



Newsletter

ELECtronic

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AN ELECTION LAW ENFORCEMENT COMMISSION NEWSLETTER
“Furthering the Interest of an Informed Citizenry”

Comments from the Chairman Eric H. Jaso

Lobbyists have more offices in Washington than the President. You see, the President only tells Congress what they *should* do. Lobbyists tell 'em what they *will* do. – Will Rogers

Lost in the buzz about the upcoming gubernatorial primary and general elections is the fact that all “Governmental Affairs Agents” (a/k/a lobbyists) must file their annual financial reports with ELEC by February 15. There are approximately 900 lobbyists registered in New Jersey.

Under New Jersey law, a lobbyist is generally defined as someone who is hired by a company, entity or person to communicate with the Executive or Legislative branches of State Government for the purpose of influencing their official acts. The law covers communications with the Governor, any member of the Legislature, their staffs, or appointees.

The official acts (called “governmental processes”) range from legislation and regulation to government contracts, grants, and rate setting.

Any person who is paid more than \$100 in any three-month period for lobbying, and/or who spends more than \$2,500 in a calendar year lobbying, must register as a lobbyist and file with ELEC notices stating whom they are representing, quarterly reports describing their specific lobbying activities, and the annual financial report.

Even if a person does not lobby the government in the traditional sense, but receives or spends more than \$2,500 annually to communicate with the general public (a/k/a “grassroots” lobbying), that person must report this activity.

Lobbyists must include the following information in their annual financial report:

1. The name, business address, and telephone number of the reporting lobbyists;

2. The name, address, and occupation or business of the lobbyist hired by the client;
3. The particular items of legislation, regulation, or governmental processes, and any general category or type of legislation, regulation, or governmental processes;
4. The previous requirement can be satisfied if provided in the quarterly report and indicated on the annual report;
5. Receipts taken in by the lobbyists; and,
6. Expenditures made by the lobbyist.

Based on information in the annual financial reports, ELEC will publish an analytical press release detailing how the lobbying community spent its money in 2020. We will report the amounts that lobbyists spent on mass communication, traditional lobbying, salaries, and benefits to legislators, their staff and executive branch personnel.

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Executive Director's Thoughts

Jeff Brindle

ELEC Staff Already Reviewing How Operations Might Change After Virus Crisis Ends

Reprinted from insidernj.com

The COVID-19 pandemic may permanently change the way government will go about its business.

That is why government officials, including those of us here at the New Jersey Election Law Enforcement Commission (ELEC), already have begun to assess potential changes in the post-COVID-19 era.

Last spring, necessity forced state government, including ELEC, to begin allowing employees to work from home. Permitting employees to work remotely had government managers scrambling to implement hastily devised telework plans never before utilized throughout state government.

It is difficult to say at this point but if technology proves dependable and available to public employees, chances are that a portion of the state work force will continue to telework from home, if only on a part-time basis.

The last several months have served as a proving ground for government to function remotely and in a virtual capacity. This period of time has allowed public employees to gain experience working away from the office. Moreover, it has allowed managers to gain insight into those functions of government that are

adaptable to teleworking and to those that are performed better in-person. The experience should prove invaluable for developing plans for the future.

In terms of employees working from home, the public sector has been slow to the post. Rather it has been the private sector that has steadily moved in this direction; it seemingly more conducive to teleworking than government.

The growth in private sector teleworking has brought with it benefits as well as drawbacks. Relocation costs have been reduced, turnover decreased, and with less commuting a positive impact on the environment.

On the other hand, working remotely can negatively affect office culture with less personal interaction and morale-boosting activities. The lack of in-person give-and-take makes performance reviews more difficult, may make it harder to spot employees deserving promotions and dampens camaraderie.

Any movement toward more permanent teleworking in government must consider the drawbacks of teleworking. It also must weigh the fact that the public, which underwrites government with its tax dollars, expects that government is working on its behalf, is accountable and is operating efficiently.

Because of its very nature, a government solely functioning remotely and on a permanent basis would have difficulty meeting those standards while maintaining the trust and confidence of the people.

During the past year, ELEC has functioned primarily on a remote basis with staff mainly working from home. As the pandemic subsided, limited staff began rotating in and out of the office. But as COVID-19 cases began rising in recent days, staff again began largely teleworking.

During 2020, compliance, legal, and investigative functions continued with candidates, committees, lobbyists, and public contractors reporting electronically while the public had timely, online access to those reports.

