



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

“I’m Mike Huckabee and I approved this message because I believe most Americans want their next president to remind them of the guy they work with, not the guy who laid them off.”
– Presidential Candidate Mike Huckabee, Michigan Primary TV Ad, 2012

It’s a simple requirement, and one that we are all used to seeing and hearing: identification disclosures in political advertising.

Yet, it is a law that is sometimes overlooked or misunderstood.

The law requires that candidate committees, political committees, PACs, political parties, and legislative leadership committees disclose their identities on their advertising.

The purpose of the law is to enable citizens to know who is paying for a particular political ad, whether on TV,

radio, via direct mail, or other media such as print or digital.

The advertising disclaimer provides this valuable information to help voters evaluate the message of the ad based on who is paying for the ad.

This helps voters better assess the candidate or issue, enabling them to make a more informed decision when they cast their ballot.

Whenever a political ad that is printed or aired promotes the nomination, election, or defeat of any candidate, the ad is required to state the name and business or residence address of the person or entity paying for the advertisement.

Likewise, whenever a political ad is financed to promote or defeat a public question, the ad is required to contain a disclaimer providing the name and business or residence address of the person or entity underwriting the ad.

Those subject to the disclaimer law are individuals or groups, candidate committees, joint candidate committees, continuing political

committees (PACs), political party committees, political committees, and legislative leadership committees.

The law also applies to ads run in connection with school board elections and write-in candidates, even though such candidates are not required to file A-1 reports if they do not raise or spend \$5,800.

We have become so used to disclaimers in political ads that many candidates now use them to advance their message or even add a bit of humor, so the high level of compliance with this law comes as no surprise. Yet the Commission still encounters far too many entities that ignore the law or are unfamiliar with it.

ELEC staff offers personal consultations and training sessions to help ensure that candidates and organizations participating in the political and electoral processes through advertising clearly and properly identify themselves to the public.

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Executive Director's Thoughts

Jeff Brindle

ELEC Welcomes Debate Over Pending Campaign Finance Bill

Reprinted from insidernj.com

State Senator Nicholas Scutari (D-22) has introduced legislation (S-3413) that would require disclosure of campaign finance activity within 72 hours of its occurrence.

This "real time" disclosure requires candidates, party committees, and PACs to report donations over \$200 as well as the expenditures they make within this three-day period.

The legislation also would remove all contribution limits, end quarterly reporting, and presumably require the Election Law Enforcement Commission (ELEC) to post that same information on an ongoing basis within 72 hours of receipt.

The effort by Senator Scutari to modernize the State's campaign finance system by making disclosure quicker and addressing other critical areas hopefully will bring about serious discussion and perhaps even action.

I must acknowledge one thing up front. The Commission to date has never recommended removing contributions limits that were first imposed in New Jersey in 1993 on non-gubernatorial candidates and committees.

For many years, however, it has proposed raising them to offset the lost purchasing power caused by inflation.

Political donations to non-gubernatorial candidates, parties, and PACs have not been revised since 2005, with no inflation adjustments for more than 16 years.

Non-gubernatorial candidates such as legislators and mayors, for instance, still can only accept checks up to \$2,600 per election from individuals, corporations, or associations.

Donations to municipal party committees are frozen at \$7,200 per year. The same \$7,200 limit applies to continuing political committees, better known as PACs.

By contrast, contributions limits for gubernatorial candidates are updated every four years since those candidates are eligible for public funds if they can raise enough money from private donors.

Gubernatorial candidates in 2005 were able to accept \$3,000 per election. This year, the contribution limit is \$4,900- a 63 percent increase.

The same statute that requires ELEC to revise gubernatorial contribution limits every four years also requires ELEC to recommend increases for other candidates and committees. But since 2005, the Legislature has left in place the non-gubernatorial donation caps.

Making matters worse, no limits apply to contributions made to independent, "Dark Money" groups. This dichotomy has helped cause a major imbalance within the State's electoral system.

