



ELEC *tronic*

An Election Law Enforcement Commission Newsletter

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Comments from the Chairman

Eric H. Jaso

A New Year at ELEC.

Each New Year brings the promise of new beginnings as well as a chance to ponder the past. In this first newsletter of 2019, I will set forth the Commission's plans – how we intend to change and improve, and strengths we hope to maintain.

2018 ends with some sad news: the passing of former Assembly Majority Leader Albert Burstein at age 96. In many ways, Burstein was a founding father of ELEC, sponsoring ground-breaking legislation in 1973 to establish public financing for gubernatorial elections. He served as an ELEC Commissioner from 2004 to 2010. His devotion to the cause of transparency and accountability in campaign financing will remain an inspiring legacy for current and future Commissioners and staff. We will miss his wise counsel.

Part of the Commission's plans for 2019 and beyond is preserving what we do well. For example, ELEC has long maintained a well-deserved reputation for responsiveness to the public.

Unusual for this day and age, the Commission has clung to the old-fashioned notion that most people prefer talking to a human being when interacting with a State agency.

So, at the Commission our experienced receptionists still answer the phones and direct citizens to a knowledgeable staff member to field questions. This gives the public the assurance that their concerns will be heard and responded to. This will not change.

Another feature that will not change is the service provided to candidates and treasurers and all other interested parties by our able Compliance staff.

The responsiveness and expertise of our Compliance staff members has consistently resulted in a compliance rate among filers exceeding 90 percent.

Also unchanged will be our policy of responding to citizen complaints reporting potential violations of campaign finance law. Our Investigative and Legal staffs will continue to evaluate complaints in a fair and neutral manner.

Finally, the Commission will continue to provide an extensive array of information involving campaign finance, lobbying, and pay-to-play to the public via its updated and award-winning website.

Now on to what's new for 2019.

During the past year, the Commission put the finishing touches on its new and improved information and technology system. In April, electronic filing will be available for use by political parties and continuing political committees (CPCs).

In the coming year, our IT staff will strive to make the site even more user-friendly and comprehensive. Our compliance manuals will be further simplified to make compliance with campaign finance law as pain-free as possible.

Candidate and treasurer training will be enhanced in the New Year as well. In addition to in-house and off-site training, Compliance staff will be undertaking a project that will permit training programs to be conducted at libraries across the State.

Of course, enforcement of New Jersey's campaign-finance and lobbying laws remains the Commission's top goal. We will continue to evaluate how our investigative and enforcement tools can be made more effective and robust. To spread our compliance message far and wide, we will also continue efforts to raise ELEC's profile and visibility through the media and in other public forums.

We wish our fellow New Jerseyans a happy, prosperous -- and legally compliant -- 2019.

"Furthering the Interest of an Informed Citizenry"

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COMMISSIONERS:

Eric H. Jaso, Chairman
 Stephen M. Holden, Commissioner
 Marguerite T. Simon, Commissioner
 Edwin R. Matthews, Legal Counsel

Former Assembly Leader and ELEC Commissioner Albert Burstein Has Died

By Joe Donohue

Albert Burstein, a former Majority Leader of the New Jersey General Assembly and an ELEC commissioner from 2004 to 2010, died December 27, 2018. He was 96.



“The passage of Commissioner Burstein is a true loss for the state of New Jersey,” said Jeff Brindle, ELEC’s Executive Director. “For me, he was one of the finest and most able of gentlemen that I have had the good fortune of knowing and working with in government.”

Burstein, a Tenafly resident, is survived by his wife Ruth, three children and several grandchildren.

He served in the state Assembly from 1972 to 1982, including two years as Assembly Majority Leader.

Shortly after becoming a state lawmaker, Burstein introduced legislation creating one of the first

public financing programs for gubernatorial elections in 1973.

It came as the Watergate scandal raged in Washington and after former Secretary of State Paul Sherwin in 1972 became the 131st public official indicted for corruption in New Jersey since 1969.

The statement of his original bill explained the purpose of the program along with its potential benefits:

“The compelling need to avoid the influence of large contributions to political campaigns and the major corruption attendant thereon is clear in the light of New Jersey’s recent history. There is further need to restore public confidence in the integrity of the political system. There will also accrue the benefit to candidates not needing to devote time and effort in the search for campaign financing, and will enable persons of limited means to have access to public office.”

