

19. 44B-1 to 19. 44B-10

LEGISLATIVE HISTORY CHECKLIST

NJSA 19:44B-1 to 19:44B-10 (Candidates for Governor or Legislature--
financial disclosure)

LAWS 1981 CHAPTER 129

Bill No. S1286

Sponsor(s) Yates

Date Introduced May 15, 1980

Committee: Assembly State Govt., Federal & Interstate Relations & Veterans Affairs
Senate State Govt., Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes ~~No~~ Amendments during passage
denoted by asterisks

Date of Passage: Assembly March 26, 1981
Senate Jan. 22, 1981

Date of approval May 1, 1981

Following statements are attached if available:

Sponsor statement	Yes	No
Committee Statement: <u>Assembly</u>	Yes	No
<u>Senate</u>	Yes	No
Fiscal Note	Yes	No
Veto Message	Yes	No
Message on signing	Yes	No

Following were printed:

Reports	Yes	No
Hearings	Yes	No

See newspaper clipping (attached)

6/22/81

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- 5-1-81
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SENATE, No. 1286

STATE OF NEW JERSEY

INTRODUCED MAY 15, 1980

By Senator YATES

Referred to Committee on State Government, Federal and
Interstate Relations and Veterans Affairs

AN ACT requiring the filing of financial disclosure statements by
candidates ***for the office of Governor and*** for the Legislature
and supplementing Title 19 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. As used in this act:

2 a. "Gift" means any money or thing of value received other
3 than as income, and for which a consideration of equal or greater
4 value is not received, but does not include any political contribution
5 reported as otherwise required by law, any loan made in the
6 ordinary course of business, or any devise, bequest, intestate estate
7 distribution or principal distribution of a trust or gift received
8 from a member of a person's household or from a relative within
9 the third degree of consanguinity of the person or his spouse, or
10 from the spouse of that relative;

11 b. "Income" means any money or thing of value received, or to
12 be received, as a claim on future services, whether in the form of
13 a fee, expense, allowance, forbearance, forgiveness, interest, divi-
14 dend, royalty, rent, capital gain, or any other form of recompense,
15 or any combination thereof;

16 c. "Member of household" means the spouse of ***a candidate*
17 *for the office of Governor or of*** a candidate for the Senate or
18 General Assembly residing in the same domicile and any dependent
19 children.

1 2. Every candidate ***for the office of Governor and every candi-*
2 *date*** for the Senate or General Assembly shall file ***and certify*

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

3 *the correctness of* a financial disclosure statement, within 10
 4 days of his filing a declaration of candidacy or a petition to appear
 5 on the ballot as provided in this act *on or before the tenth*
 6 *day following the last day for filing a petition to appear on the*
 7 *ballot, and the financial disclosure statement shall be filed* with the
 8 Election Law Enforcement Commission in the Department of Law
 9 and Public Safety.

1 3. *Within 120 days of the effective date of this act, the*
 2 *The* commission shall prepare and transmit *to each candidate*
 3 *for the office of Governor and* to each candidate for the Senate
 4 or General Assembly forms for the filing of financial disclosure
 5 statements required by this act.

1 4. Financial disclosure statements shall include the sources
 2 of income received from sources other than the State during
 3 the preceding calendar year by the candidate and members of
 4 his household. Without disclosing the amounts of income
 5 *and*, gifts, *reimbursements, and holdings*,
 6 the statements shall include the following:

6A a. Each of the following categories of earned income totalling
 7 more than \$1,000.00: salaries, bonuses, royalties, fees, commissions
 8 and profit sharing received as an officer, employee, partner or
 9 consultant of a named corporation, professional association, part-
 10 nership or sole proprietorship;

11 b. Each of the following categories of unearned income totalling
 12 more than \$1,000.00: rents, dividends and other income received
 13 from named investments, trusts and estates;

14 c. Fees and honorariums totalling more than \$100.00 received
 15 from named payers for personal appearances, speeches or
 16 writings;

17 d. Reimbursements totalling more than \$100.00 for travel, sub-
 18 sistence or facilities provided in kind received from named payers
 19 or providers other than the State, any political subdivision thereof,
 20 a principal employer, or a nonprofit organization; *and*

21 e. Gifts having a value totalling more than \$250.00 received from
 22 named donors *.*; *and*

23 *f. Ownership, holding, or control of an interest in any land or*
 24 *building in any city in which casino gambling is authorized, which*
 25 *land or building shall be specified.*

1 5. *a. Any official of the State or of any local government unit*
 2 *who in the performance of his duties received from any person*
 3 *a declaration of candidacy, or, petition to appear on the ballot for*
 4 *election, as a member of the Legislature* *Upon receipt from*
 5 *any person of a declaration of candidacy or a petition to appear on*

6 *the ballot for election as Governor or as a member of the Legisla-*
 7 *ture, the Secretary of State** shall**,** within 2 days of the re-*
 8 *ceipt**,** notify the commission of the name ***and address*** of*
 9 *the candidate and the date of the receipt.*

