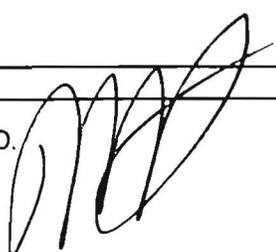# NEWS RELEASE

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FOR RELEASE:
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Frederick M. Herrmann, Executive Director of the Election Law Enforcement Commission (ELEC), announced today that lobbying expenditures for the 1988 calendar year totaled $10,549,775.

According to Herrmann, the 1988 total represents a 36 percent increase over the 1987 annual total of $7,737,950.

Herrmann said that ELEC received 502 lobbying reports for the 1988 calendar year which represents a 26 percent increase over 1987 when only 397 reports were received.

"These reports depict the current trend of increasing lobbying expenditures," stated Herrmann, "however, they do not give us the true impact of lobbying activity in the State because of a major loophole in the law."

Presently, the law does not require lobbyists to disclose expenditures made on behalf of public officials unless the expenditures are made "expressly" for the purpose of lobbying on a particular piece of legislation. This loophole decidedly distorts the true extent of lobbying activity in Trenton because it completely ignores good-will lobbying. "The situation is not only unrealistic but also unenforceable," said Herrmann.

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Herrmann stated that since 1982, the Commission has repeatedly called for the Legislature to amend the "Legislative Activities Disclosure Act" to require the reporting of expenditures that personally benefit officeholders.

"Until the 'expressly' loophole is closed," said Herrmann, "New Jersey cannot have a truly meaningful law that champions full disclosure of lobbying activity. To assure open and honest government, disclosure must go beyond the reporting of expenditures made only in the context of direct communications specifically made for the purpose of influencing the passage or defeat of particular legislation." Herrmann said that it is estimated that an appropriation of $250,000 would be required to enforce such a meaningful lobbying law.

The portion of lobbying expenditures attributed to the passing of benefits, but only as the result of direct communication with legislators, the Governor, and his staff on particular bills totaled $23,493, an amount that is 17 percent less than the 1987 figure of $28,180. This year is the second consecutive one that this figure has decreased, while total spending on lobbying has risen.

"A concerned citizen might wonder why the value of benefit passing keeps dropping, while total spending keeps increasing," Herrmann commented. "The loophole," he said, "may be widening."

"Indeed, lobbyists do provide the information they are required to by law," continued Herrmann, "however, disclosure of benefit passing is what the public really needs to know, because this activity carries with it the potential for influencing lawmaking. It's not the talking but the treating that must be revealed."

Other detailed expenditures reported by lobbyists include: $330,939 for distributing materials, $148,783 for traveling, $94,474 for hosting special events, and $136,974 for paying membership dues.

Lobbyists are required to file an annual report with ELEC by February 15 if they have exceeded $2,500 in contributions or expenditures for the purpose of affecting legislation. These reports list the contract lobbyists retained, specific bills lobbied, as well as detailed receipts and expenditures.

In addition, quarterly reports of lobbying activity are filed separately with the Attorney General. "Consolidating filings would improve efficiency and effectiveness," stated Herrmann. He added, "administration and enforcement of the program should rest solely with ELEC so that lobbyists and the public alike do not have to divide attention between two governmental entities."

Currently, a number of bills are before the Legislature that contain the Commission's recommendation for improving the law.

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All figures in this release are based upon a preliminary review of reports submitted by lobbyists and legislative agents and are subject to change.