After overcoming resistance in the Legislature, Burstein’s bill finally was signed into law by Governor Brendan Byrne on May 6, 1974.

It was the same year presidential public financing became law, and the year when New Jersey, Maryland and Minnesota adopted public financing for state gubernatorial campaigns.

Since the program’s inception in New Jersey, partial campaign funding has been provided to 76 candidates- 54 primary and 22 general election contenders- at a cost of \$137 million. This includes five candidates in the 2017 election who received \$19.7 million.

The cost has been modest- about \$4.18 per taxpayer in 2017.

In return, New Jersey gubernatorial campaigns have been issue-oriented and scandal-free. The program has enabled four Democrats and three Republicans to win the office of Governor and, in some cases, helped them win reelection.

While in the Assembly, Commissioner Burstein was the Chairman of the Assembly Education Committee from 1974-75 and again from 1980-81.

He was the Assembly leader in the 196th Legislature’s development of a statute to satisfy the State Constitution’s guarantee of a “thorough and efficient” system of education for all New Jersey children.

Burstein also served on numerous other boards during and after his legislative service, including the State Commission of Investigation Review Committee, the Election Law Revision Committee, the Capital Budgeting and Planning Commission, the Public Employees Relations Study Commission, and the New Jersey Law Journal Editorial Board.

A member of the American, New Jersey, and Bergen County Bar Associations, Commissioner Burstein was a partner in the Hackensack law firm of Archer and Greiner PC.

Commissioner Burstein graduated from Columbia College and Columbia University Law School. In addition to practicing law, he took part in many civic and charitable causes. In past years, he was President of the Occupational Center of Hudson County and a Trustee of the Jewish Hospital and Rehabilitation Center of Jersey City.

A World War II Army veteran, Burstein was awarded the French Chevalier of the Legion of Honor for fighting the Nazis in France, and a Bronze Star from the U.S. Government.

... A previous version identified incorrectly Paul Sherwin as Attorney General.

Executive Director's Thoughts

Jeff Brindle

Independent Spending on 2018 NJ Congressional Races More Than Triples Previous High

Reprinted from insidernj.com

Spending by independent, outside groups reached an all-time high of \$49 million in this year's Congressional elections in New Jersey.

The record spending spree by these organizations, often called "Dark Money" groups because many evade disclosure rules, overwhelmed spending by state and county party entities within New Jersey, which together spent only \$8.1 million. Thus, outside groups this year outspent parties by over 600 percent.

In stark contrast, campaigns for a US Senate seat and congressional offices in 2002 drew zero independent spending while New Jersey party committees collectively spent almost \$34 million—nearly \$48 million in 2018 dollars.

Some readers might wonder what difference it makes whether parties or independent groups help pick up the bulk of the campaign tab. Especially since many independent spenders are aligned with parties if not directly controlled by them.

The main answer: fund-raising and spending by parties is far more accountable and transparent.

Despite this fact, Americans have always viewed political parties with suspicion. This is unfortunate given the increasing influence of independent groups over the state's elections.

Deeply rooted in the national psyche are visions of cigar-smoking political bosses making corrupt, backroom deals while pulling the strings of government.

In the late 1800's, at the height of machine politics, cartoonist Thomas Nast undertook a campaign against Boss Tweed of Tammany Hall. One of his cartoons depicts the men of Tammany Hall all pointing to each other in answer to the question "who stole the people's money."

This antipathy toward political parties had actually begun much earlier in the nation's history. By the 1790's, factions emerged within Congress that to many threatened the unity of the fledgling republic.

A sketch at the time depicted "the inevitable danger of factions" by showing a member of the Federalist party caning a representative of the Jeffersonian party.

Reinforcing this image, President George Washington, in his farewell address to the nation, warned against the divisiveness wrought by faction, or party.

Said Washington "[political parties] . . . are likely . . . to become potent machines, by which cunning, ambitious, and unprincipled men will be enabled to subvert the power of the people and usurp for themselves the reins of government."

This belief persisted throughout the nation's history. Despite major reforms during the progressive era and beyond, the aversion to political parties lingers to the present day.

The fact that this perception of political parties grips the minds of many people makes it harder to confront the new, bigger monster—Dark Money, which now threatens the integrity of the electoral process.

John Adams, in a letter to H. Niles, editor and publisher of a national news magazine, wrote "The Revolution was effected before the War commenced. The Revolution was in the minds and hearts of the people."

