



ELEC *tronic*

An Election Law Enforcement Commission Newsletter

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Comments from the Chairman Eric H. Jaso

“It’s better to beg forgiveness than ask permission”* (unless you’re running for office in New Jersey)

*attributed to R. Adm. Grace Murray Hopper, U.S. Navy (1906-1992)

Over time, campaigns in New Jersey have become more sophisticated. Spending has increased by leaps and bounds (as has fundraising) and the election season has grown longer.

These developments have transformed longstanding methods of raising and spending money. They have also given rise to legal challenges to previously-settled campaign finance law.

So for many, and particularly for first-time candidates, the complex laws and regulations governing campaign money can be bewildering.

Beyond the Commission’s ongoing educational, training, and consulting

efforts to help candidates, campaign treasurers, attorneys and other professionals understand and comply with New Jersey’s Campaign Contributions and Expenditures Reporting Act, we also provide those with legal standing the opportunity to request an advisory opinion. This enables a campaign or other authorized persons to ask ELEC specific questions or seek its interpretation of some aspect of the laws and regulations it is charged with enforcing.

The process for requesting an advisory opinion from ELEC is straightforward.

First, an individual or committee must have standing to make a request. The request must be in writing and contain the following information:

1. The name, mailing address and day time phone number of the entity on whose behalf the request is being made;
2. A description of the correct filing status of the entity;
3. A statement of all pertinent facts and contemplated activities that are subject to the inquiry;

4. A statement involving the question of law arising under the act;
5. A statement of the result the entity seeks;
6. Required signatures; and,
7. A statement of whether or not the entity seeking the advisory opinion consents to a 30-day period for the issuance of the opinion.

Under the law, unless an extension of time is consented to by the entity requesting the opinion, the Commission is required to issue its opinion within ten days of the receipt of the request.

When all of the above criteria are met a request is considered received. In response, ELEC will issue a formal response known as an advisory opinion, upon which the requester and similarly-situated campaigns and individuals will be entitled to rely in the event of an investigation or enforcement action.

To avoid any possible violations of New Jersey’s campaign finance laws, the best rule for a campaign to follow is “when in doubt, don’t.” In other words, better to first ask ELEC whether your planned course of action is permitted.

“Furthering the Interest of an Informed Citizenry”

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Executive Director's Thoughts

Jeff Brindle

Stronger, Healthier Political Parties Could Mean Less Angst for Voters

Reprinted from insidernj.com

Despite Americans holding a long and deep skepticism toward political parties, ironically it could be the parties that restore stability to our polarized political environment.

When the constitutional convention was held in 1787, estimates were that one in six Americans were able to participate in politics, let alone hold public office.

Despite the revolt against British rule, democracy was anathema to the founding fathers.

According to Forrest McDonald, author of the *Intellectual Origins of the Constitution* "by 1787 a number of Americans had come to believe that even a modicum of democracy was incompatible with security for liberty and property."

Though the framer's purpose in introducing a plan of government was radical for its time, most delegates to the constitutional convention shared with ancient and medieval philosophers the view that democracy was dangerous and would lead to anarchy.

Therefore, they created a republic that would span a vast territory and consist of the states and national government, one that in their opinion would best unify the young nation.

The framers' fear of democracy, believed by many to be a prescription for mob rule, matched their concern over faction, or party. The republic was a form of government they felt would control both.

In Federalist Paper Ten, James Madison wrote, "it clearly appears, that the same advantage which a republic has over a democracy, in controlling the effects of faction [party], is enjoyed by a large over a small republic . . ."

While the American system of government is a republic, not a democracy, the fact is that as the years passed America became more democratized. Today's citizens are much more enthused about democracy than past generations. At the same time, skepticism remains toward political parties.

Paradoxically, it could be political parties that provide a cure for a political environment that has become increasingly divided and faction riddled.

Disciplined political parties organize majorities in government that are critical for governing. By organizing executive, legislative, and even judicial functions of government they provide a means by which public policies not only can be enacted but implemented.

As long-standing institutions, political parties provide a training ground for future leaders by enabling individuals to learn first-hand about the relationship between elections and governance, and to gain experience so necessary for bringing people together on behalf of the public good.

In short, political parties encourage leaders to work together rather than at cross purposes and provide an environment that promotes permanent majorities. In contrast, single issue interest groups create division.

