

# ELEC-Tronic

## AN ELECTION LAW ENFORCEMENT COMMISSION NEWSLETTER

"Furthering the Interests of an Informed Citizenry"

Election Law Enforcement Commission, P.O. Box 185, Trenton, NJ 08625

[www.elec.state.nj.us](http://www.elec.state.nj.us) (609) 292-8700 - Toll Free Within NJ 1-888-313-ELEC (3532)

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## Comments from the Chairman **Ronald DeFilippis**

Through the years, the Commission has maintained upwards of 90 percent compliance with campaign finance reporting.

While violators of campaign finance disclosure rules get most of the publicity, it is important to point out that the vast majority of candidates, political party entities, and PACs are in compliance with the law.

But this high compliance rate doesn't happen by magic. It results from a significant amount of effort on the part of our staff.

Over the course of a year, staff processes over 30,000 reports from all manner of filers. In addition to candidates, party entities and PACs, the Commission receives multiple reports from lobbyists, public contractors, and fundraisers.

These reports are scanned onto the Commission's website almost immediately and in 48-hours are available to the public for viewing.

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It's then that data entry goes to work to provide detailed contributor reports on Statewide and local candidates, all levels of political parties, and legislative leadership committees.

Moreover, reports are made available for lobbyist quarterly reports and annual financial reports. Pay-to-play reports are also made available on an annual basis.

But putting all of the above aside, the reason that the Commission can provide such thorough disclosure is because of the cooperation by the filing community. And the filing community is aided by the efforts of staff in the area of compliance.

For example, the Commission has made outreach to the filer community a top priority.

During the course of the year, numerous seminars are held both in the Commission's offices in Trenton and in remote locations throughout the State.

These seminars, which are advertised on the Commission's website and in its electronic monthly newsletter, draw candidates and treasurers, party and PAC treasurers, lobbyists, and business people engaged in public contracting.

The training sessions are an invaluable part of the Commission's efforts toward maintaining high compliance rates.

But this is not all the staff does in an attempt to maintain and even increase compliance with the disclosure laws.

There is a vast amount of information on the Commission's website ([www.elec.state.nj.us](http://www.elec.state.nj.us)), including a training video that is very helpful for the filing community.

Beyond this, compliance officers are available between the hours of 9:00 a.m. – 5:00 p.m., Monday through Friday to discuss filing issues either in person or on the telephone.

These individualized sessions are unseen but have been very useful in helping filers comply with a thicket of campaign finance rules and regulations that can sometimes be dizzying.

Efforts in compliance and enforcement have worked hand-in-hand to help the Commission maintain this high compliance rate of 90 percent and to fulfill its mission of disclosure.

By taking a measured approach, balancing strong compliance with enforcement, the Commission is able to accomplish the twin goals of ensuring compliance with the laws while creating an environment that encourages people to involve themselves in politics.

## Reminder for Public Officials

When U.S. District Court Judge Amy Berman Jackson on August 14, 2013 sentenced former Congressman Jesse Jackson Jr. to 30 months in prison for using \$750,000 in campaign money for personal use, she reminded him of the obligation shared by all public officials- to "live up to a higher standard of ethics and integrity."

## Executive Director's Thoughts Jeff Brindle

*Reprinted from newjerseynewsroom.com with some revisions*

On October 7, the Moorestown Township Council is expected to repeal an ordinance it passed in mid-August that substantially weakened its once stringent law limiting contractor donations.

Nothing symbolizes the need for one state law better than the action taken by the Moorestown governing body.

Legislation enacted in May 2006, enables counties, municipalities, boards of education, independent authorities and fire districts to adopt local pay-to-play ordinances.

Custom holds that in permissive legislation like this, locally adopted ordinances are equal to or more stringent than state law.

That certainly appeared to be the intent of the cosponsors. "It is the intention of the Legislature to encourage counties and municipalities to enact tough pay-to-play ordinances," said then-Assemblyman Michael Panter (D-12th).

The problem with Chapter 271 is that its language is vague, and doesn't stipulate that local pay-to-play laws must be at least as stringent as the state law.

Even without separate local laws, the state's law is overly complex. Permitting local governing bodies to pass their own ordinances creates an even bigger quagmire. Especially when they can change them after every election.

Moorestown Council previously scaled back its law in 2009 because it was considered "too broad." Several local entities in places like Bergen, Monmouth and Gloucester counties recently have moved to ease tough restrictions enacted in previous years.