The importance of the war against Dark Money has not yet jelled in the minds and hearts of most New Jerseyans. Despite the growing influence of independent groups over New Jersey elections, the public is still indifferent to the dangers posed by these often-anonymous groups.

Individuals and some organizations are content to fight the last war. Just as Germany and Japan are no longer enemies, in the context of the new reality of Dark Money groups, neither are political parties.

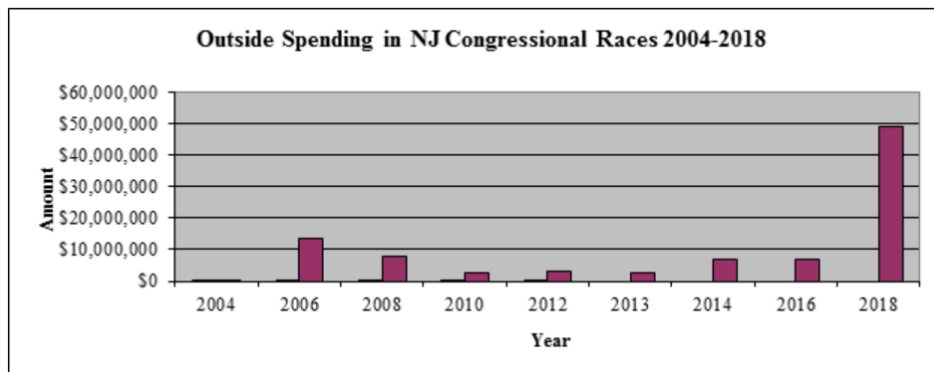
This year's Congressional elections, which witnessed a profound increase in independent spending, showed that there is a new enemy at the gate. At \$49 million, independent groups spent their most ever, and by a wide margin.

In fact, this amount represents more spending by independent groups than in the previous Congressional contests combined (\$41 million). The largest spending in one year previously

occurred in 2006, when \$13.4 million was sunk into NJ congressional elections. That is less than third of this year's total. In 2016, just \$7.1 million was spent.

What is more, independent spending is on the rise at the local level of politics as well, transforming New Jersey's electoral landscape from top to bottom.

accountable under the law, disclose their contributions and expenditures, are subject to contribution limits, organize government, are a guide to voting, and link the people to their government.



None of the above can be said of independent groups.

2019 Meeting Schedule

"OPEN PUBLIC MEETINGS ACT,"
N.J.S.A. 10:4-6 et seq.

This year's spending was largely spurred by an expensive campaign for the US Senate seat in which the candidates alone expended a combined \$42 million and outside groups waged \$19.4 million. Despite all that spending, the result was status quo as incumbent Democratic Sen. Robert Menendez won reelection. The total was further escalated by several costly battles over congressional seats that ended with Democratic takeovers of seats held by four Republican incumbents.

The increasing dominance of outside group spending over the state's elections has not yet entered the public's consciousness. That's why the Legislature, Paul Revere-like, should awaken the public to this threat by passing legislation that would both offset the influence of independent groups and strengthen political parties.

The New Jersey Election Law Enforcement Commission has announced its meeting schedule for 2019. Unless otherwise indicated in the future, meetings will be held at the Commission's offices at 25 South Stockton Street, 5th Floor, in Trenton. It is anticipated that meetings will begin at 11:00 a.m., unless otherwise indicated.

New Jersey is becoming more and more accustomed to the overreaching influence of independent groups.

Two pieces of legislation S-1500 (D-Singleton), [Companion A-1524 D-Zwicker] and S-1479 (D-Singleton) [Companion A-3462 D-Zwicker], taken together, would accomplish those goals.

January	15
February	19
March	19
April	16
May	21
June	18
July	16
August	20
(if necessary)	
September	17
October	15
November	19
December	17

The gubernatorial and legislative elections of 2017 attracted outside group spending of \$49.7 million. Four years before, in 2013, independent group spending had climbed to \$41 million (includes ballot questions).

The bills incorporate proposals of the New Jersey Election Law Enforcement Commission (ELEC), which require registration and disclosure of independent groups. They also strengthen political parties by allowing county organizations to give to each other, raising contribution limits, and removing political parties from pay-to-play while including PACs in the law.

In both of those gubernatorial and legislative election years, outside organization expenditures dwarfed spending by state and county party entities.

