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# ELEC-Tronic

AN ELECTION LAW ENFORCEMENT COMMISSION NEWSLETTER

"Furthering the Interests of an Informed Citizenry"

Election Law Enforcement Commission, P.O. Box 185, Trenton, NJ 08625  
[www.elec.state.nj.us](http://www.elec.state.nj.us) (609) 292-8700 - Toll Free Within NJ 1-888-313-ELEC (3532)

## Directors:

Jeffrey M. Brindle  
Joseph W. Donohue  
Carol L. Hoekje  
Amy F. Davis  
Carol Neiman  
Linda White  
Todd J. Wojcik  
Shreve Marshall  
Christopher Mistichelli



## ELEC AT 40

By Deputy Director Joseph Donohue and Intern Henry Coslick.

WHAT FOLLOWS IS A LIST OF SOME OF THE KEY MILESTONES IN ELEC'S HISTORY. WE HOPE IT WILL BE A USEFUL REFERENCE FOR POLICY MAKERS, THE MEDIA, ACADEMIC RESEARCHERS AND THE GENERAL PUBLIC.

### 1970s and Before

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#### October 16, 1964-

Governor Richard Hughes enacts New Jersey's first lobbying law (Chapter 207).

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**October 16, 1964-** Governor Richard Hughes enacts New Jersey's first lobbying law (Chapter 207). It requires any lobbyist who makes \$500 or more in three months or spends that much to influence legislation to register with the Secretary of State. Trenton attorney John Heher, representing American Mutual Insurance Alliance of Chicago, becomes the state's first registered lobbyist.<sup>1</sup> On December 15, 1964, New Jersey Education Association is one of the first groups to register.<sup>2</sup>

**September 1, 1970-** The interim report of the bipartisan New Jersey Election Law Revision Commission concludes "stringent disclosure requirements on every aspect of political financing must be imposed and enforced at every election level . . . If there were full public disclosure and publication of all campaign contributions and expenditures during a campaign, the voters themselves could better judge whether a candidate has spent too much." It recommends creation of a 5-member Election Law Enforcement Commission and a tough enforcement strategy: "withhold the issuance of a certificate of election to a candidate who has not complied with the provisions of this act."<sup>3</sup>

**November 13, 1971-**A new lobbying law (Chapter 183) takes effect, repealing the 1964 act and transferring all jurisdiction to the Attorney General. It requires lobbyists to wear badges in the Statehouse for the first time and file quarterly reports that list the bills they are supporting or opposing.

**April 7, 1972-** Federal Election Campaign Act of 1971 requires disclosure of campaign contributions and expenditures for federal candidates.<sup>4</sup>

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<sup>1</sup> "First Agent to Register as Lobbyist," Trenton Evening Times, October 27, 1964.

<sup>2</sup> "NJEANow Registered to Lobby," Trenton Evening Times, December 15, 1964.

<sup>3</sup> "Report to the Governor and Legislature," September 1, 1970- NJ Election Law Revision Commission.

<sup>4</sup> Page 1, "The Federal Election Commission- The First 10 Years," April 14, 1985.

**June 17, 1972-** Break-in occurs at the Democratic National Committee headquarters at the Watergate office complex in Washington, DC. It becomes the focus of a national scandal and intensifies public debate about the need for campaign finance reform.

**June 28, 1972-** New Jersey Secretary of State Paul Sherwin becomes the 131<sup>st</sup> public official indicted for corruption since 1969. Five months later, Sherwin, a Republican, is fined \$2,000 and sentenced to up to two years in prison on charges of bribery and conspiracy to fix a \$600,000 state highway construction contract in return for a \$10,000 contribution to the state party.<sup>5</sup>

**June 29, 1972-** Former Secretary of State Robert Burkhardt, a Democrat, is fined \$5,000 and placed on probation for three years for accepting a bribe to fix a bridge construction contract in 1964.<sup>6</sup>

**July 17, 1972-** As part of a long quest to win passage of campaign finance reforms, Senator William Schluter (R-6A), a member of the Election Law Revision Commission, introduces a revised bill (S-1124) entitled the New Jersey Campaign Contributions and Expenditures Reporting Act. The bill, which becomes law nine months later, creates an independent 4-member Election Law Enforcement Commission to oversee it.<sup>7</sup>

**February 4, 1973-** Bergen County Republican Policy Committee becomes the first county party in New Jersey history to adopt contribution disclosure requirements.<sup>8</sup>

**February 6, 1973-** Senator Schluter testifies before the Assembly Judiciary Committee. "The principle of disclosure...provides the restraints and controls that are necessary for a reasonable and a realistic statute. Excesses will be pared down by the 'glare of the public spotlight.'"<sup>9</sup>