The recently passed ordinance in Moorestown raised the annual amount local contractors can give candidates from \$300 to \$2,600. It also allows contractors to give \$7,200 to local party committees, or to PACs.

The decision sparked so much interest that local citizens collected more than 1,100 signatures on a petition calling for a repeal of an ordinance passed August 19.

Subsequently, township officials introduced an ordinance on September 23 that restores the community's original law. They said it will give the state Legislature more time to enact legislation that establishes one statewide pay-to-play law.

The state pay-to-play law limits contractor donations to \$300 per election. This limit also applies to local contractors, unless local governing bodies invoke the so-called "fair and open" loophole, which waives the \$300 limit if the contract is publicly advertised, or if they adopt their own ordinances. About 183 local government bodies have adopted their own ordinances.

The fact that municipalities and counties can bypass state law in these ways is a stinging indictment of existing pay-to-play laws.

The New Jersey Election Law Enforcement Commission recognized early on that the law needed to be simplified and strengthened.

It recommended legislation be enacted that establishes one state law, enhances disclosure, abolished the fair and open loophole, and raises contractor limits to \$1,000.

Governor Chris Christie has endorsed similar proposals.

Most of ELEC's recommendations have been included in legislation introduced by Senator James Beech and Linda Greenstein. The bill generally would impose a \$1,000 contribution limit on contractors. But it would raise the contractor contribution limit to \$3,000 for state, county and local political parties for contracts awarded through a "fair and open" process.

To avoid confusion and complexity, to strengthen disclosure and to avoid the pitfalls represented by Moorestown's recent action, legislation should be enacted that will incorporate these proposals and reform New Jersey's pay-to-play statute.

## **Gubernatorial and Lieutenant Gubernatorial Debates:**

### **Gubernatorial Debate I**

Tuesday, October 8, 2013 from 7:00 P.M. to 8:00 P.M. Live television broadcast on WCBS TV 2 in New York, WKYW-TV 3 in Philadelphia, and the CBS radio network in both New York and Philadelphia. The event also will be streamed live over the Internet on each partner's website.

The debate will be held at Shea Center for Performing Arts on the main campus of William Paterson University, Wayne.

Tentative plans are to rebroadcast the debate after the live show on C-SPAN. It also will be available for viewing on WCBS TV2 website through Election Day. Sponsored by William Paterson University, The Record, The Herald News, Gannett New Jersey Newspapers, WCBS-TV New York and WKYW-TV Philadelphia.

### **Lieutenant Gubernatorial Debate**

Friday, October 11, 2013 from 7:00 P.M. to 8:00 P.M. or 8:30 P.M.

Live television broadcast on News12 NJ and the network's website. There will be no radio coverage. Debate will be held at Wilkins Theatre, Kean University in Union.

The debate will be replayed on News12 NJ at 7 P.M. Saturday, October 12 and 7 P.M. Sunday, October 13. An archived version will also be available on the News12 NJ website.

Sponsored by Kean University and News12 NJ.

### **Gubernatorial Debate II**

Tuesday October 15, 2013 from 8:00 P.M. to 9:30 P.M. Live television broadcast on NJTV and a C-SPAN channel. Event will be simulcast by V-Me, the New York/ Northern New Jersey regional public television digital channel. It will be streamed live on NJTV and Montclair State University websites, and carried live by radio on WBGO-FM Newark. It will be broadcast in Spanish by V-Me and a Spanish translation also will be provided via SAP.

The debate will be held in the Alexander Kasser Theater on the Montclair State University campus, Montclair.

Rebroadcast details still to come.

Sponsors include Montclair State University, NJTV, NJ Public Radio, WWOR-TV, WXTF-TV, WNET-TV, and WBGO-FM radio.

The top 25 special interest groups in New Jersey spent a combined \$251 million on campaign expenditures and lobbying between 1999 and 2012, according to a new analysis by the New Jersey Election Law Enforcement Commission.

The groups spent nearly \$145 million through political action committees and \$107 million on lobbying.

