



Newsletter

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AN ELECTION LAW ENFORCEMENT COMMISSION NEWSLETTER
“Furthering the Interest of an Informed Citizenry”

Comments from the Chairman

Eric H. Jaso

“There is only one thing in the world worse than being talked about, and that is not being talked about.” – Oscar Wilde

A longstanding and continuing priority of the Election Law Enforcement Commission is to enhance public awareness of issues concerning campaign finance and lobbying.

ELEC has accomplished this primarily through the publication of 678 press analytical and topical press releases since 1983. These press releases are available on ELEC’s website (www.elec.nj.gov).

As a result, voters, researchers, the political community, and the media can better understand historic trends tied to ELEC’s mandates.

Many press releases track developments as they unfold. For instance, the Commission recently detailed campaign spending on a public ballot question that legalized marijuana use in the state.

Press releases also have served as launch pads for 28 white papers, or in-depth research papers. White papers document many of the trends that shape the agency, its laws and New Jersey elections.

Projects have included “Is There a PAC Plague in New Jersey,” (November 1991); “Technology in the Future-Strengthening Disclosure” (October 1992); “Legislative Election 2003: The Rise of Party-Oriented Campaigning” (July 2004); “Independents’ Day: Seeking Disclosure in a New Era of Unlimited Special Interest Spending” (March 2014); and, most recently, “Legislative Election 2017: The Mother of All NJ Legislative Races” (May 2020).

This project is just one among many efforts aimed at increasing transparency that Executive Director Jeff Brindle began in June 2009 to increase the Commission’s profile within the state.

A new “oral history” initiative will involve a series of video-taped interviews with individuals who contributed to the Commission and in some way have influenced campaign finance and lobbying reform through the years. While I was the first to be interviewed (https://www.elec.nj.gov/aboutelec/ELEC_OralHistory.htm), we look forward to

showcasing other enlightening exchanges with people who have had an influence on the Commission.

Along with making press releases available online, ELEC has enabled online viewing of all advisory opinions, minutes, and annual reports dating back to 1973, when the Commission was established. The monthly ELEC-tronic newsletter you are now reading was established in 2009. It is the 139th edition and is also on the web.

In addition to the above initiatives, the website allows the public to view campaign fundraising reports of local and state candidates, independent special interest spenders, traditional PACs, complaints and final decisions, annual lobbying reports, agency regulations and compliance manuals, annual reports of political activity filed by public contractors, statistical information, research reports, and agency regulations.

ELEC’s program to expand public awareness has been aided by the support of the Commissioners and the skills of Deputy Director Joe Donohue, Administrative Assistant Elbia Zeppetelli, Research Associate Steven Kimmelman, Principal Webmaster Maryanne Garcia, Executive Secretary Maureen Tilbury, and former Legal Secretary Renee Zach.

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COMMISSIONERS

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

Executive Director's Thoughts Jeff Brindle

Independent Spending-What Goes Up Can Also Come Down

Reprinted from insidernj.com

Independent, outside groups, often referred to as "Dark Money" groups, have been a very influential force in New Jersey elections in recent years.

But one development that could put the brakes on a two-decade-long trend toward increased independent group spending is a dwindling number of competitive congressional and legislative districts in the Garden State.

According to the Center for Responsive Politics, \$27.6 million was spent by independent groups on New Jersey's primary and general congressional races this year. This amount was \$24 million less than the \$52 million spent by these groups in 2018.

A very strong possibility exists that two years from now, independent spending will decline even more. All 12 New Jersey house members- ten Democrats and two Republicans- in 2022 will have been in office for at least two terms assuming they all decide to run for

reelection. This will make them less vulnerable and their districts less competitive.

Michael Malbin, one of the nation's top experts on campaign finance issues, has said one of the main goals of Super PACs and other independent spenders is to "win the close races."

Independent expenditure committees, he said, place "nearly exclusive focus on the most competitive races." [1]

A total of \$51.9 million- 99.8 percent of all the independent money spent in New Jersey in 2018- poured into those six campaigns.