As a service to the public and the historical record, the Commission produced analytical press releases, columns, and white papers that traced trends in campaign financing, lobbying, and pay-to-play. It also continued its monthly newsletter and launched a new initiative, the Oral History of the Commission project, which will involve video-interviews with individuals who have contributed to the Commission and its mission through the years.

The Commission, with IT staff support, has held virtual meetings each month, including a public hearing. And our public financing staff is already gearing up to oversee the gubernatorial public financing program, which provides funds to qualifying candidates for governor. New Jersey will hold an election for Governor and Legislature on November 2.

Despite the Commission having maintained customary levels of service during the year of the plague, after the crisis subsides the effect on the Commission will need to be assessed. This also holds true for government in general.

As part of this assessment, ELEC staff is formulating a long-range plan to account for any shortcomings made apparent during its experience with teleworking and to prepare for changes that may come about in the future to ensure that the public continues to be served in the manner it deserves.

Included as part of this assessment and long-range plan staff will identify those services that can be performed remotely without loss of service. Further, it will determine those services that must be provided in person. As part of this process, staff will consider cyber-security issues as well as the cost of new technologies, including a new phone system, that would be required to allow for an efficient transition to teleworking if that is the direction the State moves toward. It will also assess where taxpayer dollars can be saved through new initiatives involving virtual and remote operations.

As an old school adherent and a traditionalist, it would be my preference for government to function in the customary in-person manner it has for decades. However, as a manager, I also realize that it is important to look to the future and to prepare for emerging trends.

In the days ahead, the Commission will take both approaches into account as it strives to reach the goal of continued excellence in serving the public and the filing community. It is with this in mind that staff will undertake an in-depth assessment of what is needed to implement a more permanent work-from-home strategy if indeed it becomes necessary.

Annual Big Six Fund-Raising in 2020 Dips to New Low

Buffeted by short- and long-term trends, fund-raising by the Big Six political committees slumped to a new low in 2020, according to reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

The two state parties and four legislative leadership committees together raised a total of \$4,260,928 in 2020. Looking back two decades to 2001, when the same committees raised an all-time high of \$41.7 million, no other year was lower.

**Table 1
Annual Fund-Raising by
Big Six Committees**

YEAR	RAISED	YEAR	RAISED
2001	\$41,736,031	2011	\$15,035,468
2002	\$14,796,069	2012	\$ 7,063,133
2003	\$30,091,484	2013	\$13,885,028
2004	\$10,641,399	2014	\$ 4,872,907
2005	\$19,277,696	2015	\$ 8,027,793
2006	\$ 7,211,937	2016	\$ 4,518,172
2007	\$19,177,655	2017	\$12,243,328
2008	\$ 6,653,676	2018	\$ 6,194,632
2009	\$12,368,082	2019	\$ 7,155,435
2010	\$ 6,180,605	2020	\$ 4,260,928

Jeff Brindle, ELEC’s Executive Director, said fund-raising typically lags during federal election years like 2020. But he said he believes the COVID-19 pandemic likely made fund-raising even harder than normal. Plus, the committees have suffered a long-term decline due to other factors.

“Loss of contributions from contractors certainly is one big factor in the steady fund-raising downside by the Big Six,” Brindle said.

An ELEC analysis released January 19 indicated that state pay-to-play laws reduced contributions by contractors by 94 percent during the 11-year period from 2009-2010 versus the 10-year stretch from 1999-2010. Contractors gave only \$1.4 million during the most recent decade compared to \$23.1 million during the earlier one.

Brindle said the growth of independent spending by special interest groups since about 2005 also has siphoned off contributions that earlier might have gone to the party committees.

ELEC has proposed legislative recommendations that would end restrictions on contractor donations to the Big Six committees, limit contractor donations to traditional political action committees (PACs), and require more disclosure by independent spending committees.

“Party committees are crucial to the electoral system. We must take steps to ease their financial plight,” Brindle said.

Compared to 2016, all Republican Big Six totals were lower. Democrats raised more funds in 2020 and reported larger cash reserves though Democratic spending was down.

