



# NEWS RELEASE

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Public contractors reported making \$7.6 million in political contributions in 2012, a 23 percent drop from the year before, according to Jeff Brindle, Executive Director of the New Jersey Election Law Enforcement Commission.

The reduction came just one year after there was a slight jump - \$210,173, or a 2 percent increase- from 2010 to 2011. That was the first increase since 2007. Preliminary figures last year indicated a 1 percent decrease.

**Table 1**  
**Total Contributions Reported Annually**  
**by Public Contractors from 2006 to 2012**

YEAR	AMOUNT	DOLLAR CHANGE	PERCENT CHANGE
2012	\$ 7,624,474	\$ (2,282,922)	-23%
2011	\$ 9,907,396	\$ 210,173	2%
2010	\$ 9,697,222	\$ (1,362,390)	-12%
2009	\$ 11,059,613	\$ (1,056,461)	-9%
2008	\$ 12,116,073	\$ (4,319,365)	-26%
2007	\$ 16,435,439	\$ 1,277,597	8%
2006	\$ 15,157,841		

Brindle cautioned that numbers for 2012 still are preliminary and could change. But the size of the decline is substantial.

“Over time, contractor contributions have been trending in one direction- down. The reduction in 2012 is the second largest year-to-year drop since ELEC began keeping records,” said Brindle. He added that total contributions have fallen 50 percent since 2006.

One reason for the overall decline in contractor contributions is a sharp reduction in the amount of contributions given to political action committees (PACs). In 2011, contractors gave about \$1.7 million of their contributions to PACs. In 2012, they supplied an estimated \$1 million to PACs- a 41 percent drop.

“ELEC has long suspected that some contractors were using PACs with close ties to party officials to get around pay-to-play contribution limits. Last year, the practice drew widespread publicity, and that appears to have made contractors more reluctant to pursue this strategy,” Brindle said.

Another reason contractor contributions are down is because some firms have simply stopped making political contributions out of fear that they might run afoul of pay-to-play rules, Brindle added. The lack of major statewide elections last year also may have led to less giving, he said.

While contributions were down, the total value of contracts rose by a small margin in 2012. Contractors reported \$5.7 billion in total public work, an increase of 7 percent.

**Table 2**  
**Total Value of Contracts Reported Annually**  
**by Business Entities Subject to State Pay-to-Play Law**

<b>YEAR</b>	<b>AMOUNT</b>	<b>DOLLAR CHANGE</b>	<b>PERCENT CHANGE</b>
2012	\$ 5,753,529,201	\$ 377,270,584	7%
2011	\$ 5,376,258,617	\$ (454,077,618)	-8%
2010	\$ 5,830,336,235	\$ (231,693,040)	-4%
2009	\$ 6,062,029,274	\$ 1,059,572,599	21%
2008	\$ 5,002,456,676	\$ (684,259,921)	-12%
2007	\$ 5,686,716,597	\$ (4,710,051,928)	-45%
2006	\$ 10,396,768,525		

The top ten contractors ranked by their contribution totals gave a combined \$2.1 million in 2012. That represents nearly 27 percent of all contributions made last year.

However, it represented a 31 percent falloff from the \$2.7 million contributed by the top ten firms in 2011. In that year, the top ten contractors gave 29 percent of the total contributions.

**Table 3**  
**Business Entities that Reported Largest Contribution Totals in 2012**

<b>BUSINESS NAME</b>	<b>AMOUNT</b>
Remington & Vernick Engineers, Inc.	\$ 457,050
T&M Associates	\$ 366,565
Pennoni Associates Inc.	\$ 234,945
CME Associates	\$ 206,820
ARH Associates	\$ 155,400
Anderson Jackson Metts	\$ 144,959
Richard A. Alaimo Associates	\$ 144,750
Maser Consulting P.A.	\$ 142,600
Parker McCay PA	\$ 125,300
Capehart Scatchard P.A.	\$ 117,985

*Note: Rankings would be different if analysis combined contribution totals from multiple business entities with a single owner. Pay-to-play law treats each business entity separately.*

Several freeholder candidates were among the biggest recipients of contractor contributions in 2012.

**Table 4  
Top Ten Recipients of Contractor Contributions in 2012**

<b>RECIPIENT</b>	<b>AMOUNT</b>
Election Fund of Garganio and O'Brien '12	\$ 192,200
Damminger and Chila for Freeholder	\$ 183,500
Committee to ReElect Freeholders Bartlett and Little	\$ 145,075
Election Fund of Nash, Leonard and Gentek for Freeholder	\$ 133,000
Constructors for Good Government	\$ 125,285
Steve Sweeney for Senate	\$ 109,550
GOPAC	\$ 105,350
Rios for Freeholder	\$ 94,750
Polos For Freeholder	\$ 94,200
Hoagland for Surrogate	\$ 93,100

While the total value of contracts was up in 2012, the number of contracts was down.

