



NEWS RELEASE

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Contributions by public contractors jumped more than \$2 million in 2013 to nearly \$10.1 million, the biggest increase since 2007, according to an Election Law Enforcement Commission (ELEC) analysis of annual disclosure reports filed last month.

In a year with the governor's seat and all 120 legislative seats at stake, contributions shot up 27 percent. "Since 2007, the only other year when there was a contribution spurt was 2011. The increase was tiny- 3 percent- compared to last year's surge," said Jeff Brindle, ELEC's Executive Director. "You must keep in mind, however, that overall contributions still are down 39 percent from a peak of \$16.4 million in 2007."

Table 1
Campaign Contributions Reported by Public Contractors in Annual Disclosure Reports

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2013	\$10,098,611	\$ 2,136,879	27%
2012	\$ 7,961,732	\$ (1,992,813)	-20%
2011	\$ 9,954,546	\$ 256,323	3%
2010	\$ 9,698,222	\$ (1,379,990)	-12%
2009	\$11,078,213	\$ (1,038,461)	-9%
2008	\$12,116,673	\$ (4,318,765)	-26%
2007	\$16,435,439	\$ 1,279,397	8%
2006	\$15,156,041		

Brindle said that "the surge in contributions can be explained by the fact that for the first time since 2001, both houses of the Legislature and the governor were up for election. This means there were more state candidates running than any time in the last 13 years."

For example, about a quarter of the \$2 million increase went to gubernatorial fundraising committees.

Table 2
Contributions to Gubernatorial Fundraising Committees

CANDIDATE/ GROUP	AMOUNT
Republican Governors Association	\$ 235,000
Chris Christie for Governor	\$ 210,250
Barbara Buono for Governor	\$ 33,100
Inaugural Committee 2014 Inc.	\$ 9,000
TOTAL	\$ 487,350

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“Another interesting fact attributable to the significance of last year’s election was that contractor contributions to political action committees (PACs) amounted to \$1.6 million, an increase of 58 percent over the previous year,” Brindle said. “PACs are not subject to pay-to-play laws, making it very natural for contractor cash to be redirected toward them.”

He noted that ELEC, a bipartisan commission, in 2010 began advocating one state pay-to-play law, an end to a major loophole, more disclosure by contractors and an increase in the contribution limit from \$300 to \$1,000 for contractors that are subject to the law.

“Contractor contributions generally have been slumping since pay-to-play restrictions were first imposed eight years ago. Those restrictions imposed tight limits on most contractors, and some firms have just stopped making contributions altogether because the system is so confusing,” said Brindle. “Legislation reforms are necessary to create more balance.”

“My guess is that in the future, the decline in contracting firm contributions directly to candidates and parties will continue, barring legislation overhauling the law,” he added.

Total reported contracts rose nearly \$500 million in 2013 to \$6.4 million. It was an eight percent increase and the second increase in a row.

Table 3
Total Value of Contracts Reported Annually
by Business Entities Subject to Pay-to-Play Law

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2013	\$ 6,445,476,268	\$ 494,230,609	8%
2012	\$ 5,951,245,659	\$ 442,971,097	8%
2011	\$ 5,508,274,562	\$ (322,580,454)	-6%
2010	\$ 5,830,855,016	\$ (230,194,482)	-4%
2009	\$ 6,061,049,498	\$ 1,057,904,966	21%
2008	\$ 5,003,144,531	\$ (683,572,366)	-12%
2007	\$ 5,686,716,897	\$(4,709,510,548)	-45%
2006	\$10,396,227,445		

“Given the aftermath of Hurricane Sandy and other storms, we aren’t surprised to see an increase in total contracts since many publicly-owned facilities sustained heavy damage,” said Brindle.

The top ten contractors ranked by their contributions gave a combined \$3 million in 2013, representing nearly 30 percent of all contributions.

Table 4
Business Entities that Reported Largest Contribution Totals in 2013

BUSINESS NAME	AMOUNT
Remington & Vernick Engineers, Inc.	\$ 529,400
T&M Associates	\$ 392,065
Richard A. Alaimo Associates	\$ 346,634
CME Associates	\$ 344,683
Law Offices of Peter J. Barnes III	\$ 315,078
Maser Consulting P.A.	\$ 307,575
Pennoni Associates Inc.	\$ 265,725
Adams, Rehmann & Heggan Associates	\$ 203,700
Princeton Public Affairs Group, Inc.	\$ 171,416
MBI/GluckShaw	\$ 164,728

Unlike other years when freeholder candidates were the major recipients of contractor contributions, gubernatorial and legislative fund-raising committees dominated the top ten in 2013.