Table 2
Campaign Finance Activity by
"Big Six" Committees in 2020

REPUBLICANS	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
New Jersey Republican State Committee	\$ 944,020	\$ 920,688	\$ 158,852	\$ 158,852
Senate Republican Majority	\$ 334,100	\$ 320,283	\$ 42,641	\$ 42,641
Assembly Republican Victory	\$ 380,922	\$ 241,149	\$ 180,556	\$ 180,556
Sub Total – Republicans - 2020	\$1,659,042	\$1,482,120	\$ 382,049	\$ 382,049
Versus 2016 (Dollars)	\$2,028,489	\$1,626,724	\$1,042,740	\$1,011,826
Versus 2016 (Percent)	-22%	-10%	-173%	-165%
DEMOCRATS				
New Jersey Democratic State Committee	\$1,378,140	\$1,224,532	\$ 187,627	\$ 173,658
Senate Democratic Majority	\$ 408,254	\$ 348,886	\$ 448,942	\$ 428,942
Democratic Assembly Campaign Committee	\$ 815,492	\$ 487,072	\$ 359,767	\$ 329,328
Sub Total – Democrats - 2020	\$2,601,886	\$2,060,490	\$ 996,336	\$ 931,928
Versus 2016 (Dollars)	\$2,489,683	\$2,215,499	\$ 624,725	\$ 499,771
Versus 2016 (Percent)	4%	-8%	37%	46%
Both Parties				
Total - 2020	\$4,260,928	\$3,542,610	\$1,378,385	\$1,313,977
Versus 2016 (Dollars)	\$4,518,172	\$3,842,223	\$1,667,465	\$1,511,597
Versus 2016 (Percent)	-6%	-8%	-21%	-15%

*Net worth is cash-on-hand adjusted for debts owed to or by the committee.

State parties and legislative leadership committees are required to report their financial activity to the Commission on a quarterly basis. The reports are available on ELEC's website at www.elec.state.nj.us. ELEC also can be accessed on Facebook (www.facebook.com/NJElectionLaw) and Twitter (www.twitter.com/elecnj).

State Pay-to-Play Laws Left Big Hole in Big Six Coffers

The state's "Big Six" political fund-raising committees received 94 percent less money from public contractors during the past decade than they did during the previous one, according to a new analysis by the New Jersey Election Law Enforcement Commission (ELEC).

Between 1999 and 2008, the two state parties and four legislative leadership committees took in an estimated \$23.1 million from law firms, engineers, accountants, construction firms and others with public contracts. Total receipts during 2009 and 2019 sank to \$1.4 million, according to ELEC's analysis.

Party committees got an average of \$2.3 million from contractors during the earlier decade versus \$123,472 during the most recent one.

Table 1
Annual Contributions by Public
Contractors to Big Six Committees

YEAR	AMOUNT	YEAR	AMOUNT
		2009	\$ 175,775
1999	\$ 1,475,562	2010	\$ 114,400
2000	\$ 1,572,225	2011	\$ 73,075
2001	\$ 5,163,859	2012	\$ 81,349
2002	\$ 2,427,743	2013	\$ 74,068
2003	\$ 3,888,145	2014	\$ 90,321
2004	\$ 2,786,767	2015	\$ 93,550
2005	\$ 1,996,315	2016	\$ 72,750
2006	\$ 973,750	2017	\$ 268,750
2007	\$ 1,820,705	2018	\$ 230,750
2008	\$ 971,008	2019	\$ 83,403
Total-1999-2008	\$23,076,079	Total-2009-2019	\$1,358,191
Average-1999-2008	\$ 2,307,608	Average-2009-2019	\$ 123,472

Jeff Brindle, ELEC's Executive Director, noted that the Big Six received less than \$83,403 from contractors in 2019. In the peak year for contractor giving in 2001, the Big Six received nearly 62 times more money- \$5.2 million, he said.

Another way of looking at the decline in contributions by public contractors is to focus on the top ten contractor-donors.

An analysis shows that three engineering firms, six law firms and a construction firm were the ten most generous donors between 1999 to 2008. They collectively gave \$5.7 million to the Big Six during that period.

During the next decade, they gave just under \$6,098- a 99.9 percent drop.