Seven other House races in 2018 drew less than \$95,000 combined in outside spending. That signals they were relatively safe districts with bigger winning margins that would be hard for the opposing party to wrench loose even with outside spending.

Table 1
Independent Spending in New Jersey Congressional Races- 2020 Versus 2018²

	2020	%	2018	%
NJ Congressional Elections Where Independent Spending Exceeded \$1 million	3		6	
Total Independent Spending in Those Competitive Districts	\$25,682,622	93%	\$51,968,272	99.8%
Total Independent Spending in Other Districts	\$1,965,742	7%	\$ 94,956	0.2%
Total Independent Spending in NJ Congressional Elections	\$27,648,364		\$52,063,228	

A comparison of 2020 and 2018 Congressional elections confirms that the trend toward less competitive districts in New Jersey- and a decline in independent spending- already seems to have begun.

In 2018, the US Senate race and five House district match-ups each drew more than \$1 million in independent spending. At the top was the showdown between Senator Robert Menendez and Bob Hugin, which alone drew \$21.6 million in outside spending. Menendez won reelection.

In the 2020 elections, outside spending topped \$1 million in just three districts.

The three districts alone attracted a total of \$25.7 million- 93 percent of all independent spending. The second congressional district race where Rep. Jeff Van Drew won reelection was the biggest magnet, drawing about \$13 million.

The other ten campaigns, including the US Senate race and contests for nine house seats, combined received just under \$2 million in independent funds, or 7 percent.

¹ Malbin, Michael, "PACs in an Age of Super PACs," March 6, 2013 presentation to National PAC conference. Malbin is executive director of the Campaign Finance Institute, which is now affiliated with the National Institute on Money in Politics. He also is a professor of political science at the University of Albany.

² Source: Center for Responsive Politics.

A similar pattern holds for recent legislative races. The slowing of outside group spending was seen in the Assembly election of 2019, when outside groups spent just \$5.9 million compared with the \$11.8 million spent by them in the Assembly election of 2015.

The two most competitive districts in 2015 received a total of \$3.9 million of independent spending- 73 percent of spending targeted by district.

That suddenly changed in 2019, when independent spending on legislative races fell from an all-time peak of \$27.3 million to \$5.9 million- a drop of 78 percent.

Some of this can be explained by the fact that both houses were running in 2017 and it featured the most expensive state legislative race in US history.

thereby changes to the electoral landscape often derived from changes to campaign finance law. However, this potential slowing of independent group activity may defy this historical tendency and derive instead from developments other than statutory reforms; in this case the disincentive for these groups to spend heavily in New Jersey due to the configuration of congressional and legislative districts that have become less competitive.

	2019	%	2017	%	2015	%
NJ Legislative Contests Where Independent Spending Exceeded \$1 million	1		3		2	
Total Independent Spending in Most Competitive Districts	\$1,078,774	29%	\$22,314,400	90%	\$3,880,992	73%
Total Independent Spending Where Target District is Known³	\$3,748,118		\$24,821,597		\$5,319,285	

This does not mean independent groups, while exercising their right to participate under First Amendment speech and assembly provisions, should not be subject to regulation as are political parties. Nor does it mean that the

party system in New Jersey should not be strengthened. It should.

In 2017, the third district state Senate race set a national record when nearly \$19.8 million in independent spending poured into in to defend and attack Senate President Stephen Sweeney, who, in the end, won handily. Along with the two other top competitive districts, total spending was \$22.3 million- 90 percent of known targeted spending.

In 2019, the most competitive legislative district received just \$1.1 million.

No statistic better illustrates the two-decades-long growth in outside group spending better than the 11,458 percent spike in independent spending in New Jersey that took place between 2005-2017.

But even if you just compare 2019 to 2015 since both were years when the only house up for reelection was the Assembly, spending was nearly half. It could be that other races in the future could set new records for independent spending; perhaps a gubernatorial race in the future when no incumbent is running for reelection. Governor Phil Murphy already has set his re-election campaign in motion for next year.

