



# Newsletter

## ELECtronic

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

### Comments from the Chairman

**Eric H. Jaso**

**"Freedom is hammered out on the anvil of discussion, dissent and debate." – Hubert H. Humphrey**

Later this month, the Commission will select media sponsors for the gubernatorial general-election debates.

Choosing debate sponsors is one of ELEC's most important responsibilities, as the debates enable voters to hear and consider the positions of those candidates for Governor who receive public matching campaign funds.

New Jersey's Gubernatorial Public Financing Program, the first to be established in the nation, continues to be a national model. With the general election in November, ELEC will play an important role as it distributes public matching funds to qualified candidates. As a condition of their participation in the matching-fund program, ELEC requires the candidates to participate in two interactive debates.

Incumbent Governor Phil Murphy and his Republican opponent, former Assemblyman Jack Ciattarelli, have already submitted applications to participate in the program for the general election.

Independent candidates have until September 3<sup>rd</sup> to qualify for matching general-election funds.

To be eligible to receive two public dollars for every one dollar raised in private dollars, a candidate must raise and commit to spend \$490,000 by the September 3<sup>rd</sup> deadline.

Any candidate who receives public funds, and any candidate whose opponent receives public funds, must participate in two debates. Further, their respective running mates for Lieutenant Governor must participate in a separate debate.

The twin goals of the program are to allow qualified candidates of limited means to run for Governor and to eliminate undue influence from the process. The Commission added a third goal, though unofficial: to protect the integrity of the program by distributing public dollars responsibly.

The Gubernatorial Public Financing Program has remained viable through the years in part because in 1989 the Legislature required the various financial thresholds and limits to be adjusted for inflation every four years. Without these adjustments this important program could easily have become outdated and its goal of keeping gubernatorial elections free of undue influence incomplete.

New Jersey's Gubernatorial Public Financing Program has represented a high-water mark for the State. Since its inception, every person elected to the governorship, except one, has qualified and participated in the program. Only former Governor Jon Corzine, whose campaigns were self-financed, did not participate in either 2005 or 2009.

The quadrennial gubernatorial debates are an essential component of the program's success. ELEC's role in selecting the media sponsors helps ensure that the public is well-informed about the candidates and their positions on the important issues facing the State before any voter enters the polling place.

### IN THIS ISSUE

|  |       |
|--|-------|
| Comments from the Chairman   | P. 1  |
| Executive Director's Thoughts  | P. 2  |
| ELEC Oral History Project  | P. 3  |
| New Jersey Federal Judge Upholds Ban on Direct Bank Contributions to Candidates  | P. 4  |
| Bigger Percentage of Legislative Candidates Filed PFD Forms in 2021 than in 2019 | P. 5  |
| Late Wave of Independent Spending Drives Up Spending in Competitive Districts    | P. 7  |
| Reporting Lag May Be Depressing County Party Receipts                            | P. 9  |
| Primary Spending by Gubernatorial Candidates Tops \$14 Million                   | P. 12 |

### COMMISSIONERS

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

## Executive Director's Thoughts

### Jeff Brindle

## 2004 Reform Package Had Big Impact on Campaign Finance and Lobbying Laws but One Reform Might Now be Unconstitutional

Reprinted from [insidernj.com](http://insidernj.com)

From time-to-time, reform movements have taken hold in New Jersey as they have in many jurisdictions of democratic persuasion.

One such time happened in 2004, when a package of 22 bills, referred to as "Restoring the Public Trust," passed the Legislature and was signed into law by then-Governor Jim McGreevey.

A key architect of the reform package was then-Assembly Majority Leader Joe Roberts, who will be featured in an interview on ELEC's website next month. The interview is part of the Commission's "Oral History of the Commission Project."

Soon after he shepherded the reform package into law, Roberts, a Democrat who represented the 5<sup>th</sup> Legislative District (Camden County), became Assembly Speaker. He retired from the Legislature in January 2010 after serving nearly 23 years in the Assembly.

Included among the reform initiatives was the 2005 Clean Elections Pilot project, several amendments to the state lobbying law, including grassroots lobbying disclosure, and tight pay-to-

play contribution restrictions on public contractors.

Importantly, one bill sponsored by Roberts provided an extra appropriation of \$2 million for ELEC, raising the Commission's budget slightly to more than \$5 million for the first time.

The increase in the Commission's budget enabled the Commission to carry out its new responsibilities and allowed for ELEC to continue as one of the top agencies of its kind in the nation.

It also helped fortify the agency against a number of lean state budgetary years that included some cuts. It took 15 years before the Commission's budget again exceeded \$5 million. Despite having a flat budget for more than a decade, the Commission showed that it could continue to be successful during tough times.

The reform package overall led to many improvements in campaign finance and lobbying laws. However, one reform that in 2004 seemed necessary and worthwhile may in retrospect be counter-productive and even unconstitutional.

Such is the case with a provision in the anti-pay-to-play bill that banned inter-party transfers of money between county political parties between January 1 and June 30 of each year. This effectively banned county organizations from donating to each other during the primary.

When the ban went into law, it may have made some sense. From the standpoint of good government reformers, this prohibition might help

prevent "wheeling," or the circumvention of contribution limits by wealthy donors who could spread money around to various county party organizations.

Instead, the ban may have contributed to the demise of the party system in New Jersey by making fund-raising even more difficult. That, in turn, has enabled independent, dark money groups to fill the void by expanding their influence over the state's elections.

Perhaps most importantly, the curb on transfers between county parties may well be unconstitutional.