Certainly, political parties are not a panacea. Yet, they are much better than the alternative. Political parties are

Online Ad Spending Soars in Elections

By Joe Donohue

Use of internet advertising in political elections is skyrocketing and will pose a major challenge to state disclosure agencies like the New Jersey Election Law Enforcement Commission (ELEC), according to speakers at a December conference.

Panelists at the annual conference of the Council on Governmental Ethics Laws (COGEL) in Philadelphia agreed that online advertising is fastest growing campaign expense. The New Jersey Election Law Enforcement Commission (ELEC) is a member of COGEL.

Data from Borrell Associates, a national advertising tracking firm based in Williamsburg, Va., shows internet advertising in federal elections soared from \$71 million in 2014 to \$1.8 billion in 2018- a 2,435 percent jump.

Online ads comprised just 3.3 percent of all federal political advertising in 2014, according to Borrell. In 2018, it represented 20 percent.

While broadcast TV ads continue to dominate campaigns at \$3.5 billion, online ads ranked second and were the quickest growing category.

During one panel session at the COGEL conference, Jim Halpert, co-chair of Global Privacy Practice at DLA Piper US LLP, said online advertising not only is expanding rapidly but will be less transparent.

Traditional forms of media were made for big audiences. It is easy to tell if election-related ads displayed on billboards, newspapers, television or radio fail to identify who paid for the ads.

Online ads are different. They are “micro-targeted” to individual computer or smartphone users.

So it is harder to tell whether they comply with “paid for by” disclosure guidelines.

Online advertising also is a “complex ecosystem through which ads are purchased.” There are lots of middlemen. “A request to place an ad travels through as many as 6 intermediaries,” he said.

Finally, Halpert said state agencies lack the enforcement ability to determine

whether campaign ads are sponsored by foreign individuals or groups in violation of federal law.

No overall estimate exists (at least not publicly) for how much is spent on digital media in state, county and local campaigns in New Jersey.

Currently in New Jersey, political communications that directly urge voters to elect or defeat a candidate, including internet advertising, are required by law to include “paid for by” language. Candidates also are required to report the cost of such advertisements.

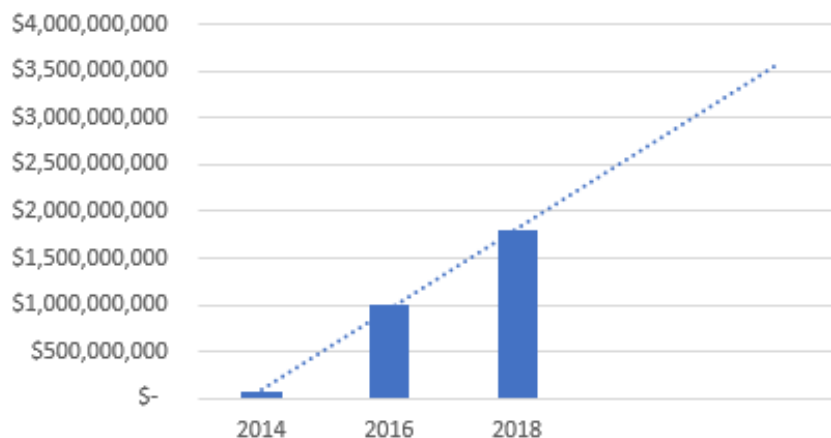
The law does not apply to online ads that refer to candidates by tying them to issues- popular or unpopular- without including explicit phrases like “vote for” or “vote against.” These are called “electioneering” ads and they often are used more than “express advocacy” ads in campaigns because they can be highly effective.

While 23 other states have laws that require disclosure by groups sponsoring “electioneering” ads, New Jersey does not. ELEC’s bipartisan commission has recommended disclosure by these groups, and legislation has been introduced by both political parties to permit it.

In ELEC White Paper No. 27- “Legislative Election 2015: Big Independent Spending, Big Assembly Shakeup,” candidates reported spending just \$144,702 in internet advertising in 2015.

But it is hard to break out totals for digital ads because many candidates lump together their media expenses. ELEC estimated that if New Jersey legislative candidates had spent as much as federal candidates, the true internet advertising figure would be closer to \$1.2 million for the 2015 election.

