



NEWS RELEASE

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P.O. Box 185
Trenton, New Jersey 08625-0185

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CONTACT: FREDERICK M. HERRMANN, Ph.D.
EXECUTIVE DIRECTOR

FOR RELEASE:

October 25, 2006

PRESS ADVISORY

Executive Director Frederick M. Herrmann announced today that the New Jersey Election Law Enforcement Commission is proposing new rules to implement recently-enacted legislation requiring "pay-to-play" disclosure of contributions by business entities. Herrmann noted that the proposal is in response to P.L.2005, c.271 (Chapter 271), which requires that a business disclose its political contributions in two ways: to the government entity awarding a contract having a value in excess of \$17,500.00 where the contract is not awarded pursuant to a "fair and open" process, and to the Commission in an annual report if a business entity has received \$50,000.00 or more in a calendar year as a result of a contract or contracts with New Jersey government entities.

Herrmann explained that the disclosure requirements of Chapter 271 are applicable to entities doing business at all levels of New Jersey government, including school boards and fire districts.

According to Herrmann, among other provisions, the proposed new rules:

- Define terms specifically applicable to the "pay-to-play" disclosure legislation such as "business entity," "interest," "director," "officer," "public entity," and "State agency";
- Reiterate definitions contained in the New Jersey Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1 *et seq.* and Commission regulations, N.J.A.C. 19:25-1 *et seq.*, such as "candidate committee," and "legislative leadership committee," among others;

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- List the requirements and conditions for disclosure of political contributions by a business entity to a government entity prior to entering into a contract with such government entity;
- Describe the rules regarding disclosure of political contributions by a business entity in an annual disclosure statement to the Commission;
- Clarify that only “contributions reportable by the recipient” must be disclosed;
- Provide procedures to allege a violation of the “pay-to-play” disclosure law; and,
- Recite the Commission’s statutory authority to impose penalties if a business entity fails to provide disclosure as required by Chapter 271.

The proposed new rules will appear in the New Jersey Register on November 6, 2006, and are currently available on the Commission’s website at www.elec.state.nj.us. Copies of the Commission’s proposal may also be obtained by calling the Commission at (609) 292-8700.

The Commission will conduct a hearing to elicit public comment concerning the proposal on **Tuesday, November 21, 2006** at 11:15 A.M. at:

Election Law Enforcement Commission
Edward J. Farrell Memorial Conference Room
28 West State Street, 12th Floor
Trenton, New Jersey

The Commission invites participation in this hearing and requests that any testimony be limited to no more than ten minutes. Persons wishing to testify at the **November 21, 2006** hearing are requested to reserve time to speak by contacting Administrative Assistant Elbia L. Zeppetelli at (609) 292-8700 no later than Friday, November 17, 2006.

Submit written comments by January 5, 2007, to:

Michelle R. Levy, Associate Legal Director
Election Law Enforcement Commission
P. O. Box 185
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