When the governor first ran in 2017, it was a free-for-all that led to \$24.5 million in independent spending- a record for a gubernatorial election. There were 16 candidates in the primary and general elections. Again, competition increased outside spending.

As noted in previous columns, political parties are an integral part of the electoral and governmental systems. They make significant contributions to government, among them bringing compromise to the process, organizing government, and serving as a link between the citizens and their government.

Moreover, political parties are highly regulated under New Jersey laws, subject to disclosure, contribution limits, restrictions on their participation in gubernatorial elections, and guidelines in terms of how they should be organized.

³ Unlike Congressional races, not all independent spending in legislative races is broken out by district. Full independent spending totals by year were \$5,856,004 in 2019, \$27,290,174 in 2017 and \$11,836,544 in 2015.

Independent groups, under New Jersey statutes, are not subject to regulatory policy that even approximates that of political parties, though they similarly participate in electoral politics.

Only if they specifically support or oppose candidates, using magic words like “vote for” or “vote against,” are they required to disclose expenditures. They are not required to disclose contributions, which they can collect in unlimited amounts.

This column has prognosticated that independent group activity may be slowing down due to lack of competitiveness in congressional and legislative district races. Nevertheless, when engaging in election related activity independent groups should be subject to regulation similar to political parties. Moreover, political parties should be strengthened to bring balance to New Jersey’s electoral system.

This balance should not be left to natural causes. Instead, well thought out policies that strengthen parties along with requiring independent groups engaged in elections to disclose their activities will bring accountability and transparency to the process.

It will also engender greater trust on the part of the public in the state’s electoral process.

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

COMMISSION MEETING SCHEDULE FOR
CALENDAR YEAR 2021

The New Jersey Election Law Enforcement Commission has announced its meeting schedule for 2021. 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.

2021 COMMISSION MEETING SCHEDULE

January	19, 11:00 a.m.
February	16, 11:00 a.m.
March	16, 11:00 a.m.
April	20, 11:00 a.m.
May	18, 11:00 a.m.
June	15, 11:00 a.m.
July	20, 11:00 a.m.
August	17, 11:00 a.m. (if necessary)
September	21, 11:00 a.m.
October	19, 11:00 a.m.
November	16, 11:00 a.m.
December	21, 11:00 a.m.

County Party Fund-Raising on Rebound as COVID-19 Crisis Persists

County political party committees raised almost as much money during the third quarter as they did during the previous six months, according to the latest reports filed with the New Jersey Election Law Enforcement Commission.

Year-to-date fund-raising through September 30 reached \$3.8 million. It is the lowest total through the third quarter since 2009 except for 2012. Even the 2012 amount was worth more when adjusted for inflation.

Reports for the third quarter do show some improvement in fund-raising, however. During July, August and September, county parties raised \$1.8 million. The amount is nearly as much as the \$1.9 million collected during the six months from January through June.

Table 1
County Party Fundraising and Spending
through Third Quarter 2009-2020

YEAR	RAISED	SPENT	CASH-ON-HAND	STATE OR FEDERAL ELECTION YEAR
2009	\$7,398,692	\$6,375,763	\$2,952,853	State
2010	\$4,526,290	\$4,393,487	\$2,365,419	Federal
2011	\$4,798,299	\$3,694,423	\$2,134,219	State
2012	\$3,662,456	\$3,189,326	\$1,573,648	Federal
2013	\$5,319,655	\$4,447,403	\$2,456,395	State
2014	\$4,410,348	\$3,764,798	\$1,980,600	Federal
2015	\$4,843,498	\$4,176,856	\$2,123,801	State
2016	\$4,199,012	\$3,625,063	\$2,328,583	Federal
2017	\$6,661,677	\$5,527,347	\$3,266,399	State
2018	\$5,769,747	\$4,793,929	\$3,571,919	Federal
2019	\$4,890,874	\$5,073,468	\$2,958,486	State
2020	\$3,792,203	\$3,723,794	\$2,399,612	Federal

Jeff Brindle, ELEC's Executive Director, said party officials appear to be adapting to the COVID-19 pandemic just like society at large.

