



# ELEC-TRONIC

An Election Law Enforcement Commission Newsletter

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**"Furthering the Interest of an Informed Citizenry"**

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## In This Issue

- Comments from the Chairman
- Lobbying Reports Due
- Executive Director's Thoughts
- On Disclosure
- "Big Six" 4<sup>th</sup> Quarter 2013
- County Party Committees 4<sup>th</sup> Quarter 2013
- Training Seminars
- Lobbying Reporting Dates
- Reporting Dates

## Website:

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

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

With this edition being the second newsletter of 2014, I would like to take this opportunity to provide a status report from the New Jersey Election Law Enforcement Commission.

In 2010, the Commission was the recipient of an award citing its website as the best official government website in New Jersey. The award was presented by the Documents Association of New Jersey.

Unfortunately, that status may now be in jeopardy. This is because the system is 14 years old and greatly in need of a major upgrade.

During the recent election, due to the efforts of the Information Technology (IT) staff, the Commission was able to dodge a bullet by avoiding a system shut down.

However, there were numerous glitches that occurred which intermittently prevented some users from accessing reports.

The situation was only corrected due to the administration of band aid solutions by the IT staff.

It is hoped that in this budget year, the Administration and Legislature will respond with a special appropriation that will permit the Commission to not only fix ongoing problems but that will facilitate an overhaul of the system to bring ELEC's computer operations into the 21<sup>st</sup> century.

On a happier note, the Commission has continued to keep the public up-to-date on trends in campaign finance, lobbying, and pay-to-play.

Through analytical press releases, white paper reports, the newsletter, publications in newspapers, blogs, and magazines, the Commission continues to make the public aware of its important mission.

Certainly, enforcement of the various laws under ELEC's jurisdiction is critical to the Commission's mission of disclosure.

Over the course of the last year, we have reviewed various procedures to determine how the enforcement process can be made more efficient and effective.

While the Legal and Investigative staffs are limited in number, nevertheless, progress is being made in eliminating a backlog of cases and shortening the time period for investigations and final decisions to be completed.

In addition to the Compliance staff's continued responsiveness, which again resulted in a compliance rate of over 90 percent, the Special Programs staff within Compliance did a top-notch job in administering the Gubernatorial Public Financing Program.

In the coming year, the Commission will continue to assist the public in a responsive and caring way. It will also make every effort to fulfill its core mission of bringing transparency to the electoral and governmental processes.

## ANNUAL LOBBYING REPORTS DUE FEBRUARY 18

Annual reports filed by state lobbyists must be filed by February 18. Those reports will be released to the public in early March.

Last year, reports filed with the Election Law Enforcement Commission (ELEC) by more than 900 lobbyists indicated they spent \$58 million during 2012.

Major expenses included salaries (\$51.2 million), support personnel (\$2.4 million), communications (\$2.2 million) and travel (\$596,236).

Lobbyists have filed annual reports with ELEC since 1981.

"Lobbying is a Constitutionally-protected right and essential part of our democracy," said Jeff Brindle, ELEC's Executive Director. "Lobbyists bring invaluable expertise to government policy-making, and contribute to the give-and-take that hones legislation into laws."

"At the same time, the public has a right to know how much lobbyists spend and on what activities, who they represent, and the amount that are paid for their services. Annual reports filed with ELEC provide all of this critical information," Brindle said.

To view annual lobbying reports from past years and summary information about them, go to ELEC's website [http://www.elec.state.nj.us/publicinformation/gaa\\_annual.htm](http://www.elec.state.nj.us/publicinformation/gaa_annual.htm).

## Executive Director's Thoughts Jeff Brindle

### DEMOCRACY SUFFERS AS POLITICAL PARTIES SHRINK

*Reprinted from Politickernj.com*

The recent contests for governor and legislature witnessed record spending by independent groups.

It completely dwarfed spending by political parties.

Should New Jerseyans be concerned about this development? After all, Americans have always been skeptical about political parties.

"...the common and continual mischief's of the spirit of Party are sufficient to make it the interest and duty of a wise People to discourage and restrain it," advised President Washington in his Farewell Address to the nation.

Abraham Lincoln, in his 1838 Address Before the Young Men's Lyceum of Springfield, Illinois, echoed these sentiments. He said, "[Party] passion has helped us; but can do so no more. It will in the future be our enemy."

Despite this skepticism, John Kenneth White and Matthew R. Kerbel in "Party On!" point out that "parties afforded a way of organizing elections, legitimizing opposition, and guaranteeing peaceful transitions of power."

Though having evolved, political parties remain at the heart of America's and New Jersey's electoral system.

