



# Newsletter ELECtronic

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ISSUE

162

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

## Comments from the Chairman

Eric H. Jaso

"[W]herever the people are well informed they can be trusted with their own government; that whenever things get so far wrong as to attract their notice, they may be relied on to set them to rights." – Thomas Jefferson

The New Jersey Election Law Enforcement Commission (ELEC) embraces its continuing mission to ensure a well-informed electorate.

Essential to the fulfillment of this commitment is ELEC's enforcement of all campaign finance laws, from seemingly technical provisions to the most significant regulations on campaigns and lobbyists.

One of those provisions, sometimes overlooked by candidates and campaigns -- but not by their opponents or the public -- is the disclaimer law.

Whenever a candidate or joint candidates committee expends money for an advertisement designed to promote or defeat a candidate, a political identification statement must be included with or attached to the communication.

For example, if a candidate purchases a radio spot which promotes his or her candidacy, the spot must contain language identifying the name, business or residence address of the committee, person or group sponsoring the ad and a "paid for by" disclaimer.

This "paid for by" provision applies to all broadcast, online, and print media advertising. It also applies to direct telemarketing efforts, including "robocalls."

The disclaimer requirement not only applies to candidates but to political parties, legislative leadership committees, PACs, and political committees.

While the law focuses on candidate committees, its political identification requirements also apply to spending to pass or defeat a public question. Any committee spending money on advertising in support or opposition to public referenda must provide a clear identifying statement.

ELEC primarily relies on political rivals and interested members of the public to police compliance with the disclaimer law and report violations to us for potential investigation and enforcement action.

Enforcing the disclaimer law is one way that ELEC ensures that New Jersey voters know who is paying for campaign advertising.

The Commission urges all participants in the electoral process to be aware of "paid for by" disclaimer requirement and comply with it. As always, we invite inquiries from anyone who wishes to speak to our Compliance staff to get clarification on the specific application of this law.

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### COMMISSIONERS

# Executive Director's Thoughts Jeff Brindle

## Need to Deter Corruption Shapes ELEC Laws

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Scandal often precedes reform.

The New Jersey Election Law Enforcement Commission (ELEC) itself owes its existence to scandal, corruption at the national level coinciding with corruption in New Jersey.

Even as fallout continued from the national 1972 Watergate break-in, the Cahill administration, in March 1973, found itself riddled with allegations of corruption.

Governor Cahill himself was never implicated personally yet some high up officials and political allies were convicted of crimes, ultimately leading to the Governor's defeat.

Ironically, the cloud of corruption drove Governor Cahill and the Legislature to enact the 1973 Campaign Contributions and Expenditures Reporting Act.

On April 23, 1973, a Time magazine article recounted the efforts of U.S. Attorney Herbert Stern, whose office alone had indicted 67 New Jersey officials on corruption charges since 1970.

The next day, Cahill signed into law the bill creating ELEC.

A little more than a year later,
Democratic Governor Brendan T. Byrne
and the Legislature enacted the nation's
first Gubernatorial Public Financing
Program, which became effective in the
1977 gubernatorial election.

The effort to enact a statute governing campaign financing can be traced to the Election Law Revision Commission, established in 1964. Even though the initial report dealt with the issue of paper ballots, calling for an end to their use in New Jersey, a subsequent report in 1970 addressed the issue of disclosure of campaign financing information.

Interestingly, it was an old, largely ignored statute that caused the Law Revision Commission to push for enactment of legislation that related to campaign financing.

The old law imposed limits on expenditures that candidates were permitted to make, a provision that had little support on the Revision Commission or in the Legislature.

In endorsing the repeal of expenditure limits, subsequently deemed unconstitutional in the seminal Supreme Court decision Buckley vs Valeo (1976), the Revision Commission stated, "The public's right to such information (as a candidate's view) is vital, and to that end candidates, parties, and political committees are justified in spending money to convey their message."

While the Revision Commission opposed expenditure limits, it did recognize the importance of disclosure to diminish public cynicism.

In order to achieve the goal of disclosure, the Revision Commission proposed:

- A campaign finance system with stringent disclosure requirements on the financing of campaigns at every level of government and;
- the establishment of the Election Law Enforcement Commission (ELEC).

The Revision Commission opposed contribution limits though the U.S. Supreme Court has consistently upheld contribution limits in First Amendment cases before it.

The "Campaign Contributions and Expenditures Reporting Act" became law April 24, 1973. Next year marks the 50th anniversary of the Commission.

