

State's 'pay to play' law passes 1st test

NEWARK — New Jersey's latest attempt to keep contractors from profiting by making political donations passed its first legal test yesterday.

A unanimous state appellate court upheld the constitutionality of a 2005 law aimed at curbing the practice, known as pay to play.

The three judges said state government has a legitimate and worthy interest in preventing corruption or the appearance of corruption, and noted that all high-level casino executives are also barred from making political donations to state candidates.

The ruling was a setback for a highway builder, Earle Asphalt Co., which argued the law violated its right to free speech and free association, and that the \$300 limit inhib-

ited effective advocacy. Its lawyer said the company had not yet determined whether to appeal.

"The potential impact of this is that Earle could be facing a period of ineligibility for state contracts that could be as long as 18 months," said the lawyer, Steven E. Brawer.

The Campaign Contributions and Expenditure Report Act prohibits any state agency from awarding a contract over \$17,500 to a business that gave more than \$300 in the past 18 months to the governor, a candidate for governor, or any state or county political committee. The law includes an exemption for a contractor who receives a reimbursement within 30 days of making a donation.

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