

NEWS RELEASE

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An unprecedented explosion of independent special interest spending pushed the cost of the 2013 state elections to an all-time high, according to post-election reports filed with the Election Law Enforcement Commission (ELEC).

"While final numbers won't be available until January, special interest groups spent nearly \$42 million† independent of parties and candidates on state campaigns," said Jeff Brindle, ELEC's Executive Director. "As a result, total spending on this year's state elections reached a record \$130 million†."

Table 1
Cumulative Campaign Spending
20 Days After Election*

Туре	Spending 2013		Spending 2009		Spending 2005	
Gubernatorial	\$ 25,884,600 ¹	20%	\$ 56,099,909	58%	\$ 86,823,722	73%
Legislative	\$ 61,838,275	48%	\$ 26,057,077	27%	\$ 32,114,738	27%
Independent Special Interest Groups	\$ 41,996,666	32%	\$ 14,924,270	15%	\$ 411,224	0.3%
Total	\$ 129,719,541	100%	\$ 97,081,256	100%	\$119,349,684	100%

^{*(}Includes primary and general election, as well as ballot question expenditures).

Brindle said the independent spending spurt led to other records and milestones as well:

- The nearly \$39 million† in independent spending on just the gubernatorial and legislative elections (excluding ballot questions) appears to be the fifth highest ever for any state in America.
- The estimated \$77.9 million spent on the legislative election (including independent expenditures) appears to be a new record.
- The *more than* \$3 million spent to support and oppose a ballot question to raise the state minimum wage was the most ever when inflation is ignored, and the second highest on an inflation adjusted basis.
- The \$5.8 million spent in the 38th legislative district, which still is a preliminary figure, is the fourth most expensive legislative campaign in history.
- For the first time ever, independent groups spent more in one legislative district (the 16th) than the candidates spent themselves.

The majority of direct and independent spending was focused on the handful of legislative districts where the parties fought hardest for control of the Legislature. Democrats appear to have emerged from the election with the same 48-to-32 majority in the Assembly despite extremely tight margins involving two seats. They also kept a 24-to-16 edge in the Senate.

"Nearly \$26 million, or 65 percent of the funds spent directly by candidates, went to the top ten most expensive districts," said Brindle.

"At least another \$16.1 million in independent spending was concentrated mostly on those same districts though inadequate disclosure rules make it impossible to determine exact totals," he said. "By contrast, in 2011, the first year when there was significant independent spending in legislative races, the total was about \$1.8 million."

"While spending totals still are preliminary, the hard-fought campaign in the 38th legislative district cost nearly \$5.8 million- currently the fourth most expensive legislative race in state history," said Brindle. "Spending in four other districts also topped \$3 million."

Table 2
Top Ten Legislative Districts Ranked by
Spending Through November 25, 2013

District	Direct Spending	Independent Spending	Total
38	\$ 3,571,821	\$ 2,221,136	\$ 5,792,957
1	\$ 2,650,749	\$ 1,998,704	\$ 4,649,453
2	\$ 3,241,441	\$ 838,560	\$ 4,080,001
14	\$ 3,193,138	\$ 665,304	\$ 3,858,442
3	\$ 3,561,806	\$ 186,911	\$ 3,748,717
18	\$ 2,544,591	\$ 3,901	\$ 2,548,492
21	\$ 2,329,259	\$ 32,000	\$ 2,361,259
7	\$ 1,847,684	\$ 394,481	\$ 2,242,165
16	\$ 688,566	\$ 1,117,615	\$ 1,806,181
36	\$ 1,693,547	None	\$ 1,693,547

"Independent spending was so prevalent that in the 16th district, for the first time ever, it exceeded the amount spent directly by candidates," Brindle said.

Three independent groups spent at least \$500,000 on legislative races.

Fund for Jobs, Growth and Security, a Washington, DC-based "Super PAC" formed to participate in legislative elections and bankrolled by unions, spent the most.

Of its \$8.7 million in total spending, \$8 million was funneled into legislative campaigns while the remainder was used to promote a minimum wage ballot question. Its reports link \$6.2 million in spending directly to battleground districts.

The National Association of Realtors Fund, a Chicago-based Super PAC, spent \$822,493 while NJ Workers Voices, a union sponsored political action committee that spent independently, shelled out about \$734,405 on legislative campaigns.