In *Missouri Ethics Commission, et al., v. Free and Fair Elections Fund (2018)*, the Eight Circuit Court of Appeals found unconstitutional a Missouri law that banned transfers between political actions committees (PACs).

In New Jersey, county parties are similar to PACs since they are ongoing fund-raising committees that report on a quarterly basis.

In its ruling, the Eight Circuit Court noted:

"The (Missouri Ethics) Commission asserts that additional disclosure requirements would not help the *public* to track the source of donations that are commingled with the rest of a PAC's funds and shuttled through a series of other PACs before reaching a candidate. But even assuming the Commission is correct about the difficulty of tracking funds, the argument is self-defeating: If disclosure laws will not help the public discern who gave money to whom, then we are hard pressed to see how a candidate would identify an original

donor to create a risk of *quid pro quo* corruption.”

The Eighth Circuit had upheld an earlier decision by the United States District Court for the Western District of Missouri-Jefferson City, which found the law “unconstitutional on its face under the First Amendment and unconstitutional as applied to Free and Fair Elections.”

In response to the lower court decisions, the State of Missouri asked the U.S. Supreme Court to review the question of whether the Missouri law banning contributions between PACs was a violation of the First Amendment.

At least one other circuit, the 11<sup>th</sup> district in 2016, has upheld PAC-to-PAC bans as constitutional. But the U.S. Supreme Court on March 15, 2019 denied the petition for certiorari in the Missouri case, thus leaving the Eighth Circuit ruling in place.

Citing its ruling in *Citizens United v FEC (2010)*, the high court said: “This Court’s most recent caselaw makes clear that the State has no (or very little) interest in regulating contributions between PACs because they present no risk of quid pro quo corruption.”

Thus, in denying certiorari, and thereby implicitly questioning the constitutionality of Missouri’s law, it can be assumed that the Supreme Court would rightfully question a similar law in New Jersey that bans county political parties from inter-party transfers.

If it is unconstitutional to restrict PAC-to-PAC transfers, whether made to PACs that contribute to candidates or spend independently, why is it not unconstitutional to restrict county party-to-county party donations?

Is there a greater risk of quid pro quo corruption when a county political party, which is more accountable under the law than a special interest PAC or independent group, gives to a sister party than when a PAC gives to another PAC?

In today’s post-*Citizens United* world, wealthy donors can easily spread money around among independent groups, which face no contribution limits, few restrictions other than to not coordinate with candidates or parties, and often conceal their donors (hence, the name dark money).

Wouldn’t they be less inclined to give to county parties, which are subject to contribution limits, special restrictions like the county primary transfers and full disclosure requirements? It seems so since county party fund-raising in 2020 was 75 percent less than 2003, the peak fund-raising year during the last two decades.

The political party system in New Jersey is on life support. While a seemingly small step, repealing the ban on county party primary transfers, along with other party-related reforms recommended by ELEC, would help restore the influence of county parties in our electoral and governmental processes while perhaps offsetting the clout of dark money groups.

## ELEC Oral History Project

As announced previously, the New Jersey Election Law Enforcement Commission (ELEC) is undertaking a new project entitled “An Oral History of the Commission.”

Jeff Brindle, Executive Director of ELEC, said: “The project involves an ongoing series of interviews with individuals who have had a significant impact on the Commission or its statutory responsibilities through the years.”

Brindle said the series will include current and past commissioners, executive directors, governmental officials, and reformers who have made contributions to the Commission and its mission through the years.

“We hope to create an oral time capsule that will highlight the various issues, reforms, and institutional changes that have been part of the Commission’s history,” said Brindle.

Two interviews already have been posted on ELEC’s website ([https://www.elec.state.nj.us/aboutelec/ELEC\\_OralHistory.htm](https://www.elec.state.nj.us/aboutelec/ELEC_OralHistory.htm)) and a third will be made public shortly.

Eric Jaso, the current Chairman of the Commission, was the focus of the first interview in November. Former ELEC Executive Director Lewis Thurston participated in one last month. Former Assembly Speaker Joseph Roberts was interviewed this week.

## New Jersey Federal Judge Upholds Ban on Direct Bank Contributions to Candidates While Permitting Banks to Spend Independently

By Joe Donohue

A New Jersey federal judge has upheld the state's 110-year-old ban on direct contributions to candidates by banks and other state regulated industries.

At the same time, U.S. District Judge Brian Martinotti of the District of New Jersey agreed on June 21, 2021 with the New Jersey Bankers Association that the law unconstitutionally banned independent spending by the same group.

Martinotti said that the ban on direct contributions does not violate the First Amendment because it is closely tailored to a government interest in stopping corruption.

However, he found no such rationale to justify a ban on independent spending because the U.S. Supreme Court in *Citizens United v. FEC* (2010) found that independent spending does not corrupt.

Jeff Brindle, ELEC's Executive Director, said the ruling has the potential to further accelerate the growth of independent spending committees in New Jersey elections.

"Independent spending has soared during the last decade in state and even local elections in the wake of federal court rulings and legislation," Brindle said. Independent spending reached a peak of \$51.8 million in 2017 versus \$165,000 in 2007. "The judge's ruling makes it even more urgent for the legislature to adopt a new law requiring independent spenders in elections to meet the same disclosure standards as candidates, parties and traditional political action committees."

New Jersey in 1911 enacted a statute (N.J.S.A. 19:34-45) forbidding banks and other state regulated industries from making political contributions. The ban also applied to trusts, insurance, railroad, telephone, gas, electric, and other companies.

