



## NEWS RELEASE

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The New Jersey Election Law Enforcement Commission (ELEC) has approved a report calling for reform of New Jersey's lobbying disclosure law, according to Frederick M. Herrmann, the Commission's Executive Director.

In an 111-page report entitled White Paper Number Five: Lobbying Reform, the Commission has recommended that "goodwill lobbying," "executive branch lobbying," and "grassroots lobbying" be disclosed. It also has called for the lobbying of legislative staff to be reportable, for the lobbying law to be enforced by one agency instead of two, and for adequate funding to be provided to administer the law.

"The Commission recognizes that lobbying is a constitutionally protected right that in many essentials is good for the governmental process," said Herrmann. "At the same time, however, it recognizes that organized lobbyists have a disproportionate influence over this process and should be subject to functional disclosure laws."

"Lobbyists can mount informed, organized, and well-financed efforts to influence the governmental process," continued Herrmann. "Individual citizens, on the other hand, cannot. Lobbyists most certainly should be required to provide complete disclosure of their activity on behalf of special interests. The citizens of New Jersey have the right to know how their government conducts its business."

Statistics compiled by the Commission show that lobbying not only is a big business but also one that is growing significantly in the Garden State. For instance, the Commission received 502 lobbying reports for 1988. By comparison, the Commission received only 232 reports for 1981, the first year that lobbyists were required to report under the "Legislative Activities Disclosure Act."

Lobbying expenditures during this period followed the same pattern, increasing by 250 percent between 1981 and 1988. They went from \$3 million in 1981 to \$10.5 million in 1988.

According to Herrmann, these figures, though they leave in doubt - because of the current loopholes in the law - the true amount of money actually being spent on influencing State government and public officials, indicate that lobbyists are spending large sums in New Jersey to influence the governmental process.

"Because this big expenditure of money does not even come close to telling the whole story," continued Herrmann, "it is absolutely essential that a working disclosure law be enacted to insure that the public has an accurate picture of the extent of activity undertaken by lobbyists to influence public policy."

"These well-financed interests are passing various benefits to our public officials while lobbying them," said Herrmann. "In order for the public's trust in the system to be restored, this activity must be disclosed completely. It is not only the talking that needs to be revealed, but also the treating."

In its study, the Commission sets forth several recommendations for statutory reform that it believes would enhance disclosure.

ELEC is recommending that all expenditures made by lobbyists which benefit the Governor or legislators, members of the Governor's or Legislature's staff, or other executive branch members should be reportable. It believes that this "goodwill lobbying" activity should be reported as well as expenditures made only in the context of discussions on specific pieces of legislation - thereby closing the so-called "expressly" loophole.

The Commission is also suggesting that "grassroots lobbying" activity, which involves mobilizing broadbased support in favor or opposition to legislation or administrative actions, should be disclosed.

Among the recommendations is a call for the lobbying of members of the Executive Branch regarding administrative rules, regulations, and procurement to be disclosed.

The Commission is also advocating that the "Legislative Activities Disclosure Act" be enforced by ELEC without any civil jurisdiction on the part of the Attorney General and that lobbyists be required to report their financial activity to ELEC on a quarterly rather than an annual basis. The current dual reporting system with its annual and quarterly filings is confusing and inefficient.

Finally, the Commission is recommending that any improvements in the lobbying law be adequately funded so that sufficient staff and support services can be acquired to undertake essential enforcement. "Reform without the necessary financing," Herrmann remarked, "is no reform at all."

"With this report," said Herrmann, "the Commission is offering recommendations that would place New Jersey at the forefront of lobbying regulation and disclosure. Nothing less than the credibility of the political system is at stake."