Comments from the Chair Jerry Fitzgerald English

Despite the part that the Commission plays in New Jersey's electoral process, too few people have historically been familiar with its important role.

That's why the Commission has been aggressively promoting its activities in recent months. In order for the public to take advantage of the Commission's services, it must know of its existence.

To Trenton insiders, the role of the Commission has been well known since its inception in 1973. In fact, the broad scope of its jurisdiction is well known to campaign operatives, lobbyists, and political activists.

Unlike the majority of sister agencies in other states, ELEC's jurisdiction over campaign financing does not just extend to candidates at the State level but involves every candidate running for office, from fire district commissioner to governor.

This jurisdiction extends to all political entities participating in New Jersey elections no matter the level.

INSIDE THIS ISSUE

- 1 Comments from the Chair
- 2 Executive Director's Thoughts
- 4 Elaine Salit "Profile"
- 4 Meetings and Public Session Minutes
- 5 Common Campaign Finance Filing Errors
- 5 Treasurer Training for Candidates and Committees
- 6 Dates to Remember

Political party committees, legislative leadership committees, political committees, and special interest PACs are required to report their contributors and expenditures on an ongoing basis.

Moreover, the Commission registers governmental affairs agents, i.e. lobbyists, requires them to report their activity quarterly, and their financial activity annually.

And what's more, the Commission was granted a role in the enforcement of the pay-to-play law that went into effect in 2006. The Commission does have limited civil jurisdiction over infractions of the law at the local level but primarily is responsible for the disclosure aspects of the law.

Finally, and in addition to overseeing the personal financial disclosure law involving legislative and gubernatorial candidates, ELEC administers the Gubernatorial Public Financing Program.

The Public Financing Program has been hailed as a national model for the State and has served the public well since it first arrived in the gubernatorial election of 1977.

For a relatively small agency of 67 staff members, the broad scope of its responsibilities could otherwise be daunting. However, the dedicated staff, often mentioned as among the best in the State, has more than met that challenge.

That's part of the reason the Commission has undertaken an effort to raise its profile. The other part has to do with letting the public know of the services it provides and to contributing to an informed electorate.

. . . Continued on page 2.

Comments from the Chair Jerry Fitzgerald English

Continued from page 1.

While the Commission has not reached its goal yet, it has taken important steps in enhancing its profile and the public's awareness of its mission.

For example, this newsletter has helped to deliver important information about campaign financing, lobbying, pay-to-play, and public financing to the public. The information involves not only what is going on in New Jersey but in other states and at the national level as well.

Supplementing the newsletter are the ongoing snap-shot analyses of trends in campaign financial activity and lobbying. These important press releases include information about State and local election contests, political party entity activity, lobbyists' activity, and the impact of pay-to-play.

The Commission is redoubling its outreach efforts as well. Besides conducting treasurer, political party, and lobbyists training sessions in-house, it has begun an effort to hold training seminars in remote areas of the State.

A major step forward was the introduction of a local contributor database. This program allows the public to go online and search for individual contributors, who they are giving to locally, and how much. This project dovetails well with pay-to-play.

Finally, the Commission is on You-Tube and the Executive Director has appeared in T.V. interviews in an effort to promote the Commission and its broad responsibilities.

In conclusion, I would be remiss if I didn't mention the more aggressive approach the Commission is taking in attempting to advance proposals for legislative change.

Included in the annual report are seven priority recommendations: strengthening pay-to-play disclosure, disclosure by 527s, disclosure by lobbyists of their activity on behalf of local governmental entities and disclosure of their lobbying of local entities, stemming the proliferation of PACs, placing personal financial disclosure information online, and limiting wheeling.

Executive Director's ThoughtsJeff Brindle

A New Model of Political Activism

McDonalds and Burger King became powerhouse franchises in the 1950's.

Both recognized the rich potential of the "speedy service system." The great American diet on the fly, a stroke of marketing genius that would eat up billions of dollars from willing fast food aficionados.

In recent years the creation of an umbrella organization whose purpose was to influence federal elections was equally shrewd. It, too, attracted large amounts of money—in this case, from political donors.

The same enterprising spirit that brought us fast food franchises has spawned a new model of political activism.

By coordinating like-minded groups and organizing them into a progressive coalition, several millionaires and billionaires formed a partnership called the Democracy Alliance.

The best known partner was George Soros, a man who strove to usher in a period of Democratic Party ascendancy in Washington.

The Alliance directed funds toward groups and organizations that shared their policy objectives and political agenda.

