

NEWS RELEASE

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FOR RELEASE:

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The NJ Election Law Enforcement Commission (ELEC) has agreed to a permanent injunction that permits unrestricted fundraising by a political committee that plans to make only independent campaign expenditures in the 2013 New Jersey legislative elections.

The agreement between ELEC and Fund for Jobs, Growth, & Security, a Washington, DC-based group, was approved July 11, 2013 by the United States District Court for the District of New Jersey. It was prompted by <u>Fund for Jobs, Growth & Security v. New Jersey Election Law Enforcement Commission et al</u>. Civil Action No. 3:13-CV-02177-MAS-LHG.

Fund for Jobs, Growth & Security filed a lawsuit April 5 in response to an advisory opinion (01-2013) approved 2-1 by the Commission at its March 19 meeting.

In that advisory opinion, the Commission majority concluded that Fund for Jobs, Growth & Security must file as a political committee and said it could not waive contribution limits for the committee. Majority members felt only the Legislature or the courts had the authority to permit such a waiver.

The U.S. Supreme Court in the 2010 <u>*Citizens United v. FEC*</u> case invalidated a ban on independent expenditures by corporations and unions. Subsequent cases such as *SpeechNow.org v. FEC* and *Carey v. FEC*, interpreted the ruling to mean that independent spending-only committees are not subject to contribution limits.

On April 26, Fund for Jobs, Growth & Security, which was eager to begin fundraising, was successful in obtaining a preliminary injunction that prevented ELEC from imposing contribution limits on the committee. The Fund's 20-day post-election report, filed with ELEC on June 24, disclosed that it had raised \$1.75 million in contributions and spent \$508,536.

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As part of the permanent injunction, the Commission has agreed with withdraw its advisory opinion, which means Fund for Jobs, Growth & Security can continue to accept unlimited contributions, and to recommend legislation that exempts all independent spending-only political committees from contribution limits.

Under current law, if a group intends to spend more than \$2,400 on a New Jersey election, and the major purpose is that more than half of its funds are spent in New Jersey, it must register with ELEC as a political committee.

Political committees are short-term committees that assemble for no more than one election cycle. They file regular reports with the Commission that list both their contributions and expenditures.

Current law also prohibits political committees from accepting contributions larger than \$7,200 per election unless they are formed to solely support or oppose ballot questions. Ballot question committees are exempt from contribution limits under a 1978 Supreme Court ruling that concluded they posed no threat of quid-pro-quo corruption.

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