Table 3
Spending by Independent Groups in Targeted Legislative Districts

Group	1	2	3	7	14	16	18	38
Fund for Jobs, Growth and Security	\$ 1,782,776	\$822,377	\$171,742	\$151,546	\$520,459	\$ 920,729		\$1,841,076
Garden State Forward								
Realtors PAC	\$ 164,000			\$241,000		\$ 174,969		
NJ Workers Voices	\$ 52,125	\$ 9,656		\$ 6,581	\$ 1,274			\$ 30,203
Republican State Leadership Committee			\$ 15,169	\$ 7,500	\$141,055			\$ 279,442
Americans for Prosperity								
Planned Parenthood Action Fund of NJ					\$ 1,250			\$ 2,175
NJ League of Conservation Voters PAC					\$ 1,463	\$ 21,917	\$3,901	
NJ Family First		\$ 6,724						
Total	\$ 1,998,901	\$838,757	\$186,911	\$406,627	\$665,501	\$ 1,117,615	\$3,901	\$ 2,152,896

Table 4
Additional Spending by Independent Groups in Legislative Districts

Group	Total Targeted Districts	District either not specified or combined	13	20	21	34	Total Spending in Legislative Races
Fund for Jobs, Growth and Security	\$ 6,210,705	\$ 1,771,025		\$ 35,460			\$ 8,017,064
Garden State Forward		\$ 5,552,500					\$ 5,552,500
Realtors PAC	\$ 579,969			\$ 73,650	\$ 32,000	\$ 68,437	\$ 754,056
NJ Workers Voices	\$ 99,839	\$ 640,000					\$ 739,839
Republican State Leadership Committee	\$ 443,166		\$3,000				\$ 446,166
Americans for Prosperity		\$ 400,000					\$ 400,000
Planned Parenthood Action Fund of NJ	\$ 3,425	\$ 61,191					\$ 64,616
NJ League of Conservation Voters PAC	\$ 27,281	\$ 17,322					\$ 44,603
NJ Family First	\$ 6,724						\$ 6,724
Total	\$ 7,371,109	\$ 8,442,038	\$3,000	\$ 109,110	\$ 32,000	\$ 68,437	\$ 16,025,694

Independent special interest spending on candidate and ballot question elections nearly topped \$42 million†-nearly three times the \$14.9 million spent in 2009. The figure still is preliminary.

Table 5
Estimated Independent Spending by Special
Interest Groups in 2013 State Campaigns

Group	Spent	General/ Primary/Both?	Election
Garden State Forward (New Jersey Education Association)	\$ 14,598,194†(1)	Both	Gubernatorial and Legislative
Fund for Jobs, Growth and Security (also see ballot questions)	\$ 8,017,190	Both	Legislative
Committee for Our Children's Future	\$ 7,800,000	P	Gubernatorial
One New Jersey	\$ 2,800,000	P	Gubernatorial
Republican Governors Association	\$ 1,725,000	P	Gubernatorial
NJ Workers' Voices (NJ AFL-CIO- also see ballot questions)	\$ 1,288,167	Both	Gubernatorial and Legislative
National Association of Realtors	\$ 1,022,056	Both	Gubernatorial and Legislative
Republican State Leadership Committee	\$ 446,166	G	Legislative
Americans for Prosperity	\$ 400,000	G	Legislative
Latino Consumer Group Inc.	\$ 365,095	G	Gubernatorial
NJ For the People	\$ 140,350	G	Gubernatorial
Working Families Organization	\$ 110,257	G	Gubernatorial
Planned Parenthood Action Fund of NJ	\$ 64,936	G	Gubernatorial and Legislative
NJ League of Conservation Voters for a Clean Environment	\$ 44,603	G	Legislative
New Jersey Family First	\$ 6,724	G	Legislative
Total-Gubernatorial and Legislative Elections	\$ 38,828,738		
STATEWIDE BALLOT QUESTIONS			
Coalition to Preserve Jobs and Our Constitution Inc.	\$ 1,022,579	G	Ballot Question
Fund for Jobs, Growth and Security	\$ 686,006	G	Ballot Question
Working America ⁽²⁾	\$ 614,581 ¹	G	Ballot Question
Working Families United for NJ	\$ 558,169	G	Ballot Question
NJ Workers' Voices	\$ 142,901	G	Ballot Question
Realtors for Private Property Rights ¹	\$ 98,516	G	Ballot Question
NJ Keep It Green	\$ 45,176	G	Ballot Question
Total-Ballot Questions	\$ 3,167,928†		
Total- Independent Spending	\$ 41,996,666		

Figure compiled based on figures taken from 527 report filed with IRS, reported Garden State Forward contributions to Fund for Jobs, Growth and Security, and independent expenditure reports filed with ELEC.

Along with being a record for New Jersey, independent spending in the 2013 elections also is the fifth largest participation in state elections ever, according to ELEC research.

Ballot questions were excluded where possible because they play a far bigger role in elections in states with initiative and referendum such as California and Washington.

⁽²⁾ Some minimum wage ads also promoted legislators.

Table 6
Independent Spending on State Gubernatorial and Legislative Elections. (Excludes Ballot Initiatives Except Where Noted)†

Rank	State	Year	Total
1	California	2010	\$63,076,079
2	California	2006	\$49,954,502
3	Florida*	2010	\$48,218,708
4	Wisconsin	2012	\$41,170,583
5	New Jersey	2009	\$38,828,738
6	Wisconsin	2011	\$34,600,131
7	Florida*	2006	\$31,538,738
8	Washington	2012	\$26,327,170
9	California	2012	\$23,000,000
10	Washington*	2008	\$21,398,042

^{*}Includes Ballot Initiatives

Sources: ELEC, National Institute on Money in State Politics, Wisconsin Democracy Project, California Fair Political Practices Commission, Washington Public Disclosure Commission.