In its original form, the law required candidates and political committees to disclose the source of campaign contributions as well as expenditure information, all to be enforced by ELEC.

The original Campaign Finance Law had derived from recommendations put forth by the Revisions Commission, with an impetus provided by the atmosphere of political corruption in the early 1970s.

More recent scandals led to further changes. Legislation incorporating recommendations of the so-called Rosenthal Commission, which was set up in the wake of both lobbying and campaign finance scandals, was enacted in 1993. For the first time, the new law imposed contribution limits on all candidates and committees.

## Federal Election Year Bolsters Fundraising and Spending by County Parties

County political party committees have raised and spent about \$5.8 million during a year when federal elections topped the slate, according to quarterly reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

Jeff Brindle, ELEC's Executive Director, said the totals are well above average for a federal election year. Spending and cash-on-hand are even higher than the average for state election years.

Table 1
Campaign Finance Activity by County
Party Committees Through September 30, 2022

PERIOD	RAISED	SPENT	CASH-ON-HAND
2022 (Federal Election Year)	\$5,838,502	\$5,768,061	\$4,179,524
Average for Seven Federal Election Years	\$4,587,705	\$4,172,731	\$2,616,115
2022 Versus Average	127%	138%	160%
Average for Seven State Election Years	\$5,989,211	\$5,061,906	\$2,977,346
2022 Versus Average	97%	114%	140%

"The fact that fund-raising and spending have reached these levels may reflect how important the parties viewed this year's elections," he said.

County party committees entered the year flush after receiving a major influx of out-of-state funds in 2021. Democratic committees received \$4.8 million while GOP committees received \$178,028.

All 12 members of Congress faced reelection this year. Republicans defeated the Democratic incumbent in the Seventh Congressional District but the remaining incumbents won reelection, leaving Democrats with nine seats versus three for Republicans. Dozens of county, municipal and school board elections, plus two special legislative elections to fill vacancies, also took place this year.

Through September 30, Democrats have raised and spent more than Republicans and reported larger cash reserves.

Table 2
Third Quarter Snapshot of
Campaign Finance Activity by County Parties

PARTY	RAISED	SPENT	CASH ON HAND	NET WORTH
Democrats	\$3,568,396	\$3,799,443	\$3,315,683	\$3,131,710
Republicans	\$2,270,106	\$1,968,617	\$ 863,841	\$1,302,326
Combined	\$5,838,502	\$5,768,061	\$4,179,524	\$4,434,036

Nine Democratic party committees- Bergen, Burlington, Camden, Essex, Gloucester, Mercer, Passaic, Somerset and Union-reported cash reserves above \$100,000. Hudson County Democrats have a negative net worth when debts they owe are subtracted from their cash-on-hand.

Table 3
Campaign Finance Activity of
Democratic County Party Committees
January 1 through September 30, 2022

COUNTY	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Atlantic	\$ 73,546	\$ 41,102	\$ 38,895	\$ 38,895
Bergen	\$ 649,156	\$ 453,161	\$ 342,236	\$ 342,236
Burlington	\$ 151,413	\$ 117,161	\$ 132,422	\$ 126,047
Camden	\$ 352,998	\$ 338,956	\$ 351,305	\$ 351,305
Cape May	\$ 25,508	\$ 20,481	\$ 6,082	\$ 5,672
Cumberland	\$ 65,176	\$ 37,067	\$ 31,232	\$ 24,232
Essex	\$ 380,323	\$ 335,706	\$ 397,292	\$ 397,292
Gloucester	\$ 309,132	\$ 374,179	\$ 187,236	\$ 181,080
Hudson	\$ 85,337	\$ 175,595	\$ 36,376	\$ (72,399)
Hunterdon	\$ 63,806	\$ 81,802	\$ 34,091	\$ 34,091
Mercer	\$ 33,121	\$ 80,102	\$ 383,356	\$ 383,356
Middlesex	\$ 298,099	\$ 420,254	\$ 59,905	\$ 59,905
Monmouth	\$ 130,970	\$ 154,713	\$ 48,491	\$ 48,491
Morris	\$ 113,810	\$ 90,703	\$ 33,275	\$ 33,274
Ocean	\$ 56,145	\$ 128,265	\$ 23,310	\$ 39,477
Passaic	\$ 423,195	\$ 496,530	\$ 526,162	\$ 526,162
Salem	\$ 20,612	\$ 31,562	\$ 78,249	\$ 11,450
Somerset	\$ 149,674	\$ 109,066	\$ 176,121	\$ 176,121
Sussex	\$ 7,071	\$ 16,101	\$ 10,201	\$ 10,201
Union	\$ 166,778	\$ 263,705	\$ 413,594	\$ 413,594
Warren	\$ 12,527	\$ 33,231	\$ 5,854	\$ 1,229
Democrats-Total	\$3,568,396	\$3,799,443	\$3,315,683	\$3,131,710

<sup>\*</sup>Net worth is cash-on-hand adjusted for debts owed to or by the committee.