"We can't totally stop all daily activities, but we do have to do some things more carefully," he said.

When the public health crisis first struck in March, many political fund-raising events were cancelled or postponed. Invitations to more recent events emphasize they are being held outdoors and include social distancing and mask-wearing, according to GovNetNJ.com.

Brindle noted that county party officials faced fund-raising challenges even before the pandemic's eruption. Imposition of tighter contribution limits for public contractors, competition from independent spending committees and other factors already have shrunk their coffers during the past two decades.

"Bipartisan ELEC legislative recommendations to boost party fund-raising have never been more relevant," he said. "The legislative changes may strengthen the finances of state and municipal parties as well."

Steps that could help bolster party fund-raising include ending the complexity of pay-to-play laws by creating one state law, raising the contribution limit for public contractors from \$300 to \$1,000, and boosting contribution limits for county parties and other parties and candidates.

“Except for gubernatorial candidates, party and candidate contribution limits have not been raised since 2005 even though inflation has risen 33 percent since that time,” Brindle said.

Compared to four years ago, fund-raising, spending, cash-on-hand and net worth all are up for Democrats while all categories are down for Republicans versus 2016.

Table 2
Summary of Campaign Finance Activity by County Committees
January 1 through September 30, 2020 Versus 2016

2020	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Democratic County Party Committees	\$2,553,564	\$2,570,810	\$1,931,571	\$1,941,363
Republican County Party Committees	\$1,196,995	\$1,152,984	\$ 468,041	\$ 929,903
Total-Both Parties	\$3,750,559	\$3,723,794	\$2,399,612	\$2,871,266
2016	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Democratic County Party Committees	\$2,326,378	\$2,067,022	\$1,478,313	\$1,264,784
Republican County Party Committees	\$1,872,634	\$1,558,041	\$ 850,270	\$1,519,354
Total-Both Parties	\$4,199,012	\$3,625,063	\$2,328,583	\$2,784,138
Difference 2020 versus 2016	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Democratic County Party Committees	9.8%	24.4%	30.7%	53.5%
Republican County Party Committees	-36.1%	-26.0%	-45.0%	-38.8%
Total-Both Parties	-10.7%	2.7%	3.1%	3.1%

*Net worth is cash-on-hand adjusted for debts owed to or by the committee.

Among Democratic county committees that have filed their quarterly reports, Bergen, Burlington, Camden, Gloucester, Mercer, Passaic, Salem and Union reported cash balances above \$100,000.

Morris County reported a negative cash balance.

Table 3
Campaign Finance Activity of
Democratic County Party Committees
January 1 through September 30, 2020

COUNTY	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Atlantic	\$ 101,092	\$ 99,501	\$ 10,925	\$ 10,925
Bergen	\$ 342,080	\$ 226,605	\$ 148,609	\$ 148,609
Burlington	\$ 156,950	\$ 39,261	\$ 123,341	\$ 116,966
Camden	\$ 495,726	\$ 637,237	\$ 200,287	\$ 200,287
Cape May	\$ 52,059	\$ 45,961	\$ 6,312	\$ 6,312
Cumberland	\$ 61,276	\$ 61,944	\$ 3,733	\$ 3,733
Essex**	\$ 134,743	\$ 142,816	\$ 78,267	\$ 78,267
Gloucester	\$ 105,910	\$ 175,312	\$ 479,679	\$ 479,679
Hudson	NA	NA	NA	NA
Hunterdon	\$ 40,080	\$ 27,455	\$ 31,695	\$ 31,695
Mercer	\$ 58,650	\$ 39,951	\$ 216,066	\$ 216,066
Middlesex	\$ 256,699	\$ 238,044	\$ 65,062	\$ 65,062
Monmouth	\$ 109,176	\$ 93,490	\$ 15,880	\$ 15,880
Morris	\$ 188,680	\$ 198,910	\$ (8,009)	\$ (8,009)
Ocean	\$ 23,062	\$ 32,940	\$ 13,451	\$ 29,617
Passaic	\$ 139,133	\$ 183,850	\$ 241,881	\$ 241,881
Salem	\$ 12,100	\$ 13,235	\$ 100,895	\$ 100,895
Somerset	\$ 57,741	\$ 86,988	\$ 30,395	\$ 30,395
Sussex	\$ 13,291	\$ 9,408	\$ 13,329	\$ 13,329
Union	\$ 200,064	\$ 212,135	\$ 141,308	\$ 141,308
Warren	\$ 5,052	\$ 5,768	\$ 18,466	\$ 18,466
Democrats-Total	\$2,553,564	\$2,570,810	\$1,931,571	\$1,941,363

