



NEWS RELEASE

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The New Jersey Election Law Enforcement Commission announced today that the time has come for setting limits on contributions to legislative candidates, but they should not be set too low.

In a statement, Frederick M. Herrmann, Executive Director of the Commission, said contribution limits that are too low might encourage people to go outside of the system. He said that unrealistic limits might also face a constitutional challenge.

"Reasonable contribution limits," said Herrmann, "would prevent the appearance and perhaps reality of impropriety, but still permit candidates to raise enough money to get their message out to the electorate."

The Commission's sentiments were made known in the context of releasing its first in a new series of white papers, which is designed to focus attention on various issues affecting campaign finance.

The first white paper discusses the issues of contribution limits and prohibited contributions. The paper discusses the arguments for and against limitations on campaign contributions and contains a recommendation by the Commission that limits be enacted.

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In order to assist the Legislature in determining a reasonable level for imposing contribution limits, the Commission has compiled a variety of statistical data.

Herrmann said that in the legislative primary and general elections of 1985, contributions over \$2,500 amounted to only two percent and five percent of the total amount given respectively. In primary 1987, only three percent of all contributions were more than \$2,500.

"Conversely," added Herrmann, "the percentage of contributions under \$500 in these elections was 78 percent, 67 percent, and 76 percent respectively."

Herrmann said that in the 1985 primary and general elections, the average contributions were \$425 and \$769 respectively. The mean contributions were \$200 and \$250. In the 1987 primary, the average contribution was \$531 and the mean contribution \$200.

The highest PAC contributions in primary and general elections 1985 were \$2,000 and \$10,000. In primary 1987 it was \$5,000. "The Commission" Herrmann explained, "supports the concept of contribution limits, provided that they are reasonably high enough to permit candidates to run effective campaigns."

"Just as important to the governmental process as eliminating undue influence is permitting candidates for the legislature to become known to the voters," he said. "Reasonable contribution limits would accomplish this goal because candidates would be able to raise enough money to run effective campaigns."

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In addition to an analysis of contribution limits, the white paper also analyses the issue of prohibiting certain types of contributors. In New Jersey, certain types of regulated industries, such as banks, insurance companies and utility companies, are prohibited from making campaign contributions.

A second recommendation by the Commission calls for a ban on contributions from all corporations and labor unions, except through political action committees (PACs). The Commission is also recommending that it receive an adequate appropriation to enforce its recommended changes in the law.

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