Importantly, political parties provide a cue to voters, who today often suffer from information overload, particularly due to the heavy influence of social media.

Even for the most engaged citizen, it can be a daunting to sort through the blizzard of facts provided by broadcast advertising, direct mail, a 24-hour news cycle, and a myriad of social media sites.

Through their labels and symbols, political parties simplify matters for voters, making the buffet of information more digestible.

In this hyper-charged, information-saturated political environment, party affiliation and party labels may be just what is needed to help voters better decide how to vote. In this way, they facilitate their traditional function of providing a link between the people and their government.

Finally, and importantly, political parties turn people out to vote. Because they represent a broad coalition of people, rather than a narrow group of individuals interested in a single issue, political parties are especially equipped to foster an increase in voter turnout through their efforts to get people to the polls. In this time of low voter turnout, this ability is especially valuable.

The New Jersey Election Law Enforcement Commission and its Executive Director have made several recommendations to strengthen political parties in New Jersey.

First, ELEC has recommended raising contribution limits that apply to political parties. Second, it has proposed that state political parties be permitted to participate in gubernatorial elections. Third, it recommends that political parties be removed from the pay-to-play law while continuing political committees (PACs) be included. Fourth, it has proposed an end to the antiquated ban on county parties donating to each other. Lastly, the writer (not the commission) has suggested a tax credit should be provided to taxpayers contributing to political parties.

Strengthening political parties in New Jersey, which have experienced a significant drop in fundraising at all levels of government, would not only enhance the electoral process but government as well. Political parties, which have the potential to bring about working majorities, may be just what is needed to bring more unity to a fractured electoral and governmental landscape.

With Assembly Races Looming this Fall, “Big Six” has Smallest Election-Year Reserves in More than Decade

The two major state parties and four legislative leadership committees are heading toward the fall elections with \$2.1 million in cash reserves, according to the latest quarterly reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Technically known as cash-on-hand, the reserves represent the amount of money available as of July 1 to spend on the fall elections. The impending races will decide 80 Assembly seats and one state Senate seat in a first legislative district special election.

Compared to 2015, which was the last time the Assembly was the only legislative house on the ballot, the current total is four percent less. But if the 2015 figure is adjusted for inflation, the gap widens to 11 percent.

“A dollar today has less buying power than four years ago. So it isn’t good news for party leaders that the combined cash-on-hand of the Big Six is the lowest in more than a decade for an election year,” said Jeff Brindle, ELEC’s Executive Director.

TABLE 1
CAMPAIGN FINANCE ACTIVITY BY “BIG SIX”
AT END OF SECOND QUARTER BY YEAR

BOTH PARTIES	RAISED	SPENT	CASH-ON-HAND	NET WORTH*	STATE ELECTIONS**
2007	\$5,776,859	\$2,328,316	\$8,015,277	\$7,911,808	S/A
2008	\$3,438,622	\$2,238,356	\$1,577,591	\$ 918,612	
2009	\$3,653,103	\$1,811,223	\$3,682,236	\$3,548,060	G/A
2010	\$2,175,742	\$1,637,673	\$1,835,526	\$1,666,742	
2011	\$3,684,467	\$1,915,020	\$3,329,478	\$3,051,770	S/A
2012	\$2,988,610	\$2,590,387	\$1,426,366	\$1,193,221	
2013	\$3,382,737	\$1,874,081	\$3,189,889	\$3,093,711	G/S/A
2014	\$1,276,109	\$1,319,714	\$ 800,994	\$ 287,246	
2015	\$2,476,599	\$1,983,389	\$2,160,318¹	\$1,624,601	A
2016	\$1,661,559	\$1,513,987	\$1,127,086	\$ 979,443	
2017	\$2,751,561	\$2,205,599	\$2,263,401	\$2,178,899	G/S/A
2018	\$2,991,664	\$2,416,353	\$1,321,894	\$1,237,392	
2019	\$2,283,313	\$1,729,263	\$2,075,620	\$1,988,194	A²

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

**G=Gubernatorial; S=Senate; A=Assembly

Through June 30, Democrats have raised and spent about twice as much as Republicans and have more than twice the cash-on-hand. Democrats have controlled both legislative houses since 2001.