The *more than* \$3 million spent to promote and oppose a ballot question to increase the state minimum wage was the most ever invested in a New Jersey referendum if unadjusted for inflation, and the second¹ most with inflation factored in. The ballot question passed.

Table 7
Historical Comparison of Spending on New Jersey Ballot Questions

Committee	Referendum	Outcome	Year	Unadjusted for Inflation	Adjusted for Inflation
Committee to Rebuild Atlantic City and its opposition	Allow casinos in Atlantic City	Passed	1976	\$ 1,351,865	\$ 5,563,230
Multiple committees for and against	Increase state minimum wage	Passed	2013	\$ 3,162,190	\$ 3,162,1901
Pro- and anti-casino interests	Allow casinos in four New Jersey locations	Failed	1974	\$ 612,500	\$ 2,902,844
New Jersey Committee for Simulcasting	Allow simulcasting at state race tracks	Passed	1985	\$ 1,006,918	\$ 2,188,952
Building Our Future	Higher education bond issue	Passed	2012	\$ 2,019,690	\$ 2,019,690

Republican Governor Chris Christie finished the race with a large advantage over Democratic challenger Barbara Buono and six independent challengers. Both major party candidates qualified for public funding.

Table 8
Campaign Finance Activity by
Gubernatorial Candidates Through November 25, 2013

Gubernatoriai Canaitates ini dagni 100 ember 20, 2010					
Candidate	Party	Raised	Spent	Cash-on-Hand	
Chris Christie	R	\$13,492,272**	\$13,140,635	\$ 361,720	
Barbara Buono	D	\$ 3,099,954***	\$ 3,009,559	\$ 116,542	
Diane Sare	I	\$ 55,713	\$ 55,961	\$ (36)	
Kenneth Kaplan (1)	I	\$ 2,105	\$ 117	\$ 1,988	
William Araujo (2)	I	\$ 1,042	\$ 850	\$ 193	
Jeffrey Boss*	I	NA	NA	NA	
Steven Welzer*	I	NA	NA	NA	
Hank Schroeder*	I	NA	NA	NA	
Totals		\$16,651,086	\$16,207,122	\$ 480,407	

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

Without the self-financed candidacy of former Governor Jon Corzine, direct spending in the governor's race was well below the cost of the 2009 election.

Table 9
Comparison of Campaign Finance Activity for Gubernatorial
General Election Candidates 20 Days After Election

Year	Raised	Spent	Cash-on-Hand
2013	\$ 16,651,086	\$ 16,207,122	\$ 480,407
2009	\$ 40,827,783	\$ 40,146,384	\$ 698,685
Difference	-59%	-60%	-31%

While totals for this year's legislative elections are preliminary, it appears the 2013 campaign may emerge as the most expensive in history due to the influx of independent spending.

Table 10
Total Spending On Legislative Elections by Year

Year	Primary (Candidates)	General (Candidates)	Independent Groups	Total			
2013	\$ 22,153,242	\$ 39,685,033	\$ 16,078,071	\$ 77,916,346			
2011	\$ 30,135,407	\$ 38,366,364	\$ 1,835,500	\$ 70,337,271			
2007	\$ 25,439,111	\$ 39,274,669	\$ 165,000	\$ 64,878,780			

Democrats had a fundraising advantage that roughly matched their 2-to-1 majority in the Legislature.

Table 11
Party Breakdown of Legislative Spending
Through November 25, 2013

Timough Hovember 20, 2010				
Party	Spent			
Democrats	\$ 26,545,784			
Independents	\$ 83,787			
Republicans	\$ 13,055,462			
All Parties	\$ 39,685,033			

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

^{***}Includes \$1.8 million from public funding.

⁽¹⁾ From 29 Day Report.

⁽²⁾ From 11 Day Report.

Democrats also were the beneficiaries of an estimated \$8.8 million (84 percent) of the \$10.5 million in independent spending that ELEC was able to ascertain by party.

Following a long-standing trend, incumbents had a huge edge over challengers.

Table 12 Incumbents Versus Challengers Through November 25, 2013

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Group	Spent			
Incumbents	\$ 30,672,862			
Challengers	\$ 9,012,171			
All Candidates	\$ 39,685,033			

Candidates for 80 Assembly seats spent more than candidates for 40 Senate seats not counting independent expenditures.

Table 13 Spending By Legislative House Through November 25, 2013

Legislative House	Spent
Senate Candidates	\$ 18,589,838
Assembly Candidates	\$ 21,095,195
All Candidates	\$ 39,685,033

The numbers in this report should be considered preliminary. The analysis of gubernatorial and legislative campaign finance activity is based on 20-day post-election fundraising reports received by 5 p.m. November 29, 2013. The analysis of spending by independent groups includes information from 48-hour notices filed after the election.

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/elecni</u>). Follow us on You-Tube.

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