

NEWS RELEASE

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With independent spending on state campaigns already setting new records, money is pouring heavily into key legislative swing districts that could dictate which party controls the Legislature after November 5, according to initial reports on general election financial activity filed with the Election Law Enforcement Commission (ELEC).

"Even with the election still weeks away, independent spending in state campaigns already has hit an all-time high of \$21 million not including ballot questions," said Jeff Brindle, ELEC's Executive Director. "That compares to the previous high of \$14.1 million spent in 2009 mostly on the gubernatorial election."

Table 1
Estimated Independent Spending by Special
Interest Groups in 2013 State Campaigns

| Group | Spent | General/ Primary/Both? | Election |
|--|----------------------------------|---------------------------|--------------------------|
| Committee for Our Children's Future | \$ 7,800,000 | P | Gubernatorial |
| Garden State Forward (New Jersey Education | 1 1,12 1,12 1 | | Gubernatorial and |
| Association) | \$ 5,162,284 1 | Both | Legislative |
| One New Jersey | \$ 2,800,000 | P | Gubernatorial |
| Fund for Jobs, Growth and Security (also see ballot | | | |
| questions) | \$ 2,573,065 | Both | Legislative ¹ |
| Republican Governors Association | \$ 1,725,000 | P | Gubernatorial |
| Americans for Prosperity | \$ 400,000 | G | Legislative |
| Latino Consumer Group Inc. | \$ 365,095 | G | Gubernatorial |
| Republican State Leadership Committee | \$ 268,017 | G | Legislative |
| National Association of Realtors | \$ 142,087 | P | Legislative |
| NJ Workers' Voices (NJ AFL-CIO) | \$ 24,644 | Both | NA |
| Total Gubernatorial and Legislative Elections | \$21,260,192 ¹ | | |
| STATEWIDE BALLOT QUESTIONS | | | |
| Fund for Jobs, Growth and Security | \$ 686,006 | G | Ballot Question |
| Coalition to Preserve Jobs and Our Constitution Inc. | \$ 569,292 | G | Ballot Question |
| Working Families United for NJ | \$ 250,448 | G | Ballot Question |
| Working America | \$ 60,467 | G | Ballot Question |
| NJ Keep It Green | \$ 25,276 | G | Ballot Question |
| Total Ballot Questions | \$ 1,591,489 | | |
| Total Independent Spending | \$22,851,681 ¹ | | |

So far, nearly \$1.6 million already has been spent on statewide ballot questions, mostly to oppose or support a plan to raise the minimum wage. In 2009, \$844,102 was spent on state ballot questions.

Brindle said because New Jersey law as yet does not require Independent Spending Only groups to disclose their contributions and, in some cases, even their expenses, it is impossible to say exactly how much money is flowing into legislative races. ELEC has recommended that the Legislature require all independent groups to fully disclose their campaign finance activities.

"While we can't give an exact figure, a single group- Fund for Jobs, Growth and Security- already has spent \$2.6 million on legislative elections," Brindle said. "That compares to \$1.8 million in independent spending by eight groups in 2011 legislative elections, less than \$16,000 in 2009, and \$165,000 in 2007."

An analysis in "White Paper No. 23- Legislative General Elections 2011- Rise of the Independents" found that 91 percent of the independent spending that was disclosed went into the handful of so-called "battleground" districts where races traditionally have been competitive.

"A similar trend is likely in this year's election," said Brindle. "For instance, Fund for Jobs, Growth and Security already has reported spending in districts 1, 2, 3, 7, 14, and 38. All six districts are considered critical swing districts where a change in representation could shift control of the Legislature."

"Given the large infusion this year of independent dollars, it is likely that spending in one or more districts is likely to top the all-time record of \$6.1 million set in 2003 in the Fourth Legislative District," Brindle said.

Currently, Democrats control 48 of the 80 Assembly seats, and 24 of the 40 Senate seats. All 120 legislative seats are up for reelection this year. The office of governor also is in contention.

With the election still weeks away, spending already is soaring in the battlegrounds. Ten of the 40 legislative districts have attracted 75 percent of the spending so far, Brindle said.

"Of the \$15.7 million spent to date by legislative candidates, \$11.7 million has taken place in those ten districts, most of which have been announced as targets by the two major political parties," he said. "The stakes are huge this year, and the heavy spending we see already in these battleground districts makes that clear." He noted that the total does not even include independent spending.

Table 2
Top Ten Legislative Districts by
Spending through October 7, 2013

| District | Spent |
|-----------------|--------------|
| 14 | \$ 1,832,544 |
| 38 | \$ 1,786,272 |
| 3 | \$ 1,785,507 |
| 18 | \$ 1,345,221 |
| 2 | \$ 1,236,062 |
| 1 | \$ 999,784 |
| 21 | \$ 927,438 |
| 7 | \$ 768,670 |
| 36 | \$ 521,365 |
| 27 | \$ 518,922 |
| Total | \$11,721,786 |
| All Spending | \$15,664,520 |
| Percent Top Ten | 74.8% |

Brindle said the top ten districts also attracted nearly 62 percent of total fundraising-\$17.1 million.