This is why it is alarming to witness their emasculation by independent groups.

Similar to the national level, independent groups are now outflanking New Jersey's political parties, neutering them in terms of their role in elections, and in all probability, government.

During the recent gubernatorial and legislative contests, independent spending exceeded \$40 million.

In contrast, state political party entities spent \$6.1 million thru October. Additionally, county party organizations spent \$4.4 million during the same period.

As of October, the parties spent about one-fourth of the total spent by independent groups attempting to influence the outcome of state contests.

Why should a public, historically leery of political parties, be concerned about this development?

Because most of these outside, independent groups are unregulated under New Jersey law.

This means they can receive unlimited contributions from single sources that remain a secret. It also means that they can spend stratospheric amounts on the election and not be accountable for their activities or their message. Many of these groups are disbanded weeks or months after an election.

Provided Super PACs and other independent groups, like 501(c's), spend independently with no consultation or coordination with candidates or parties, they are free of New Jersey registration and disclosure requirements, as long as they do not explicitly urge the election or defeat of a candidate. Even if they do, they have to disclose only expenditures, not contributions.

The fact that these groups are outdistancing political parties in spending and also assuming many traditional roles of political parties in campaigns should concern every New Jersey citizen.

Parties are more regulated by state law, not only via disclosure, but also in terms of how they are organized, when they are to hold organizational meetings, and how they select their candidates.

The parties in many ways are organically linked to government through law.

They contest elections, organize government, and provide cues to voting. They serve as a conduit, or link, between the individual and his or her government.

So what can be done to preserve this important institution?

As advocated in previous columns, require registration and disclosure by all independent groups, whether or not they specifically support or oppose candidates.

Though contributions cannot be limited constitutionally, their donors and their spending can be subject to disclosure.

Registration requirements would also be constitutional under *Citizens United v. FEC* and *SpeechNow.org v. FEC*.

Further, the Legislature could establish a task force to study ways to strengthen political parties and individual candidates.

Among the possibilities would be allowing the state parties to participate in gubernatorial elections and modestly increasing limits on contributions to candidates and parties.

Further, pay-to-play reform establishing one state law, enhancing disclosure, and raising the public contractor contribution limit from \$300 to \$1,000, would help fortify party coffers.

The dominance of independent groups is the number one threat to the integrity of the elections process in New Jersey.

It is in the best interest of the citizenry to curb this influence by strengthening the political parties and the candidates they are linked to and support.

Hopefully, the Legislature will undertake this quest in 2014.

## ON DISCLOSURE

*"There are laws against threats and intimidation; and harsh criticism, short of unlawful action, is a price our people have traditionally been willing to pay for self-governance. Requiring people to stand up in public for their political acts fosters civic courage, without which democracy is doomed. For my part, I do not look forward to a society which, thanks to the Supreme Court, campaigns anonymously (McIntyre) and even exercises the direct democracy of initiative and referendum hidden from public scrutiny and protected from the accountability of criticism. This does not resemble the Home of the Brave."* - **Supreme Court Justice Antonin Scalia (of Trenton, NJ) in Doe vs Reed (2010).**

*"To evaluate speech intelligently, it is good to know where the speech is coming from. Who's telling me this."* - **Judge Scalia in July 2, 2012 NPR interview**

## “BIG SIX” 4<sup>TH</sup> QUARTER 2013

The so-called “Big Six” fundraising committees spent a combined \$14.7 million on last year’s state elections, up 14 percent from the \$12.9 million spent in 2009, according to new quarterly reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Reports filed by the two state parties and four Legislative Leadership Committees show they ended the election with 35 percent smaller cash reserves than they did four years ago, the last time there was a governor’s election at the same time legislative seats were in contention.

