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Newsletter

ELEC*tronic*

AN ELECTION LAW ENFORCEMENT COMMISSION NEWSLETTER
“Furthering the Interest of an Informed Citizenry”

Comments from the Chairman

Eric H. Jaso

“Knowledge is the treasure, but judgment the treasurer, of a wise man.” -- William Penn

ELEC Offers Informative Resources for Campaign Treasurers

Under New Jersey Law, campaign treasurers have personal responsibility to comply with campaign financing disclosure rules, and can be held personally liable for failure to do so. Because ELEC's top priority is legal compliance, we offer treasurers many valuable and informative resources.

Treasurers should first acquaint themselves with the Commission's website at www.elec.nj.gov.

When accessing the site, treasurers should click onto the Candidates & Committees tab at the top of the screen.

After completing this step several tabs appear. These tabs include Forms and Instructions, Electronic Filing,

Contribution Limits, Reporting Dates, Training and Seminars, and Statutory Authority & Regulations.

By first becoming acquainted with the reporting dates, treasurers will not only get a sense of when reports are to be filed but how much preparation time is needed.

In the case of candidate committees, treasurers must file reports 29 and 11-days prior to the election and 20-days following Election Day. If a campaign account is kept open, reports must be first filed the following April 15 and then in each subsequent quarter.

Treasurers are encouraged to close accounts as soon as possible after the election, win or lose. If the candidate plans to run in the future, he or she should open up a new account.

After becoming acquainted with the filing dates, treasurers should familiarize themselves with the campaign finance statute and regulations. Treasurers should then review ELEC's manual for candidates. The manual can be found by clicking the Forms and Instructions tab.

The manual provides a summary of requirements, reinforcing those contained in the statute and

regulations. After reviewing the manual, we suggest that treasurers participate in any of the three available training options found in the Training and Seminars tab.

At this point, treasurers may want to contact the Commission, particularly if they have questions about any part of the law, regulations, or any other requirements. Call (609) 292-8700 and a receptionist will direct you to the appropriate compliance officer.

The Commission's trained personnel will walk you through the manual and answer your questions. Our compliance officers aim to clarify areas of complexity so campaigns can avoid inadvertently violating the law.

Following your conversation with a compliance officer, it may be helpful to take the online training course that is available on the website. This online training is mandatory for treasurers of gubernatorial and legislative candidates but not for treasurers of local candidate committees.

As with ELEC's other resources, the online training is informative. Treasurers taking it will receive a certificate from the Commission.

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COMMISSIONERS

- Eric H. Jaso, Chairman
- Stephen M. Holden, Commissioner
- Marguerite T. Simon, Commissioner
- Edwin R. Matthews, Legal Counsel

Executive Director's Thoughts

Jeff Brindle

NJ Pay-to-Play Laws- There Should be Only One

Reprinted from insidernj.com

The State's pay-to-play law should be simplified and strengthened, with disclosure enhanced.

Though in the public interest, the law, nevertheless, is complicated and convoluted, difficult to comply with and enforce, encouraging some to seek ways to legally circumvent it while discouraging others from participating in electoral politics.

The pay-to-play law, which went into effect in 2006, was designed to help the public connect the dots between a public contract and a contribution. Another intent was to reduce the influence of donations over the solicitation process by limiting contractor donations to \$300 for government contracts of \$17,500 or more.

After an encouraging start, however, the pay-to-play law went from being a state law applying across the board uniformly to a tangled web of multiple state statutes and gubernatorial executive orders, changing regulations involving everything from contribution limits and disclosure requirements, more changes caused by local ordinances, and yes, loopholes.

When the law was enacted in 2004 to take effect on January 1, 2006, it applied

equally to all state, legislative, county, and municipal contracts.

The goal was to have one state law on public contracting that would apply at all levels of government. Despite this intent, the law contained a significant loophole: as long as the bidding process was publicly advertised in a "Fair and Open" manner, the law would not apply.

In other words, a "Fair and Open" publicly advertised solicitation process allowed contractors to forego the \$300 contribution limit.

To his credit, former Governor James McGreevey partially remedied the issue. Through Executive Order 134, ultimately enacted into law in March 2005, McGreevey eliminated the "Fair and Open" loophole for state contracts. However, his executive order did not extend to county and municipal contracts, leaving that loophole in place at those levels of government.

While the former governor's executive order brought pay-to-play closer to its original intent of one state law, other changes would take place that would result in a law whose tapestry is confusing, easy to get-around, and difficult to enforce.

Just five days after the law and amendments went into effect in 2006, the law was amended again to allow municipalities, counties, boards of education, and fire districts to establish their own ordinances, distinct from, and not preemptable, by state law.