**April 5, 1973-** Despite months of contentious committee debate, the state Senate votes 33-0 to adopt the reform bill (S-1124).<sup>10</sup>

**April 16, 1973-** State Assembly votes 63-6 to approve reform bill.<sup>11</sup> Unhappy with the bill's passage, colorful, pistol-toting Assemblyman Anthony Imperiale (I-Essex) said it "should be installed on every toilet in the capital to get rid of it."<sup>12</sup>

**April 23, 1973-** Time magazine article highlights the efforts of U.S. Attorney Herbert Stern, whose office alone had indicted 67 officials on corruption charges since 1970. "While New Jersey leads the nation in discovered political corruption, scandal after scandal is emerging in many other areas as the nation conducts what appears to be an unprecedented political housecleaning. Corruption is not necessarily on the rise in the U.S., but the prosecution of it is."<sup>13</sup>

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<sup>5</sup> "So Far, Drive in Jersey has Indicted 131," June 29, 1972 and "Sherwin Sentenced to One to Two Years," New York Times, November 23, 1972.

<sup>6</sup> "Ex-Aide in Jersey Fined for Bribery," New York Times, June 30, 1972

<sup>7</sup> Legislative history on S-1124, New Jersey Legislative Index.

<sup>8</sup> "GOP Chairman in Bergen to Quit," New York Times, February 5, 1973.

<sup>9</sup> Hearing transcript.

<sup>10</sup> Legislative history on S-1124, New Jersey Legislative Index.

<sup>11</sup> Legislative history on S-1124, New Jersey Legislative Index.

<sup>12</sup> "Cahill OK Due on Bill," The Evening Times, April 17, 1973.

<sup>13</sup> "Corruption: Busting Public Servants," Time Magazine, April 23, 1973.

**April 24, 1973-** The New Jersey Campaign Contributions and Expenditures Reporting Act (The Act- Chapter 83) is signed into law by Governor William Cahill, creating the four-member Election Law Enforcement Commission. The initial members sworn into office on May 3, 1973 are Chairman Frank Reiche, former Congresswoman Florence Dwyer, former Administrative Judge Sidney Goldman, and Judge Bartholomew Sheehan.<sup>14</sup> The Commission hires David Norcross as its first executive director and Edward Farrell as its first legal counsel.

**June 10, 1973-** Donald Herzberg, director of the Eagleton Institute of Politics, predicts that The Act will have a dramatic impact in New Jersey politics. "It's the toughest disclosure law in the United States."<sup>15</sup>

**August 8, 1973-** Renowned campaign finance expert Herb Alexander, a consultant to ELEC during its early days, calls the new law a national model. "In many respects, it's about the best state law in the country...Once the Commission gets operating, it will bring increased levels of confidence to the public."<sup>16</sup>

**February 6, 1974-** The American Civil Liberties Union and its New Jersey affiliate files a lawsuit *ACLU of New Jersey v. New Jersey Election Law Enforcement Commission* challenging the constitutionality of The Act.

**March 11, 1974-** In *New Jersey Chamber of Commerce v. New Jersey Election Law Enforcement Commission*, the New Jersey Chamber of Commerce and other groups obtain temporary injunction preventing the Commission from implementing lobbying disclosure requirements.

**May 6, 1974-** The Gubernatorial Public Financing Program (Chapter 26) is enacted by Governor Brendan Byrne, who calls it a "first giant step toward removing the evil of large, private contributions from gubernatorial elections."<sup>17</sup> The law, sponsored by future ELEC Commissioner Albert Burstein (D-37), applies only to general elections and imposes first ever contribution limits (\$600 per election in 1977) and spending limits on candidates in exchange for public funding.

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*May 6, 1974-*  
*The Gubernatorial*  
*Public Financing*  
*Program (Chapter 26) is*  
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**April 14, 1975-** Members of first Federal Election Commission are sworn into office.<sup>18</sup>

**January 13, 1976-** Lewis Thurston III replaces David Norcross as executive director. Norcross becomes a U.S. Senate candidate, and later would hold several positions with the Republican National Committee, including general counsel.

**January 30, 1976-** *Buckley v. Valeo*- U.S. Supreme Court upholds contribution limits and disclosure requirements but ends restrictions on campaign spending.

**November 2, 1976-** New Jersey voters approve a constitutional amendment allowing casinos to operate in Atlantic City. It turns out to be the most expensive ballot question campaign in state history, costing the equivalent of \$5.4 million in 2012 dollars.<sup>19</sup>

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<sup>14</sup> Legislative history on S-1124, New Jersey Legislative Index.