The New Jersey Bankers Association, which represents 88 members headquartered or having offices in New Jersey, filed a federal complaint in 2018 urging that the court to strike down the ban.

While Martinotti refused to invalidate the ban on direct contributions, the issue of independent expenditures was another matter. The judge agreed with the Bankers Association that the ban barred independent spending as well as direct contributions. New Jersey Attorney General Gurbir Grewal disagreed that the ban extended to independent spending. The judge acknowledged in his ruling:

"Grewal claims New Jersey has never interpreted *N.J. Stat. Ann. § 19:34-45* to cover independent expenditures: the Attorney General never construed the statute to prohibit expenditures in its opinions; the State never enforced the statute against a covered entity for making independent expenditures; the Attorney General confirmed the statute did not extend to independent expenditures."

A separate but related issue is whether Atlantic City casinos also can spend money independently on state and local elections. New Jersey Globe quoted a spokesman for the attorney general who said his office is examining that issue considering Martinotti's ruling.

Legal casinos were not authorized in New Jersey until a 1976 public referendum allowed them in Atlantic City. The 1977 law that set the ground rules for casino operations forbids licensed casinos and their top-ranking employees from making political contributions to state and local elections except for one narrow exception- a casino worker running for municipal office in Atlantic City that gives to their campaign.

## Bigger Percentage of Legislative Candidates Filed Personal Financial Disclosure Forms in 2021 than in 2019

*Eighty-six* percent of candidates who campaigned for legislative seats in the June 8 primary filed personal financial disclosure (PDFs) reports, up *eight* percentage points from 2019, according to an analysis by the New Jersey Election Law Enforcement Commission (ELEC).

Following a long-standing pattern, incumbents were more conscientious than challengers about submitting their reports.

Of the 108 incumbents pursuing either state Senate or Assembly seats, 102 (94%) filed their statutorily mandated disclosure forms. That was slightly below the 95 percent compliance rate in 2019. During the best year for incumbent compliance in 2015, compliance was 100 percent.

Among the 145 challengers seeking to become state lawmakers, *116 (80%)* complied with the law requiring them to give voters a glimpse of their personal finances. That was an improvement over the 66 percent compliance rate in 2019. The best challenger compliance rate since ELEC began doing this analysis in 2011 was 90 percent in 2013.

**Table 1**  
**Percentage of Legislative Primary Candidates**  
**Filing Personal Disclosure Forms with ELEC**

| GROUP         | CANDIDATES-2021 | FILERS-2021 | 2021       | 2019       | 2017       | 2015       | 2013       | 2011       |
|---------------|-----------------|-------------|------------|------------|------------|------------|------------|------------|
| Incumbents    | 108             | 102         | 94%        | 95%        | 94%        | 100%       | 99%        | 97%        |
| Challengers   | 145             | 117         | 80%        | 66%        | 80%        | 84%        | 90%        | 87%        |
| <b>Totals</b> | <b>253</b>      | <b>218</b>  | <b>86%</b> | <b>78%</b> | <b>86%</b> | <b>91%</b> | <b>94%</b> | <b>91%</b> |

During the current election year, Republican incumbents had the highest compliance rate at 95 percent followed by Democratic incumbents at 94 percent. Republican challengers lagged the most at 77 percent. Democratic challengers did better at 84 percent.

Compared to the 86 percent average for all candidates, all Democratic candidates were higher at 90 percent while all Republican candidates were lower at 83 percent.

**Table 2**  
**Compliance Rate by Party Affiliation**

| GROUP                    | 2021       | 2019 | 2017 | 2015 | 2013 | 2011 |
|--------------------------|------------|------|------|------|------|------|
| Republicans- Incumbents  | <b>95%</b> | 100% | 100% | 100% | 100% | 95%  |
| Democrats-Incumbents     | <b>94%</b> | 93%  | 92%  | 100% | 99%  | 98%  |
| All Democrats            | <b>90%</b> | 82%  | 90%  | 90%  | 91%  | 91%  |
| All Candidates           | <b>86%</b> | 78%  | 86%  | 91%  | 94%  | 91%  |
| Democrats-Challengers    | <b>84%</b> | 70%  | 89%  | 79%  | 83%  | 83%  |
| All Republicans          | <b>83%</b> | 74%  | 81%  | 92%  | 97%  | 92%  |
| Republicans- Challengers | <b>77%</b> | 64%  | 75%  | 87%  | 95%  | 90%  |

New Jersey law requires candidates for Governor, Lieutenant Governor, the State Senate, and the Assembly to file a seven-page personal financial disclosure reports during the year of their candidacy.

The disclosure forms ask candidates to identify sources of earned income, such as salaries or bonuses, and unearned income, such as rents and dividends. Disclosure is required if the source of income exceeds \$1,000 in any one category. The statements list only sources of income, not dollar amounts. Candidates must also report sources of income received by spouses and children of candidates.

Candidates also must disclose gifts valued at more than \$250, and whether they own any property in a city where casino gambling is authorized. Candidates can face fines up to \$1,000 if they fail to file their PFD.