Since the mid-2000s, independent groups have steadily grown more influential, spending tens of millions in recent gubernatorial and legislative elections. During the same period, political parties at all levels have been fading significantly.

When contribution limits were first imposed in 1993 on non-gubernatorial candidates, the state also enacted a unique campaign cost index into law. The index accounted for campaign inflation over the four-year period from 1989 to 1993.

It has been applied to gubernatorial elections ever since by factoring in inflation every four years.

The law helped save the Gubernatorial Public Financing Program. It was headed for oblivion in the 1980s when concern arose that candidates would think twice about accepting public funds if they had to keep operating under the same, fixed contribution limits every election. Quadrennial adjustments removed that disincentive.

Initially, the campaign cost index also was applied to non-gubernatorial candidates and party committees, with contribution limits raised for inflation consistent with that same four-year period between gubernatorial elections.

Unfortunately, effective in 2005, a new law froze the limits that applied to non-gubernatorial candidates. These limits have now been stagnant for 16 years even though inflation has not gone away.

Now more than ever, we need to raise contribution limits for non-gubernatorial candidates and parties, and once again make them subject to the campaign cost index adjuster every four-years.

These steps would go far toward enhancing the viability of the State’s electoral system, just as use of the campaign cost index helped preserve the gubernatorial public finance program.

The Commission has advanced a broad set of recommendations for strengthening the State’s electoral system, foremost among them strengthening political parties and requiring disclosure of contributions and expenditures by independent, “Dark Money” groups that engage in election-related activity.

Among those proposals: raising contribution limits applying to donations to political parties and candidates; removing political parties from pay-to-play laws while including PACs under them; allowing state parties to participate in gubernatorial elections; and requiring contractor donations to independent groups to be disclosed.

Personally, I also believe tax credits should be made available to encourage for contributions to political parties.

It must be noted as well that should the Legislature move to adopt a 72-hour reporting system, ELEC will need additional funds to revamp its website and reprogram its internal computer operations.

These reforms would help restore balance to the electoral system between independent groups, candidates and parties, something that is a critical need in light of the growing dominance of independent groups.

Hopefully, the meritorious efforts of Senator Scutari to try to modernize the State’s campaign finance statutes will draw attention to the issue and result in major campaign finance reform that will make the system more transparent and accountable.

Strengthening political parties to offset the increased influence of independent groups along with adjusting non-gubernatorial limits would go far toward improving an already sound campaign finance system in the Garden State.

Training Seminars

CPC WEBINARS	
R-3 eFile ONLY Program Training	CPC/PPC Compliance Seminar AND eFile Training
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
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.

County Party Fund-Raising Dips in Non-State Election Year

County political party committees in 2020 reported their second smallest fund-raising haul in a dozen years, collecting just \$6.9 million, according to the latest reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Table 1
County Party Fundraising and Spending
through Fourth Quarter 2009-2020

YEAR*	RAISED	SPENT	STATE/FEDERAL?	OFFICE
2009	\$13,854,662	\$13,306,296	State	G/A
2010	\$ 7,591,065	\$ 8,712,802	Federal	H
2011	\$ 8,449,211	\$ 8,545,440	State	S/A
2012**	\$ 6,407,139	\$ 5,885,971	Federal	P/S/H
2013	\$ 9,908,851	\$10,069,188	State	G/S/A
2014	\$ 7,633,924	\$ 7,560,342	Federal	S/H
2015	\$ 9,161,877	\$ 8,883,225	State	A
2016	\$ 8,389,170	\$ 8,055,559	Federal	P/H
2017	\$14,564,574	\$14,114,921	State	G/S/A
2018	\$ 9,709,931	\$ 9,018,198	Federal	S/H
2019	\$ 8,191,320	\$ 8,821,224	State	A
2020	\$ 6,876,961	\$ 6,246,655	Federal	P/S/H

*State election years in boldface type P=Presidential; S=US or State Senate; H=House; G=Gubernatorial; A=Assembly

**Fund raised equals \$7,222,480 adjusted for inflation

Since 2009, the \$6.4 million raised in 2012 was the only lower total. Even that amount was worth more- \$7.2 million- adjusting for inflation.

