



NEWS RELEASE

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In a year when public contractors reported the biggest annual increase in contracts since 2006, their contributions in 2015 fell 15 percent, the second lowest annual total since 2006, according to an Election Law Enforcement Commission (ELEC) analysis of annual disclosure reports filed recently.

Statewide, total reported contracts rose nearly \$1.2 billion, or 18 percent, in 2015 to nearly \$8.2 billion. Both on a dollar and percentage basis, it was the largest single year increase since contractors began filing disclosure reports with ELEC in 2006.

Table 1
Total Value of Contracts Reported Annually
by Business Entities Subject to Pay-to-Play Law

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2015*	\$ 8,176,405,658	\$ 1,228,280,586	18%
2014	\$ 6,948,125,072	\$ 375,819,109	6%
2013	\$ 6,572,305,963	\$ 618,617,899	10%
2012	\$ 5,953,688,064	\$ 444,848,248	8%
2011	\$ 5,508,839,816	\$ (322,590,939)	-6%
2010	\$ 5,831,430,755	\$ (229,983,148)	-4%
2009	\$ 6,061,413,903	\$ 1,057,944,238	21%
2008	\$ 5,003,469,665	\$ (682,923,351)	-12%
2007	\$ 5,686,393,016	\$ (4,710,365,819)	-45%
2006	\$ 10,396,758,835		

*Preliminary

During the same year, total contributions fell \$1.5 million to \$8.3 million- a 15 percent decline. Only in 2012 did contractors make fewer contributions.

Table 2
Campaign Contributions Reported by Public
Contractors in Annual Disclosure Reports

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2015*	\$ 8,334,514	\$ (1,482,031)	-15%
2014	\$ 9,816,545	\$ (890,556)	-8%
2013	\$ 10,707,101	\$ 2,719,219	34%
2012	\$ 7,987,882	\$ (1,992,564)	-20%
2011	\$ 9,980,446	\$ 254,524	3%
2010	\$ 9,725,922	\$ (1,352,791)	-12%
2009	\$ 11,078,713	\$ (1,042,210)	-9%
2008	\$ 12,120,923	\$ (4,315,116)	-26%
2007	\$ 16,436,039	\$ 1,278,098	8%
2006	\$ 15,157,941		

*Preliminary

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Jeff Brindle, ELEC’s Executive Director, said the decline in contributions in large part is the result of the state’s complex pay-to-play laws. “Many contractors are so afraid of violating the law that they have just stopped making political contributions entirely,” he said. “Contractor contributions have fallen in half since peaking in 2007.”

“Many contractor donations are now going to PACs and independent groups, which are not subject to pay-to-play,” said Brindle.

One result is that state and county party committees have seen a major drop in their fundraising during the same period. At the same time, spending by independent special interest groups is sharply rising. Unlike party committees, independent groups under current state law can hide the source of their contributions.

A set of legislative recommendations developed by Brindle and supported by the bi-partisan Election Law Enforcement Commission seek to address these issues.

The reform plan would consolidate pay-to-play restrictions into a single state law; raise from \$300 to \$1,000 the amount contractors could give without jeopardizing their contracts; wave the \$1,000 limit for party committees, though contractors still would be subject to contribution limits that apply to all other donors; and require more contractors to file annual reports with ELEC detailing their contracts and contributions.

“Without changes, parties are going to continue to decline. The coffers of independent groups are going to continue to swell. And contractors will be more likely to contribute to independent groups that may not disclose their fundraising,” Brindle said.

Fewer contractors in 2015 sent checks to political action committees (PACs) and independent groups.

**Table 3
Contributions to PACs and Independent Groups**

YEAR	AMOUNT	CHANGE-%	% OF TOTAL CONTRIBUTIONS
2015	\$1,300,622	-30%	16%
2014	\$1,863,693	16%	19%
2013	\$1,604,014	58%	15%
2012	\$1,017,353	-42%	13%
2011	\$1,746,947		18%

Several beneficiaries of contractor contributions were federal committees, including Super PACs.

For instance, America Leads, a Super PAC that independently raised funds in support of Governor Chris Christie’s recent presidential bid, received \$110,000 †. Christie’s presidential fund received \$3,700 while Hillary for America, Hillary Clinton’s fund, received \$2,700.

A legal defense fund maintained by U.S. Senator Robert Menendez (D-NJ), who is under federal indictment, received \$11,000.

New Jerseyans for a Better Tomorrow, a Super PAC created by supporters of a 2017 gubernatorial bid by Senate President Stephen Sweeney, collected \$69,300 from contractors. Coalition for Progress, a Super PAC affiliated with another potential gubernatorial candidate, Jersey City Mayor Steven Fulop, received \$5,000. New

Way for New Jersey, another federal PAC maintained by former Goldman Sachs executive Phil Murphy, another possible contender in 2017, received \$350.

The top ten contractors ranked by their contributions gave a combined \$2.6 million in 2015, representing 31 percent of all contributions.

