembly candidates reported three reimbursements.

Incumbents in the Assembly received the majority of honoraria, reimbursements, and gifts. Eight incumbents received 17 honoraria compared with three honoraria received by three challengers. Fifteen incumbents and one challenger reported 20 gifts and one gift respectively. Twenty incumbents and 14 challengers reported 44 and 16 reimbursements respectively.

There is no incumbent candidate for Governor, therefore all totals are for challengers for the Governor's Office.

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"These statistics make it abundantly clear that the law must be changed to require amounts to be disclosed," said Herrmann. The law should also require the disclosure of the employer as well as the currently reported name and home address of the person passing the benefit to the candidate.

Because the PFD Act mandates the disclosure of "personal benefits" given to candidates, it may even be more important than the Campaign Act that requires disclosure of campaign contributions. "The appearance and possibility of impropriety is much greater when the benefit goes directly to a candidate for personal use rather than to his or her campaign for election use," Herrmann commented.

Herrmann said that ELEC continues to advocate reform of the "Personal Financial Disclosure Act" to enhance the public's trust in government and to assure that the important goal of an informed electorate is met.

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Total Honoraria, Gifts, and
Reimbursements Reported by 1989
Gubernatorial and Assembly Candidates

	no. candidates	no. candidates <u>filing</u>	no. candidates <u>reporting</u>	total items <u>reported</u>
Honoraria	212	170	17	57
Gifts	212	170	18	23
Reimbursements	212	170	39	72

Honoraria of \$100 or more (Gubernatorial)

	<u>no. candidates</u>	<u>no. reporting honoraria</u>	<u>total honoraria</u>
Total	16	6	37
Democrats	3	2	31
Republicans	8	4	6
<u>Independents</u>	<u>5</u>	<u>0</u>	<u>0</u>
Incumbents	0	0	0
Challengers	16	6	37

Honoraria of \$100 or more (Assembly)

	<u>no. candidates</u>	<u>no. reporting honoraria</u>	<u>total honoraria</u>
Total	193	11	20
Democrats	82	4	13
Republicans	100	7	7
<u>Independents</u>	<u>11</u>	<u>0</u>	<u>0</u>
Incumbents	75	8	17
Challengers	118	3	3

Gifts of \$250 or more (Gubernatorial)

	<u>no. candidates</u>	<u>no. reporting gifts</u>	<u>total no. gifts</u>
Total	16	2	2
Democrats	3	0	0
Republicans	8	2	2
<u>Independents</u>	<u>5</u>	<u>0</u>	<u>0</u>
Incumbents	0	0	0
Challengers	16	2	2

Gifts of \$250 or more (Assembly)

	<u>no. candidates</u>	<u>no. reporting gifts</u>	<u>total no. gifts</u>
Total	193	16	21
Democrats	82	8	11
Republicans	100	8	10
<u>Independents</u>	<u>11</u>	<u>0</u>	<u>0</u>
Incumbents	75	15	20
Challengers	118	1	1

Reimbursements of \$100 or more (Gubernatorial)

	<u>no. candidates</u>	<u>no. reporting reimbursements</u>	<u>total no. reimbursements</u>
Total	16	5	12
Democrats	3	2	2
Republicans	8	3	10
<u>Independents</u>	<u>5</u>	<u>0</u>	<u>0</u>
Incumbents	0	0	0
Challengers	16	5	12

Reimbursements of \$100 or more (Assembly)

	<u>no. candidates</u>	<u>no. reporting reimbursements</u>	<u>total no. reimbursements</u>
Total	193	34	60
Democrats	82	16	35
Republicans	100	16	22
Independents	11	2	3
Incumbents	75	20	44
Challengers	118	14	16