

## **NEWS RELEASE**

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## Jump in Public Contractor Contributions Likely Due to Legislative Election and New Law

Political contributions by public contractors shot up 15 percent in 2023 in a year when there was a legislative election and a new law that let them give more.

Annual disclosure reports filed with the New Jersey Election Law Enforcement Commission (ELEC) showed contributions rose to \$11.2 million- the most since 2009 in dollars unadjusted for buying power.

Table 1 Campaign Contributions Reported by Public Contractors in Annual Disclosure Reports by Year					
YEAR	AMOUNT	CHANGE-%	YEAR	AMOUNT	CHANGE-%
2023	\$11,210,337*	15%	2014	\$ 9,843,769	-8%
2022	\$ 9,771,743	-6%	2013	\$10,713,401	34%
2021	\$10,380,131	19%	2012	\$ 7,988,882	-20%
2020	\$ 8,710,331	-7%	2011	\$ 9,982,696	3%
2019	\$ 9,407,907	-5%	2010	\$ 9,725,922	-12%
2018	\$ 9,947,802	-5%	2009	\$11,078,713	-9%
2017	\$10,485,779	15%	2008	\$12,120,923	-26%
2016	\$ 9,083,938	-1%	2007	\$16,436,039	8%
2015	\$ 9,215,463	-6%	2006	\$15,157,941	

<sup>\*</sup>Preliminary

Joe Donohue, ELEC's Acting Executive Director, said the total is likely even higher because the numbers are preliminary, and contractors are no longer required to report all contributions over \$200.

"Contractor contributions often swell during big election years. Another likely factor in 2023 was the Elections Transparency Act," he said.

The new law (P.L 2023, Chapter 30) enacted in April 2023 made major changes to state campaign finance laws, including those that regulate public contractors. It also increased contribution limits for all reporting entities.

In response to high profile scandals, a series of laws and executive orders in the 2000s sharply curtailed political contributions made by public contractors.

Particularly hard-hit were the so-called "Big Six" committees- the two state parties and four legislative leadership committees. Contractor contributions to those committees fell from a high of \$5.2 million in 2001 to \$83,403 in 2019, according to a 2021 ELEC analysis.

At the same time, the reforms led to a complex, sometimes confusing regulatory system. Plus, the reforms did not address contractor contributions to federal Super PACs and other independent spending committees.

Even as contractor contributions to party committees dropped sharply, spending by independent committees soared-sometimes with little or no public disclosure.

Partly in response to recommendations by ELEC, state lawmakers last year passed legislation that enabled contractors to give as much as other donors to party committees and legislative leadership committees, which disclose contributors over \$200. The law also required independent groups, for the first time in New Jersey history, to disclose election-related contributions larger than \$7,500, including those of contractors.

The new law maintained a requirement that contractors with more than \$50,000 in public business file annual disclosure reports with ELEC.

It ended a requirement that contractors list contributions to party or legislative leadership committees on annual reports.

"While ELEC would have preferred this disclosure to continue in annual reports, some contractors are still listing all donations anyway. Moreover, contractor contributions are disclosed by parties and leadership PACs and can be searched in ELEC's master database of contributions," Donohue said.

The new law did provide more disclosure of small contributions by decreasing from \$300 to \$200 the reporting threshold for business entities in their annual reports.

Among the top ten contracting firms that made contributions in 2023, the top six were engineering firms. Three were law firms while one was a specialty contractor.

An ELEC analysis in 2023 found that 70 percent of contractor contributions came from engineers and law firms.

The top ten donors made \$3.5 million in contributions, or more than one-third of total contributions, and received \$301 million in contracts- about 2 percent of total contracts.

