

NEWS RELEASE

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Combined spending by the so-called Big Six committees more than doubled from 2014 to 2015 but still fell well short of similar totals reported during four previous state election years dating back to 2007, according to an analysis by the New Jersey Election Law Enforcement Commission (ELEC).

The two state parties and four legislative leadership committees in 2015 raised a total of \$8 million, spent \$8.7 million and ended the year with just under \$1 million in the bank. While spending was up compared to 2014, when there was no state election, combined Big Six spending was down 41 percent compared to 2013, the previous election year. Spending in 2015 also was below totals in the three earlier election years- 2011, 2009 and 2007.

Party committee spending was down last year partly because only the state Assembly was up for reelection. In all other election years since 1999, either gubernatorial candidates, Senate candidates or both shared the ballot with Assembly candidates.

But Jeff Brindle, ELEC's Executive Director, said there does seem to be a long-term decline. "It is clear that traditional party fundraising groups continue to be hampered by several factors," he said.

JANUARY 1 THROUGH DECEMBER 31									
BOTH PARTIES	RAISED	SPENT**	CASH-ON-HAND	NET WORTH*	STATE ELECTIONS?				
2007	\$19,177,655	\$23,367,064	\$ 377,324	\$ (521,409)	YES				
2008	\$ 6,653,676	\$ 5,186,294	\$1,844,704	\$1,669,848	NO				
2009	\$12,368,082	\$12,919,862	\$1,297,457	\$1,107,532	YES				
2010	\$ 6,180,605	\$ 5,918,029	\$1,540,032	\$1,305,667	NO				
2011	\$15,035,468	\$15,547,359	\$1,028,142	\$ 705,787	YES				
2012	\$ 7,063,133	\$ 6,391,757	\$1,684,525	\$1,516,187	NO				
2013	\$13,885,028	\$14,727,957	\$ 841,599	\$ 755,419	YES				
2014	\$ 4,872,907	\$ 4,048,955	\$1,662,052	\$1,008,612	NO				
2015	\$ 8,027,793	\$ 8,661,126	\$ 979,220	\$ 262,353	YES				

TABLE 1 CAMPAIGN FINANCE ACTIVITY BY "BIG SIX" JANUARY 1 THROUGH DECEMBER 31

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

**Spending totals may exceed fundraising because reserves were used to offset the extra spending.

BIG SIX FOURTH QUARTER 2015

He renewed his recommendation that the Legislature take steps to bolster political parties in the face of growing independent spending by special interest groups, stiff limits on contractor contributions and contribution limits on other contributors that have not been inflation adjusted for more than a decade.

A key cause of the spending decline by the top six party fundraising committees is that special interest groups since 2007 generally have been spending more of their money outside the party system. Independent special interest groups have outspent the Big Six in three of the past five election cycles. Before 2007, the same groups channeled most of their campaign funds through the Big Six and candidate committees.

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BOTH PARTIES	BIG SIX SPENDING	INDEPENDENT SPENDING	WHO WAS ON BALLOT?					
2007	\$23,367,064	\$ 165,000	Senate, Assembly					
2009	\$12,919,862	\$14,096,167	Gubernatorial, Assembly					
2011	\$15,547,359	\$ 1,835,500	Senate, Assembly					
2013	\$14,727,957	\$38,945,432	Gubernatorial, Senate, Assembly					
2015	\$ 8,661,126	\$11,633,653	Assembly					

TABLE 2SPENDING BY "BIG SIX" COMMITTEES VERSUSINDEPENDENT SPECIAL INTEREST GROUPS

"This is a case of the tail increasingly wagging the dog. It used to be that state elections mostly were financed by party and candidate committees with direct support from special interest groups. Since 2002, federal laws and court cases have created incentives for special interest groups to spend more of their funds directly on elections," Brindle said.

Brindle said he believes parties are more accountable and transparent than many independent spenders. He has made recommendations to the Legislature to try to reverse this trend before parties become irrelevant.

He has suggested requiring independent groups to follow the same disclosure rules as parties and candidates, simplifying the state's pay-to-play restrictions on contractors while extending the rules to PACs, allowing contractors to give more to parties and candidates, and applying inflation adjustments to contribution limits that apply to other donors.

Looking at 2015 campaign finance activity, Democratic committees as a group raised and spent more funds than Republicans, and reported a higher net worth (net worth is cash-on-hand adjusted for debts owed to or by a committee). Republicans reported more cash-on-hand at year's end.

BIG SIX FOURTH QUARTER 2015

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Compared to 2011 year-end numbers, both parties raised and spent less money than four years ago, and Republicans also reported lower cash-on-hand and net worth totals. Democrats reported higher cash-on-hand and net worth numbers compared to 2011.

TABLE 3

FUNDRAISING BY "BIG SIX" COMMITTEES JANUARY 1 THROUGH DECEMBER 31, 2015 VERSUS 2011							
REPUBLICANS	RAISED	SPENT**	CASH-ON-HAND	NET WORTH*			
New Jersey Republican State Committee	\$ 1,993,125	\$ 2,355,010	\$ 182,843	\$ (354,755)			
Senate Republican Majority	\$ 326,024	\$ 177,331	\$ 366,782	\$ 366,782			
Assembly Republican Victory	\$ 1,007,534	\$ 1,139,014	\$ 91,350	\$ 91,350			
Sub Total-Republicans- 2015	\$ 3,326,683	\$ 3,671,355	\$ 640,975	\$ 103,377			
Versus 2011 (Dollars)	\$(4,840,377)	\$(4,756,787)	\$ (173,620)	\$ (477,698)			
Versus 2011 (Percent)	-59%	-56%	-21%	-82%			
DEMOCRATS							
New Jersey Democratic State Committee	\$ 2,711,102	\$ 2,832,663	\$ 54,090	\$ (74,740)			
Senate Democratic Majority	\$ 313,930	\$ 207,488	\$ 240,481	\$ 220,481			
Democratic Assembly Campaign Committee	\$ 1,676,078	\$ 1,949,620	\$ 43,674	\$ 13,235			
Sub Total-Democrats-2015	\$ 4,701,110	\$ 4,989,771	\$ 338,245	\$ 158,976			
Versus 2011 (Dollars)	\$(2,167,298)	\$(2,129,446)	\$ 124,698	\$ 34,264			
Versus 2011 (Percent)	-32%	-30%	58%	27%			
Total-Both Parties- 2011	\$15,035,468	\$15,547,359	\$ 1,028,142	\$ 705,787			
Total-Both Parties- 2015	\$ 8,027,793	\$ 8,661,126	\$ 979,220	\$ 262,353			
Versus 2011 (Dollars)	\$ (7,007,675)	\$(6,886,233)	\$ (48,922)	\$ (443,434)			
Versus 2011 (Percent)	-47%	-44%	-5%	-63%			

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

**Some spending totals exceed fundraising because reserves were used to offset the extra spending.

State Parties and Legislative Leadership Committees are required to report their financial activity to the Commission on a quarterly basis. The reports are available on ELEC's website at <u>www.elec.state.nj.us</u>. ELEC also can be accessed on Facebook (<u>www.facebook.com/NJElectionLaw</u>) and Twitter (<u>www.twitter.com/elecnj</u>).