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Questioning ethical conduct

Senatorial candidates Menendez and Kean dispute ethics conflicts

By Jessica Rosero

Over the past two weeks, U.S. senatorial opponents State Sen. Tom Kean Jr. and incumbent Sen. Robert Menendez have flung accusations back and forth questioning each other's ethical conduct in public office.

Kean, a Republican, and Menendez, a Democrat who grew up in Union City and lives in Hoboken, will face off for Menendez's seat this November.

On Monday, Republican Assemblymen Guy Gregg and Richard Merkt wrote a letter to the Senate Select Committee on Ethics asking for an investigation regarding Menendez's finances, which indicated that the former congressman had from 1994 until 2004 been collecting rent money from the North Hudson Community Action Corporation, a non-profit health center that Menendez has helped win federal funding.

This complaint came just a week after the Menendez camp filed a federal complaint to the Senate Select Committee against Kean, stating that he had not fully disclosed all of his financial assets, which include stock investments and campaign contributions from organizations he regulates as a state senator.

He said, he said

Menendez is running against Kean for his first full term in the U.S. Senate. Menendez first took office in January to complete the unexpired term of Gov. Jon Corzine.

Previously, Menendez served nine years in the House of Representatives as the representative the state's 13th District.

While a U.S. congressman, Menendez collected rent on a three-story brick house on 41st Street, in Union City which totaled over \$300,000 in the course of nine years. The house was used by the NHCAC as the base of operation of their Head Start Program since 1994.

At the same time, Menendez was a strong advocate for the NHCAC in Washington, D.C., and helped them achieve status as a federally qualified health center in 1998, which also qualified them for federal grants.

"He was instrumental in helping the agency obtain federal health center status," said Joe Lauro, spokesperson for NHCAC. "[To date] 64 percent of the agency's annual budget comes from federal funding."

The NHCAC, headquartered in West New York, provides health services and screening on a sliding scale or for free for local low-income residents. The agency provides services to about 160,000 patients a year at their various health centers located in Hoboken, North Bergen, Jersey City, Union City, West New York and Passaic.

According to Lauro, since achieving federal status, the NHCAC has received approximately \$9.6 million in federal grants. Menendez also continues to support the agency in its request for federal funding.

Matt Miller, Menendez's spokesman, said last week that Menendez received verbal clearance from the House Ethics Committee prior to renting out the property in 1994, but never obtained a written clearance.

"Bob

Menendez rented that property to NHCAC at a low market rate, and continued to rent it until he sold the property to a new owner in 2003,” Miller said.

Menendez asserts that there was no wrongdoing because he never directly negotiated with agency officials. He also helped other district non-profits obtain federally qualified status.

According to Miller, it is not coincidental that the Kean camp has come out with this “meritless complaint” against Menendez, because over the last month the Menendez campaign has been calling on Kean to disclose certain information regarding his personal assets. They are specifically focusing on two trust funds and the Kean Family Partnership.

“Every candidate is required to disclose that information under the law, and he would not do it,” said Miller. “So last week we filed a federal complaint with the ethics committee [against Kean] for failure to release that information. That is why he is making this frivolous complaint.”

Kean did release his financial records prior to the complaint in an 18-page disclosure form. He did not disclose specific totals and several private investments through trust funds which were kept confidential. It is not a legal requirement that he disclose those.

“He has [since the complaint] slowly released information, and we have seen that Kean has investments in big oil, casinos and HMOs,” said Miller.

Miller also stated that Kean has received thousands of dollars in campaign contributions from a number of companies that he has voted to support throughout his time in the legislature.

Kean press conference in UC

Kean held a press conference on Wednesday in Union City in front of the NHCAC property. There, the state senator was asked if he felt it was right to accept contributions from entities, such as casinos, which he regulates in the legislature.

“I am an open book,” said Kean. “Every one of my campaign contributions has been disclosed, and I fully complied with [federal laws] in this respect.”

Kean continued to drive home his points about the ethical breach he said Menendez committed.

Menendez has also received various campaign contributions throughout the years from the NHCAC’s employees, including NHCAC Board of Directors Chairperson Maria Almeida, who also serves as Menendez’s state scheduler at his state office in Newark. She had also served as his district office scheduler while he served on the House of Representatives.

“It was bad enough that [Robert Menendez] steered hundreds of thousands of taxpayers’ dollars to lobbyists and contractors, but now he himself received rent income -totaling \$300,000 - from North Hudson CAC, and then sold the building for another \$450,000,” said Kean. “How in the world did Washington allow this to happen in the first place?”