**Table 1**  
**Top Special Interest Group**  
**Spending Between 1999 and 2012**

Rank	Group	Type	PAC Spending	Lobbying	Total
1	New Jersey Education Association	Union	\$16,010,216	\$21,444,462	\$37,454,678
2	IBEW and affiliates	Union	\$26,332,607	\$ 163,027	\$26,495,634
3	NJ State Laborers and affiliates	Union	\$21,453,950	\$ 979,386	\$22,433,336
4	Northeast Regional Council of Carpenters NJ and affiliates	Union	\$15,971,183	\$ 462,445	\$16,433,628
5	NJ Association of Realtors	Trade Association	\$10,526,600	\$ 3,949,093	\$14,475,693
6	Verizon	Regulated Industry	\$ 1,070,129	\$10,847,529	\$11,917,658
7	NJ Hospital Association	Professional	\$ 2,083,925	\$ 8,159,174	\$10,243,099
8	NJ Builders Association	Trade Association	\$ 3,040,111	\$ 7,164,260	\$10,204,371
9	Communications Workers of America and affiliates	Union	\$ 7,890,703	\$ 1,477,136	\$ 9,367,839
10	Plumbers and Pipefitters Local 9 and affiliates	Union	\$ 8,730,137	\$ 29,145	\$ 8,759,282
11	NJ Business and Industry Association and affiliate NJ Organization for a Better State	Ideological	\$ 4,824,911	\$ 3,331,555	\$ 8,156,466
12	AARP	Ideological	None	\$ 8,137,792	\$ 8,137,792
13	AFSCME	Union	\$ 7,020,171	\$ 170,530	\$ 7,190,701
14	NJ Association for Justice (Formerly ATLA)	Professional	\$ 4,975,893	\$ 1,039,440	\$ 6,015,333
15	NJ State League of Municipalities	Professional	None	\$ 5,909,744	\$ 5,909,744
16	PSE&G	Regulated Industry	\$ 562,518	\$ 5,090,733	\$ 5,653,251
17	Prudential Companies	Regulated Industry	\$ 199,723	\$ 5,168,851	\$ 5,368,573
18	Atlantic City Electric	Regulated Industry	\$ 70,479	\$ 5,006,950	\$ 5,077,429
19	NJ Dental Association	Professional	\$ 3,019,294	\$ 2,013,092	\$ 5,032,386
20	First Energy/ JCP&L	Regulated Industry	\$ 247,590	\$ 4,682,507	\$ 4,930,098
21	Medical Society of New Jersey	Professional	\$ 3,923,610	\$ 934,827	\$ 4,858,437
22	NAIOP NJ Chapter	Trade Association	\$ 2,375,594	\$ 2,297,469	\$ 4,673,063
23	International Union of Operating Engineers Local 825	Union	\$ 3,565,911	\$ 972,291	\$ 4,538,202
24	AT&T	Regulated Industry	\$ 313,580	\$ 3,752,960	\$ 4,066,540
25	Cablevision	Regulated Industry	\$ 489,602	\$ 3,431,087	\$ 3,920,689

"Each year, decisions are made by government officials that impact the interests of special interest groups and the people they represent. These groups range from funeral directors, to teachers, to realtors. They spend millions annually to exercise their First Amendment rights and to promote the interests of their constituents," said Jeff Brindle, ELEC's Executive Director.

Unions dominated the top 25, spending a total of \$133 million- 53 percent of all spending. Eight of the top 25 special interest groups were unions, including the top four spenders. While they are major contributors to political campaigns, unions generally do not make huge outlays on lobbying.

**Table 2**  
**Top PAC Spending and Lobbying**  
**by Special Interest Group Type**

Type	PAC Spending	Lobbying	Total
Union	\$106,974,878	\$ 25,698,421	\$132,673,299
Regulated Industry	\$ 2,953,622	\$ 37,980,617	\$ 40,934,239
Trade Association	\$ 18,026,230	\$ 21,569,996	\$ 39,596,226
Professional	\$ 11,918,797	\$ 9,897,104	\$ 21,815,901
Ideological	\$ 4,824,911	\$ 11,469,347	\$ 16,294,258
<b>Total</b>	<b>\$144,698,437</b>	<b>\$106,615,486</b>	<b>\$251,313,923</b>

While unions overall were the top spenders and the top PAC spenders, regulated industries invested the most in lobbying- nearly \$38 million. Regulated industries include gas and electric utilities, water companies, cable companies and other companies that are substantially regulated by the state.

Under state law, these groups are prohibited from making direct contributions to candidates. Instead, their employees must set up political action committees to make contributions to campaigns. They generally are not major campaign spenders.

Among the top 25, the number one spender over the 13-year period was the New Jersey Education Association, a union that represents 195,501 teachers and other school employees. NJEA spent \$37.4 million- nearly \$11 million more than the next highest group, the International Brotherhood of Electrical Workers (IBEW).