**TABLE 1  
CAMPAIGN FINANCE ACTIVITY OF  
“BIG SIX” COMMITTEES 2009 VS 2013**

REPUBLICANS	RAISED	SPENT**	CASH-ON-HAND	NET WORTH
<b>2009</b>	\$ 3,245,259	\$ 3,059,117	\$ 794,513	\$ 682,215
<b>2013</b>	\$ 7,073,252	\$ 7,521,439	\$ 509,311	\$ 496,811
<b>Difference-Dollars</b>	<b>\$ 3,827,993</b>	<b>\$ 4,462,322</b>	<b>\$ (285,202)</b>	<b>\$ (185,404)</b>
<b>Difference-%</b>	<b>118%</b>	<b>146%</b>	<b>-36%</b>	<b>-27%</b>
<b>DEMOCRATS</b>				
<b>2009</b>	\$ 9,127,956	\$ 9,860,745	\$ 502,945	\$ 425,318
<b>2013</b>	\$ 6,811,776	\$ 7,206,518	\$ 332,288	\$ 258,608
<b>Difference-Dollars</b>	<b>\$ (2,316,180)</b>	<b>\$ (2,654,227)</b>	<b>\$ (170,657)</b>	<b>\$ (166,710)</b>
<b>Difference-%</b>	<b>-25%</b>	<b>-27%</b>	<b>-34%</b>	<b>-39%</b>
<b>BOTH PARTIES</b>				
<b>2009</b>	\$12,373,215	\$12,919,862	\$ 1,297,458	\$ 1,107,533
<b>2013</b>	\$13,885,028	\$14,727,957	\$ 841,599	\$ 755,419
<b>Difference-Dollars</b>	<b>\$ 1,511,813</b>	<b>\$ 1,808,095</b>	<b>\$ (455,859)</b>	<b>\$ (352,114)</b>
<b>Difference-%</b>	<b>12%</b>	<b>14%</b>	<b>-35%</b>	<b>-32%</b>

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

\*\*Spending total may exceed fundraising because fundraising total does not include money carried over from previous year.

Jeff Brindle, ELEC’s Executive Director, said the fact that “Big Six” spending is up suggests that the long decline in financial activity may have finally bottomed out.

He noted, however, that combined spending compared to previous elections when gubernatorial and legislative candidates ran together remains low. “For instance, the 2013 “Big Six” total still is less than the combined total for 1993,” Brindle said.

He added, though, that “the increase suggests the potential exists for the parties to be strengthened relative to independent groups through legislation designed to require disclosure of these groups in combination with proposals to strengthen the political parties.

**TABLE 2  
COMPARISON OF CAMPAIGN FINANCE ACTIVITY OF  
“BIG SIX” COMMITTEES FOR  
GUBERNATORIAL ELECTION YEARS 1993-2013**

<b>YEAR</b>	<b>DSC</b>	<b>SENATE LLC</b>	<b>ASSEMBLY LLC</b>	<b>TOTAL DEMOCRATS</b>
<b>1993</b>	\$ 7,091,040	\$1,152,971	\$ 472,416	\$ 8,716,427
<b>1997</b>	\$ 5,264,105	\$2,471,125	\$ 791,882	\$ 8,527,112
<b>2001</b>	\$28,617,395	\$3,116,189	\$2,101,459	\$33,835,043
<b>2005</b>	\$ 6,533,441	\$1,011,761	\$6,795,007	\$14,340,209
<b>2009</b>	\$ 6,107,325	\$ 931,887	\$2,821,533	\$ 9,860,745
<b>2013</b>	\$ 3,074,209	\$1,856,875	\$2,275,434	\$ 7,206,518
	<b>RSC</b>	<b>SENATE LLC</b>	<b>ASSEMBLY LLC</b>	<b>TOTAL REPUBLICANS</b>
<b>1993</b>	\$ 2,993,859	\$1,756,403	\$1,523,332	\$ 6,273,594
<b>1997</b>	\$ 6,958,423	\$3,401,354	\$1,483,522	\$11,843,299
<b>2001</b>	\$ 5,337,980	\$4,379,736	\$2,581,551	\$12,299,267
<b>2005</b>	\$ 2,169,435	\$ 644,656	\$2,513,605	\$ 5,327,696
<b>2009</b>	\$ 1,477,299	\$ 343,243	\$1,238,575	\$ 3,059,117
<b>2013</b>	\$ 3,976,495	\$2,152,861	\$1,392,083	\$ 7,521,439
				<b>BOTH PARTIES</b>
<b>1993</b>				\$14,990,021
<b>1997</b>				\$20,370,411
<b>2001</b>				\$46,134,310
<b>2005</b>				\$19,667,905
<b>2009</b>				\$12,919,862
<b>2013</b>				\$14,727,957

Brindle said the causes of the historical decline in fundraising by party committees are well-documented. They include a sharp rise in spending by independent fundraising committees, the advent of tight restrictions on contributions by public contractors since 2005, the 2008 recession, and the departure from the scene of two wealthy gubernatorial candidates who helped fill party coffers.

“Independent groups spent more than \$41 million in last year’s election- nearly three times more than the Big Six committees. To a large extent, they are taking over the traditional roles of the parties. Their emergence is having a dramatic impact on campaign fundraising trends,” Brindle said.

As for the 2013 election, the three Republican committees spent slightly more than the three Democratic committees. Republican fundraising was up from 2009, while Democratic fundraising was down.