One reason fund-raising dropped was because several county party fund-raising events were cancelled or delayed after the COVID-19 pandemic first slammed New Jersey last March. However, fund-raising picked up during the latter half of the year as officials adjusted.

"I'm sure party leaders knew they had to start picking things up since this year's election features a race for governor, all 120 legislative seats and multiple county posts," said Jeff Brindle, ELEC's Executive Director.

"We all were knocked off balance when the pandemic first swept the state. It is a testament to the resiliency of party officials that they have been able to bounce back somewhat," he said.

While fund-raising was tepid in 2020, it could have been worse.

Since 2001, counties overall have raised 25 percent less during federal election years such as 2020. Last year, the total was off just 16 percent from 2019, when the last state election was held.

Both parties are raising less money and spending less than four years ago. Democratic declines were much smaller, however, leaving the majority party with a significant advantage over Republicans in cash reserves. Democrats have controlled the governor's seat since January 2018 and have held majorities in both legislative houses since January 2002.

Compared to 2016, Democratic cash-on-hand is 62 percent higher at \$2.6 million. Republican cash-on-hand is down 25 percent to \$443,496.

Table 2
Summary of Campaign Finance Activity by County Committees
2020 Versus 2016

2020	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Democratic County Party Committees	\$4,904,177	\$4,261,651	\$2,626,349	\$2,497,366
Republican County Party Committees	\$1,972,784	\$1,985,003	\$ 443,496	\$ 979,873
Total-Both Parties	\$6,876,961	\$6,246,655	\$3,069,844	\$3,477,240
2016	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Democratic County Party Committees	\$5,258,882	\$4,747,704	\$1,622,023	\$1,338,892
Republican County Party Committees	\$3,130,288	\$3,307,855	\$ 595,685	\$1,404,152
Total-Both Parties	\$8,389,170	\$8,055,559	\$2,217,708	\$2,743,044
Difference 2020 versus 2016	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Democratic County Party Committees	-6.7%	-10.2%	61.9%	86.5%
Republican County Party Committees	-37.0%	-40.0%	-25.5%	-30.2%
Total-Both Parties	-18.0%	-22.5%	38.4%	26.8%

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

Brindle said both parties raise far less money than they did in the early 2000s before tight curbs on public contractor donations pinched their coffers and independent special interest groups began competing for donor dollars.

“Bi-partisan legislative recommendations by ELEC should make it easier for state and county party officials to raise funds. The hope is these reforms will shift contributions from so-called “dark money” spenders that have rapidly grown in influence in recent years back to more accountable and transparent party committees,” he said.

Ten Democratic county party committees- Bergen, Burlington, Camden, Essex, Gloucester, Mercer, Middlesex, Passaic, Salem, and Union- reported more than \$100,000 cash-on-hand totals. Hudson and Morris Counties reported a negative net worth, meaning they owe more than their cash reserves.

Table 3
Campaign Finance Activity of Democratic County Party Committees
January 1 through December 31, 2020