Table 4
Business Entities that Made Most Contributions in 2015†

BUSINESS NAME	AMOUNT
Remington & Vernick Engineers, Inc.	\$474,100
CME Associates	\$423,400
T&M Associates	\$336,610
Alaimo Group	\$324,750
Pennoni Associates Inc	\$296,720
Maser Consulting†	\$279,650 †
Adams Rehmann & Heggan Associates, Inc.	\$152,705
Capehart Scatchard PA	\$150,075 †
NW Capital Markets, Inc./NW Financial Group LLC- (Dennis Enright)	\$138,900
French & Parrello Associates, PA	\$127,320

County candidates in Burlington, Camden, Gloucester, Middlesex, Ocean and Union Counties were among the top 10 recipients of contractor contributions in 2015.

Table 5
Top Ten Recipients of Contractor Contributions in 2015†

RECIPIENT	AMOUNT
Damminger Chila and Jefferson for Freeholder (Gloucester County)	\$220,350
EFO GOP Freeholders' 15 (Gibbs and Peters) (Burlington County)	\$157,700 †
Committee to Reelect Bartlett and Little (Ocean County)	\$153,020 †
Rios for Freeholder (Middlesex County)	\$137,866 †
Polos for Freeholder (Middlesex County)	\$134,968 †
Elaine Flynn for County Clerk (Middlesex County)	\$131,866 †
Constructors for Good Government (PAC)	\$111,310
America Leads (Federal Super PAC)	\$110,000 †
Victory 2015 EFO Mirabella, Jalloh & Bergen for Freeholder (Union County)	\$ 81,350
EFO Jeff Nash for Freeholder (Camden County)	\$ 78,246 †

While the overall value of contracts was up, the number of contracts was down 8 percent.

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

YEAR	NUMBER	CHANGE	CHANGE-%
2015*	17,870	(1,629)	-8%
2014	19,499	(1,060)	-5%
2013	20,559	(297)	-1%
2012	20,856	(3,847)	-16%
2011	24,703	6,030	32%
2010	18,673	(2,771)	-13%
2009	21,444	(1,388)	-6%
2008	22,832	244	1%
2007	22,588	(2,347)	-9%
2006	24,935		

*Preliminary

Though the preliminary total number of business entities is lower than in 2014, final numbers have hovered around 2,200 since 2010.

Table 7
Total Number of Business Entities

YEAR	NUMBER	CHANGE	CHANGE-%
2015*	1,955	(262)	-12%
2014	2,217	11	-0.5%
2013	2,206	(23)	-1%
2012	2,229	48	2%
2011	2,181	(4)	0.2%
2010	2,185	90	4%
2009	2,095	223	12%
2008	1,872	(146)	-7%
2007	2,018	(320)	-14%
2006	2,338		

*Preliminary

The numbers in this report reflect information available to the Commission through April 3, 2016 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 2015 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 or more through public contracts must indicate whether they have made any reportable contributions and if so, must disclose contracts and contributions to ELEC by March 30th for the previous calendar year.

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 in 2015 was \$1,047, the smallest average reported since 2006. The largest average of \$1,222 occurred in both 2006 and 2007.

As in 2014, two health insurance companies topped the list of contract recipients. Banks, utilities and construction firms rounded out the list.

Table 8
Top Ten Business Entities that Reported
Largest Contract Totals in 2015

BUSINESS NAME	AMOUNT
Horizon Healthcare of New Jersey, Inc.	\$4,293,982,832
Amerigroup New Jersey, Inc.	\$1,084,900,694
South State, Inc.	\$ 127,364,923
Unity Bank	\$ 112,657,686
Verizon New Jersey Inc.	\$ 105,817,269
FirstEnergy Solutions Corp	\$ 104,478,540
Ferreira Construction Co Inc	\$ 96,771,936
George Harms Construction Co., Inc.	\$ 91,425,128
Union Paving & Construction Co., Inc.	\$ 78,610,594
Schiavone Construction Co. LLC	\$ 69,135,600

Following a long trend, state government was the largest source of contracts in 2015. Municipalities, independent authorities, counties, school boards, the Legislature and fire districts follow in descending order.

Table 9
Contracts by Public Entity Type in 2015

PUBLIC ENTITY TYPE	AMOUNT	PERCENT	NUMBER
State	\$6,412,207,262	78%	920
Municipality	\$ 657,346,987	8%	9,253
Independent Authority	\$ 435,957,304	5%	1,786
County	\$ 345,394,343	4%	1,625
School Board	\$ 313,666,994	4%	3,856
Legislature	\$ 8,383,300	0.1%	5
Fire District	\$ 3,449,468	0.04%	389
No Information			36
GRAND TOTAL	\$8,176,405,658	100%	17,870

Contract awards by the state Department of Human Services again dwarfed those of other public entities in 2015.

Table 10
Top Ten Contracting Agencies in 2015

CONTRACTING AGENCY	AMOUNT
Department of Human Services	\$5,340,577,107
Department of Transportation	\$ 539,644,698
New Jersey Turnpike Authority	\$ 408,186,950
New Jersey Schools Development Authority	\$ 55,391,394
State of New Jersey (Department unspecified)	\$ 54,114,595
New Jersey Economic Development Authority	\$ 44,742,496
New Jersey Transit	\$ 43,443,304
Township of Edison	\$ 36,978,215
City of New Brunswick	\$ 35,741,096
Somerset County	\$ 35,481,964

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