This affiliation of wealthy donors is not required to disclose their contributors and overall financial activity. They essentially serve as a conduit for funding think tanks, voter registration and voter education groups, cyberspace groups, and issue advocacy groups, otherwise known as 527s.

Executive Director's ThoughtsJeff Brindle

A New Model of Political Activism

Continued from page 2.

It is thought that at least 30 such organizations have been funded by the Democracy Alliance. Moreover, there was an attempt to federate the Alliance by forming affiliated organizations in the states, most successfully in Colorado.

The Democracy Alliance has been successful. The Democratic Party took control of Congress in 2006 and the White House in 2008. This was after years of Republican domination.

But just as Wendy's imitated McDonalds and Burger King, Republicans are now borrowing from their Democratic opponents. Good ideas rarely go unnoticed.

A group of insiders in the Republican Party are organizing their own formidable umbrella organization, which according to Mike Allen and Kenneth P. Vogel of Politico, is "based on the model assembled by Democrats early in the decade."

Its goal—to recapture Congress. Like the Democracy Alliance, it is separate from the National Party Organization.

Well known Republican strategist Karl Rove is the main force behind the network that will include 527 groups, 501c(3), and 501c(4) think tanks and issue advocates, and organizations focusing on statewide and legislative offices.

According to Politico, the goal is to raise \$50 to \$70 million to advance the more conservative Republican agenda.

The new alliance doesn't have a name as yet but is well on the way toward raising significant funds to promote the Republican cause in Congressional elections this fall.

The question for New Jersey is, what will be the impact of these umbrella groups, both Democratic and Republican, on state and local elections?

Will it affect disclosure and the overriding concern for greater transparency over the state's electoral process?

Last year's governor's race offered a sneak preview since it included campaign attacks by 527 committees linked to governor associations representing both parties.

This trend is likely to intensify given the Federal Supreme Court's recent Citizens United case, which said corporations and unions can spend unlimited sums on independent campaign spending. But the high court also said it is entirely legal to require more public disclosure by these agencies.

This is why it is important for those of us in the field, and those interested in it, to begin thinking about the impact of the new umbrella groups.

At the very least, legislation to require disclosure by 527 issue advocacy groups, as well and 501c(3), and 501c(4) organizations, with ELEC before elections—not just afterward with the Internal Revenue Service—should be passed. These organizations are a big part of this fundraising leviathan now at the federal level.

The above article appeared in NewJerseyNewsroom.com on May 20, 2010.

Elaine Salit "Profile"

Senior Fiscal Officer

Even to some of her co-workers at the New Jersey Election Law Enforcement Commission, Elaine Salit, the agency's Senior Fiscal Officer, often seems reserved.

What may surprise them is that ELEC's chief purchaser and bookkeeper is a major globe-trotter.

Salit has been to Africa five times. During one visit, an elephant charged her van. She's camped near wild hippos, and crossed wobbly jungle bridges over raging rivers. Two times, she's visited Victoria Falls—one of the seven Natural Wonders of the World.

During a 1991 trip to Venezuela, she even broke her back. But this and other injuries didn't end her adventures. This summer, she will be visiting the Appalachian region of Tennessee.

Her main motivation is not to travel. Salit has felt compelled to help the poor at prisons, hospitals, nursing homes and other places throughout the world.

Salit says she is hugely gratified by both her work at ELEC and her church work outside State government. She is a State worker with 44 years of experience, including 24 years at the Commission.

At ELEC, she is responsible for procuring everything from paper clips to the \$600,000 advertising contract she once arranged—her biggest single spending item ever.

"Anything that has to be bought, I do that," she said. "I always liked numbers," said Salit, who has completed several financial courses at Mercer County Community College.

Salit said she inherited from her late father Paul a love of hard work and the pursuit of excellence. He operated a sign business by day and worked at a General Motors plant at night.

"I like to keep to the rules and I want things to be done in an excellent way," she said, acknowledging that people sometimes get frustrated by her fussiness.

Pointing out that her late mother, Mary Venza, came from Sicily and her father's family emigrated from Rome, Salit grew up in the Chambersburg section of Trenton. She remains passionate about her native city. "This is the capital of New Jersey. It was the capital of the United States for a short time," she said. It can be great again."

Salit enjoys making Italian food and has a life-long appreciation for fine art, particularly sculpture and portraits. While she is no longer a practicing martial artist, she also once earned a black belt in karate.

