

NEWS RELEASE

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FOR RELEASE: January 30, 2017

Fundraising by New Jersey's county political parties averaged \$8.2 million annually during the first seven years of the decade, an analysis by the New Jersey Election Law Enforcement Commission (ELEC) shows.

According to the report, these totals represent a 50 percent decrease in comparison to the last seven years of the previous decade. Between 2003 and 2009 county party receipts averaged \$16.6 million per year.

The same pattern emerged when comparing average spending between the two periods. From 2010 through 2016, county parties spent an average \$8.3 million compared with \$16.6 million during the last seven years of the previous decade, for a 50 percent drop.

"This steep and unprecedented decline in county party financial activity raises a red flag," said Jeff Brindle, Executive Director of the Commission. "Without a shadow of a doubt, the party system in New Jersey is in deep trouble and needs to be restored."

According to Brindle, the breakdown of the party system followed the passage of a complicated scheme of pay-to-play laws in 2005 and worsened when independent group spending increased following the "<u>Citizens</u> <u>United</u> decision in 2010."

"The proof is in the pudding," said Brindle. "During the four years prior to pay-to-play, party receipts averaged \$22 million annually. From 2006, when pay-to-play went into effect, the four-year annual average dropped to \$12.5 million."

The report further shows that during the first seven years of this decade, following the U.S. Supreme Court decision in <u>Citizens United</u>, financial activity by the county parties, as noted, dropped even further.

"The pay-to-play law is overly complicated and confusing," said Brindle. As a result, money flowed away from the parties and into newly created special interest PACs designed to get around the law."

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Brindle added, "<u>Citizens United</u> then made the situation worse, serving as a stimulus to the growth of spending and influence by outside, independent groups in New Jersey, further draining money from the parties.

Independent groups spent \$28 million on ballot questions in 2016, \$11.6 million on Assembly contests in 2015, and \$41 million on the gubernatorial and legislative elections of 2013.

The analysis grew out of a report on county party financial activity during 2016.

Between January 1, 2016 and December 31, 2016, county party committees reported raising \$8.4 million and spending \$8.1 million, with cash-on-hand amounting to a little over \$2.2 million.

These figures represent a 12 percent decline in fundraising from 2008, when county parties raised \$9.6 million. The 2016 spending totals declined by 15 percent from 2008, when expenditures reached \$9.5 million.

2008 was a similar election year to 2016.

In 2016, Democratic county party committees reported raising \$5.3 million and spending \$4.7 million while Republican county party committees raised \$3.1 million and spent \$3.3 million.

Democratic committees have cash-on-hand of \$1.6 million compared to Republican committees, which have \$595,685 left.

"A weak party system is not in the interest of the public, particularly when political party activities are dwarfed by independent, often anonymous groups, and special interest PACs," said Brindle.

The Commission has put forward proposals that would strengthen political parties, offset independent groups, and simplify and strengthen pay-to-play. These proposals include: raising contribution limits for contributions made to parties, excluding parties from pay-to-play, allowing state parties to participate in gubernatorial campaigns, allowing parties to give to each other, and loosening federal rules on state party accounts. They also include registration and disclosure of independent groups, one State pay-to-play law, an end to fair and open provision, and special interest PACs under pay-to-play.

TABLE 1 COUNTY PARTY AVERAGE FINANCIAL ACTIVITY

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YEARS	AVERAGE		
	RAISED	SPENT	
2003 -2009	\$16,640,061	\$16,601,581	
2010 - 2016	\$ 8,239,415	\$ 8,261,295	
PERCENT	-50 %	-50%	

TABLE 2 COUNTY PARTY FUNDRAISING AND SPENDING 2001-2016 TOTALS

YEAR	RAISED	SPENT	MAJOR STATE ELECTION?
2001	\$ 21,952,725	\$ 21,872,999	Yes†
2002	\$ 21,578,971	\$ 19,918,454	No
2003	\$ 27,180,067	\$ 28,110,780	Yes
2004	\$ 20,481,002	\$ 19,548,718	No
2005	\$ 18,893,472	\$ 19,009,467	Yes
2006	\$ 11,977,748	\$ 12,392,107	No
2007	\$ 14,582,167	\$ 14,341,683	Yes
2008	\$ 9,511,311	\$ 9,502,015	No
2009	\$ 13,854,662	\$ 13,306,296	Yes
2010	\$ 7,591,065	\$ 8,712,802	No
2011	\$ 8,600,478	\$ 8,696,067	Yes
2012	\$ 6,407,139	\$ 5,885,971	No
2013	\$ 9,908,851	\$ 10,069,188	Yes†
2014	\$ 7,617,324	\$ 7,526,250	No
2015	\$ 9,161,877	\$ 8,883,225	Yes
2016	\$ 8,389,170	\$ 8,055,559	No

†Elections with both legislative houses and gubernatorial candidates running.