Online Political Advertising



Source: Borrell Associates

2019 Reporting Dates

	INCLUSION DATES	REPORT DUE DATE
FIRE COMMISSIONER - FEBRUARY 16, 2019		
29-day Preelection Reporting Date	Inception of campaign* - 1/15/19	1/18/2019
11-day Preelection Reporting Date	1/16/2019 - 2/2/2019	2/5/2019
20-day Postelection Reporting Date	2/3/2019 - 3/5/2019	3/8/2019
48-Hour Notice Reports Start on 2/3/2019 through 2/17/2019		
MAY MUNICIPAL - MAY 14, 2019		
29-day Preelection Reporting Date	Inception of campaign* - 4/12/2019	4/15/2019
11-day Preelection Reporting Date	4/8/2019 - 4/30/2019	5/3/2019
20-day Postelection Reporting Date	5/1/2019 - 5/31/2019	6/3/2019
48-Hour Notice Reporting Starts on 5/1/2019 through 5/14/2019		
RUNOFF (JUNE) ** - JUNE 11, 2019		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	5/1/2019 - 5/28/2019	5/31/2019
20-day Postelection Reporting Date	5/29/2019 - 6/28/2019	7/1/2019
48-Hour Notice Reporting Starts on 5/29/2019 through 6/11/2019		
PRIMARY (90-DAY START DATE: MARCH 6,2019)*** - JUNE 4, 2019		
29-day Preelection Reporting Date	Inception of campaign* - 5/3/2019	5/6/2019
11-day Preelection Reporting Date	5/4/2019 -5/21/2019	5/24/2019
20-day Postelection Reporting Date	5/22/2019 - 6/21/2019	6/24/2019
48-Hour Notice Reporting Starts on 5/22/2019 through 6/5/2019		
GENERAL (90-DAY START DATE: AUGUST 7, 2019)*** - NOVEMBER 5, 2019		
29-day Preelection Reporting Date	6/22/2019 - 10/4/2019	10/7/2019
11-day Preelection Reporting Date	10/5/2019 - 10/22/2019	10/25/2019
20-day Postelection Reporting Date	10/23/2019 - 11/22/2019	11/25/2019
48-Hour Notice Reporting Starts on 10/23/2019 through 11/5/2019		
RUNOFF (DECEMBER)** - DECEMBER 3, 2019		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	10/23/2019 - 11/19/2019	11/22/2019
20-day Postelection Reporting Date	11/20/2019 - 12/20/2019	12/23/2019
48-Hour Notice Reporting Starts on 11/20/2019 through 12/3/2019		

PACS, PCFRS & CAMPAIGN QUARTERLY FILERS

1 st Quarter	1/1/2019 - 3/30/2019	4/15/2019
2 nd Quarter	4/1/2019 - 6/30/2019	7/15/2019
3 rd Quarter	7/1/2019 - 9/30/2019	10/15/2019
4 th Quarter	10/1/2019 - 12/31/2019	1/15/2019

GOVERNMENTAL AFFAIRS AGENTS (Q-4)

1 st Quarter	1/1/2019 - 3/30/2019	4/10/2019
2 nd Quarter	4/1/2019 - 6/30/2019	7/10/2019
3 rd Quarter	7/1/2019 - 9/30/2019	10/10/2019
4 th Quarter	10/1/2019 - 12/31/2019	1/10/2020

*Inception Date of Campaign (first time filers) or from January 1, 2019 (Quarterly filers).

**A candidate committee or joint candidates committee that is filing in a 2019 Runoff election is not required to file a 20-day postelection report for the corresponding prior election (May Municipal or General).

***Form PFD-1 is due on April 15, 2019 for the Primary Election Candidates and June 14, 2019 for the Independent General Election Candidates.

Note: A fourth quarter 2018 filing is needed for the Primary 2019 candidates if they started their campaign prior to December 6, 2018.

A second quarter is needed by Independent/Non-Partisan General Election candidates if they started their campaign prior to May 9, 2018.

HOW TO CONTACT ELEC

www.elec.state.nj.us

In Person: 25 South Stockton Street, 5th Floor, Trenton, NJ
 By Mail: P.O. Box 185, Trenton, NJ 08625
 By Telephone: (609) 292-8700 or Toll Free Within NJ 1-888-313-ELEC (3532)

DIRECTORS:

Jeffrey M. Brindle
 Joseph W. Donohue
 Demery J. Roberts
 Amanda Haines
 Stephanie A. Olivo
 Anthony Giancarli
 Shreve Marshall
 Christopher Mistichelli