

ASSEMBLY LOCAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1848

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 16, 1996

The Assembly Local Government Committee reports favorably and with committee amendments Assembly Bill No.1848

Assembly Bill No. 1848, as amended by the committee, proposes an increase in the penalties for violations of the "Local Government Ethics Law," P.L.1991, c.29 (C.40A:9-22.1 et seq.). The Department of Community Affairs estimates that Statewide, only 85% of local officials comply with the financial disclosure requirements of the ethics law. The Department of Community Affairs believes that enhanced penalties, including automatic fines for failure to timely file the annual financial disclosure form and the power of the Local Finance Board to recommend the removal of an appointed local government officer who fails to timely file the financial disclosure form two or more times, will encourage better compliance with the law on the part of local officials.

The committee amended the bill to provide that the appropriate local official must file, by June 30th of each year, a roster of individuals deemed to be local government officers and information as to whether those persons have filed the annual financial disclosure statement. As introduced by the sponsor, the bill required the filing of the roster after the filing deadline for financial disclosure statements, which is April 30th of each year.

The amendments also require the Local Finance Board to make an initial determination on whether the local government officer or employee is in conflict with the provisions of the "Local Government Ethics Law." As introduced, section 4 of the bill provided that if the board makes such a determination, it must conduct a hearing pursuant to section 12 of the "Local Government Ethics Law," P.L.1991, c.29 (C.40A:9-22.12). The amendments remove the hearing requirement from this section of the bill.

The amendments also require the board to issue a notice of violation, instead of an order as originally required, if it determines that a violation of the "Local Government Ethics Law" has been committed by a local government officer or employee. The notice of violation must contain a provision advising the individual of his or her right to contest the board's determination, and require that if the

individual requests a hearing, the hearing must be conducted in the manner prescribed by section 12 of P.L.1991, c.29 (C.40A:9-22.12). As introduced by the sponsor, this section of the bill did not contain the language concerning the requirement that the hearing be held pursuant to section 12 of P.L.1991, c.29 (C.40A:9-22.12).

Finally, the amendments remove all references to unpaid confidential advisors.