Table 3
Top Ten Legislative Districts by
Fundraising through October 7, 2013

| District District | Spent |
|-------------------|--------------|
| 3 | \$ 2,877,883 |
| 14 | \$ 2,085,791 |
| 38 | \$ 1,945,563 |
| 2 | \$ 1,867,516 |
| 21 | \$ 1,661,645 |
| 18 | \$ 1,637,848 |
| 27 | \$ 1,461,620 |
| 7 | \$ 1,367,802 |
| 36 | \$ 1,145,925 |
| 1 | \$ 1,076,843 |
| Total | \$17,128,437 |
| All Fundraising | \$27,730,881 |
| Percent Top Ten | 61.8% |

Fundraising and spending totals are slightly higher than they were at this point two years ago when both houses also were up for reelection. Cash-on-hand is lower.

Table 4
Amounts Reported by Legislative Candidates through October 7, 2013

| Year | Raised | Spent | Cash-on-Hand |
|------------|--------------|--------------|--------------|
| 2013 | \$27,730,881 | \$15,664,520 | \$12,083,023 |
| 2011 | \$26,027,610 | \$12,727,451 | \$13,304,075 |
| Difference | 7% | 23% | -9% |

In the governor's race, Republican Governor Chris Christie leads Democratic challenger and State Sen. Barbara Buono and independent candidates in fundraising. Both major party candidates have qualified for public funding.

Table 5
Campaign Finance Activity by
Gubernatorial Candidates through October 7, 2013

| Candidate | Party | Raised | Spent | Cash-on-Hand |
|-----------------|-------|-----------------|--------------|--------------|
| Chris Christie | R | \$12,917,023** | \$ 4,882,509 | \$ 8,044,537 |
| Barbara Buono | D | \$ 2,129,026*** | \$ 926,565 | \$ 1,204,462 |
| Diane Sare | I | \$ 31,342 | \$ 32,804 | \$ 5,982 |
| Kenneth Kaplan | I | \$ 2,105 | \$ 117 | \$ 1,988 |
| William Araujo | I | \$ 755 | \$ 850 | \$ (95) |
| Jeffrey Boss | I | NA | NA | NA |
| Steven Welzer* | I | NA | NA | NA |
| Hank Schroeder* | I | NA | NA | NA |
| Totals | | \$15,080,251 | \$ 5,842,845 | \$ 9,256,874 |

^{*}Does not expect to raise or spend more than \$4,500.

Compared to four years ago, when former Governor Jon Corzine drew heavily on his personal wealth for his reelection bid, the cost of this year's gubernatorial campaign is far smaller.

Table 6 Comparison of Campaign Finance Activity for Gubernatorial General Election Candidates through October 7, 2013

| Year | Raised | Spent | Cash-on-Hand |
|------------|--------------|--------------|--------------|
| 2013 | \$15,080,251 | \$5,842,845 | \$9,256,874 |
| 2009 | \$27,481,880 | \$23,138,639 | \$4,360,712 |
| Difference | -45% | -75% | 112% |

In the legislative races, Democrats have raised and spent more money, and have larger cash reserves than Republicans through October 7, 2013.

Table 7
Party Breakdown of Legislative Campaign
Finance Activity through October 7, 2013

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|--|--------------|--------------|--------------|
| Party | Raised | Spent | Cash-on-Hand |
| Democrats | \$18,954,697 | \$11,161,474 | \$ 7,837,424 |
| Independents | \$ 69,100 | \$ 45,353 | \$ 23,748 |
| Republicans | \$ 8,707,084 | \$ 4,457,692 | \$ 4,221,851 |
| All Parties | \$27,730,881 | \$15,664,520 | \$12,083,023 |

At this point in the campaign, incumbents have nearly 13 times more cash reserves than challengers.

Table 8
Cash-on-Hand Reserves of
Incumbents Versus Challengers

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|-----------------------------|---------------|--|
| Group | Cash-on-Hand | |
| Incumbents | \$ 11,197,933 | |
| Challengers | \$ 885,090 | |
| Total | \$ 12,083,023 | |

^{**\$8.2} million from public funding.

^{***\$1.3} million from public funding.

Candidates for the 40 Senate seats are sitting on more cash balances than those seeking the 80 Assembly seats.

Table 9
Cash-on-Hand Balances by Legislative House

| Group | Cash-on-Hand |
|---------------------|---------------|
| Senate Candidates | \$ 6,746,802 |
| Assembly Candidates | \$ 5,336,221 |
| Total | \$ 12,083,023 |

State elections so far have cost about \$76 million this year.

Table 10 Overall Campaign Spending To Date

| Type | Spending |
|------------------------|-----------------------------------|
| Gubernatorial | \$ 15,520,323 |
| Legislative | \$ 37,817,762 |
| Independent Committees | \$ 22,851,681 1 |
| Total | \$ 76,189,766 ¹ |

The numbers in this report should be considered preliminary. The analysis is based on fundraising reports received by 5 p.m. October 9, 2013.

Reports filed by legislative and gubernatorial candidates are available online on ELEC's website at www.elec.state.nj.us. A downloadable summary of data from legislative reports is available in both spreadsheet and PDF formats at www.elec.state.nj.us/publicinformation/statistics.htm.

Several, but not all, independent groups also file reports with ELEC. These reports can be searched at www.elec.state.nj.us/ELECReport/IndependentExpenditureSearch.aspx. Some also disclose their activities in reports made public by the Internal Revenue Service at www.irs.gov/Charities-&-Non-Profits/Political-Organizations.

ELEC also can be accessed on Facebook (<u>www.facebook.com/NJElectionLaw</u>) and Twitter (<u>www.twitter.com/elecnj</u>).

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