*Net worth is cash-on-hand adjusted for debts owed to or by the committee.

**2nd quarter totals

NA-not available

No Republican county committees filing reports reported a cash balance above \$100,000.

Table 4
Campaign Finance Activity of Republican County Party Committees
January 1 through September 30, 2020

COUNTY	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Atlantic	\$ 3,467	\$ 19,820	\$ 4,980	\$ 4,980
Bergen	\$ 101,583	\$ 95,660	\$ 24,648	\$ 14,648
Burlington	\$ 133,472	\$ 147,515	\$ 11,312	\$499,274
Camden	\$ 23,888	\$ 20,198	\$ 11,693	\$ 11,693
Cape May	NA	NA	NA	NA
Cumberland	\$ 51,231	\$ 24,416	\$ 33,441	\$ 33,441
Essex	\$ 18,500	\$ 11,129	\$ 29,325	\$ 29,325
Gloucester	\$ 87,958	\$ 88,328	\$ 21,348	\$ 21,348
Hudson**	NA	NA	NA	NA
Hunterdon	\$ 62,490	\$ 57,502	\$ 8,638	\$ 8,638
Mercer	\$ 2,025	\$ 7,731	\$ 179	\$ 179
Middlesex	\$ 2,800	\$ 2,787	\$ 16,400	\$ 16,400
Monmouth	\$ 275,246	\$ 229,205	\$ 86,019	\$ 81,519
Morris	\$ 71,361	\$ 52,313	\$ 29,259	\$ 17,659
Ocean	\$ 99,843	\$ 84,102	\$ 32,409	\$ 32,409
Passaic	\$ 135,395	\$ 157,658	\$ 35,227	\$ 35,227
Salem	\$ 13,631	\$ 6,077	\$ 40,316	\$ 40,316
Somerset	\$ 33,130	\$ 64,577	\$ 19,377	\$ 19,377
Sussex	\$ 9,585	\$ 16,769	\$ 9,060	\$ 9,060
Union	\$ 46,265	\$ 39,111	\$ 51,359	\$ 51,359
Warren	\$ 25,125	\$ 28,088	\$ 3,051	\$ 3,051
Republicans-Total	\$1,196,995	\$1,152,984	\$468,041	\$929,903

*Net worth is cash-on-hand adjusted for debts owed to or by the committee.

** Does not expect to spend more than \$6,300 in 2020. NA-not available

The numbers in this analysis are based on reports filed by 5 pm December 1, 2020. They have yet to be verified by ELEC staff, and should be considered preliminary.

Individual reports can be reviewed on ELEC's website (www.elec.state.nj.us).