**Table 3**  
**Categories Checked Most Often by Candidates**

| <b>CATEGORY</b>                   | <b>NUMBER</b> | <b>FREQUENCY</b> |
|-----------------------------------|---------------|------------------|
| Salary- Candidate                 | 191           | 75%              |
| Salary- Spouse                    | 106           | 42%              |
| Other                             | 86            | 34%              |
| Dividends                         | 67            | 26%              |
| Rent                              | 51            | 20%              |
| Reimbursement                     | 36            | 14%              |
| Bonus                             | 30            | 12%              |
| Commissions                       | 26            | 10%              |
| Fees                              | 20            | 8%               |
| Profit                            | 18            | 7%               |
| Salary- Children                  | 13            | 5%               |
| Honorariums                       | 7             | 3%               |
| Gifts                             | 2             | 1%               |
| Royalties                         | 2             | 1%               |
| Own Property In City With Casinos | 2             | 1%               |

Jeff Brindle, ELEC's Executive Director, called on the Legislature to adopt a bipartisan Commission recommendation to move to May 15 the deadline for the filing of personal financial disclosure reports. This year, candidates were supposed to submit these forms within 10 days after the April 1 deadline for filing primary nomination petitions. This can cause difficulties both for the candidates and ELEC.

May 15 is the same date that incumbent legislators must file separate disclosure forms with the Office of Legislative Services. "Using the same deadline for both reports makes more sense. The filing process will be smoother and still provide disclosure well before the election," said Brindle.

Copies of personal financial disclosure forms can be viewed by going to the "Candidate / Committee Filing Report" search page (<http://www.elec.state.nj.us/ELECReport/SearchCandidate.aspx>) and entering the candidate's name. Look for form PFD-1.

The cutoff date for the compliance checks in this report was June 10, 2021. Reports filed after that date are not included in the totals.

## Late Wave of Independent Spending Drives Up Spending in Competitive Primary Districts

More than \$1.9 million in spending by independent committees mostly is being targeted on three contested districts in the June 8 primary election, according to disclosure reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

The three districts- 20, 26 and 37- rank as three of the top five most costly legislative races so far based on combined spending. District 20, located in Union County, has drawn the most overall spending though candidates there have outspent independent groups. In the district, an incumbent Assembly member is challenging an incumbent Senator. There also are six Democrats vying for party nominations for two Assembly seats.

In two other districts, independent committees so far have spent more than candidates.

District 26, which spans Essex, Morris and Passaic Counties, has drawn the most independent spending- \$903,887, or 45 percent more than candidate outlays. In that district, four Republicans are seeking nominations for two Assembly seats.

District 37 in Bergen County has also drawn substantial independent spending- \$722,098, or nearly 32 percent more than candidate spending. In that race, two Democratic incumbent Assembly members are seeking the party nod to replace a retiring state Senator. There also are four Democrats seeking two nominations for Assembly seats.

**Table 1**  
**Top Five Legislative Districts Ranked by Primary Spending**

| District | Candidate Spending | Independent Group Spending | Total Spent        |
|----------|--------------------|----------------------------|--------------------|
| 20       | \$1,661,995        | \$ 81,569                  | <b>\$1,743,564</b> |
| 26       | \$ 573,488         | \$903,887                  | <b>\$1,477,375</b> |
| 36       | \$1,296,568        |                            | <b>\$1,296,568</b> |
| 37       | \$ 532,181         | \$722,098                  | <b>\$1,254,279</b> |
| 11       | \$1,173,295        |                            | <b>\$1,173,295</b> |

“This year’s primary provides yet another example of the growing impact of independent spending committees on New Jersey elections,” said Jeff Brindle, ELEC’s Executive Director.

“We’ve entered an era when special interest groups often prefer to directly target their political dollars on key races rather than just hand over checks to candidates and parties,” he added.

Eight independent spending committees have reported activity in this year’s legislative campaigns. To date, more than \$1.7 million- 88 percent- of their spending has gone to Districts 20, 26 and 37.

**Table 2**  
**Independent Spending by Legislative District**

| Independent Spending Committee                             | 2               | 18              | 20              | 26               | 37               | District Unspecified | TOTALS             |
|--|-----------------|-----------------|-----------------|------------------|------------------|----------------------|--------------------|
| American Democratic Majority                               |                 |                 |                 |                  | \$693,748        |                      | \$ 693,748         |
| New Jersey Coalition of Real Estate                        |                 | \$65,228        | \$16,500        | \$352,288        |                  | \$ 79,792            | \$ 513,807         |
| Stronger Foundations Inc<br>(Operating Engineers)          | \$20,000        |                 | \$19,409        | \$208,870        | \$ 28,350        |                      | \$ 276,629         |
| Garden State Forward (New Jersey<br>Education Association) |                 |                 |                 | \$198,493        |                  |                      | \$ 198,493         |
| Growing Economic Opportunities<br>(Laborers)               |                 |                 |                 | \$120,676        |                  | \$ 12,485            | \$ 133,161         |
| Women for a Stronger New Jersey                            |                 |                 |                 |                  |                  | \$ 46,012            | \$ 46,012          |
| Building Stronger Communities                              |                 |                 | \$45,660        |                  |                  |                      | \$ 45,660          |
| America’s Future First                                     |                 |                 |                 | \$ 23,560        |                  |                      | \$ 23,560          |
| <b>Totals</b>  | <b>\$20,000</b> | <b>\$65,228</b> | <b>\$81,569</b> | <b>\$903,887</b> | <b>\$722,098</b> | <b>\$138,289</b>     | <b>\$1,931,071</b> |

Campaign finance statistics analyzed in this press release were taken from reports due from candidates 11 days before the June 8 election. Those reports reflect fund-raising and spending between May 8 and May 25.

Information on independent spending came from 11-day pre-election reports, 48-hour notices filed during the final 13 days of the election, and independent expenditure reports filed with ELEC.

Candidate reports show that Democrats, who control both legislative houses, have raised and spent substantially more than Republicans and report far larger cash reserves. Money left over from the primary elections can be carried over to general election accounts.