Cape May and Ocean Counties reported cash reserves larger than \$100,000.

Table 4
Campaign Finance Activity of
Republican County Party Committees
January 1 through September 30, 2022

COUNTY	RAISED	SPENT	CASH-ON-HAND	NET WORTH*
Atlantic	\$ 67,162	\$ 51,122	\$ 47,877	\$ 47,877
Bergen	\$ 155,072	\$ 136,507	\$ 21,498	\$ 11,497
Burlington	\$ 82,278	\$ 69,762	\$ 53,237	\$ 530,608
Camden	\$ 19,642	\$ 16,171	\$ 5,567	\$ 5,567
Cape May	\$ 116,706	\$ 85,259	\$163,034	\$ 163,034
Cumberland	\$ 123,565	\$ 58,386	\$ 67,046	\$ 53,246
Essex	\$ 45,500	\$ 32,121	\$ 31,358	\$ 31,358
Gloucester	\$ 130,753	\$ 106,833	\$ 39,581	\$ 39,581
Hudson	NA	NA	NA	NA
Hunterdon	\$ 120,611	\$ 127,506	\$ 13,658	\$ 13,658
Mercer**	\$ 2,725	\$ 1,610	\$ 2,685	\$ 2,684
Middlesex	\$ 34,813	\$ 17,186	\$ 25,634	\$ 25,548
Monmouth	\$ 434,686	\$ 437,026	\$ 46,995	\$ 46,995
Morris	\$ 166,993	\$ 152,886	\$ 18,979	\$ 3,979
Ocean	\$ 212,516	\$ 131,447	\$100,454	\$ 100,454
Passaic	\$ 298,792	\$ 305,046	\$ 18,803	\$ 18,803
Salem	\$ 12,365	\$ 10,706	\$ 25,938	\$ 25,938
Somerset	NA	NA	NA	NA
Sussex	\$ 75,288	\$ 77,017	\$ 92,764	\$ 92,764
Union	\$ 54,483	\$ 53,316	\$ 57,693	\$ 57,693
Warren	\$ 116,157	\$ 98,708	\$ 31,040	\$ 31,040
Republicans-Total	\$2,270,106	\$1,968,617	\$863,841	\$1,302,326

<sup>\*</sup>Net worth is cash-on-hand adjusted for debts owed to or by the committee.

The numbers in this analysis are based on reports filed by noon November 14, 2022. They have yet to be verified by ELEC staff, and should be considered preliminary.

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

<sup>\*\*</sup> Second quarter totals NA=Not available.

