

## **NEWS RELEASE**

Respond to: P.O. Box 185 Trenton, New Jersey 08625-0185 (609) 292-8700

CONTACT: FREDERICK M. HERRMANN,

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Frederick M. Herrmann, Executive Director of the Election Law Enforcement Commission, said today that county political party organizations are undergoing a resurgence in New Jersey.

The statement was made in conjunction with the publication of a Commission study entitled <u>Repartyization</u>: <u>The Rebirth of County Organizations</u>, the twelfth in a series of White Papers.

Herrmann said: "county party organizations, secondary to candidate-centered campaigns since the mid-1980's, are again a major player in New Jersey elections."

The study notes that in 1986, the 42 county party committees were raising just \$2 million and spending \$2.3 million. By 1996, these same organizations raised \$9.4 million and spend \$8.4 million. This figure can be compared to the amounts raised by the state party committees in that year, which is \$7.4 million raised and \$6.8 million spend. The receipt totals do not include money carried over from the previous year but only those funds raised by the organizations in the year in question. For this reason, expenditures are sometimes greater than receipts.

"Two events were important to county party resurgence," said Herrmann, "the 1989 U.S. Supreme Court's Eu decision allowing parties to participate in primaries, and the 1993 change to the campaign laws, which set higher limits on contributions to parties than to candidate committees."

According to Herrmann, the study emphasizes the 1993 campaign finance reform law as the most critical factor in this development.

The study analyses activity by the county party committees between 1986 and 1996. In the years prior to the 1993 reform, fundraising by the 42 county party committees averaged \$4.7 million per year while after the reform they averaged \$9 million annually.

Besides providing a financial overview of all 42 county party organizations, the White Paper analyses in-depth the financial activity of the organizations in eight selected counties.

"In addition to finding similar patterns of financial activity to all 21 counties," said Herrmann, "the in-depth study provided very useful information in support of the premise that there has been a rebirth of county party organizations."

Herrmann cited as an example the trend in mass communication spending, a key area of expenditures in modern campaigning.

"Spending on mass communication jumped by 293 percent during this period," said Herrmann," "with most of it occurring since 1993."

Herrmann noted that in 1995 mass communication spending represented as much as 51 percent of the expenditures made by the sixteen county organizations under study; in 1986, for example, the percentage for this type of activity was only 13 percent.

According to the study, a highly significant indication of the new found influence of county party organizations is in their heightened tendency to spend on behalf of candidates rather than to contribute directly to them. Such spending is indicative of a party's desire to exert more control over the way their candidates run their campaigns.

Herrmann said: "After the reform of the campaign law in 1993, spending in the form of in-kind expenditures increased significantly, reaching \$2.8 million in 1995." In 1986 in-kind, spending represented just one-half of one percent of expenditures compared with forty-seven percent of expenditures in 1995.

The study includes a chapter on contribution activity, showing that business interests made 43 percent of the contributions to county committees between 1986 and 1996, political entities 29 percent, individuals 24 percent, unions 2 percent, and ideological groups 2 percent.

"I don't believe there is any other in-depth study of this kind for New Jersey or any other State," said Herrmann. "This report, written by Deputy Director Jeffrey M. Brindle, demonstrates that county party organizations are again very much an influential player in the campaign process."

Based on its analysis, in this White Paper and the previous one studying state-level political party committees, the Commission is recommending that the contribution limit for, money received by the county committees from donors be reduced from \$30,000 to \$10,000 a year. Such a reduction will minimize any appearance of undue influence while not adversely impacting on the free speech rights of these important participants in the electoral process.