Table 2				
Top Ten Business Entities that Made Contributions in 2023				
BUSINESS ENTITIES	CONTRIBUTIONS	CONTRACTS		
Remington & Vernick Engineers	\$ 701,450	\$ 64,821,048		
CME Associates LLC	\$ 528,750	\$ 57,217,391		
Colliers Engineering and Design, Inc.	\$ 459,510	\$ 50,328,327		
Richard A. Alaimo Business Entities <sup>1</sup>	\$ 428,900	\$ 11,463,748		
French and Parrello Associates, PA	\$ 274,090	\$ 11,920,333		
T&M Associates	\$ 271,250	\$ 39,454,735		
Pennoni Associates Inc.	\$ 254,625	\$ 19,386,902		
Rainone Coughlin Minchello	\$ 210,300	\$ 8,309,034		
Johnston GP Inc. dba Johnston	¢ 205 555	¢ 22 720 020		
Communications/JCT Solutions	\$ 205,555	\$ 33,730,929		
Archer & Greiner, P.C.	\$ 165,775	\$ 3,936,048		
Total- Top Ten 2023	\$3,500,205	\$300,568,495		
Percent	31%	2%		

The top ten recipients of contract checks included committees representing a state senator, the state Assembly Speaker, two county commissioner candidates, two county parties, a Jersey City mayor running for governor, a former governor running for Jersey City mayor, and two continuing political committees.

Table 3			
Top Ten Recipients of Contractor Contributions in 2023			
RECIPIENT	AMOUNT		
Vin Gopal for Senate	\$174,025		
Charles Tomaro for County Commissioner (Middlesex)	\$154,840		
Jim McGreevey for Mayor (Jersey City)	\$153,100		
Leslie Koppel for County Commissioner (Middlesex)	\$151,590		
Middlesex County Democratic Organization	\$142,640		
Steven Fulop <sup>2</sup> for Governor	\$131,397		
EFO Assemblyman Craig Coughlin <sup>3</sup>	\$123,600		
Constructors For Good Government (Utility and Transportation Contractors Association -UTCA)  \$11			
			Gloucester County Democratic Committee
East Bergen First CPC	\$ 99,100		

Municipal officials received the lion's share- 32 percent- of contractor contributions, followed by state officials and committees- 26 percent- and county officials and committees- 24 percent.

<sup>&</sup>lt;sup>1</sup> The Alaimo Group Inc., Richard A. Alaimo Associates, Richard A. Alaimo Association of Engineers, Richard A. Alaimo Engineering Associates, Richard A. Alaimo Engineering Company.

<sup>&</sup>lt;sup>2</sup> Current Jersey City Mayor

<sup>&</sup>lt;sup>3</sup> Assembly Speaker

Table 4				
Recipients by Type of Contractor Contributions in 2023				
RECIPIENT TYPE	SUBTOTALS	TOTALS	PERCENT	
Municipal Candidates- Council/Committee	\$2,645,748			
Municipal Candidates-Mayor	\$ 695,814			
Municipal Officials- Total		\$ 3,341,562	32%	
State Legislative Candidates	\$2,547,407			
State Gubernatorial Candidates	\$ 154,497			
State Party Committees	\$ 32,031			
State Officials and Party Committees- Total		\$ 2,733,936	26%	
County Officials- Executives and Commissioners	\$1,330,586			
County Party Committees	\$1,029,293			
County Officials- Surrogate	\$ 68,250			
County Officials- Sheriff	\$ 50,800			
County Officials- Clerk	\$ 33,567			
<b>County Officials and Party Committees- Total</b>		\$ 2,512,496	24%	
Continuing Political Committees (PACs)		\$ 1,457,349	14%	
Independent Spending Committees		\$ 192,802	2%	
Uncertain		\$ 131,432	1%	
Congress		\$ 86,400	1%	
School Board		\$ 38,600	0.4%	
President		\$ 2,325	0.02%	
Grand Total <sup>4</sup>		\$10,496,902	100%	

Independent special interest groups have become major participants in New Jersey elections. They also attracted some money from contractors last year.

Table 5 Contractor Contributions to Independent Spending Groups in 2023			
GROUP	AMOUNT		
American Representative Majority	\$ 95,500		
Middle Ground	\$ 50,000		
Coalition for Progress	\$ 15,000		
America's Future First	\$ 10,500		
Brighter Future New Jersey	\$ 8,550		
American Democratic Majority	\$ 5,700		
Patriots for Progress, Inc.	\$ 5,000		
NJ United	\$ 1,500		
Planned Parenthood Votes NJ	\$ 1,000		
Planned Parenthood Action Fund of NJ	\$ 52		
Total	\$192,802		

<sup>&</sup>lt;sup>4</sup> Analysis done on contribution data available April 1, 2024.