<sup>15</sup> "An Expert Looks at State Politics," New York Times, June 10, 1973.

<sup>16</sup> "State Campaign Fund Law Called a National Model," Star-Ledger, August 8, 1973.

<sup>17</sup> "The 'Guardian Angel' of Campaigns," New Jersey Municipalities, April 1986.

<sup>18</sup> Page 2, "The Federal Election Commission- The First 10 Years," April 14, 1985.

<sup>19</sup> Analysis by Deputy Director Joseph Donohue of information from 1975 ELEC Annual Report.

**June 7, 1977-** Developer Peter Levine contributes a net total of \$331,753 to the unsuccessful gubernatorial primary campaign of Representative Bob Roe. Levine's contribution is the equivalent of \$1.28 million in 2012 dollars, and is believed to be the largest private contribution to a state candidate in ELEC's history, not counting large contributions by self-financed candidates to their own campaigns.<sup>20</sup>

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*November 8, 1977-  
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**November 8, 1977-** New Jersey becomes the first state in the nation to conduct a gubernatorial general election with public funds. The initial grants to the first two candidates- Governor Brendan Byrne and his challenger State Senator Raymond Bateman- total \$2.1 million.

**May 16, 1979-** ELEC chairman Frank Reiche attends final meeting after becoming the only ELEC commissioner nominated to serve on the Federal Election Commission. His FEC term lasts until April 1985.<sup>21</sup> He serves as FEC chairman in 1982.

## 1980s

**May 8, 1980-** In *New Jersey Chamber of Commerce v. New Jersey Election Law Enforcement Commission*, the State Supreme Court issues order upholding constitutionality of lobbyist disclosure requirements but narrowing focus of the law.

**July 23, 1980-** Governor Brendan Byrne signs new law (Chapter 74) extending Gubernatorial Public Financing Program to primary elections. The prime sponsor was state Senator Charles Yates (D-7<sup>th</sup>).

**March 16, 1981-** In *ACLU of New Jersey v. New Jersey Election Law Enforcement Commission*, a three-judge District Court upholds constitutionality of lobbyist disclosure requirements.

**May 22, 1981-** Governor Brendan Byrne approves new laws (Chapters 150 and 513) that require lobbyists to file annual financial reports with ELEC while continuing to make lobbyists register with, and file quarterly reports with, the Attorney General's office. The laws, both sponsored by State Senator Eugene Bedell (D-12<sup>th</sup>), clarify that expenses of lobbyists would be reportable even if they were not "expressly for" lobbying.

**June 2, 1981-** A record 16 candidates from both parties qualify for public funding in the gubernatorial primary.

**July 22, 1981-** Scott Weiner attends first meeting as ELEC's newest Executive Director. Lewis Thurston III later becomes Chief of Staff to Governor Tom Kean.

**January 12, 1982-** On his last day in office, Governor Brendan Byrne signs more than 150 bills, including one (S-3474) sponsored by State Senator Eugene Bedell (D-12<sup>th</sup>) that substitutes the word "expressly" for "without limitation" in state lobbying law. The subtle amendment sharply reduces the amount of entertainment expenses, gifts, tickets and other items lobbyists must report in relation to their work.<sup>22</sup>

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<sup>20</sup> Analysis by Deputy Director Joseph Donohue of original campaign finance reports.

<sup>21</sup> Page 13, "The Federal Election Commission- The First 10 Years," April 14, 1985.

<sup>22</sup> "Just One Little Word in Lobbyist Law Makes Big Difference on Disclosure," Star-Ledger, March 24, 1987.

**December 21, 1982-** Attorney General Irwin Kimmelman and ELEC unveil a report calling for the repeal of the “expressly” loophole and consolidation of lobbying regulation under one state agency.<sup>23</sup>

**January 17, 1984-** Under new law (Chapter 579) enacted by Governor Tom Kean, continuing political committees, commonly called political action committees or simply PACs, must begin reporting their campaign finance activities with the Commission.

**July 16, 1984-** Frederick Herrmann attends first meeting as ELEC’s newest Executive Director. Scott Weiner later becomes Counsel to Gov. Jim Florio, Commissioner of the Department of Environmental Protection and Energy, and Chief Executive of the New Jersey Schools Construction Corporation.

**September 27, 1985-** In *Friends of Governor Tom Kean v. New Jersey Election Law Enforcement Commission*, the State Supreme Court rules that ELEC lacked the power to charge a gubernatorial candidate with another candidate’s truly independent expenditures.