On the plus side, this amendment, Chapter 271, required disclosure of donations by contractors to the respective governmental units issuing said contracts and mandated annual

disclosure to the Election Law Enforcement Commission (ELEC) when a public contractor received \$50,000 or more in public work statewide.

But Chapter 271 was also amended to remove non-profits from the provisions of the law.

This was only the beginning. In November 2008 former Governor Jon Corzine issued Executive Orders 117 and 118.

Executive Order 117 defined business entity to include officers, partners, members, and persons controlling 10 percent or more of stock, as well as spouses and civil union partners.

The executive order further extended limitations on contributions applicable to State contracts only, including contributions to candidates for governor, the governor, political parties, legislative leadership committees, and county and municipal party committees.

Executive Order 118 applied identical restrictions to redevelopers, making sure that redevelopers that receive public grants and are involved with eminent domain would be covered.

Finally, in early January 2010, then Governor Chris Christie extended pay-to-play restrictions to labor unions via Executive Order 7, which was ultimately vacated by the New Jersey Appellate Court. It stated that the authority to include labor unions required legislation, which never materialized.

This dizzying array of amendments, executive orders, and loopholes has resulted in a law that is difficult for the public to understand, for contractors to follow, and for regulators to enforce. It

necessitates the need for a law that is simplified and strengthened with more disclosure.

To accomplish these goals, ELEC has been advocating legislative reforms for more than a decade.

In order to simplify the law and strengthen disclosure, ELEC recommends one state law applicable across all governmental levels, disclosure of contracts over \$17,500 and an end to the “Fair and Open” loophole.

Moreover, the Commission has endorsed sunsetting the ability of local governments to enact their own ordinances. These local laws often differ from the state law but are frequently changed as the result of new officials elected to office.

To discourage contractors from trying to legally skirt the law, the Commission has proposed that special interest PACs be included under the law and disclosure of contractor contributions to PACs and independent groups such as Super PACs and 501c4 social welfare groups.

Finally, the tight \$300 limit on contractor contributions should no longer apply to political parties, which are accountable and transparent. In cases where the low contractor contribution limit does still apply, the threshold should be raised to \$1000 instead of \$300. A \$1,000 limit still is well below limits that apply to other donors.

Recent bi-partisan legislation (S2866/A4372) co-sponsored by Senate President Nicholas Scutari (D-Union) and Senate Minority Leader Steve Oroho (R-Sussex) as well as Assembly Majority Leader Louis Greenwald (D-Camden) is a

genuine step in the direction of improving the pay-to-play law.

Though the law retains the “Fair and Open” provision, it does sunset local ordinances (of which there are about 160 different ones).

Further, the legislation places accountability on officeholders responsible for awarding contracts and prohibits officeholders from accepting contractor contributions for a period of time prior to the vote to award said contracts.

The legislation would strengthen political parties by permitting larger contractor donations to them and at the same time enhance disclosure of their contributions by requiring the Commission to establish a new business entity database, leading to greater transparency of political activity by businesses entering public contracts.

The Scutari/Oroho legislation represents a positive step in the direction of transparency and accountability, as well as simplification in the pay-to-play law.

Hopefully, the “Elections Transparency Act” will be given further consideration as the Legislature returns in the fall.

The History of the Commission Project Archive:

In a continuing effort to provide the public with important information pertaining to its historic mission of disclosure, the Commission initiated its “History of the Commission Project” under which individuals of significance to the State and the Commission are interviewed. Interviews are archived on the Commission’s website at:

https://www.elec.nj.gov/aboutelec/ELEC_OralHistory.htm.

- Volume I – Interview with ELEC Chairman Eric Jaso- 2017-Present
- Volume II – Interview with former ELEC Executive Director Lewis Thurston- 1976 -1981
- Volume III – Interview with former State Assembly Speaker Joe Roberts- 2006-2009
- Volume IV – Interview with former New Jersey Governor Thomas H. Kean 1982-1990
- Volume V – Interview with former New Jersey State Senate President John Lynch- 1989-1991
- Volume VI – Interview with former ELEC Chairman Ron DeFilippis- 2010-2017
- Volume VII – Interview with former ELEC Chairwoman Jerry English- 2004-2010
- Volume VIII- Interview with former Governor Christine Todd Whitman- 1994-2001
- Volume IX – Interview with former Governor Jim McGreevey – 2002-2004
- Volume X – Tom Byrne Interview. Former State Democratic Chair 1994-1997