For the third year in a row, total public contracts reported by business reached a new high- \$16.2 billion. The amount, which is preliminary, represented an increase of 6 percent.

Table 6 Total Value of Contracts Reported Annually by Business Entities					
YEAR	TOTAL CONTRACTS	ANNUAL INCREASE	YEAR	TOTAL CONTRACTS	ANNUAL INCREASE
2023	\$16,177,192,908	6%	2014	\$ 6,982,725,369	3%
2022	\$15,309,810,417	29%	2013	\$ 6,752,690,921	13%
2021	\$11,826,052,411	27%	2012	\$ 5,954,013,939	8%
2020	\$ 9,285,628,117	-5%	2011	\$ 5,509,000,868	-6%
2019	\$ 9,793,935,301	-2%	2010	\$ 5,831,430,755	-4%
2018	\$ 9,984,386,903	-4%	2009	\$ 6,061,413,903	21%
2017	\$10,395,932,831	19%	2008	\$ 5,003,469,665	-12%
2016	\$ 8,747,203,681	6%	2007	\$ 5,686,393,016	-45%
2015	\$ 8,280,639,442	19%	2006	\$10,396,758,835	

The number of contracts for 2023 was 22,241, a seven percent increase. The highest total occurred in 2006 at 24,935.

The total number of business entities filing reports is 1,967- eight percent fewer than in 2022. The high water mark was 2,339 in 2006.

Most statistics in this report reflect information available to the Commission through April 19, 2024 and should be considered preliminary.

Some contractors are likely to submit reports or amendments after that date that could cause changes. All reports are available at ELEC's website: www.elec.nj.gov.

Under pay-to-play laws, all businesses that have received \$50,000 or more through public contracts must indicate whether they have made any reportable contributions and if so, must disclose contracts and contributions to ELEC by April 1 for the previous calendar year.

The average contribution made by contractors in 2023 was \$1,200- a 5.8 percent decrease. The record high average was \$1,372 in 2020.

The top ten contractors, led by affiliates of Horizon Blue Cross Blue Shield, received \$13.9 billion worth of contracts. That represents 86 percent of the total contracts. The group gave \$228,662 in contributions- two percent of the total.

Horizon, the state's largest health insurer, reported 919 contracts with state and local government bodies.

Table 7				
Top Ten Business Entities Reporting				
Largest Contract Totals in 2023*				
BUSINESS ENTITY	CONTRACTS	CONTRIBUTIONS		
Horizon Blue Cross Blue Shield Affiliates <sup>5</sup>	\$11,228,542,221	\$ 63,300		
Verizon New Jersey Inc.	\$ 1,155,219,243	\$ 50,225		
Spencer Savings Bank, SLA	\$ 471,403,735	\$ 1,600		
South State, Inc.	\$ 367,218,822	\$ 21,343		
Earle Asphalt Company	\$ 154,213,139	\$ 16,250		
Joseph M. Sanzari, Inc.	\$ 136,946,434	\$ 14,600		
Asphalt Paving Systems Inc	\$ 100,728,014	\$ 22,225		
George Harms Construction Co., Inc.	\$ 95,062,384	\$ 22,775		
J. Fletcher Creamer & Son, Inc.	\$ 88,560,291	\$ 8,550		
Schifano Construction Corp.	\$ 78,834,030	\$ 7,794		
Top Ten	\$13,876,728,312	\$228,662		
Percent	86%	2%		

<sup>\*</sup>Lists only public contractors that made reportable political contributions.

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<sup>&</sup>lt;sup>5</sup> Horizon Healthcare of NJ Inc., Horizon Insurance Co., Horizon Casualty Services Inc., and Horizon Healthcare Dental Inc.