NJEA's totals are skewed by the fact that it spent \$18.1 million on lobbying just in 2010 and 2011- far more than its historical norm. It made the huge investment mostly on a massive media campaign in opposition to several proposed legislative changes to the state educational system and to promote the union's image. Without the unusually large expenditure, it would have ranked third.

**Table 3**  
**NJEA PAC and Lobbying Expenditures 1999-2012**

Year	NJEA School Elections Committee*	NJEA PAC Spending	Lobbying	Total
1999	\$ 150,983	\$ 551,183	\$ 156,696	\$ 858,862
2000	\$ 155,160	\$ 336,980	\$ 181,331	\$ 673,471
2001	\$ 189,239	\$ 1,056,534	\$ 173,341	\$ 1,419,114
2002	\$ 524,414	\$ 354,692	\$ 283,989	\$ 1,163,095
2003	\$ 228,123	\$ 703,296	\$ 272,367	\$ 1,203,785
2004	\$ 203,125	\$ 450,586	\$ 262,713	\$ 916,424
2005	\$ 340,364	\$ 691,058	\$ 249,750	\$ 1,281,172
2006	\$ 378,099	\$ 519,097	\$ 342,271	\$ 1,239,467
2007	\$ 276,188	\$ 1,215,626	\$ 317,488	\$ 1,809,302
2008	\$ 504,798	\$ 531,653	\$ 305,463	\$ 1,341,914
2009	\$ 744,512	\$ 1,539,196	\$ 360,505	\$ 2,644,213
2010	\$ 478,759	\$ 675,967	\$ 6,869,256	\$ 8,023,982
2011	\$ 767,712	\$ 1,526,013	\$11,259,886	\$13,553,611
2012	\$ 24,605	\$ 892,255	\$ 409,407	\$ 1,326,267
<b>Totals</b>	<b>\$4,966,081</b>	<b>\$11,044,135</b>	<b>\$21,444,462</b>	<b>\$37,454,678</b>

\*Net total after adjusting for transfers back to NJEA

Other studies have found that New Jersey's teacher union is not alone in dominating the special interest landscape in a state.

A March 2010 analysis by the California Fair Political Practices Commission found that the California Teachers Association spent nearly \$212 million during the previous decade on campaigns and lobbying- nearly \$105 million more than the next biggest spender (California State Council of Service Employees).

In a separate analysis, ELEC also did a detailed review of PAC spending just for 2012. ELEC has done similar studies starting with 2009 PAC spending. The analysis found that PACs gave just \$8.9 million to New Jersey state, county and local campaigns during a year when neither the Governor's seat nor the Legislature were up for reelection. ([See Table 8 in Appendix to see Top 25 PAC Spenders in 2012](#)).

That figure was down 50 percent from the \$18 million spent in 2011, when all 120 legislators ran for reelection.

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Access the link below for a copy of the full press release.

[http://www.elec.state.nj.us/pdffiles/press\\_releases/pr\\_2013/pr\\_08292013.pdf](http://www.elec.state.nj.us/pdffiles/press_releases/pr_2013/pr_08292013.pdf)