COUNTY	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Atlantic	\$ 135,079	\$ 138,942	\$ 4,841	\$ 4,841
Bergen	\$ 762,298	\$ 567,119	\$ 228,313	\$ 228,313
Burlington	\$ 245,750	\$ 64,832	\$ 186,569	\$ 180,194
Camden	\$ 606,736	\$ 787,820	\$ 160,713	\$ 160,713
Cape May	\$ 94,244	\$ 87,727	\$ 3,730	\$ 3,730
Cumberland	\$ 145,224	\$ 148,631	\$ 995	\$ 995
Essex	\$ 386,591	\$ 346,032	\$ 126,900	\$ 126,900
Gloucester	\$ 314,381	\$ 286,514	\$ 576,948	\$ 576,948
Hudson	\$ 158,041	\$ 145,243	\$ 51,826	\$ (86,949)
Hunterdon	\$ 46,835	\$ 37,722	\$ 27,963	\$ 27,963
Mercer	\$ 112,506	\$ 51,431	\$ 258,441	\$ 258,441
Middlesex	\$ 431,063	\$ 334,790	\$ 142,680	\$ 142,680
Monmouth	\$ 184,397	\$ 184,508	\$ 83	\$ 83
Morris	\$ 188,680	\$ 198,910	\$ (8,009)	\$ (8,009)
Ocean	\$ 32,371	\$ 42,006	\$ 13,693	\$ 29,860
Passaic	\$ 439,743	\$ 345,616	\$ 380,725	\$ 380,725
Salem*	\$ 12,100	\$ 13,235	\$ 100,895	\$ 100,895
Somerset	\$ 224,807	\$ 187,441	\$ 96,560	\$ 96,560
Sussex	\$ 13,903	\$ 10,338	\$ 13,288	\$ 13,288
Union	\$ 364,376	\$ 277,025	\$ 240,730	\$ 240,730
Warren*	\$ 5,052	\$ 5,768	\$ 18,466	\$ 18,466
Democrats-Total	\$4,904,177	\$4,261,651	\$2,626,349	\$2,497,366

*Third Quarter Totals

No Republican county committees reported more than \$100,000 in cash-on-hand at the end of 2020.

Table 4
Campaign Finance Activity of Republican County Party Committees
January 1 through December 31, 2020

COUNTY	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Atlantic	\$ 22,892	\$ 36,915	\$ 7,310	\$ 7,310
Bergen	\$ 128,068	\$ 122,450	\$ 24,343	\$ 14,343
Burlington	\$ 232,618	\$ 243,396	\$ 14,577	\$572,074
Camden	\$ 35,164	\$ 31,861	\$ 11,306	\$ 11,306
Cape May	NA	NA	NA	NA
Cumberland	\$ 68,171	\$ 71,575	\$ 3,222	\$ 3,222
Essex	\$ 32,000	\$ 27,621	\$ 26,333	\$ 26,333
Gloucester	\$ 129,527	\$ 129,426	\$ 51,818	\$ 51,818
Hudson**	NA	NA	NA	NA
Hunterdon	\$ 108,010	\$ 98,997	\$ 12,662	\$ 12,662
Mercer	\$ 3,025	\$ 8,486	\$ 424	\$ 424
Middlesex	\$ 4,049	\$ 9,777	\$ 12,574	\$ 12,574
Monmouth	\$ 380,469	\$ 366,635	\$ 53,811	\$ 53,811
Morris	\$ 151,045	\$ 141,701	\$ 19,555	\$ 11,955
Ocean	\$ 178,349	\$ 139,346	\$ 55,670	\$ 55,670
Passaic	\$ 236,859	\$ 261,261	\$ 33,088	\$ 33,088
Salem	\$ 13,631	\$ 7,877	\$ 38,516	\$ 38,516
Somerset	\$ 108,417	\$ 147,370	\$ 11,870	\$ 11,870
Sussex	\$ 35,986	\$ 31,140	\$ 20,860	\$ 17,341
Union	\$ 50,270	\$ 56,929	\$ 37,546	\$ 37,546
Warren	\$ 54,235	\$ 52,238	\$ 8,010	\$ 8,010
Republicans-Total	\$1,972,784	\$1,985,003	\$443,496	\$979,873

**Does not expect to spend more than \$7,200

The numbers in this analysis are based on reports filed by noon February 5, 2021. They have yet to be verified by ELEC staff, and should be considered preliminary.

Individual reports can be reviewed on ELEC's website (www.elec.state.nj.us).

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

www.elec.state.nj.us

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