

New Bills Requiring Public Disclosure by Independent Election Spenders Would Benefit Voters

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State Senators Troy Singleton (D-7, Burlington) and Joseph P. Cryan (D-20, Union) have separately introduced legislation that would require independent groups to disclose their financial activity in New Jersey elections.

If successful, efforts to require full disclosure by independent groups would bring greater transparency and balance to the electoral process in New Jersey.

Singleton made a serious attempt in 2019 to require such disclosure and nearly accomplished that goal. He has returned to the fray again by introducing Senate Bill 2006.

In fiscal year 2015, Cryan, who was then in the Assembly, was a strong backer of a supplemental appropriation of \$2 million to the Election Law Enforcement Commission (ELEC). The purpose of the supplemental was to fund ELEC's computer upgrade, which has consisted of software allowing candidates, parties, and PACs to file reports electronically.

The supplemental also allowed the Commission to rebuild its 14-year-old computer infrastructure.

Now Cryan is back to reinvigorate the debate on disclosure by independent groups with his introduction of Senate Bill 2575.

A 2019 bill sponsored by Singleton (then S-150), along with a companion bill in the Assembly sponsored by now State Senator Andrew Zwicker (D-16, Somerset, Middlesex), won enactment with wide support from both Democrats and Republicans.

However, it later was ruled unconstitutional by Federal District Court Judge Brian R. Martinotti. A late change to the bill tacking on a provision requiring independent groups to disclose their spending on lobbying-related issue advocacy constitutionally torpedoed the legislation in the judge's eyes. In hindsight, limiting the bill to just electioneering communications would have made the legislation more constitutionally acceptable.

Under the previous 2019 bill (S-150), independent groups could continue to conceal the identities of donors who gave less than \$10,000. That level was thought high enough to avoid exposing the identities of individual members of associations or small donors.

The current Singleton bill (S-2006) approaches disclosure by independent groups by setting up two distinct groups subject to reporting requirements. One group would be independent expenditure committees that engage in electioneering communications. The second would be policy impact committees engaging in lobbying-related issue advocacy.

Under the bill, independent expenditure committees are regulated in terms of their spending to advocate the election or defeat of a clearly identified candidate or public question. The bill also removes the term "political information," a constitutionally problematic term due to its vagueness that was contained in the 2019 bill.

In establishing separate policy impact committees, the legislation requires reporting by these committees on spending to influence the passage or defeat of legislation or regulation through direct, express, and intentional communications with any candidate, candidates, public official, or public officials.

The Cryan bill (S-2575) focuses solely on independent groups involved in electioneering activity and contains no regulatory provisions for issue advocacy reporting.

His bill does not remove the term "political information" but deletes any reference to legislation or regulation.

The Cryan bill, aimed at electioneering communications, limits disclosure by independent groups to a period within 60-days of a primary, general, municipal, school or special election that refers to a clearly identified candidate or public question.

Requisite to their respective disclosure schedules, both bills require disclosure of contributions in excess of \$10,000 and expenditures of \$3,000.

The efforts made by Senators Singleton and Cryan are very welcome in that they will shed light on an electoral process that has recently been overly influenced by the tens of millions of dollars spent by independent groups on gubernatorial, legislative, congressional, and even local elections in New Jersey.

Over the last two decades, political parties and candidates, which are more accountable, regulated, and subject to contribution limits and disclosure laws, have been considerably outdistanced in spending by independent groups. Independent groups can accept contributions of any size yet they face limited statutory disclosure requirements in New Jersey.

While some have laudably and voluntarily disclosed their donors and expenses through reports filed with ELEC, current law requires disclosure only for independent expenditures on political advertisements that directly urge voters to support or oppose candidates.

By potentially leading to a new law, the bills introduced by Senators Singleton and Cryan will help to redress the balance between political parties, candidates, and new comers like independent groups, all to the benefit of the citizens of New Jersey. Requiring balance between these groups is a common-sense way to conduct our elections by at least bringing parity to disclosure requirements if not contribution limitations.

The laudable efforts by these two State Senators will hopefully be followed up by the Legislature during 2022.

Jeff Brindle is the Executive Director of the New Jersey Election Law Enforcement Commission.

The opinions presented here are his own and not necessarily those of the Commission.