## Appendix

**Table 8**  
**Top 25 PAC Contributors in 2012**  
**to New Jersey Candidates and Committees**

Name	Type	Gubernatorial	Legislative	State Parties	County Parties	Local	Total
Northeast Regional Council of Carpenters NJ PEC	Union		\$112,500	\$ 45,000	\$210,700	\$467,750	\$835,950
New Jersey Education Association	Union		\$271,575	\$ 25,000	\$ 90,400	\$ 42,940	\$429,915
NJ For the People (CWA affiliate) (3)	Other Ongoing					\$383,742	\$383,742
IBEW 351(1)	Union		\$166,500	\$ 5,000	\$122,000	\$ 67,876	\$361,376
IBEW 164 (1)	Union		\$ 77,625	\$ 35,000	\$ 84,700	\$ 91,357	\$288,682
Local 322 Committee for Political Education (Plumbers and Pipefitters)	Union		\$105,200		\$ 44,000	\$124,877	\$274,077
Plumbers & Pipefitters Local 9	Union		\$113,110	\$ 5,500	\$ 19,150	\$ 91,360	\$229,120
NJ Dental Association	Professional	\$3,800	\$171,725	\$ 10,000		\$ 29,200	\$214,725
NJ State Laborers PAC	Union	\$3,800	\$ 94,025	\$ 5,000	\$ 46,000	\$ 54,450	\$203,275
International Union of Operating Engineers Local 825	Union	\$3,800	\$ 67,200	\$ 20,000	\$ 16,300	\$ 73,016	\$180,316
NJ Apartment Association	Trade Association	\$3,800	\$124,540	\$ 6,500		\$ 12,700	\$147,540
Developers PAC	Professional		\$114,700	\$ 10,000			\$124,700
Association for Justice (formerly ATLA)	Professional	\$3,800	\$ 91,850	\$ 21,500			\$117,150
Drive (Teamsters)	Union		\$ (500)	\$ 5,000	\$ 5,000	\$105,190	\$114,690
Plumbers Local 14	Union		\$ 57,250		\$ 4,900	\$ 47,725	\$109,875
1199/SEIU NY State Political Action Fund (2)	Union		\$ 42,800	\$ 10,000		\$ 43,150	\$ 95,950
CWA NJ PEC (3)	Union		\$ 21,250	\$ 2,500		\$ 71,660	\$ 95,410
NJ Optometric PAC	Professional		\$ 88,825	\$ 4,000		\$ 2,000	\$ 94,825
BAC Administrative District Council of NJ PAC (5)	Union		\$ 33,750	\$ 6,000	\$ 11,600	\$ 39,310	\$ 90,660
Medical Action Committee	Professional		\$ 85,100	\$ 750			\$ 85,850
JebPac	Regulated Industries		\$ 77,575			\$ 7,200	\$ 84,775
CAR PAC	Trade Association		\$ 80,002			\$ 3,302	\$ 83,302
NJ Funeral Directors PAC	Professional		\$ 80,950				\$ 80,950
IBEW COPE- Trenton (1)	Union		\$ 37,850	\$ 8,500	\$ 3,000	\$ 31,240	\$ 80,590
IUPAT District Council 711 PAC (4)	Union		\$ 27,125		\$ 10,375	\$ 37,637	\$ 75,137

(1) International Brotherhood of Electrical Workers

(2) Service Employees International Union

(3) Communications Workers of America

(4) International Union of Painters and Allied Trades

(5) International Union Of Bricklayers & Allied Craftworkers

## Training Seminars

The seminars listed below will be held at the Offices of the Commission, located at 28 West State St., Trenton, NJ. Please visit ELEC's website at <http://www.elec.state.nj.us> for more information on training seminar registration.

	TRAINING DATES	TIME
<b>BUSINESS ENTITY PAY-TO-PLAY TRAINING</b>	November 18 <sup>th</sup> , 2013	10:00 a.m.
<b>TREASURER TRAINING FOR POLITICAL PARTY COMMITTEES AND PACS</b>	December 11, 2013	10:00 a.m.
<b>R-1 ELECTRONIC FILING SOFTWARE (REFS) TRAINING</b>	October 2, 2013	10:00 a.m.

## Lobbying Reporting Dates

	INCLUSION DATES	ELEC DUE DATE
<b>LOBBYING QUARTERLYFILING</b>		
3 <sup>rd</sup> Quarter	7/1/13 – 9/30/13	10/10/13
4 <sup>th</sup> Quarter	10/1/13 – 12/31/13	1/10/14

## Reporting Dates

	INCLUSION DATES	REPORT DUE DATE
<b>General Election*** - 11/5/2013</b>		
29-day pre-election	6/22/13 – 10/4/13	10/7/2013
11-day pre-election	10/5/13 - 10/22/13	10/25/2013
20-day post-election	10/23/13 - 11/22/13	11/25/2013
48 Hour Notice Reports Start on 10/23/13 through 11/5/13		
90 Day Start Date: 8/7/13		
<b>Runoff Election** - 12/3/2013</b>		
29-day pre-election	No Report Required for this Period	
11-day pre-election	10/23/13 - 11/19/13	11/22/2013
20-day post-election	11/20/13 - 12/20/13	12/23/2013
48 Hour Notice Reports Start on 11/20/13 through 12/3/13		
<b>PACs, PCFRs &amp; Campaign Quarterly Filers</b>		
3 <sup>rd</sup> Quarter	7/1/13 - 9/30/13	10/15/2013
4 <sup>th</sup> Quarter	10/1/13 - 12/31/13	1/15/2014

\*\* A candidate committee or joint candidates committee that is filing in a 2013 Runoff election is not required to file a 20-day post-election report for the corresponding prior election (May Municipal or General).

\*\*\* Form PFD-1 is due on April 11, 2013 for Primary Election Candidates and June 14, 2013 for Independent General Election Candidates.