

# **NEWS RELEASE**

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### NEW ELECTION LAW QUICKLY BOOSTS BOTTOM LINE OF "BIG SIX" COMMITTEES

Second quarter reports filed by the two state parties and four legislative leadership committees show that their coffers already are prospering from a new state law that has dramatically raised contribution limits.

Reports submitted to the New Jersey Election Law Enforcement Commission (ELEC) by the so-called "Big Six" committees, which reflect campaign finance activity through June 30, 2023, show that their combined fund-raising was \$3.6 million.

That is 12 percent higher than the average fund-raising for six statewide election years since 2013.

In addition, the combined cash reserves of the six committees totals almost \$4.1 million- nearly 16 percent above the average since 2013 and the highest second quarter total for the decade.

CAMIFAIGN FINANCE ACTIVITI DI DIG SIA									
THROUGH 2ND QUARTER BY YEAR									
YEAR	RAISED	SPENT	CASH-ON-HAND	STATE ELECTIONS					
2013	\$3,382,737	\$1,874,081	\$3,189,889	<b>Governor and Both Houses</b>					
2014	\$1,276,109	\$1,319,714	\$ 800,994						
2015	\$2,476,599	\$1,983,389	\$2,160,318	Assembly					
2016	\$1,661,559	\$1,513,987	\$1,127,086						
2017	\$2,751,561	\$2,205,599	\$2,263,401	<b>Governor and Both Houses</b>					
2018	\$2,991,664	\$2,416,353	\$1,321,894						
2019	\$2,283,313	\$1,729,263	\$2,075,620	Assembly					
2020	\$1,342,492	\$1,090,629	\$ 911,929						
2021	\$4,836,037	\$3,529,208	\$2,678,213	<b>Governor and Both Houses</b>					
2022	\$2,167,841	\$1,737,175	\$1,450,701						
2023	\$3,610,199	\$2,148,262	\$4,060,824	Senate and Assembly					
Average- Six Election Years	\$3,223,408	\$2,244,967	\$3,495,028						
Difference- %	12%	-4%	16%						

#### TABLE 1 CAMPAIGN FINANCE ACTIVITY BY "BIG SIX" THROUGH 2ND OUARTER BY YEAR

Governor Phil Murphy on April 3, 2023 signed a new law (P.L 2023, Chapter 30) that made several changes to the state's main campaign finance statute.

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One is the first significant increase since 2005 in contribution limits for party committees, including the Big Six.

Jeff Brindle, ELEC's Executive Director, said that the Commission since 2010 has called for contribution limits for party committees to be increased to help traditional parties compete for campaign dollars and therefore enhance their role in New Jersey elections.

During the past decade or so, fund-raising has been difficult for New Jersey parties. They were operating under low contribution limits that hadn't been adjusted for inflation for nearly two decades. At the same time, their coffers were hurt by a law that severely restricted donations from public contractors.

During the same period, independent spending committees run by special interests, which face no contribution limits, grew rapidly largely due to federal court rulings. They now are a major force in New Jersey and national campaigns.

"Unlike many independent spending committees, party committees must fully and publicly detail their campaign finances," Brindle said. "If the new law redirects some funds away from independent spending committees to party coffers, it will bring greater balance to the electoral process in New Jersey."

Under the previous law, independent spending committees faced far less scrutiny than parties, candidates and traditional political action committees. The new law also requires more disclosure by these groups.

The old law limited the two state parties and four legislative leadership committees from accepting more than \$25,000 annually from a single contributor.

For all the "Big Six" committees, donors now can give \$75,000 each year to general campaign accounts that pay for media costs, direct mail, staff salaries, get-out-the-vote and related costs. The same donors can give an additional \$37,500 annually to new "housekeeping" accounts created by the two state parties- \$112,500. These new accounts are earmarked solely for administrative expenses, including mortgages, rent, taxes, compliance costs, legal bills and collective bargaining outlays. County parties also can create housekeeping accounts.

Second quarter reports show that during the first three months under the new law, one donor thus far has "maxed out"- Robert Hugin, who has served more than two years as chairman of the Republican State Committee and is a former pharmaceutical firm executive.

Hugin has contributed \$112,500 this year to his state party. In addition, his wife Kathleen gave another \$25,000 to the committee.

Notable on the Democratic side is that New Jersey State Laborers PAC has contributed \$75,000 each to the Democratic State Committee and the two legislative leadership PACs.

Among the top donors, 16 so far have contributed more this year than the previous \$25,000 annual limit. Combined, the Big Six have taken in an extra \$671,200 to date due to the higher contribution ceilings.

DONORS TO BIG SIX COMMITTEES IN 2023*						
DONOR	AMOUNT	RECIPIENT				
Robert Hugin	\$ 112,500	NJ Republican State Committee				
Greater NJ Carpenters PEC	\$ 75,000	NJ Democratic State Committee				
New Jersey State Association of Pipe Trades PAC Account	\$ 75,000	NJ Senate Democratic Majority				
New Jersey State Laborers PAC	\$ 75,000	Democratic Assembly Campaign Committee				
New Jersey State Laborers PAC	\$ 75,000	NJ Democratic State Committee				
New Jersey State Laborers PAC	\$ 75,000	NJ Senate Democratic Majority				
New York Hotel Trades Council Non-Federal Cope	\$ 75,000	NJ Democratic State Committee				
Laura Overdeck	\$ 75,000	Assembly Republican Victory				
Unite Here Tip State & Local Fund	\$ 75,000	NJ Senate Democratic Majority				
New Jersey Education Association (NJEA) PAC	\$ 65,000	NJ Democratic State Committee				
Josh Gottheimer For Congress	\$ 63,700	NJ Senate Democratic Majority				
Matthew Florio	\$ 50,000	NJ Democratic State Committee				
Greater NJ Carpenters PEC	\$ 50,000	Democratic Assembly Campaign Committee				
Greater NJ Carpenters PEC	\$ 50,000	NJ Senate Democratic Majority				
New Jersey Association For Justice	\$ 50,000	NJ Senate Democratic Majority				
Local Union #164 IBEW COPE	\$ 30,000	Democratic Assembly Campaign Committee				
Total	\$1,071,200					
16 checks @ \$25,000 (Previous Limit)	\$ 400,000					
Additional Amount Above Previous Limit	\$ 671,200					