	INCLUSION DATES	REPORT DUE
FIRE COMMISSIONER – FEBRUARY 19, 2022	<u> </u>	
29–day Preelection Reporting Date	Inception of campaign* – 1/18/2022	1/21/2022
11–day Preelection Reporting Date	1/19/2022 – 2/5/2022	2/8/2022
20-day Postelection Reporting Date	2/6/2022 – 3/8/2022	3/11/2022
48–Hour Notice Reporting Starts on 2/6/2022 through	2/19/2022	
SCHOOLBOARD – APRIL 19, 2022		
29–day Preelection Reporting Date	Inception of campaign* – 3/18/2022	3/21/2022
11–day Preelection Reporting Date	3/19/2022 – 4/5/2022	4/8/2022
20-Day Postelection Reporting Date	4/6/2022 – 5/6/2022	5/9/2022
48–Hour Notice Reporting Starts on 4/6/2022 through	4/19/2022	·
MAY MUNICIPAL – (90-DAY START DATE: FEBRUARY 9,	2022) - MAY 10, 2022	
29-day Preelection Reporting Date	Inception of campaign* – 4/8/2022	4/11/2022
11–day Preelection Reporting Date	4/9/2022 – 4/26/2022	4/29/2022
20-Day Postelection Reporting Date	4/27/2022 – 5/28/2022	5/31/2022
48–Hour Notice Reporting Starts on 4/27/2022 through	h 5/10/2022	
RUNOFF (JUNE)** – JUNE 14, 2022		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	4/27/2022 – 5/31/2022	6/3/2022
20-Day Postelection Reporting Date	6/1/2022 – 7/1/2022	7/5/2022
48-Hour Notice Reporting Starts on 6/1/2022 through	6/14/2022	
PRIMARY (90 DAY START DATE: MARCH 9, 2022)*** –	IIINE 7 2022	
29-day Preelection Reporting Date	Inception of campaign* – 5/6/2022	5/9/2022
· · · ·	5/7/2022 – 5/24/2022	
11–day Preelection Reporting Date 20–Day Postelection Reporting Date	5/7/2022 – 5/24/2022	5/27/2022 6/27/2022
48—Hour Notice Reporting Starts on 5/25/2022 – 6/7/2		6/2//2022
CENTERAL (OO DAY START DATE, ALICHIST 10, 2022)***	NOVEMBER 9, 2022	
<b>GENERAL (90 DAY START DATE: AUGUST 10, 2022)***</b> 29—day Preelection Reporting Date	6/25/2022 – 10/7/2022	10/11/2022
11–day Preelection Reporting Date	10/8/2022 – 10/7/2022	
	10/8/2022 – 10/25/2022	10/28/2022
20-day Postelection Reporting Date 48-Hour Notice Reporting Starts on 10/26/2022 through		11/28/2022
DUN OFF (DECEMBER)** DECEMBER 43 3033	dated you Eveniting Onder 242	
RUN-OFF (DECEMBER)** - DECEMBER 13, 2022 - Upo		
29-day Preelection Reporting Date	No Report Required for this Period	42/2/2022
11-day Preelection Reporting Date	10/26/2022 – 11/29/2022	12/2/2022
20-day Postelection Reporting Date	11/30/2022 – 12/30/2022	1/3/2023

PACS, PCFRS & CAMPAIGN QUARTERLY	FILERS	
1 <sup>st</sup> Quarter	1/1/2022 – 3/31/2022	4/18/2022
2 <sup>nd</sup> Quarter	4/1/2022 – 6/30/2022	7/15/2022
3 <sup>rd</sup> Quarter	7/1/2022 – 9/30/2022	10/17/2022
4 <sup>th</sup> Quarter	10/1/2022 – 12/31/2022	1/17/2023
GOVERNMENTAL AFFAIRS AGENTS (Q-	4)	
1 <sup>st</sup> Quarter	1/1/2022 – 3/31/2022	4/11/2022
2 <sup>nd</sup> Quarter	4/1/2022 – 6/30/2022	7/11/2022
3 <sup>rd</sup> Quarter	7/1/2022 – 9/30/2022	10/11/2022
4 <sup>th</sup> Quarter	10/1/2022 – 12/31/2022	1/10/2023

- \* Inception Date of Campaign (first time filers) or January 1, 2022 (Quarterly filers).
- \*\* A candidate committee or joint candidates committee that is filing in a 2022 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 14, 2022 for the Primary Election candidates and June 20, 2022 for Independent General Election candidates.

Note: A fourth quarter 2021 filing is needed for the Primary 2022 candidates if they started their campaign prior to December 9, 2021.

A second quarter 2022 filing is needed by Independent/ Non–partisan General Election candidates if they started their campaign prior to May 11, 2022.

## **Commission Meeting Schedule for Year 2023**

The New Jersey Election Law Enforcement Commission has announced its meeting schedule for 2023. Unless otherwise indicated in the future, meetings will be held at the Commission's offices at 25 South Stockton Street, 5<sup>th</sup> Floor, in Trenton. It is anticipated that meetings will begin at 11:00 a.m., unless otherwise indicated.

January	17, 11:00 a.m.
February	21, 11:00 a.m.
March	21, 11:00 a.m.
April	18, 11:00 a.m.
May	16, 11:00 a.m.
June	20, 11:00 a.m.
July	18, 11:00 a.m.
August	15, 11:00 a.m.
	(if necessary)
September	19, 11:00 a.m.
October	17, 11:00 a.m.
November	21, 11:00 a.m.
December	19, 11:00 a.m.

## **HOW TO CONTACT ELEC**

www.elec.state.nj.us

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By Mail: P.O. Box 185, Trenton, NJ 08625

By Telephone: (609) 292-8700 or Toll Free Within NJ 1-888-313-ELEC (3532)

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