Table 2
What Top Ten Contractor Donors Gave to Big Six
During 1999-2008 Compared to 2009-2019

CONTRACTOR	1999-2008	2009-2019	TOTAL
Decotiis Fitzpatrick Et Al	\$ 834,337		\$ 834,337
Lowenstein Sandler	\$ 637,825	\$ 435	\$ 638,260
Archer & Greiner	\$ 567,050	\$4,911	\$ 571,961
Schoor DePalma ¹	\$ 568,610		\$ 568,610
Riker Danzig Et Al	\$ 538,700	\$ 128	\$ 538,828
Gibbons PC	\$ 523,665		\$ 523,665
Parker Mckay	\$ 520,500		\$ 520,500
Remington & Vernick	\$ 518,550	\$ 324	\$ 518,874
T&M Associates	\$ 507,100	\$ 300	\$ 507,400
Joseph Jingoli & Sons	\$ 484,835		\$ 484,835
Total	\$5,701,172	\$6,098	\$5,707,269
	Change	-99.9%	

“Our analysis seems to confirm my long-held belief that state laws against pay-to-play may be one of the root causes for a downturn in political party fund-raising,” Brindle said.

Big Six committees between 1999 and 2008 raised about \$150 million. The first pay-to-play law took effect in 2005 but it didn’t limit contractor contributions to all Big Six committees until 2008. That is why the steepest drop starts in 2009.

Between 2009 and 2019, the Big Six collectively raised about \$94.3 million- 37 percent less than the previous decade.

“Those who wanted to see contractor contributions dry up will be glad to know that, at least with the Big Six committees, pay-to-play laws worked,” said Brindle. “The downside is it has made it much harder for party officials to raise money and that has weakened party committees.”

Even if contractors could give larger donations to party committees, it wouldn’t totally solve their problems.

If contractors had kept giving the 1999-2008 average of \$2.3 million each year to the Big Six in the more recent decade, they would have added \$25.4 million to Big Six coffers.

Even so, total receipts still would down 22 percent.

Brindle said he believes another cause of Big Six funding woes is the rapid growth since 2005 of independent spending committees in New Jersey. Ironically, increased independent spending may have been one of the unintended consequences of the curbs on contractor cash.

“Contractors now can get around the original intent of the law by simply cutting huge checks to those independent committees along with traditional political action committees. To make matters worse, many independent groups are “dark money” committees, which hide the source of their funding,” he said.

“We need to change the law so we allow contractors to give more to parties while sharply reducing what they can give to traditional PACs,” Brindle said.

¹ No longer in business.

ELEC has long recommended a list of bipartisan recommendations to try to streamline the pay-to-play system and even strengthen enforcement by eliminating loopholes and confusion while permitting party committees to accept larger checks from contractors and other donors. At the same time, it would ask lawmakers to restrict contractor contributions to political action committees to \$1,000 instead of \$7,200.

“Making it easier to give to party officials hopefully will redirect funds from independent groups back to the parties. Plus, we will keep pressing for state legislation that would require full disclosure of contributions, including those of contractors, to independent groups that take part in elections,” he said.

“If a party committee accepts a big check from a contractor, at least the public will know it. Party officials then can be held directly accountable if they exert undue influence over a contract. It actually would make it easier to expose corruption.”

“Today’s system takes away such direct accountability and enables contractors to exert their influence by donating to PACs and independent groups, making it harder to connect the dots between a contribution and a contract,” he said.

“Contractors or elected officials involved in illegal pay-to-play schemes should be held accountable and subject to penalties under the law. Fortunately, most are honest people, and actual corruption is rare,” Brindle said.

“Political parties are one of the mainstays of democracy. We need to reinvigorate them, not starve them of funds,” he said. “Parties historically have served as training grounds for political leadership. While parties sometimes must be adversarial, they also can help build bipartisan relationships that can promote compromise and ease the political polarization that is plaguing us today.”

Training Seminars

CPC WEBINARS	
R-3 eFile ONLY Program Training	CPC/PPC Compliance Seminar AND eFile Training
February 01, 2021 10:00 AM	February 16, 2021 02:00 PM
March 03, 2021 10:00 AM	March 17, 2021 10:00 AM
March 24, 2021 10:00 AM	April 07, 2021 10:00 AM
April 21, 2021 10:00 AM	
CANDIDATE WEBINARS	
R-1 eFile ONLY Program Training	Campaign Compliance Seminar AND eFile Training
February 03, 2021 10:00 AM	February 17, 2021 10:00 AM
March 01, 2021 10:00 AM	March 15, 2021 10:00 AM
March 31, 2021 10:00 AM	April 14, 2021 10:00 AM
April 28, 2021 10:00 AM	May 05, 2021 10:00 AM

*All webinars will run for approximately 2 hours.