10 ****[b.** The commission shall notify the nominating or appointing
 11 official whether or not the required financial disclosure statement
 12 has been filed within the time limitation set forth in this act.]******

1 ****[6.** The Election Law Enforcement Commission upon receipt
 2 of a financial disclosure statement required to be filed pursuant to
 3 this act, shall determine as necessary and practicable whether or
 4 not the statement is complete and accurate.]******

1 ****[7.]** **6.**** A candidate who willfully and knowingly fails or
 2 refuses to file a financial disclosure statement ***on a date prior to*
 3 *the election for which he has filed a declaration of candidacy or a*
 4 *petition to appear on the ballot*** shall be ****[deemed in violation**
 5 of Title 19 of the Revised Statutes and shall be liable to the general
 6 penalties set forth for violations of that Title]****** ***guilty of a crime*
 7 *of the fourth degree**.*

8 b. A candidate who willfully and knowingly files any financial
 9 disclosure statement which is false, inaccurate or incomplete in any
 10 substantial and material manner or particular, shall be ****[deemed**
 11 in violation of Title 19 of the Revised Statutes and shall be liable
 12 to the general penalties set forth for violations of that title]******
 13 ***guilty of a crime of the fourth degree**.*

1 ****[8.** The commission shall investigate possible violations of, and
 2 enforce, the provisions of this act in the manner, and pursuant to
 3 the procedures for notice and hearing, set forth in the "New Jersey
 4 Campaign Contributions and Expenditures Reporting Act," P. L.
 5 1973, c. 83 (C. 19:44A-1 et seq.).]******

1 ****7.** *It shall be the duty of the commission to investigate and*
 2 *conduct hearings with regard to possible violations and impose*
 3 *penalties, to issue subpoenas for the production of documents and*
 4 *the attendance of witnesses, and to enforce the provisions of this*
 5 *act in the manner set forth in "The New Jersey Campaign Contri-*
 6 *butions and Expenditures Reporting Act," P. L. 1973, c. 83*
 7 *(C. 19:44A-1 et seq.). The commission shall have the authority to*
 8 *initiate a civil action in the Superior Court of New Jersey or in any*
 9 *court of competent jurisdiction for the purpose of enforcing com-*
 10 *pliance with the provisions of this act or enjoining violations*
 11 *thereof or recovering any penalty prescribed by this act. The com-*
 12 *mission shall promulgate such regulations and official forms and*
 13 *perform such duties as are necessary to implement the provisions*
 14 *of this act.***

1 **[*9. Upon receiving evidence of any violation of this act the
2 commission shall have power to bring complaint proceedings and to
3 hold or to cause to be held by the Office of Administrative Law,
4 hearings upon such complaint. In addition to any other penalty
5 provided by law, any candidate who is found to have violated this
6 act shall be liable for civil penalty not in excess of \$1,000.00, which
7 penalty may be collected in a summary proceeding pursuant to "the
8 penalty enforcement law" (N. J. S. 2A:58-1 et seq.).]**

1 **8. a. Any candidate charged with the responsibility under the
2 terms of this act for the filing of any reports or other documents
3 required to be filed pursuant to this act who fails, neglects or omits
4 to file any such report or document at the time and in the manner
5 prescribed by law, or who omits or incorrectly states any of the
6 information required by law to be included in such report or docu-
7 ment, shall, in addition to any other penalty provided by law, be
8 liable to a penalty of not more than \$1,000.00 for the first offense
9 and not more than \$2,000.00 for the second and each subsequent
10 offense.

11 b. Upon receiving evidence of any violation of this section, the
12 Election Law Enforcement Commission shall have power to hold,
13 or to cause to be held, hearings upon such violation and, upon find-
14 ing any person to have committed such a violation, to assess such
15 penalty, within the limits prescribed in subsection a. of this section,
16 as it deems proper under the circumstance which penalty shall be
17 paid forthwith into the State Treasury for the general purposes of
18 the State. Such penalty shall be enforceable in a summary pro-
19 ceeding under the "Penalty Enforcement Law" (N. J. S. 2A:58-1
20 et seq.).

21 c. In assessing any penalty under this section, the Election Law
22 Enforcement Commission may provide for the remission of all or
23 any part of the penalty conditioned upon the prompt correction of
24 any failure, neglect, error or omission constituting the violation
25 for which the penalty was assessed, provided the correction is made
26 on a date prior to the election for which the candidate has filed a
27 declaration of candidacy or petition to appear on the ballot.**

1 *[*9.]* **[*10.]* **9.** Financial disclosure statements re-
2 quired to be filed pursuant to this act shall be public records. The
3 commission shall make the statements available to any person upon
4 written request. The statements shall be available for examination
5 and copying during the normal business hours of the commission.
6 No fee shall be charged for the inspection of the statements, but a
7 fee, equal to the cost of copying, may be charged for the use of

8 equipment to copy the statements and a reasonable charge may be
9 imposed for the performance of copying services by personnel of
10 the commission when the person desiring copies requests that
11 assistance.

