

NEWS RELEASE

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Frederick M. Herrmann, Executive Director of the New Jersey Election Law Enforcement Commission (ELEC), has announced the publication of <u>State Parties and Legislative Leadership Committees</u>: An Analysis 1994-1995.

In a statement made today, Herrmann said that the study, the eleventh in a series of White Papers produced by the Commission, contains recommendations for reforming laws pertaining to Legislative Leadership Committees and State Party Committees.

"The Commission undertook a thorough analysis of the financial activity of Legislative Leadership Committees and State Party Committees during 1994 and 1995, the first two years of the existence of the new campaign law," said Herrmann. "ELEC thoroughly analyzed contributor and expenditure activity for both types of entities."

There are four Legislative Leadership Committees. The Senate President, the Senate Minority Leader, the Assembly Speaker, and the Assembly Minority Leader are each allowed by law to establish one. The two party committees are the Republican State Committee and the Democratic State Committee.

According to Herrmann, the Commission is not recommending the abolition of Legislative Leadership Committees. Rather, it is recommending several, significant modifications of the law regulating them that ELEC believes will enhance trust in the process.

"A major change recommended by the Commission," Herrmann said, "is to reduce the limit for contributions made to Leadership Committees from \$25,000 per year to \$10,000 per year."

Herrmann stated, "the analysis indicates that 98 percent of all contributions to these committees were in amounts of \$10,000 or less. This reform would accomplish two goals: it would eliminate the perception, if not reality, of undue influence over such committees and it would still permit them to promote effectively the campaigns of their candidates preserving their constitutionally guaranteed right of free speech"

The Commission recommended also that the name Legislative Leadership Committee be changed to Legislative Party Committee to reflect the true nature of these entities as more akin to parties than special interests and that changes be made to the legal language structuring these committees to emphasize that they should function democratically allowing "reasonable participation" of a party's membership.

Herrmann said that it is the sense of the Commission that Legislative Leadership Committees "play a useful role in the political and governmental process and may actually serve to offset potential influence special interests may gain over individual candidates."

He continued: "The Leadership Committees help to balance the influence of the Executive Branch over Legislators and can help to bring discipline and cohesion to the legislative process in an age when campaigns are becoming more and more candidate-centered."

Overall, the study recommends changes that would maintain the strength of the political parties, while reducing the appearance or possibility of corrupting candidates. ELEC believes that a vigorous party system is a vital part of our political process and that the potential that party activity will corrupt candidates is minimal.

Herrmann said: "The Commission is recommending that the annual contribution limit to the State Party Committees be reduced from \$25,000 to \$15,000, a figure that is lower than in current law but one that would be higher than for other entities."

"The \$15,000 limit," said Herrmann, "would not seriously inhibit overall fundraising, in that 96 percent of all contributions to the parties were in denominations of \$15,000 or less, with most, 86 percent, being \$5,000 and under."

"Reducing the contribution limit to \$15,000, yet maintaining it at a higher level than for other entities, simultaneously helps to strengthen the political parties, which are broad—based in nature, and helps to ease the possible perception that big money contributors are circumventing contribution limits to candidates by making large contributions to the parties," he said.

The Commission is recommending also that the current \$50,000 annual contribution limit relative to giving to the State Parties by the National Parties be eliminated and that the State Party Committees should continue to be unrestricted in the amount of money they give to their candidates.

Press copies of the report are available in the Commission's public room. The final copy of the paper will be distributed in a few weeks to the public and interested parties.