Republicans won back the governor’s seat, while Democrats retained control of both legislative houses.

**TABLE 3  
FUNDRAISING BY “BIG SIX” COMMITTEES - JANUARY 1 THROUGH DECEMBER 31, 2013**

REPUBLICANS	RAISED	SPENT**	CASH-ON-HAND	NET WORTH*
New Jersey Republican State Committee	\$ 4,141,278	\$ 3,976,495	\$ 412,363	\$ 399,863
Senate Republican Majority	\$ 1,705,097	\$ 2,152,861	\$ 56,235	\$ 56,235
Assembly Republican Victory	\$ 1,226,877	\$ 1,392,083	\$ 40,713	\$ 40,713
<b>SubTotal-Republicans</b>	<b>\$ 7,073,252</b>	<b>\$ 7,521,439</b>	<b>\$ 509,311</b>	<b>\$ 496,811</b>
<b>DEMOCRATS</b>				
New Jersey Democratic State Committee	\$ 3,151,436	\$ 3,074,209	\$ 159,022	\$ 135,781
Senate Democratic Majority	\$ 1,642,639	\$ 1,856,875	\$ 82,637	\$ 62,637
Democratic Assembly Campaign Committee	\$ 2,017,701	\$ 2,275,434	\$ 90,629	\$ 60,190
<b>SubTotal-Democrats</b>	<b>\$ 6,811,776</b>	<b>\$ 7,206,518</b>	<b>\$ 332,288</b>	<b>\$ 258,608</b>
<b>Total-Both Parties</b>	<b>\$13,885,028</b>	<b>\$14,727,957</b>	<b>\$ 841,599</b>	<b>\$ 755,419</b>

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

\*\*Spending totals may exceed fundraising totals because fundraising totals do not include funds carried over from previous year.

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 [www.elec.state.nj.us](http://www.elec.state.nj.us). ELEC also can be accessed on Facebook ([www.facebook.com/NJElectionLaw](http://www.facebook.com/NJElectionLaw)) and Twitter ([www.twitter.com/elecny](http://www.twitter.com/elecny)).

## COUNTY PARTY COMMITTEES 4<sup>TH</sup> QUARTER 2013

County party committees collectively spent more than \$10 million on the 2013 elections, the largest amount since 2009 and a sign that fundraising fortunes may be starting to improve, according to the latest reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

**TABLE 1  
COUNTY PARTY FUNDRAISING AND SPENDING  
THROUGH FOURTH QUARTER 2001-2013**

YEAR	RAISED	SPENT	MAJOR STATE ELECTION?
2001	\$ 21,952,725	\$ 21,872,999	Yes†
2002	\$ 21,578,971	\$ 19,918,454	No
2003	\$ 27,180,067	\$ 28,110,780	Yes
2004	\$ 20,481,002	\$ 19,548,718	No
2005	\$ 18,893,472	\$ 19,009,467	Yes
2006	\$ 11,977,748	\$ 12,392,107	No
2007	\$ 14,582,167	\$ 14,341,683	Yes
2008	\$ 9,511,311	\$ 9,502,015	No
2009	\$ 13,677,820	\$ 13,324,689	Yes
2010	\$ 7,591,065	\$ 8,712,802	No
2011	\$ 8,449,211	\$ 8,545,440	Yes
2012	\$ 6,407,139	\$ 5,885,971	No
2013	\$ 9,908,851	\$ 10,069,188	Yes

†Last election with both legislative houses and gubernatorial candidates running.

Jeff Brindle, ELEC’s Executive Director, said a recent analysis of the so-called “Big Six” committees- the two state parties and four legislative leadership PACs- also found an uptick in fundraising and spending for 2013.

“This is an example of good news mixed with bad. The good news is that it appears county party fundraising bottomed out in 2012 when compared to the past decade,” Brindle said. “The bad news is that, even with a better year in 2013, the totals prior to 2010 still are lower than all but one year dating back to 2001.”

For full press release, go to : [http://www.elec.state.nj.us/pdffiles/press\\_releases/pr\\_2014/pr\\_01292014.pdf](http://www.elec.state.nj.us/pdffiles/press_releases/pr_2014/pr_01292014.pdf)

