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Report
N.J. Legislature.
of the Senate Committee
to investigate charges of bribery
in relation to
the horse-racing bill

Authorized by resolution of Senator King
June 18, 1936

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Chairman, Senator Powell

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Text of report

The text of the report follows:

"Hon. Frank Durand, president of the Senate; pursuant to the authority of a resolution adopted by the Senate on the 18th day of June, 1936, the undersigned committee was appointed to investigate certain charges made by one Ernest R. Shaw, that he had been approached by an employe of the Senate to pay the sum of \$5,000 to obtain the release from committee of a Senate concurrent resolution to amend the Constitution to permit pari-mutuel betting on horse races.

"Your committee held two hearings on June 29, 1936, and on July 7, 1936. Every person known to the committee to have any knowledge of the alleged transaction was called as a witness. Full opportunity was afforded the accused and the accuser to ask questions and to produce and examine witnesses. We believe all relevant proof was fully produced at these hearings.

"Your committee, after mature consideration of all the testimony, has concluded and respectfully reports:

"(A) The complaining witness, Ernest R. Shaw, repeated under oath, but in greater detail, the substance and effect of the charges that appeared in an edition of the Jersey Journal under date of June 18, 1936, and in a written statement made by Shaw to Julius Grunow, the original of which was produced and marked Exhibit 1, and copy of which is forwarded with this report. Mr. Shaw testified that Dr. C. Leslie Hudson arranged for an appointment with Mr. Charles Righter, and that Mr. Righter met him at his (Shaw's) office in the Trenton Trust Building, Trenton, and submitted the proposition mentioned in the Jersey Journal and the letter. Both Dr. Hudson and Mr. Righter are employes of the Senate.

"(B) The accused entered a categorical denial of the charges. Some evidence, tending to establish an alibi was presented by one of the employes charged.

"(C) Since the Senate is now adjourned, we believe that your committee and the Senate itself is without power to take any disciplinary action against the accused, and that this committee is without power to make a factual finding as to the guilt or innocence of any employe of the Senate.

"(d) We shall refrain from stating our conclusion respecting the truth or falsity of the charges. We believe the respective parties are entitled to their day in court without being prejudged by your committee.

"(e) The nature of the charge is most serious. After carefully considering all the evidence, we deem it our duty to recommend that the charges, together with a transcript of the testimony taken before us, be referred to the prosecutor of the Pleas of Mercer County for the consideration of the Mercer County Grand Jury. We believe a prima facie case has been presented against these accused.

"(F) The record is entirely barren of any proof involving or tending to involve any member of the Senate."

Statement of Senator Clifford R. Powell:

"In releasing the report of the Senate committee appointed to investigate the charges of attempted extortion by Mr. Charles Righter, an employe of the Senate, of the sum of \$5,000 from Mr. Ernest R. Shaw, general manager of the Horse Racing Amendment Association of New Jersey, I regret to state that the hastily drawn resolution providing for the appointment of the committee did not carry an appropriation which would have permitted a more thorough investigation of the entire matter.

"I also regret that insufficient powers were given this committee to enable them to reach a definite conclusion as to the guilt or innocence of all persons alleged to be involved in the affair.

"The unfortunate charges were made in the busy, hectic, closing hours of the Legislature, and I am afraid their full importance was not apparent to the Senate. However, from all of the evidence obtainable, the committee was unanimous in the opinion that a prima facie case had been established by Mr. Shaw. I am hopeful that the office of the prosecutor of the pleas of Mercer County, with ample power and resources, will conduct a full and complete investigation of the entire matter.

"I am speaking solely for myself and not for other members of the committee. The seriousness of the charges warrants more definite and affirmative action on the part of the Senate than its committee had power and resources to take. The use of money to influence legislation is an evil which must be fought at every opportunity if our Legislature is to retain the confidence of those whom it is elected to represent. Powerless ourselves in the present instance, I sincerely hope the civil authorities will see that the ends of justice are met.

Trenton Evening Times July 24, 1936 p.1

"No indictment"
N.Y. Times Oct 10, 1936 p.913

New Jersey State Library