Table 5
Top Ten Recipients of Contractor Contributions in 2013

RECIPIENT	AMOUNT
Barnes, Diegnan and Pinkin (Legislative)	\$ 267,700
Republican Governors Association	\$ 235,000
Chris Christie for Governor	\$ 210,250
DiMarco & Christy for Freeholder (Gloucester County)	\$ 155,250
EFO Sweeney Burzichelli & Riley (Legislative)	\$ 135,683
Valenti for Freeholder (Middlesex County)	\$ 103,225
Friends of Sangiovanni Brando Chadwick Ciocco (Brick Twp)	\$ 100,175
Constructors for Good Government	\$ 97,345
Armwood for Freeholder (Middlesex County)	\$ 93,725
Steve Sweeney for Senate (Legislative)	\$ 92,996

Even with the increase in total contracts, the number was down.

Table 6
**Total Number of Contracts Reported Annually
 by Business Entities Subject to Pay-To-Play Law**

YEAR	NUMBER	CHANGE	CHANGE-%
2013	19,948	(875)	-4%
2012	20,823	(3,859)	-16%
2011	24,682	6,019	32%
2010	18,663	(2,780)	-13%
2009	21,443	(1,384)	-6%
2008	22,827	238	1%
2007	22,589	(2,345)	-9%
2006	24,934		

The number of business entities reporting is lower than 2012. However, the numbers are preliminary, and reports filed later are likely to adjust the number upward.

Table 7
Total Number of Business Entities

YEAR	NUMBER	CHANGE	CHANGE-%
2013	1,956	(248)	-11%
2012	2,204	36	2%
2011	2,168	(5)	0%
2010	2,173	83	4%
2009	2,090	222	12%
2008	1,868	(146)	-7%
2007	2,014	(321)	-14%
2006	2,335		

The numbers in this report reflect information available to the Commission through April 1, 2013 and should be considered preliminary. Some contractors are likely to submit reports or amendments after that date that could change the totals. Numbers earlier than 2013 reflect these revisions and could differ from those reported in prior press releases. All reports are available at ELEC's website at www.elec.state.nj.us.

Under pay-to-play laws, all businesses that have received \$50,000 in total public contracts must report their contracts and contributions to ELEC each spring.

With some exceptions, most firms with state contracts in excess of \$17,500 are barred from contributing more than \$300 to gubernatorial candidates, state political parties, legislative leadership committees, county political parties and municipal political party committees. Firms that exceed this limit must refund the excess contributions within a necessary time period or relinquish their contracts for four years.

The average contribution made by contractors has fallen from \$1,222 in 2006 to \$1,019 in 2013- down 17 percent. For non-contractors who make contributions, state contribution limits range from \$2,600 per election from individuals or corporations to candidate committees to \$37,000 annually to county party committees.

Table 8
Ten Business Entities that Reported Largest Contract Totals in 2013

BUSINESS NAME	AMOUNT
Horizon Healthcare of New Jersey, Inc.	\$ 2,425,155,462
Amerigroup New Jersey, Inc.	\$ 576,184,552
PKF-Mark III, Inc.	\$ 171,991,692
CCA Civil, Inc.	\$ 133,939,255
South State, Inc.	\$ 129,434,924
Verizon New Jersey Inc.	\$ 124,241,886
Colonial Bank FSB	\$ 122,184,481
FirstEnergy Solutions Corp	\$ 106,068,752
George Harms Construction Co., Inc.	\$ 103,090,163
Metropolitan Life Insurance Company	\$ 98,531,921

State government once again was the largest source of contracts in 2013. Municipalities, independent authorities, school boards, counties, colleges, fire districts and the Legislature follow in descending order.

Table 9
Contracts by Public Entity Type in 2013

PUBLIC ENTITY TYPE	AMOUNT	PERCENT	NUMBER
State	\$ 4,270,212,469	66%	1,207
Municipality	\$ 649,923,736	10%	9,562
Independent Authority	\$ 568,969,069	9%	2,188
School Board	\$ 533,905,282	8%	4,696
County	\$ 394,245,683	6%	1,846
College	\$ 12,468,812	<1%	1
No Information	\$ 11,185,328	<1%	31
Fire District	\$ 4,524,832	<1%	415
Legislature	\$ 41,058	<1%	2
GRAND TOTAL	\$ 6,445,476,268	100%	19,948