## 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.

<b>BUSINESS ENTITY PAY-TO-PLAY TRAINING</b>	
February 24, 2014	2:00 p.m.
March 14, 2014	10:00 a.m.
March 26, 2014	10:00 a.m.
<b>TREASURER TRAINING FOR CANDIDATES AND JOINT CANDIDATES COMMITTEES</b>	
March 18, 2014	10:00 a.m.
April 2, 2014	10:00 a.m.
April 22, 2014	10:00 a.m.
September 11, 2014	10:00 a.m.
September 30, 2014	10:00 a.m.
<b>TREASURER TRAINING FOR POLITICAL PARTY COMMITTEES AND PACS</b>	
March 19, 2014	10:00 a.m.
June 26, 2014	10:00 a.m.
September 23, 2014	10:00 a.m.
December 10, 2014	10:00 a.m.
<b>R-1 ELECTRONIC FILING SOFTWARE (REFS) TRAINING</b>	
March 20, 2014	10:00 a.m.
April 3, 2014	10:00 a.m.
April 23, 2014	10:00 a.m.
July 23, 2014	10:00 a.m.
September 9, 2014	10:00 a.m.
October 1, 2014	10:00 a.m.

## LOBBYING REPORTING DATES

	<b>INCLUSION DATES</b>	<b>ELEC DUE DATE</b>
<b>Lobbying Quarterly Filing</b>		
1 <sup>st</sup> Quarter	1/1/14 – 3/31/14	4/10/14
2 <sup>nd</sup> Quarter	4/1/14 – 6/30/14	7/10/14
3 <sup>rd</sup> Quarter	7/1/14 – 9/30/14	10/10/14
4 <sup>th</sup> Quarter	10/1/14 – 12/31/14	1/12/15

## REPORTING DATES

	INCLUSION DATES	REPORT DUE DATES
<b>Fire Commissioner - 2/15/2014</b>		
29-day pre-election	Inception of campaign* - 1/14/14	1/17/2014
11-day pre-election	1/15/14 - 2/1/14	2/4/2014
20-day post-election	2/2/14 - 3/4/14	3/7/2014
48 Hour Notice Reports Start on 2/2/2014 through 2/15/2014		
<b>School Board Election - 4/23/2014</b>		
29-day pre-election	Inception of campaign* - 3/22/14	3/25/2014
11-day pre-election	3/23/14 - 4/9/14	4/14/2014
20-day post-election	4/10/14 - 5/10/14	5/13/2014
48 Hour Notice Reports Start on 4/10/2014 through 4/23/2014		
<b>May Municipal Election - 5/13/2014</b>		
29-day pre-election	Inception of campaign* - 4/11/14	4/14/2014
11-day pre-election	4/12/14 - 4/29/14	5/2/2014
**20-day post-election	4/30/14 - 5/30/14	6/2/2014
48 Hour Notice Reports Start on 4/30/2014 through 5/13/2014		
<b>Runoff Election (June)** - 6/10/2014</b>		
29-day pre-election	No Report Required for this Period	
11-day pre-election	4/30/14 - 5/27/14	5/30/2014
20-day post-election	5/28/14-6/27/14	6/30/2014
48 Hour Notice Reports Start on 5/28/14 through 6/10/14		
<b>Primary Election - 6/3/2014</b>		
29-day pre-election	Inception of campaign* - 5/2/14	5/5/2014
11-day pre-election	5/3/14 - 5/20/14	5/23/2014
20-day post-election	5/21/14 - 6/20/14	6/23/2014
48 Hour Notice Reports Start on 5/21/14 through 6/3/14		
90 Day Start Date: 3/5/14		
<b>General Election - 11/4/2014</b>		
29-day pre-election	6/21/14 - 10/3/14	10/6/2014
11-day pre-election	10/4/14 - 10/21/14	10/24/2014
20-day post-election	10/22/14 - 11/21/14	11/24/2014
48 Hour Notice Reports Start on 10/22/14 through 11/4/14		
<b>Runoff Election** - 12/2/2014</b>		
29-day pre-election	No Report Required for this Period	
11-day pre-election	10/22/14 - 11/18/14	11/21/2014
20-day post-election	11/19/14 - 12/19/14	12/22/2014
48 Hour Notice Reports Start on 11/19/14 through 12/2/14		
<b>PACs, PCFRs &amp; Campaign Quarterly Filers</b>		
1st Quarter	1/1/14 - 3/31/14	4/15/2014
2nd Quarter***	4/1/14 - 6/30/14	7/15/2014
3rd Quarter	7/1/14 - 9/30/14	10/15/2014
4th Quarter	10/1/14 - 12/31/14	1/15/2015

\* Inception Date of Campaign (first time filers) or from January 1, 2014 (Quarterly filers).

\*\* A candidate committee or joint candidates committee that is filing in a 2014 Runoff election is not required to file a 20-day post-election report for the corresponding prior election (May Municipal or General).

\*\*\* A second quarter report is needed by Independent General Election candidates if they started their campaign before May 6, 2014.