



## NEWS RELEASE

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### PRESS RELEASE

A new study released by the Election Law Enforcement Commission (ELEC) reveals that between the 1985 and 1989 general elections special interest political action committees (PACs) increased their contributions to Assembly candidates by 77 percent.

According to the Commission's latest White paper entitled Is There A PAC Plaque In New Jersey?, special interest PACs gave \$1.3 million to Assembly candidates in 1985 and \$2.3 million to the same group in 1989.

"These amounts represent 18 and 20 percent of the total contributions made to Assembly candidates in these years," said Frederick M. Herrmann, the Commission's Executive Director. "The PACs, therefore, made the greatest proportion of total Assembly contributions of any contributor type."

Moreover, Herrmann said that the total number of PACs during the four-year period under study increased 38 percent going from 216 PACs in 1985 to 297 in 1989.

Herrmann pointed out, however, that "despite this data the paper did not conclude that there is a 'PAC plague' in New Jersey, or that the PACs are individually responsible for driving up the cost of elections in the garden state."

The 91-page study shows that other contributor types also increased their financial activity during this period. For example, political parties increased their proportional share of contributions between 1985 and 1989 from 14 to 17 percent. Political committees, mainly the Legislative party committees, increased their share of the contributions from 11 percent to 18 percent.

In addition, the study shows that these non-PAC contributors were as responsible or even more responsible than the PACs for the increase in overall contributions to Assembly candidates between these years. For example, the political parties accounted for 23 percent of the overall increase in Assembly contributions, a proportion equal to that of the PACs. What is more, the political committees actually surpassed the PACs by accounting for 30 percent of the overall increase in Assembly contributions.

Herrmann added, "the paper found also that the PACs did not dominate contributor activity relative to the State political parties or Legislative party committees, nor did they display a pattern of giving that was any different than other contributor types."

"All contributor types including corporations and unions that may make direct contributions in New Jersey gave primarily to incumbents and to candidates in targeted districts," continued Herrmann. "This pattern led all contributor types, not just the special interest PACs, to fund Assembly winners predominantly."

Although the Commission did not pin sole responsibility for spending increases on the PACs, and suggested, instead, that increases in campaign spending have resulted also from the changed nature of modern campaigning; it did, nevertheless, strongly suggest reforms to the system that would tighten the rules relative to special interest activity.

"The fact that PACs are only part of the problem with our campaign financing system," Herrmann commented, "does not mean they should not be more closely regulated than they are today."

Herrmann said that the Commission believes that all corporations and unions should be banned from making direct contributions. He said that the increased overall number of PACs that might result from this ban should be subjected to a strict PAC registration program and tighter disclosure rules.

Herrmann added also that the Commission suggests that contribution limits on PAC giving be imposed and that adequate funding be provided to a hamstrung ELEC so that the suggested reforms could be enforced. He noted that "reform without adequate financing of ELEC would be no reform at all."

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