2021 Reporting Dates

	INCLUSION DATES	REPORT DUE DATE
FIRE COMMISSIONER – APRIL 20, 2021 – See Executive Order No. 211		
29–day Preelection Reporting Date	Inception of campaign* – 3/19/2021	3/22/2021
11–day Preelection Reporting Date	3/20/2021 – 4/6/2021	4/9/2021
20–day Postelection Reporting Date	4/7/2021 – 4/20/2021	5/10/2021
48–Hour Notice Reports Start on 4/7/2021 through 4/20/2021		
SCHOOLBOARD – APRIL 20, 2021		
29–day Preelection Reporting Date	Inception of campaign* – 3/19/2021	3/22/2021
11–day Preelection Reporting Date	3/20/2021 – 4/6/2021	4/9/2021
20–Day Postelection Reporting Date	4/7/2021 – 5/7/2021	5/10/2021
48–Hour Notice Reports State on 4/7/2021 through 4/20/2021		
MAY MUNICIPAL – MAY 11, 2021		
29–day Preelection Reporting Date	Inception of campaign* – 4/9/2021	4/12/2021
11–day Preelection Reporting Date	4/10/2021 – 4/27/2021	4/30/2021
20–Day Postelection Reporting Date	4/28/2021 – 5/28/2021	6/1/2021
48–Hour Notice Reports State on 4/28/2021 through 5/11/2021		
RUNOFF (JUNE)** – JUNE 15, 2021		
29–day Preelection Reporting Date	No Report Required for this Period	
11–day Preelection Reporting Date	4/28/2021 – 6/1/2021	6/4/2021
20–Day Postelection Reporting Date	6/2/2021 – 7/2/2021	7/6/2021
48–Hour Notice Reports Start on 6/2/2021 through 6/15/2021		
PRIMARY (90 DAY START DATE – MARCH 10, 2021)*** – JUNE 8, 2021		
29–day Preelection Reporting Date	Inception of campaign – 5/7/2021	5/10/2021
11–day Preelection Reporting Date	5/8/2021 – 5/25/2021	5/28/2021
20–Day Postelection Reporting Date	5/26/2021 – 6/25/2021	6/28/2021
48–Hour Notice Reporting Starts on 5/26/2021 – 6/8/2021		
GENERAL (90 DAY START DATE – AUGUST 4, 2021) – NOVEMBER 2, 2021		
29–day Preelection Reporting Date	6/26/2021 – 10/1/2021	10/4/2021
11–day Preelection Reporting Date	10/2/2021 – 10/19/2021	10/22/2021
20–day Postelection Reporting Date	10/20/2021 – 11/19/2021	11/22/2021
48–Hour Notice Reporting Starts on 10/20/2021 – 11/2/2021		
RUN–OFF (DECEMBER)** – December 7, 2021		
29–day Preelection Reporting Date	No Report Required for this Period	
11–day Preelection Reporting Date	10/20/2021 – 11/23/2021	11/26/2021
20–day Postelection Reporting Date	11/24/2021 – 12/24/2021	12/27/2021
48 Hour Notice Reporting Starts on 11/24/2021 through 12/7/2021		

PACS, PCFRS & CAMPAIGN QUARTERLY FILERS

1 st Quarter	1/1/2021 – 3/31/2021	4/15/2021
2 nd Quarter	4/1/2021 – 6/30/2021	7/15/2021
3 rd Quarter	7/1/2021 – 9/30/2021	10/15/2021
4 th Quarter	10/1/2021 – 12/31/2021	1/18/2022

GOVERNMENTAL AFFAIRS AGENTS (Q-4)

1 st Quarter	1/1/2021 – 3/31/2021	4/12/2021
2 nd Quarter	4/1/2021 – 6/30/2021	7/12/2021
3 rd Quarter	7/1/2021 – 9/30/2021	10/12/2021
4 th Quarter	10/1/2021 – 12/31/2021	1/10/2022

*Inception Date of Campaign (first time filers) or January 1, 2021 (Quarterly filers).

**A candidate committee or joint candidates committee that is filing in a 2021 Runoff election is not required to file a 20-day postelection report for the corresponding prior election (May Municipal or General).

*** Form PFD-1 is due April 15, 2021 for the Primary Election Candidates and June 21, 2021 for the Independent General Election Candidates.

Note: A fourth quarter 2020 filing is needed for the Primary 2021 candidates if they started their campaign prior to December 10, 2020.

A second quarter is needed by Independent/ Non-partisan General election candidates if they started their campaign prior to May 4, 2021.

HOW TO CONTACT ELEC

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