**Table 3**  
**Breakdown of Legislative Campaign Finance**  
**Activity by Party- Candidates Only**

| Party         | Raised              | Spent               | Cash-on-Hand        |
|---------------|---------------------|---------------------|---------------------|
| Democrats     | \$26,869,613        | \$13,060,491        | \$13,809,121        |
| Republicans   | \$ 6,573,487        | \$ 3,263,255        | \$ 3,310,232        |
| <b>Totals</b> | <b>\$33,443,100</b> | <b>\$16,323,747</b> | <b>\$17,119,354</b> |

Incumbents have raised nearly eight times more campaign funds, spent seven times more money than challengers and are sitting on cash reserves that are eight times larger.

**Table 4**  
**Breakdown of Legislative Campaign Finance Activity**  
**Incumbents Versus Challengers- Candidates Only**

| Type          | Raised              | Spent               | Cash-on-Hand        |
|---------------|---------------------|---------------------|---------------------|
| Incumbents    | \$29,666,427        | \$14,404,972        | \$15,261,455        |
| Challengers   | \$ 3,776,674        | \$ 1,918,775        | \$ 1,857,899        |
| <b>Totals</b> | <b>\$33,443,100</b> | <b>\$16,323,747</b> | <b>\$17,119,354</b> |

State Senate candidates have raised and spent more than Assembly members, and report more cash-on-hand.

**Table 5**  
**Breakdown of Legislative Campaign Finance**  
**Activity By House- Candidates Only**

| Type             | Raised              | Spent               | Cash-on-Hand        |
|------------------|---------------------|---------------------|---------------------|
| Assembly members | \$12,976,041        | \$ 5,743,772        | \$ 7,232,269        |
| Senate members   | \$20,467,059        | \$10,579,975        | \$ 9,887,085        |
| <b>Totals</b>    | <b>\$33,443,100</b> | <b>\$16,323,747</b> | <b>\$17,119,354</b> |

This analysis is based on legislative 11-day pre-election reports filed by 5 pm June 1, 2021 and independent fund-raising reports received by June 5, 2021.

Reports filed by legislative candidates and independent committees are available online on ELEC's website at [www.elec.state.nj.us](http://www.elec.state.nj.us). A downloadable summary of data from candidate reports is available in both spreadsheet and PDF formats at [www.elec.state.nj.us/publicinformation/statistics.htm](http://www.elec.state.nj.us/publicinformation/statistics.htm).



## Reporting Lag May Be Depressing County Party Receipts

With reports from six of 42 county party committees still outstanding, county parties as a group have reported raising just \$695,644 for the first three months of 2021, according to reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Jeff Brindle, ELEC's Executive Director, said it is surprising that during a major election year that a number of county committees have not yet submitted reports. Reports from county party committees were due April 15.

"It is understandable that the pandemic has caused some difficulties for candidates and parties during the past year. But fund-raising by county party committees seemed to be improving during the second half of last year and it had been anticipated that financial activity would increase," he said. "Missing reports make a difference."

**Table 1**  
**County Party Fundraising and Spending**  
**Through First Quarter 2010-2021**

| YEAR | RAISED      | SPENT*      | CASH-ON-HAND | STATE/FEDERAL ELECTION YEAR? |
|------|-------------|-------------|--------------|------------------------------|
| 2010 | \$1,023,791 | \$1,199,044 | \$2,078,378  | Federal                      |
| 2011 | \$1,088,038 | \$1,108,475 | \$1,141,821  | State                        |
| 2012 | \$ 891,658  | \$ 978,826  | \$1,023,935  | Federal                      |
| 2013 | \$ 957,098  | \$ 980,628  | \$1,457,253  | State                        |
| 2014 | \$1,048,455 | \$1,099,335 | \$1,312,788  | Federal                      |
| 2015 | \$1,080,157 | \$1,118,813 | \$1,437,520  | State                        |
| 2016 | \$1,499,334 | \$ 970,613  | \$2,027,203  | Federal                      |
| 2017 | \$1,195,248 | \$1,250,534 | \$2,086,933  | State                        |
| 2018 | \$1,371,138 | \$1,378,945 | \$2,657,429  | Federal                      |
| 2019 | \$1,648,413 | \$1,654,402 | \$3,341,448  | State                        |
| 2020 | \$1,234,693 | \$1,290,897 | \$2,155,834  | Federal                      |
| 2021 | \$ 695,644  | \$ 897,135  | \$2,657,845  | State                        |

\*Spending can exceed fund-raising due to use of reserves or borrowing.

Two Democratic and four Republican county party committees still have not submitted their first quarter reports.

Brindle said candidates, party officials and treasurers are now able to file reports electronically, better facilitating the filing of reports.

"The fact that ELEC now accepts all reports electronically will in the long run lead to better compliance. It is my expectation that those county organizations that have not yet filed will do so quickly," Brindle said.

Both the governor's seat and all 120 legislative posts are up for election this year along with dozens of county offices. County parties often are involved with both state and county elections, particularly in get-out-the-vote efforts.

Like other candidates and committees, county parties receive reminders of filing deadlines. ELEC also can fine committees that file late.

But Brindle emphasized that New Jersey's campaign finance reporting system largely relies on voluntary compliance and compliance generally tops 90 percent or more. Eight-six percent of county parties have filed their first quarter reports so far.

Even with six reports still missing, county party committees are heading into an election year sitting on sizeable cash reserves-nearly \$2.7 million. That is the second largest total in two decades not adjusting for inflation.