1 ***[10.]*** ****[*11.*]**** **10.** A financial disclosure statement filed
2 pursuant to this act may be used by the commission in the course
3 of its investigation of any alleged violation of provisions of this
4 act and may be produced as evidence in any hearing conducted by
5 the commission concerning a violation.

1 ***[11.]*** ****[*12.*]**** **11.** This act shall take effect immedi-
2 ately.

1 8. The commission shall investigate possible violations of, and
2 enforce, the provisions of this act in the manner, and pursuant to
3 the procedures for notice and hearing, set forth in the "New Jersey
4 Campaign Contributions and Expenditures Reporting Act," P. L.
5 1973, c. 83 (C. 19:44A-1 et seq.).

1 9. Financial disclosure statements required to be filed pursuant
2 to this act shall be public records. The commission shall make the
3 statements available to any person upon written request. The state-
4 ments shall be available for examination and copying during the
5 normal business hours of the commission. No fee shall be charged
6 for the inspection of the statements, but a fee, equal to the cost
7 of copying, may be charged for the use of equipment to copy the
8 statements and a reasonable charge may be imposed for the per-
9 formance of copying services by personnel of the commission when
10 the person desiring copies requests that assistance.

1 10. A financial disclosure statement filed pursuant to this act may
2 be used by the commission in the course of its investigation of any
3 alleged violation of provisions of this act and may be produced as
4 evidence in any hearing conducted by the commission concerning a
5 violation.

1 11. This act shall take effect immediately.

STATEMENT

This bill requires certain State officers in the executive branch of State Government to file financial disclosure statements with the Executive Commission on Ethical Standards.

These officers are those presently required to file disclosure statements under Executive Order No. 15 of 1974. This bill would require the filing by law to the same extent as is required of members of the Legislature under the proposed legislative code of ethics.

51286 (1981)

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ASSEMBLY STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO

SENATE, No. 1286

[OFFICIAL COPY REPRINT]

with Assembly committee amendments

STATE OF NEW JERSEY

DATE: FEBRUARY 23, 1981

This bill would require all candidates for Governor and for the Legislature to file financial disclosure statements within 10 days of the last filing date for the office. The statement would include all sources of income, gifts, and reimbursements. The information required would be the same as that now required of legislators by the Legislative Code of Ethics for 1980-81. Enforcement would be in the manner provided in "The New Jersey Campaign Contributions and Expenditures Reporting Act" of 1973.

COMMITTEE AMENDMENTS

The committee amended the bill to extend the disclosure requirements to gubernatorial candidates as well as legislative candidates. The committee also adopted various amendments proposed by the Election Law Enforcement Commission to refine and clarify procedures and to define penalties.

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO

SENATE, No. 1286

with Senate committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 10, 1980

This bill provides for the filing of financial disclosure statements by candidates for the Legislature. The disclosure statement is to be filed with the Election Law Enforcement Commission within 10 days of the candidates filing a declaration of candidacy or petition to appear on the ballot.

Incumbent legislators file financial disclosure statements with the Joint Legislative Committee on Ethical Standards pursuant to the Legislative Code of Ethics of 1980-81. The bill requires the candidates to file the same financial information as that required by the Code of Ethics.

COMMITTEE AMENDMENTS

At the suggestion of the Election Law Enforcement Commission and with the sponsor's approval amendments have been drafted to provide for civil penalties for violations of the act.

FOR IMMEDIATE RELEASE
MAY 1, 1981

FOR FURTHER INFORMATION
KATHRYN FORSYTH

Acting Governor Joseph P. Merlino today signed S-1236, sponsored by Senator Charles Yates (D-Burlington), which requires gubernatorial and legislative candidates to file the same financial disclosure information as incumbent legislators.

The bill requires the candidates to file the disclosure statement with the Election Law Enforcement Commission within ten days of filing a declaration of candidacy or a petition to appear on the ballot.

Since the tenth day from the candidacy filing deadline for 1981 would be May 4, the Governor's Office and the Election Law Enforcement Commission have agreed to postpone the deadline for the filing of financial disclosure statements required under this bill to May 20 for this year only.

Incumbent Legislators are still required to file their financial disclosure statements with the Joint Legislative Committee on Ethical Standards, as required by the Legislative Code of Ethics of 1980-81.

The financial disclosure statement must list the source, but not amounts, of income received from sources other than the State during the preceding calendar year by the candidate, his or her spouse if they are residing together and any dependent children.

It must name the sources of:

- earned income totaling more than \$1,000 from salaries, bonuses, royalties or fees or commissions and profit sharing received as an officer, employee, partner or consultant from a corporation, professional association, partnership or sole proprietorship;
- unearned income totaling more than \$1,000 from rents, dividends, investments, trusts or estates;
- fees and honorariums totaling more than \$100 received from named payers for personal appearances, speeches or writings;
- reimbursements totaling more than \$100 for travel, subsistence of facilities provided in kind received from named payers or providers other than the State, or any of its political subdivisions, a principle employer or a non-profit organization;
- gifts valued at more than \$250 received from named donors; and
- the ownership, holding or control of an interest in any land or building in Atlantic City. The location of the land or building must be listed.