2022 Reporting Dates

	INCLUSION DATES	REPORT DUE DATE
FIRE COMMISSIONER – FEBRUARY 19, 2022		
29-day Preelection Reporting Date	Inception of campaign* – 1/18/2022	1/21/2022
11-day Preelection Reporting Date	1/19/2022 – 2/5/2022	2/8/2022
20-day Postelection Reporting Date	2/6/2022 – 3/8/2022	3/11/2022
48-Hour Notice Reporting Starts on 2/6/2022 through 2/19/2022		
SCHOOLBOARD – APRIL 19, 2022		
29-day Preelection Reporting Date	Inception of campaign* – 3/18/2022	3/21/2022
11-day Preelection Reporting Date	3/19/2022 – 4/5/2022	4/8/2022
20-Day Postelection Reporting Date	4/6/2022 – 5/6/2022	5/9/2022
48-Hour Notice Reporting Starts on 4/6/2022 through 4/19/2022		
MAY MUNICIPAL – (90-DAY START DATE: FEBRUARY 9, 2022) – MAY 10, 2022		
29-day Preelection Reporting Date	Inception of campaign* – 4/8/2022	4/11/2022
11-day Preelection Reporting Date	4/9/2022 – 4/26/2022	4/29/2022
20-Day Postelection Reporting Date	4/27/2022 – 5/28/2022	5/31/2022
48-Hour Notice Reporting Starts on 4/27/2022 through 5/10/2022		
RUNOFF (JUNE)** – JUNE 14, 2022		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	4/27/2022 – 5/31/2022	6/3/2022
20-Day Postelection Reporting Date	6/1/2022 – 7/1/2022	7/5/2022
48-Hour Notice Reporting Starts on 6/1/2022 through 6/14/2022		
PRIMARY (90 DAY START DATE: MARCH 9, 2022)*** – JUNE 7, 2022		
29-day Preelection Reporting Date	Inception of campaign* – 5/6/2022	5/9/2022
11-day Preelection Reporting Date	5/7/2022 – 5/24/2022	5/27/2022
20-Day Postelection Reporting Date	5/25/2022 – 6/24/2022	6/27/2022
48-Hour Notice Reporting Starts on 5/25/2022 – 6/7/2022		
GENERAL (90 DAY START DATE: AUGUST 10, 2022)*** – NOVEMBER 8, 2022		
29-day Preelection Reporting Date	6/25/2022 – 10/7/2022	10/11/2022
11-day Preelection Reporting Date	10/8/2022 – 10/25/2022	10/28/2022
20-day Postelection Reporting Date	10/26/2022 – 11/25/2022	11/28/2022
48-Hour Notice Reporting Starts on 10/26/2022 through 11/8/2022		
RUN-OFF (DECEMBER)** – DECEMBER 6, 2022		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	10/26/2022 – 11/22/2022	11/25/2022
20-day Postelection Reporting Date	11/23/2022 – 12/23/2022	12/27/2022
48 Hour Notice Reporting Starts on 11/23/2022 through 12/6/2022		

PACS, PCFRS & CAMPAIGN QUARTERLY FILERS

1 st Quarter	1/1/2022 – 3/31/2022	4/18/2022
2 nd Quarter	4/1/2022 – 6/30/2022	7/15/2022
3 rd Quarter	7/1/2022 – 9/30/2022	10/17/2022
4 th Quarter	10/1/2022 – 12/31/2022	1/17/2023

GOVERNMENTAL AFFAIRS AGENTS (Q-4)

1 st Quarter	1/1/2022 – 3/31/2022	4/11/2022
2 nd Quarter	4/1/2022 – 6/30/2022	7/11/2022
3 rd Quarter	7/1/2022 – 9/30/2022	10/11/2022
4 th Quarter	10/1/2022 – 12/31/2022	1/10/2023

* Inception Date of Campaign (first time filers) or January 1, 2022 (Quarterly filers).

** A candidate committee or joint candidates committee that is filing in a 2022 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 April 14, 2022 for the Primary Election candidates and June 20, 2022 for Independent General Election candidates.

Note: A fourth quarter 2021 filing is needed for the Primary 2022 candidates if they started their campaign prior to December 9, 2021.

A second quarter 2022 filing is needed by Independent/ Non-partisan General Election candidates if they started their campaign prior to May 11, 2022.

HOW TO CONTACT ELEC

www.elec.state.nj.us

In Person: 25 South Stockton Street, 5th Floor, Trenton, NJ

By Mail: P.O. Box 185, Trenton, NJ 08625

By Telephone: (609) 292-8700 or Toll Free Within NJ 1-888-313-ELEC (3532)

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