With the governor's seat in contention this year, there also is the possibility that the Democratic Governors Association (DGA) and/or the Republican Governors Association (RGA) will be sending large checks to county parties this year to assist on the campaign. This year, Governor Phil Murphy is running for reelection, He also is the finance chairman for DGA.

While both governors associations have run political ad campaigns and contributed to gubernatorial candidates during several New Jersey elections, the DGA more recently steered funds to Democratic county party committees.

In 2017, DGA doled out \$703,000 to Democratic county party committees. RGA last sent checks to Republican county parties in 2005. The total was \$522,000.

Among party committees that have filed their reports, Democrats hold a more than five-to-one advantage over Republicans in cash reserves. The edge is smaller when debts owed to or by counties are factored in.

**Table 2**  
**Fundraising By County Party Committees**  
**January 1 Through March 31**

| Party                              | RAISED    | SPENT**   | CASH-ON-HAND | NET WORTH*  |
|------------------------------------|-----------|-----------|--------------|-------------|
| Democratic County Party Committees | \$378,350 | \$628,643 | \$2,249,612  | \$2,120,629 |
| Republican County Party Committees | \$317,294 | \$268,492 | \$ 408,233   | \$ 898,751  |
| Total- Both Parties                | \$695,644 | \$897,135 | \$2,657,845  | \$3,019,380 |

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

\*\*Spending can exceed fundraising due to use of reserves or borrowing.

Among Democratic counties, Essex and Morris counties have yet to file their first quarter reports.

Of those in compliance, eight Democratic county party committees – Bergen, Burlington, Camden, Gloucester, Mercer, Passaic, Salem, and Union- reported cash reserves above \$100,000 for the quarter.

Hudson County reported a negative net worth due to outstanding debts.

**Table 3**  
**Campaign Finance Activity of**  
**Democratic County Party Committees**  
**January 1 through March 31, 2021**

| COUNTY                 | RAISED           | SPENT            | CASH-ON-HAND       | NET WORTH*         |
|------------------------|------------------|------------------|--------------------|--------------------|
| Atlantic               | \$ 21,060        | \$ 15,237        | \$ 10,664          | \$ 10,664          |
| Bergen                 | \$ 10,920        | \$ 52,717        | \$ 186,517         | \$ 186,517         |
| Burlington             | \$ 16,500        | \$ 2,275         | \$ 200,795         | \$ 194,420         |
| Camden                 | \$106,852        | \$137,629        | \$ 129,937         | \$ 129,937         |
| Cape May**             | NA               | NA               | NA                 | NA                 |
| Cumberland             | \$ 4,250         | \$ 2,399         | \$ 2,846           | \$ 2,846           |
| Essex                  | NA               | NA               | NA                 | NA                 |
| Gloucester             | \$ 14,500        | \$ 90,603        | \$ 500,844         | \$ 500,844         |
| Hudson                 | \$ 711           | \$ 18,802        | \$ 33,734          | \$ (105,040)       |
| Hunterdon              | \$ 9,365         | \$ 3,763         | \$ 33,565          | \$ 33,565          |
| Mercer                 | \$ 20            | \$ 7,414         | \$ 251,046         | \$ 251,046         |
| Middlesex              | \$ 56,648        | \$172,453        | \$ 26,875          | \$ 26,875          |
| Monmouth               | \$ 23,958        | \$ 20,100        | \$ 3,941           | \$ 3,941           |
| Morris                 | NA               | NA               | NA                 | NA                 |
| Ocean                  | \$ 12,634        | \$ 4,323         | \$ 22,005          | \$ 38,172          |
| Passaic                | \$ 9,700         | \$ 19,422        | \$ 371,003         | \$ 371,003         |
| Salem                  | \$ -             | \$ 307           | \$ 115,231         | \$ 115,231         |
| Somerset               | \$ 18,848        | \$ 27,407        | \$ 88,001          | \$ 88,001          |
| Sussex                 | \$ 588           | \$ 1,499         | \$ 12,377          | \$ 12,377          |
| Union                  | \$ 71,797        | \$ 52,295        | \$ 260,232         | \$ 260,232         |
| Warren**               | NA               | NA               | NA                 | NA                 |
| <b>Democrats-Total</b> | <b>\$378,350</b> | <b>\$628,643</b> | <b>\$2,249,612</b> | <b>\$2,120,629</b> |

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

NA= Not Available \*\*Does not expect to spent more than \$7,200.

Among Republican counties, Cape May, Passaic, Salem and Somerset Counties have yet to file their first quarter reports. No Republican county party committees that have filed a report showed a cash reserve larger than \$100,000.

Burlington reported a net worth of more than \$100,000 since it is owed money by others.