TABLE 2 CONTRIBUTIONS LARGER THAN \$25,000 FROM PRIVATE DONORS TO BIG SIX COMMITTEES IN 2023\*

\*Excludes contributions by party committees, which are unlimited, or state or local candidate committees. Some of the listed donors also gave contributions of \$25,000 or less to some committees.

The Big Six committees have been subject to contribution limits since 1993.

The New Jersey State Laborers PAC also was a major donor when there were no limits. It gave \$102,500 to the Democratic State Committee in 1989- an amount worth \$252,688 in today's dollars and the most ever given in one year to a Big Six committee.

Prior to Hugin's recent donation of \$112,500, the two state parties received 15 contributions larger than \$100,000 in current dollars. All were received in the 1980s before contributions to state parties in 1993 were limited to \$25,000 per year.

#### TABLE 3 INFLATION ADJUSTED CONTRIBUTIONS LARGER THAN \$100,000 GIVEN BY PRIVATE DONORS TO BIG SIX COMMITTEES

DONOD		DECIDIENT		INFLATION
DONOR	AMOUNT	RECIPIENT	WHEN	ADJUSTED (2023)
NJ State Laborers PAC	\$102,500	NJ Democratic State Committee	1989	\$252,688
CWA NJ PEC	\$100,125	NJ Democratic State Committee	1989	\$246,833
Irving and Janice Richter	\$100,000	NJ Democratic State Committee	1989	\$246,056
AFSCME	\$100,000	NJ Democratic State Committee	1989	\$246,056
Waters McPherson McNeil	\$ 87,000	NJ Democratic State Committee	1989	\$214,477
First Jersey Securities	\$ 55,000	NJ Democratic State Committee	1981	\$184,609
CWA PEC (NY)	\$ 50,500	NJ Democratic State Committee	1981	\$169,505
Sills Cummis Et Al	\$ 56,500	NJ Democratic State Committee	1989	\$139,287
New Jersey Education Association	\$ 50,050	NJ Democratic State Committee	1989	\$123,386
NJ UAW PAC Account	\$ 50,000	NJ Democratic State Committee	1989	\$123,028
Revlon Group Incorporated	\$ 50,000	NJ Democratic State Committee	1989	\$123,028
Giordano Halleran & Ciesla	\$ 50,000	NJ Democratic State Committee	1989	\$123,028
AFSCME	\$ 34,700	NJ Democratic State Committee	1981	\$116,472
Leon Hess	\$ 35,000	NJ Republican State Committee	1983	\$107,217
GOPAC	\$ 30,000	NJ Republican State Committee	1981	\$100,696

Looking at 2023 Big Six campaign finance activity through the second quarter, totals for both parties are higher than comparable figures four years ago.

# TABLE 4FUNDRAISING BY "BIG SIX" COMMITTEESJANUARY 1 THROUGH JUNE 30, 2023

REPUBLICANS	RAISED	SPENT**	CASH-ON-HAND	NET WORTH*
New Jersey Republican State Committee	\$ 373,075	\$ 310,265	\$ 84,491	\$ 81,307
Senate Republican Majority	\$ 326,177	\$ 134,000	\$ 383,668	\$ 383,668
Assembly Republican Victory	\$ 450,658	\$ 186,565	\$ 675,818	\$ 675,818
Sub-Total- Republicans	\$1,149,909	\$ 630,830	\$1,143,978	\$1,140,793
Difference Versus Second Quarter 2019 (Dollars)	\$ 399,499	\$ 31,106	\$ 516,206	\$ 520,591
Difference Versus Second Quarter 2019 (Percent)	53%	5%	82%	84%
DEMOCRATS				
New Jersey Democratic State Committee	\$1,304,518	\$1,132,127	\$ 393,281	\$ 246,622
Senate Democratic Majority	\$1,284,372	\$ 449,472	\$1,836,904	\$1,836,904
Democratic Assembly Campaign Committee	\$1,175,918	\$1,067,960	\$1,079,942	\$1,049,504
Sub-Total- Democrats	\$2,460,290	\$1,517,432	\$2,916,846	\$2,886,408
Difference Versus Second Quarter 2019 (Dollars)	\$ 927,387	\$ 387,893	\$1,468,998	\$1,518,416
Difference Versus Second Quarter 2019 (Percent)	60%	34%	101%	111%
Total- Both Parties	\$3,610,199	\$2,148,262	\$4,060,824	\$4,027,200
Difference Versus Second Quarter 2019 (Dollars)	\$1,326,886	\$ 418,999	\$1,985,204	\$2,039,006
Difference Versus Second Quarter 2019 (Percent)	58%	24%	96%	103%

\*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 <u>www.elec.nj.gov</u>. ELEC also can be accessed on Facebook (<u>www.facebook.com/NJElectionLaw</u>) and Twitter (<u>www.twitter.com/elecnj</u>).