Meetings and Public Session Minutes

Meetings

The Election Law Enforcement Commission meets once each month and most meetings are conducted at the Commission's offices in Trenton. Details about the Commission meeting and agenda are available via press release.

Public Session Minutes

The Commission has made the public session minutes available online beginning with the minutes of April 20, 2010.

Common Campaign Finance Filing Errors

By Evelyn Ford, Compliance Director

Thousands of campaign finance reports are filed with ELEC each year. Here is a list of some of the common mistakes made by candidates and treasurers:

Common Mistakes Made by Candidates:

- 1. Relying upon someone else to file properly and on time.
- 2. Making campaign expenditures without notifying the treasurer.

Common Mistakes Made by Treasurers:

- 1. Failing to file or failing to file on time.
- 2. Filing a report with missing signatures (either candidate or treasurer).
- Failing to report a contributor's occupation and the name & address of his or her employer.
- 4. Filing a report with missing schedules.
- Failure to properly report in-kind contributions as both a receipt and as an expenditure on the front cover of the report.
- Designating the incorrect election. (The primary and the general elections are separate elections and require separate reports).
- Failure to file "48-hour contribution notices." ("48-hour notices" are filed when a contribution in excess of \$1,200 is received from the 13th day before the election up to and including the day of the election).
- 8. Forgetting to report an outstanding obligation on schedule E.

All of these mistakes can be avoided if the candidate or treasurer makes use of the many resources made available through the Compliance Division of ELEC. For example, ELEC publishes the "Compliance Manual for Candidates" addresses each of these items in detail. And, ELEC conducts training seminars, both "in-person" and online so that the process of filing reports is clear. Each candidate receives a reminder letter just prior to each election outlining the filing requirements to assure that the law is followed by every campaign. ELEC has a website with a wealth of information. including manuals, forms, filing dates and a contribution limits chart, along with press releases, white papers, advisory opinions and other items of interest (www.elec.state.nj.us). Best of all, ELEC has a staff of Compliance Officers that can answer your questions by telephone, any business day from 9 to 5, by calling (609) 292-8700 or toll free within NJ at 1 (888) 313-3532.

Treasurer Training for Candidates and Committees

Seminars are conducted at 10:00 a.m. at the Commission's offices at 28 West State Street, $8^{\rm th}$ floor, in Trenton.

Treasurer Training Seminars for Candidates and Joint Candidates Committees

Monday, September 13

Wednesday, September 29

Treasurer Training Seminars for Political Party Committees and PACs

Thursday, June 24

Monday, September 27

Thursday, December 9

DATES TO REMEMBER

2010 REPORTING DATES		
MUNICIPAL ELECTION		
MAY 11, 2010	PERIOD COVERED	REPORT DUE DATE
20-day post-election*	4/28/10 – 5/28/10	June 1, 2010
48 Hour Notice Reports start on 4/28/10 through 5/1	1/10	
RUNOFF ELECTION		
JUNE 15, 2010	PERIOD COVERED	REPORT DUE DATE
29-day pre-election	**No report required	
11-day pre-election	4/28/10 – 6/1/10	June 4, 2010
20-day post-election	6/2/10 – 7/2/10	July 6, 2010
48 Hour Notice Reports start on 6/2/10 through 6/15/	/10	
PRIMARY ELECTION		
JUNE 8, 2010	PERIOD COVERED	REPORT DUE DATE
20-day post-election	5/26/10 – 6/25/10	June 28, 2010
48 Hour Notice Reports start on 5/26/10 through 6/8/	/10	
GENERAL ELECTION		
NOVEMBER 2, 2010	PERIOD COVERED	REPORT DUE DATE
29-day pre-election	6/26/10 – 10/1/10	October 4, 2010
11-day pre-election	10/2/10 – 10/19/10	October 22, 2010
20-day post-election	10/20/10 – 11/19/10	November 22, 2010
48 Hour Notice Reports start on 10/20/10 through 11,	/2/10	
PACs & CAMPAIGN QUARTERLY FILERS	PERIOD COVERED	REPORT DUE DATE
2 nd Quarter	4/1/10 – 6/30/10	July 15, 2010
3 rd Quarter	7/1/10 – 9/30/10	October 15, 2010
4 th Quarter	10/1/10 – 12/31/10	January 18, 2011

- * Inception Date of Campaign (first time filers) or from January 1, 2010 (Quarterly filers)
- ** A candidate committee or joint candidates committee that is filing in the 2010 Runoff election is not required to file a 20-day post-election report for the 2010 Municipal election.