¹ Worth \$2,334,644 if adjusted for inflation.

² There is also a special legislative election for the first legislative district Senate seat.

TABLE 2
FUNDRAISING BY "BIG SIX" COMMITTEES
JANUARY 1 THROUGH JUNE 30, 2019

REPUBLICANS	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
New Jersey Republican State Committee	\$ 340,235	\$ 335,882	\$ 122,155	\$ 122,155
Senate Republican Majority	\$ 152,092	\$ 140,299	\$ 184,045	\$ 178,595
Assembly Republican Victory	\$ 258,083	\$ 123,543	\$ 321,571	\$ 319,452
SubTotal-Republicans	\$ 750,411	\$ 599,724	\$ 627,771	\$ 620,202
DEMOCRATS				
New Jersey Democratic State Committee	\$ 709,653	\$ 470,469	\$ 341,866	\$ 312,448
Senate Democratic Majority	\$ 333,520	\$ 138,863	\$ 500,638	\$ 480,638
Democratic Assembly Campaign Committee	\$ 489,729	\$ 520,207	\$ 605,344	\$ 574,906
SubTotal-Democrats	\$1,532,902	\$1,129,539	\$1,447,849	\$1,367,992
Total-Both Parties	\$2,283,313	\$1,729,263	\$2,075,620	\$1,988,194

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

While fundraising by both parties is down from more than a decade ago, Democratic fundraising has improved since 2015 while GOP numbers are down.

TABLE 3
CAMPAIGN FINANCE ACTIVITIES FOR "BIG SIX" COMMITTEES
THROUGH SECOND QUARTER
2015 VERSUS 2019

REPUBLICANS	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
2015	\$1,317,520	\$1,073,965	\$1,238,022	\$ 792,487
2019	\$ 750,411	\$ 599,724	\$ 627,771	\$ 620,202
Difference-Dollars	\$ (567,109)	\$ (474,241)	\$ (610,251)	\$ (172,285)
Difference-%	-43%	-44%	-49%	-22%
DEMOCRATS				
2015	\$1,159,079	\$ 909,424	\$ 922,296	\$ 832,114
2019	\$1,532,902	\$1,129,539	\$1,447,849	\$1,367,992
Difference-Dollars	\$ 373,823	\$ 220,115	\$ 525,553	\$ 535,878
Difference-%	32%	24%	57%	64%
BOTH PARTIES				
2015	\$2,476,599	\$1,983,389	\$2,160,318	\$1,624,601
2019	\$2,283,313	\$1,729,263	\$2,075,620	\$1,988,194
Difference-Dollars	\$ (193,286)	\$ (254,126)	\$ (84,698)	\$ 363,593
Difference-%	-8%	-13%	-4%	22%

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

Brindle said he believes strong parties are necessary to counter the fast-growing influence of independent special interest spenders. He noted that ELEC has recommended changes that may help stem the steady decline in party fundraising since the mid-2000s.

These recommendations include letting party committees accept larger contributions from regular donors as well as public contractors, while sharply limiting the amount public contractors can contribute to political action committees.

“Party committees represent voter-elected officials and they need to be reinvigorated. Otherwise, special interest groups that are not elected by citizens and face no limits on fund-raising will be dictating the political and governmental agendas in New Jersey,” Brindle said.

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. ELEC also can be accessed on Facebook (www.facebook.com/NJElectionLaw) and Twitter (www.twitter.com/elecnj).

Legislative Candidates Have \$3.4 Million in Bank after Primary; Incumbents Control Most of It

Legislative candidates are heading toward this fall’s elections with the smallest pile of cash since at least 2011, according to reports filed 20 days after the June 4 primary election with the New Jersey Election Law Enforcement Commission (ELEC).

Candidates report cash reserves totaling \$3.4 million. That represents 77 percent less than the total for 2017, when elections were held for 80 Assembly and 40 Senate seats, and 49 percent less than the total for 2015, when only the Assembly seats were in contention. This year’s election also features only Assembly contenders except for a special election in the first legislative district for a state Senate seat.