2021 Reporting Dates

	INCLUSION DATES	REPORT DUE DATE
FIRE COMMISSIONER – APRIL 20, 2021 – See Executive Order No. 211		
29–day Preelection Reporting Date	Inception of campaign* – 3/19/2021	3/22/2021
11–day Preelection Reporting Date	3/20/2021 – 4/6/2021	4/9/2021
20–day Postelection Reporting Date	4/7/2021 – 4/20/2021	5/10/2021
48–Hour Notice Reports Start on 4/7/2021 through 4/20/2021		
SCHOOLBOARD – APRIL 20, 2021		
29–day Preelection Reporting Date	Inception of campaign* – 3/19/2021	3/22/2021
11–day Preelection Reporting Date	3/20/2021 – 4/6/2021	4/9/2021
20–Day Postelection Reporting Date	4/7/2021 – 5/7/2021	5/10/2021
48–Hour Notice Reports State on 4/7/2021 through 4/20/2021		
MAY MUNICIPAL – MAY 11, 2021		
29–day Preelection Reporting Date	Inception of campaign* – 4/9/2021	4/12/2021
11–day Preelection Reporting Date	4/10/2021 – 4/27/2021	4/30/2021
20–Day Postelection Reporting Date	4/28/2021 – 5/28/2021	6/1/2021
48–Hour Notice Reports State on 4/28/2021 through 5/11/2021		
RUNOFF (JUNE)** – JUNE 15, 2021		
29–day Preelection Reporting Date	No Report Required for this Period	
11–day Preelection Reporting Date	4/28/2021 – 6/1/2021	6/4/2021
20–Day Postelection Reporting Date	6/2/2021 – 7/2/2021	7/6/2021
48–Hour Notice Reports Start on 6/2/2021 through 6/15/2021		
PRIMARY (90 DAY START DATE – MARCH 10, 2021)*** – JUNE 8, 2021		
29–day Preelection Reporting Date	Inception of campaign – 5/7/2021	5/10/2021
11–day Preelection Reporting Date	5/8/2021 – 5/25/2021	5/28/2021
20–Day Postelection Reporting Date	5/26/2021 – 6/25/2021	6/28/2021
48–Hour Notice Reporting Starts on 5/26/2021 – 6/8/2021		
GENERAL (90 DAY START DATE – AUGUST 4, 2021) – NOVEMBER 2, 2021		
29–day Preelection Reporting Date	6/26/2021 – 10/1/2021	10/4/2021
11–day Preelection Reporting Date	10/2/2021 – 10/19/2021	10/22/2021
20–day Postelection Reporting Date	10/20/2021 – 11/19/2021	11/22/2021
48–Hour Notice Reporting Starts on 10/20/2021 – 11/2/2021		
RUN–OFF (DECEMBER)** – December 7, 2021		
29–day Preelection Reporting Date	No Report Required for this Period	
11–day Preelection Reporting Date	10/20/2021 – 11/23/2021	11/26/2021
20–day Postelection Reporting Date	11/24/2021 – 12/24/2021	12/27/2021
48 Hour Notice Reporting Starts on 11/24/2021 through 12/7/2021		

PACS, PCFRS & CAMPAIGN QUARTERLY FILERS

1 st Quarter	1/1/2021 – 3/31/2021	4/15/2021
2 nd Quarter	4/1/2021 – 6/30/2021	7/15/2021
3 rd Quarter	7/1/2021 – 9/30/2021	10/15/2021
4 th Quarter	10/1/2021 – 12/31/2021	1/18/2022

GOVERNMENTAL AFFAIRS AGENTS (Q-4)

1 st Quarter	1/1/2021 – 3/31/2021	4/12/2021
2 nd Quarter	4/1/2021 – 6/30/2021	7/12/2021
3 rd Quarter	7/1/2021 – 9/30/2021	10/12/2021
4 th Quarter	10/1/2021 – 12/31/2021	1/10/2022

*Inception Date of Campaign (first time filers) or January 1, 2021 (Quarterly filers).

**A candidate committee or joint candidates committee that is filing in a 2021 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 April 15, 2021 for the Primary Election Candidates and June 21, 2021 for the Independent General Election Candidates.

Note: A fourth quarter 2020 filing is needed for the Primary 2021 candidates if they started their campaign prior to December 10, 2020.

A second quarter is needed by Independent/ Non-partisan General election candidates if they started their campaign prior to May 4, 2021.

HOW TO CONTACT ELEC

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