



**Robert Menendez**

New Jersey Switcheroo

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For pure entertainment value, not much can compete with the blood sport of New Jersey politics. Last week federal investigators launched a probe into whether U.S. Senator Robert Menendez illegally benefited to the tune of more than \$300,000 from a rental-income deal he had with a nonprofit agency that received millions of dollars in federal contracts. Even liberal good government groups agree that the relationship may have violated congressional conflict-of-interest rules.

The allegations have sparked a mini-panic among state Democratic operatives, who not so long ago thought Mr. Menendez -- who was appointed by Jon Corzine to complete his Senate term after being elected Governor in 2005 -- had the November election in the bag. Now they see Republican Tom Kean Jr. surging into a lead. If Republicans were to pick up a seat in this deep blue state, Democrats' chances of winning control of the Senate would be all but slammed shut.

That's why, as reported by the Newark Star-Ledger, there's now widespread speculation that the party brass may decide to throw Mr. Menendez overboard and replace him with an alternative -- nine-term Rep. Rob Andrews, perhaps -- who is regarded as more electable. This has become a familiar practice in the Garden State and has become known derisively as the New Jersey Switcheroo.

The details of the case are as follows. In 1998, while Mr. Menendez was a member of the House, he helped a nonprofit housing and health-care agency known as the North Hudson Community Action Group win designation as a federally qualified health-care center. This designation allowed the nonprofit group to obtain \$9.6 million in federal grants. The nonprofit's employees have contributed some \$30,000 to Menendez campaigns over the years, including \$9,000 from the agency's director. The alleged conflict of interest arises from the fact that the Hudson County nonprofit paid Mr. Menendez a total of \$329,353 starting in 1994 to rent a building he owned.

The Senator responds that his efforts on behalf of the Hudson County Action Group are no different than interventions he has made on behalf of dozens of similar nonprofit groups seeking federal funds. He also says that he received verbal authorization from a House Ethics Committee staffer on this deal. But strangely enough, as reported by Roll Call, the staffer didn't work for the committee at the time Mr. Menendez says he received the approval, and that person has subsequently died. It is also considered standard practice to get written approval from the committee when an ethical issue like this arises. If this story seems like déjà vu all over again, it should. This isn't the first time New Jersey Democrats have nominated ethically challenged candidates for high office. Last year Jim McGreevey resigned the governorship after he hired his gay lover as the state's national security director. In 2002, Senator Robert Torricelli was implicated in a bribery and campaign finance scandal, prompting the party oligarchs to throw him off the ballot and handpick Frank Lautenberg as his replacement on the ticket. Never mind that the deadline for ballot changes had passed. Senator Lautenberg kept the Senate seat from falling into Republican hands.

Republicans haven't won a statewide race in New Jersey since the election of Governor Christie Whitman back in the mid-1990s, in part because the Democratic machine reserves the imperial right to replace elected candidates on the general election ballot. Nowhere in the country do party leaders so cavalierly disenfranchise their primary voters when they fear their nominee is going to lose. For the New Jersey GOP, it's like trying to win at poker when your opponent can call for a redeal every time he doesn't like his cards.

Senator Menendez has vowed to stay in the race to the bitter end. Democrat leaders publicly insist they will stick with the Senator, but they sound about as sincere as a sports franchise owner who gives the head coach a public vote of confidence after a third straight last-place finish. At the next press conference, the coach invariably is gone.

The more serious issue here is whether Garden State voters are growing weary of the culture of big boss cronyism that has contaminated their government from city hall to the U.S. Senate. This is a state with a steeply rising cost of living and a property-tax burden that is both the highest in the nation and twice the national average. The state has some of the worst schools and most expensive municipal services in the country.

We don't know whether Mr. Menendez is guilty of violating federal conflict-of-interest laws. But it's worth noting that a Senate ethics complaint has been filed against him. The last major Senate ethics investigation was the one launched four years ago against New Jersey's Torricelli.