**TABLE 1
CAMPAIGN FINANCE ACTIVITY BY LEGISLATIVE CANDIDATES
IN 2019 PRIMARY ELECTION VERSUS EARLIER ELECTIONS**

YEAR	RAISED	SPENT	CASH RESERVES*	2019 RESERVES VERSUS PAST RESERVES	ELECTIONS**
2019	\$14,410,074	\$11,025,486	\$ 3,384,588		A ³
2017	\$34,875,842	\$27,665,721	\$14,774,600	-77%	G/S/A
2015	\$14,661,031	\$12,527,364	\$ 6,644,378	-49%	A
2013	\$28,111,870	\$22,153,242	\$13,398,825	-75%	G/S/A
2011	\$34,165,804	\$27,258,440	\$13,698,365	-75%	S/A

*Cash-on-Hand or Transferred to General Election

**G=Gubernatorial, S=Senate, A=Assembly

While the post-primary cash stash is relatively meager compared to recent legislative elections, incumbents by far possess the lion’s share of the loot - 90 percent versus 10 percent.

**TABLE 2
CASH RESERVES 20 DAYS AFTER JUNE 4, 2019
ELECTION- INCUMBENTS VERSUS CHALLENGERS**

GROUP	CASH RESERVES	PERCENT
Incumbents	\$3,049,387	90%
Challengers	\$ 335,201	10%
Total	\$3,384,588	100%

Jeff Brindle, ELEC’s Executive Director, said the fact that legislative candidates are reporting less cash may be a sign that they are becoming more dependent on spending by independent special interest groups.

³ Includes special election for state Senate seat in first legislative district.

“Candidate coffers don’t need to be as large in today’s elections because outside groups often spend hundreds of thousands of dollars or even millions in so-called target districts, where election margins tend to be smallest,” Brindle said.

In 2017, he noted, independent groups spent a record \$25.2 million on legislative elections in New Jersey, including \$2.2 million during the primary.

“While independent spending in the 2019 legislative primary was almost non-existent (\$15,000), some districts like the first legislative district are likely to attract significant independent spending during the general election,” Brindle said.

Democrats control the lower house by a 54-to-26 margin. They have run both legislative houses since 2001.

During the primary election, Democrats raised more than three times as much funds as Republicans, spent more than twice as much, and reported cash reserves of \$2.8 million versus \$574,665 - an 83 percent to 17 percent edge.

TABLE 3
PARTY BREAKDOWN OF LEGISLATIVE CAMPAIGN
FINANCE ACTIVITY FOR 2019 PRIMARY

PARTY	RAISED	SPENT	CASH
Democrats	\$10,838,560	\$ 8,028,637	\$2,809,923
Republicans	\$ 3,571,514	\$ 2,996,849	\$ 574,665
Both Parties	\$14,410,074	\$11,025,486	\$3,384,588

The numbers in this report should be considered preliminary. The analysis is based on legislative fundraising reports received by noon June 27, 2019.

Reports filed by legislative candidates are available online on ELEC’s website at www.elec.nj.gov. A downloadable summary of data from those reports is available in both spreadsheet and PDF formats at www.elec.nj.gov/publicinformation/statistics.htm.

ELEC also can be accessed on Facebook (www.facebook.com/NJElectionLaw) and Twitter (www.twitter.com/elecny).

ELEC Training Sessions

The seminars listed will be held at the Election Law Enforcement Commission
25 South Stockton Street, 1st Floor

For registration information, please visit ELEC's website at:
https://www.elec.nj.gov/seminar_train/SeminarTraining.html

IN-PERSON TRAINING SEMINARS BEGINS AT 10:00 AM		
CAMPAIGN TREASURER	9/12/2019	10/1/2019
PAC (CPC/PPC)	9/17/2019	10/3/2019
ELEC EFILE (R-3 FILERS)	9/24/2019	

Webinars

Introducing ELEC's new web-based Electronic File Filing System. Please register for one of the following Webinars:

R-1 Webinars

- August 14, 2019 2:00 p.m.
- September 04, 2019 10:00 a.m.
- September 10, 2019 2:00 p.m.
- September 18, 2019 10:00 a.m.
- September 26, 2019 2:00 p.m.
- October 02, 2019 10:00 a.m.
- October 04, 2019 10:00 a.m.
- October 15, 2019 2:00 p.m.
- October 23, 2019 2:00 p.m.
- November 19, 2019 10:00 a.m.

R-3 Webinars

- August 20, 2019 2:00 p.m.
- October 08, 2019 10:00 a.m.