**Table 4**  
**Campaign Finance Activity of**  
**Republican County Party Committees**  
**January 1 through March 31, 2021**

| COUNTY                   | RAISED           | SPENT            | CASH-ON-HAND     | NET WORTH*       |
|--------------------------|------------------|------------------|------------------|------------------|
| Atlantic                 | \$ 2,075         | \$ 4,930         | \$ 4,455         | \$ 4,455         |
| Bergen                   | \$ 30,613        | \$ 23,507        | \$ 31,449        | \$ 21,449        |
| Burlington               | \$ 16,895        | \$ 18,978        | \$ 11,904        | \$520,022        |
| Camden                   | \$ 5,900         | \$ 6,359         | \$ 10,847        | \$ 10,847        |
| Cape May                 | NA               | NA               | NA               | NA               |
| Cumberland               | \$ 9,350         | \$ 3,542         | \$ 9,030         | \$ 9,030         |
| Essex                    | \$ -             | \$ -             | \$ 26,333        | \$ 26,333        |
| Gloucester               | \$ 12,872        | \$ 18,337        | \$ 46,354        | \$ 46,354        |
| Hudson**                 | NA               | NA               | NA               | NA               |
| Hunterdon                | \$ 46,663        | \$ 25,738        | \$ 33,587        | \$ 33,587        |
| Mercer                   | \$ 3,350         | \$ 705           | \$ 3,069         | \$ 3,069         |
| Middlesex                | \$ 3,700         | \$ 670           | \$ 15,603        | \$ 15,603        |
| Monmouth                 | \$ 42,716        | \$ 51,839        | \$ 44,688        | \$ 44,688        |
| Morris                   | \$ 28,825        | \$ 34,265        | \$ 14,115        | \$ 6,515         |
| Ocean                    | \$ 8,200         | \$ 54,156        | \$ 9,714         | \$ 9,714         |
| Passaic                  | NA               | NA               | NA               | NA               |
| Salem                    | NA               | NA               | NA               | NA               |
| Somerset                 | NA               | NA               | NA               | NA               |
| Sussex                   | \$ 39,934        | \$ 7,170         | \$ 53,624        | \$ 53,624        |
| Union                    | \$ 58,955        | \$ 10,940        | \$ 85,561        | \$ 85,561        |
| Warren                   | \$ 7,245         | \$ 7,357         | \$ 7,899         | \$ 7,899         |
| <b>Republicans-Total</b> | <b>\$317,294</b> | <b>\$268,492</b> | <b>\$408,233</b> | <b>\$898,751</b> |

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

NA=Not available. \*\*Does not expect to spend more than \$7,200

The numbers in this analysis are based on reports filed by 3 pm June 2, 2021. 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](http://www.elec.state.nj.us)).

## Primary Spending by Gubernatorial Candidates Tops \$14 Million

Candidates seeking gubernatorial primary nominations have raised \$16.1 million and spent \$14.4 million, according to the latest reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Reports show incumbent Governor Phil Murphy, who is running unopposed in the Democratic primary, has raised \$7.8 million and spent \$7.2 million.

He has spent more than the combined \$7.1 million expended by five Republicans who have participated in this year's primary (one has withdrawn from the race).

The top Republican fundraiser and spender is former state Assemblyman Jack Ciattarelli, who has raised \$6.9 million and spent \$5.9 million. With the election just six days away, Ciattarelli has spent five times more than his opponents combined and has 3.7 times more cash in reserve than his opponents combined.

Gubernatorial candidates are required to provide an update on their campaign finance activities 11 days before the June 8 primary. Those reports reflect fund-raising and spending between May 8 and May 25.

**Table 1**  
**Pre-Primary And Primary Campaign Finance Activity**  
**of Gubernatorial Candidates Through May 25, 2021**  
**(Ranked By Cumulative Spending)**

| CANDIDATE   | PARTY | LATEST RAISED      | LATEST SPENT       | CUMULATIVE RAISED   | CUMULATIVE SPENT    | CASH ON HAND       |
|---|-------|--------------------|--------------------|---------------------|---------------------|--------------------|
| Murphy, Phil  | D     | \$ 460             | \$ 367,783         | \$ 7,833,932        | \$ 7,249,883        | \$ 584,050         |
| Ciattarelli, Jack*                                  | R     | \$1,184,245        | \$1,563,623        | \$ 6,866,995        | \$ 5,944,832        | \$ 922,163         |
| Singh, Hirsh  | R     | \$ 22,458          | \$ 52,005          | \$ 549,811          | \$ 509,502          | \$ 40,309          |
| Rizzo, Phil   | R     | \$ 60,610          | \$ 197,949         | \$ 623,873          | \$ 442,001          | \$ 181,872         |
| Steinhardt, Douglas**                               | R     | NA                 | NA                 | \$ 248,345          | \$ 221,819          | \$ 26,527          |
| Levine, Brian***                                    | R     | NA                 | NA                 | NA                  | NA                  | NA                 |
| <b>TOTAL- PRIMARY CANDIDATES</b>                    |       | <b>\$1,267,722</b> | <b>\$2,181,361</b> | <b>\$16,122,956</b> | <b>\$14,368,037</b> | <b>\$1,754,920</b> |
| <b>TOTAL- INDEPENDENT COMMITTEES</b>                |       |                    |                    |                     | <b>\$13,288,828</b> |                    |
| <b>TOTAL- CANDIDATES AND INDEPENDENT COMMITTEES</b> |       |                    |                    |                     | <b>\$27,656,864</b> |                    |

\*Fundraising and cash-on-hand totals include \$296,390 in public funds received after cutoff date for 11-day pre-election report.

\*\*Withdrawn from race. Totals from April quarterly report.

\*\*\*Expects to spend less than \$5,800 on primary election.

Jeff Brindle, ELEC's Executive Director, said candidate spending in this year's primary is considerably lower than in 2017. However, that is because the 2017 primary had more competition because it was for an open seat to replace former Governor Chris Christie.

"Candidates in 2017 had spent \$28 million through the same period during the last governor's race in 2017. That is nearly twice as much as the amount so far," Brindle said. "However, the 2017 primary also had nearly twice as many candidates- 6 Democrats and 5 Republicans."