**Table 5  
Total Number of Contracts Reported Annually by  
Business Entities under State Pay-to-Play Law**

<b>YEAR</b>	<b>NUMBER</b>	<b>CHANGE</b>	<b>CHANGE-%</b>
2012	20,032	(3,520)	-15%
2011	23,552	4,931	26%
2010	18,621	(2,800)	-13%
2009	21,421	(1,390)	-6%
2008	22,811	222	1%
2007	22,589	(2,346)	-9%
2006	24,935		

The number of business entities filing reports is down based on preliminary numbers. Final numbers for the preceding three years hovered around 2,100.

**Table 6  
Total Number of Business Entities Reporting  
Annually under State Pay-to-Play Law**

<b>YEAR</b>	<b>NUMBER</b>	<b>CHANGE</b>	<b>CHANGE-%</b>
2012	1,954	(193)	-9%
2011	2,147	(9)	0%
2010	2,156	78	4%
2009	2,078	217	12%
2008	1,861	(149)	-7%
2007	2,010	(320)	-14%
2006	2,330		

The preliminary numbers in this report reflect information available to the Commission through April 2, 2013. Some contractors are likely to submit reports or amendments after that date that could change the totals. Numbers earlier than 2012 more fully reflect these revisions and could differ from those reported in prior releases. All reports from 2012 and earlier years are available at ELEC's website at [www.elec.state.nj.us](http://www.elec.state.nj.us).

Under pay-to-play laws, all businesses that have received \$50,000 or more in total public contracts must report their contracts and contributions to ELEC each spring.

Those with State contracts in excess of \$17,500 are prohibited from contributing more than \$300 to gubernatorial candidates, state political parties, legislative leadership committees, county political parties, and municipal political party committees. Firms that exceed this limit must refund the excess contributions within a necessary time period or relinquish their contracts for four years.

Similar limits apply to municipal or county contractors unless local officials adopt a “fair and open” bidding process intended to encourage competition. Where “fair and open” rules are adopted, normal contribution limits, which are much higher, apply to contractors.

State contribution limits range from \$2,600 per election from individuals or corporations to candidate committees to \$37,000 annually to county party committees. During the seven-year period, the average contribution from contractors has fallen from \$1,225 to \$1,092- a decline of 11 percent.

As one of its legislative priorities, the bi-partisan Commission has recommended adopting a single statewide pay-to-play law that would end separate local and county pay-to-play laws as well as the “fair and open” loophole. The Commission also is urging the Legislature to reduce the current threshold for disclosure from \$50,000 to \$17,500.

“These changes would help improve enforcement while broadening disclosure,” Brindle said.

The ten firms that reported the largest contract totals for 2012 are listed below.

**Table 7**  
**Ten Business Entities that Reported Largest Contract Totals in 2012**

<b>BUSINESS NAME</b>	<b>AMOUNT</b>
Horizon Healthcare of New Jersey, Inc.	\$2,198,502,323
Amerigroup New Jersey, Inc.	\$ 574,232,547
Verizon New Jersey Inc.	\$ 138,989,630
South State, Inc.	\$ 132,077,785
Colonial Bank FSB	\$ 126,894,900
Kearny Federal Savings Bank	\$ 126,303,110
Tilcon New York, Inc.	\$ 111,869,006
Conti Enterprises, Inc	\$ 76,100,127
George Harms Construction Co., Inc.	\$ 74,367,999
Union Paving & Construction Co., Inc.	\$ 69,178,659

Like previous years, state government was the largest source of contracts in 2012. Municipalities, independent authorities, counties, school boards, fire districts, and the Legislature followed in descending order.

**Table 8  
Contracts by Public Entity Type in 2012**

<b>PUBLIC ENTITY TYPE</b>	<b>AMOUNT</b>	<b>PERCENT</b>	<b>NUMBER</b>
State	\$ 3,646,188,874	63%	1,085
Municipality	\$ 711,308,831	12%	10,216
Independent Authority	\$ 660,689,851	11%	2,349
County	\$ 420,671,164	7%	1,850
School Board	\$ 309,703,099	5%	3,788
Fire District	\$ 4,943,562	<1%	694
Legislature	\$ 11,932	<1%	17
No Information	\$ 11,887	<1%	33
	<b>\$ 5,753,529,201</b>	<b>100%</b>	<b>20,032</b>

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