2019 Reporting Dates

	INCLUSION DATES	REPORT DUE DATE
FIRE COMMISSIONER - FEBRUARY 16, 2019		
29-day Preelection Reporting Date	Inception of campaign* - 1/15/19	1/18/2019
11-day Preelection Reporting Date	1/16/2019 - 2/2/2019	2/5/2019
20-day Postelection Reporting Date	2/3/2019 - 3/5/2019	3/8/2019
48-Hour Notice Reports Start on 2/3/2019 through 2/17/2019		
APRIL SCHOOL BOARD – APRIL 16, 2019		
29-day Preelection Reporting Date	3/15/2019*	3/18/2019
11-day Preelection Reporting Date	3/16/2019 - 4/2/2019	4/5/2019
20-day Postelection Reporting Date	4/3/2019 - 5/3/2019	5/6/2019
48-Hour Notice Reports Start on 4/3/2019 through 4/16/2019		
MAY MUNICIPAL – MAY 14, 2019		
29-day Preelection Reporting Date	4/12/2019*	4/15/2019
11-day Preelection Reporting Date	4/13/2019 - 4/30/2019	5/3/2019
20-day Postelection Reporting Date	5/1/2019 - 5/31/2019	6/3/2019
48-Hour Notice Reporting Starts on 5/1/2019 through 5/14/2019		
RUNOFF (JUNE) ** - JUNE 11, 2019		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	5/1/2019 - 5/28/2019	5/31/2019
20-day Postelection Reporting Date	5/29/2019 - 6/28/2019	7/1/2019
48-Hour Notice Reporting Starts on 5/29/2019 through 6/11/2019		
PRIMARY (90-DAY START DATE: MARCH 6, 2019)*** - JUNE 4, 2019		
29-day Preelection Reporting Date	Inception of campaign* - 5/3/2019	5/6/2019
11-day Preelection Reporting Date	5/4/2019 - 5/21/2019	5/24/2019
20-day Postelection Reporting Date	5/22/2019 - 6/21/2019	6/24/2019
48-Hour Notice Reporting Starts on 5/22/2019 through 6/5/2019		
GENERAL (90-DAY START DATE: AUGUST 7, 2019)*** - NOVEMBER 5, 2019		
29-day Preelection Reporting Date	6/22/2019 - 10/4/2019	10/7/2019
11-day Preelection Reporting Date	10/5/2019 - 10/22/2019	10/25/2019
20-day Postelection Reporting Date	10/23/2019 - 11/22/2019	11/25/2019
48-Hour Notice Reporting Starts on 10/23/2019 through 11/5/2019		
RUNOFF (DECEMBER)** - DECEMBER 3, 2019		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	10/23/2019 - 11/19/2019	11/22/2019
20-day Postelection Reporting Date	11/20/2019 - 12/20/2019	12/23/2019
48-Hour Notice Reporting Starts on 11/20/2019 through 12/3/2019		

PACs, PCFRs & CAMPAIGN QUARTERLY FILERS

1 st Quarter	1/1/2019 - 3/30/2019	4/15/2019
2 nd Quarter	4/1/2019 - 6/30/2019	7/15/2019
3 rd Quarter	7/1/2019 - 9/30/2019	10/15/2019
4 th Quarter	10/1/2019 - 12/31/2019	1/15/2019

GOVERNMENTAL AFFAIRS AGENTS (Q-4)

1 st Quarter	1/1/2019 - 3/30/2019	4/10/2019
2 nd Quarter	4/1/2019 - 6/30/2019	7/10/2019
3 rd Quarter	7/1/2019 - 9/30/2019	10/10/2019
4 th Quarter	10/1/2019 - 12/31/2019	1/10/2020

*Inception Date of Campaign (first time filers) or from January 1, 2019 (Quarterly filers).

**A candidate committee or joint candidates committee that is filing in a 2019 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 on April 15, 2019 for the Primary Election Candidates and June 14, 2019 for the Independent General Election Candidates.

Note: A fourth quarter 2018 filing is needed for the Primary 2019 candidates if they started their campaign prior to December 6, 2018. A second quarter is needed by Independent/Non-Partisan General Election candidates if they started their campaign prior to May 9, 2018.

HOW TO CONTACT ELEC

www.elec.state.nj.us

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