Under a nationally regarded program begun in the 1970s, New Jersey gubernatorial candidates who raise more than a certain threshold- \$490,000 in 2021- can qualify for two dollars of public financing for every one dollar raised from private sources. Public funding in 2021 is limited to \$4,600,000. To receive public funds, candidates must limit their primary spending to \$7.3 million and can donate no more than \$25,000 to their campaigns.

This year, only Murphy and Ciattarelli have qualified for public funding.

Murphy has raised more than enough to qualify for the full \$4.6 million. However, his campaign so far has requested just \$4.1 million. Ciattarelli to date has received \$4.4 million in public funds.

Brindle noted that "the \$8.5 million provided so far to the two candidates for the 2021 primary already exceeds the \$6.7 million given out to four candidates during the entire 2017 primary."

“While there has been little independent spending during the primary period, nevertheless one committee in the years leading up to the primary has spent slightly less than the candidates themselves. Independent spending will pick up in the general election,” Brindle said.

A 501c4 social welfare non-profit group called New Direction for New Jersey set up to promote Murphy’s policies has spent \$13.2 million since its inception four years ago. However, only \$82,668 of its expenditures (0.6 %) have occurred in 2021. It raised \$15 and spent \$10,470 since May 11, according to a new P-2 Issue Advocacy Organization Participation report filed by Murphy’s campaign.

***A 527 political organization called Fix NJ Now, set up by supporters of Ciattarelli, has begun running advertisements on his behalf, according to Politico.<sup>1</sup> Organizational reports filed with ELEC state that its objective is to “unite New Jerseyans to put an end to the reign of Phil Murphy.”***

**Table 2  
Spending By Independent Committees  
To Support Gubernatorial Candidates**

| FORMED BY OR AFFILIATED WITH    | INDEPENDENT COMMITTEES                                 | RAISED                  | SPENT                   |
|---------------------------------|--|-------------------------|-------------------------|
| <b>Primary/ Pre-Primary</b>     |  |                         |                         |
| Murphy, Phil                    | New Direction for New Jersey                           | \$ 13,691,195           | \$ 13,223,616           |
| <b><i>Ciattarelli, Jack</i></b> | <b><i>Fix NJ Now*</i></b>                              | <b><i>\$ 57,825</i></b> | <b><i>\$ 65,212</i></b> |
| Murphy, Phil                    | Our New Jersey<br>(Democratic Governors Association)** | \$ 0                    | \$ 0                    |
|                                 | <b>TOTAL- INDEPENDENT COMMITTEES</b>                   | <b>\$ 13,749,020</b>    | <b>\$ 13,288,828</b>    |

\*\$1,602 paid and \$63,610 incurred but unpaid.

\*\*Committee has registered with ELEC but has spent no funds yet.

Reports filed by gubernatorial candidates are available online on ELEC’s website at [www.elec.state.nj.us](http://www.elec.state.nj.us). ELEC also can be accessed on Facebook ([www.facebook.com/NJElectionLaw](https://www.facebook.com/NJElectionLaw)) and Twitter ([www.twitter.com/elecni](https://www.twitter.com/elecni)).

<sup>1</sup> Matt Friedman, “Pro-Ciattarelli Super PAC Emerges with Ad Buy on Fox News,” Politico, June 1, 2021.

## 2021 Reporting Dates

|   | INCLUSION DATES                    | REPORT DUE DATE |
|---|------------------------------------|-----------------|
| <b>FIRE COMMISSIONER – APRIL 20, 2021 – See Executive Order No. 211</b> |                                    |                 |
| 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 Start on 4/7/2021 through 4/20/2021              |                                    |                 |
| <b>SCHOOLBOARD – APRIL 20, 2021</b>                                     |                                    |                 |
| 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              |                                    |                 |
| <b>MAY MUNICIPAL – MAY 11, 2021</b>                                     |                                    |                 |
| 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             |                                    |                 |
| <b>RUNOFF (JUNE)** – JUNE 15, 2021</b>                                  |                                    |                 |
| 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              |                                    |                 |
| <b>PRIMARY (90 DAY START DATE – MARCH 10, 2021)*** – JUNE 8, 2021</b>   |                                    |                 |
| 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                 |                                    |                 |
| <b>GENERAL (90 DAY START DATE – AUGUST 4, 2021) – NOVEMBER 2, 2021</b>  |                                    |                 |
| 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               |                                    |                 |
| <b>RUN–OFF (DECEMBER)** – December 7, 2021</b>                          |                                    |                 |
| 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 <sup>st</sup> Quarter | 1/1/2021 – 3/31/2021   | 4/15/2021  |
| 2 <sup>nd</sup> Quarter | 4/1/2021 – 6/30/2021   | 7/15/2021  |
| 3 <sup>rd</sup> Quarter | 7/1/2021 – 9/30/2021   | 10/15/2021 |
| 4 <sup>th</sup> Quarter | 10/1/2021 – 12/31/2021 | 1/18/2022  |

**GOVERNMENTAL AFFAIRS AGENTS (Q-4)**

|                         |                        |            |
|-------------------------|------------------------|------------|
| 1 <sup>st</sup> Quarter | 1/1/2021 – 3/31/2021   | 4/12/2021  |
| 2 <sup>nd</sup> Quarter | 4/1/2021 – 6/30/2021   | 7/12/2021  |
| 3 <sup>rd</sup> Quarter | 7/1/2021 – 9/30/2021   | 10/12/2021 |
| 4 <sup>th</sup> 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**

[www.elec.state.nj.us](http://www.elec.state.nj.us)

In Person: 25 South Stockton Street, 5<sup>th</sup> 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)

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