TABLE 3
CAMPAIGN FINANCE ACTIVITY OF DEMOCRATIC COUNTY PARTY COMMITTEES
JANUARY 1, 2016 THROUGH DECEMBER 31, 2016

	T T	2010 THROUGH D		1
	RAISED	SPENT	CASH-ON-HAND	NET WORTH
Atlantic	\$ 97,553	\$ 65,740	\$ 34,860	\$ 34,860
Bergen	\$ 784,274	\$ 720,024	\$ 130,042	\$ 64,410
Burlington	\$ 127,261	\$ 126,800	\$ 2,248	\$ (83,719)
Camden	\$ 410,689	\$ 483,432	\$ 137,584	\$ 137,584
Cape May*	\$ 7,497	\$ 11,094	\$ 1,194	\$ 1,194
Cumberland	\$ 125,070	\$ 116,648	\$ 13,611	\$ 13,611
Essex	\$ 415,209	\$ 429,575	\$ 37,023	\$ 37,023
Gloucester	\$ 564,732	\$ 254,110	\$ 327,867	\$ 327,867
Hudson	\$ 238,352	\$ 217,458	\$ 83,244	\$ (55,901)
Hunterdon	\$ 20,140	\$ 19,806	\$ 8,115	\$ 8,115
Mercer	\$ 102,900	\$ 79,642	\$ 72,208	\$ 72,208
Middlesex	\$ 456,307	\$ 464,314	\$ 101,830	\$ 101,830
Monmouth	\$ 854,847	\$ 864,854	\$ 5,773	\$ 5,773
Morris*	\$ 92,674	\$ 62,007	\$ 41,396	\$ 41,396
Ocean	\$ 40,169	\$ 37,618	\$ 14,040	\$ 30,207
Passaic	\$ 651,204	\$ 559,347	\$ 435,213	\$ 435,213
Salem*	\$ 15,530	\$ 7,079	\$ 34,731	\$ 34,731
Somerset*	\$ 102,470	\$ 71,984	\$ 38,164	\$ 38,164
Sussex	\$ 26,296	\$ 30,269	\$ 9,737	\$ 9,737
Union	\$ 116,416	\$ 113,915	\$ 92,221	\$ 83,667
Warren*	\$ 9,292	\$ 11,988	\$ 922	\$ 922
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TOTAL	\$5,258,882	\$4,747,704	\$1,622,023	\$1,338,892

*Cumulative through Third Quarter.

TABLE 4 CAMPAIGN FINANCE ACTIVITY OF REPUBLICAN COUNTY PARTY COMMITTEES JANUARY 1, 2016 THROUGH DECEMBER 31, 2016

	JIII (CIIIII)	, 2010 111110 0 011 2	ECENIDER 31, 2010	T
	RAISED	SPENT	CASH-ON-HAND	NETWORTH
Atlantic	\$ 46,006	\$ 45,022	\$ 2,519	\$ 2,519
Bergen	\$ 281,098	\$ 400,347	\$ 51,095	\$ 41,095
Burlington	\$ 912,063	\$ 926,253	\$ 3,615	\$ 828,894
Camden	\$ 35,226	\$ 21,438	\$ 19,091	\$ 19,091
Cape May*	\$ 124,278	\$ 111,027	\$ 47,407	\$ 47,407
Cumberland	\$ 73,998	\$ 66,367	\$ 35,921	\$ 35,921
Essex	\$ 23,000	\$ 21,320	\$ 8,357	\$ 8,357
Gloucester	\$ 49,948	\$ 50,360	\$ 7,773	\$ 7,773
Hudson***				
Hunterdon	\$ 95,129	\$ 97,575	\$ 9,703	\$ 4,203
Mercer	\$ 13,970	\$ 14,937	\$ 4,590	\$ 4,590
Middlesex	\$ 67,223	\$ 47,304	\$ 33,680	\$ 33,680
Monmouth	\$ 553,687	\$ 550,805	\$ 9,624	\$ 9,624
Morris	\$ 146,828	\$ 146,239	\$ 23,453	\$ 23,453
Ocean	\$ 119,433	\$ 148,161	\$ 14,446	\$ 14,446
Passaic*	\$ 38,288	\$ 29,364	\$ 9,276	\$ 9,276
Salem**	\$ 23,785	\$ 24,824	\$ 7,929	\$ 7,929
Somerset	\$ 369,583	\$ 476,781	\$ 232,723	\$ 231,411
Sussex	\$ 52,790	\$ 40,852	\$ 22,624	\$ 22,624
Union	\$ 97,495	\$ 87,148	\$ 52,984	\$ 52,984
Warren	\$ 30,245	\$ 26,555	\$ 6,804	\$ 6,804
TOTAL	\$3,130,288	\$3,307,855	\$ 595,685	\$1,404,152

^{*}Cumulative through Third Quarter
** Cumulative through Second Quarter.
***Spent less than \$5,500 during calendar year.

TABLE 5
SUMMARY OF CAMPAIGN FINANCE ACTIVITY BY COUNTY PARTY COMMITTEES
JANUARY 1, 2016 THROUGH DECEMBER 31, 2016

	RAISED	SPENT	CASH-ON-HAND	NETWORTH
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 OF BOTH PARTIES	\$8,389,170	\$8,055,559	\$2,217,708	\$2,743,044

TABLE 6
SUMMARY OF CAMPAIGN FINANCE ACTIVITY BY COUNTY PARTY COMMITTEES
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

	RAISED IN 2008	SPENT IN 2008	CASH-ON-HAND IN 2008	NETWORTH IN 2008
Democratic County Party Committees	\$6,392,193	\$6,431,897	\$1,703,281	\$1,373,013
Republican County Party Committees	\$3,166,889	\$3,050,374	\$ 273,168	\$ 835,338
TOTAL OF BOTH PARTIES	\$9,559,082	\$9,482,271	\$1,976,449	\$2,208,351
PERCENTAGE DIFFERENCE BETWEEN 2008 AND 2016				
Democratic County Party Committees	-18%	-26%	-5%	-2%
Republican County Party Committees	-1%	8%	118%	68%
TOTAL OF BOTH PARTIES	-12%	-15%	12%	24%

The numbers in this analysis are based on reports filed by noon January 27, 2017. They have yet to be verified by ELEC staff, and should be considered preliminary.

Interested parties are encouraged to review individual reports at ELEC's website (www.elec.state.nj.us).