**July 17, 1986-** A federal grand jury finds Kenneth Valentine, a former stockbroker for First Jersey Securities Inc., guilty of perjury for claiming he used his own funds when he made a \$1,000 contribution to a U.S. Senate candidate. In fact, Valentine and five other First Jersey brokers were reimbursed by a company official for making contributions to the candidate.<sup>24</sup>

**September 20, 1988-** ELEC approves first White Paper entitled “Contribution Limits and Prohibited Contributions” and authored by Deputy Director Jeff Brindle. The key recommendation for contribution limits becomes law in 1993.

**October 6, 1988-** A state grand jury convened by Attorney General Cary Edwards says it found evidence that an unnamed company made improper loans to employees who gave maximum contributions to gubernatorial candidates.<sup>25</sup> It recommended several changes to The Act to guard against such abuses, including stricter rules against misuse of loans and more severe penalties for violations. Newspapers identify the company as First Jersey Securities Inc.<sup>26</sup>

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## 1990s

**January 7, 1990-** Lobbyist Karen Kotvas, executive director of Lawyers Encouraging Government and Law, claims top Assembly Democrats pressured her into making a \$20,000 contribution and threatening to block her legislative agenda if she refused- charges the legislators denied.<sup>27</sup> The Attorney General’s office could not verify the accusations.<sup>28</sup> Nonetheless, the uproar over Kotvas’s allegations led to the creation of a nine-member task force entitled the Ad Hoc Commission on Legislative Ethics and Campaign Finance to study potential reforms.<sup>29</sup>

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<sup>23</sup> “The New Jersey Legislative Activities Disclosure Act- Analysis and Recommendations for Amendment,” December 1982 and “Lobbying Law Changes Aired,” Trenton Evening Times, December 22, 1982.

<sup>24</sup> “Broker Guilty of Perjury on Donation,” Trenton Evening Times, July 18, 1986.

<sup>25</sup> “Presentment of the State Grand Jury Concerning the New Jersey Campaign Contributions and Expenditures Reporting Act,” October 6, 1988.

<sup>26</sup> “Trouble on Many Fronts- First Jersey is Under Scrutiny Once Again,” The Record, November 9, 1986.

<sup>27</sup> “Lobbyist Says She was Shaken Down, Accuses Top NJ Democrats,” The Record, January 7, 1990.

<sup>28</sup> “Democrats Escape Lobbyist’s Charges,” The Record, April 5, 1990.

<sup>29</sup> “Trenton Ethics Scrutinized, Study Panel Named,” The Record, March 28, 1990.



**February 25, 1990-** Executive Director Frederick Herrmann continues a long crusade to eliminate a major gap in the state's lobbying disclosure law. "You couldn't have a worse law than we do. You've got millions of dollars here- where's that money going?"<sup>30</sup>

**May 16, 1990-** ELEC unanimously approves White Paper 5 entitled "Lobbying Reform." Authored by Deputy Director Jeff Brindle, it calls for elimination of the "expressly" loophole in the lobbying law, reporting of executive branch lobbying, disclosure of grassroots lobbying and other several other changes that become law in 1993.

**October 22, 1990-** Ad Hoc Commission on Legislative Ethics and Campaign Finance releases 29 recommendations, including contribution limits for all state and local candidates, creation of legislative leadership committees, restrictions on the use of campaign funds and full disclosure of lobbyist expenditures.<sup>31</sup>

**August 5, 1991-** Governor Jim Florio enacts a law (Chapter 243) sponsored by Assemblyman George Spadoro (D-18<sup>th</sup>) that finally repeals the infamous "expressly" loophole and requires lobbyists to disclose all expenditures they make entertaining legislators and executive branch officials. Another law (Chapter 244) sponsored by Assemblyman John Villapiano (D-11<sup>th</sup>) makes ELEC solely responsible for enforcing lobbyist disclosure laws.

**March 8, 1993-** Governor Jim Florio enacts a law (Chapter 65) that, for the first time in state history, imposes contribution limits on all state and local candidates in New Jersey. Sponsored by Senate President Donald DiFrancesco (R-22) and Assembly Speaker Garabed "Chuck" Haytaian (R-23), the law also allowed the four legislative leaders to establish their own political action committees, set new restrictions on how candidates could use campaign funds, and imposed stiffer fines for violations.

**November 10, 1993-** In an interview with the Washington Post, Ed Rollins, campaign manager for Governor Christie Whitman, said he spent about \$500,000 in "walking around money" to keep down minority turnout.<sup>32</sup> While Rollins recanted his comments, they led to investigations by the U.S. Attorney's Office, the Attorney General's Office and ELEC. None of those probes found any illegalities but did lead to recommendation to end cash payments on election day.<sup>33</sup> ELEC later imposes an \$8,400 fine on the Democratic State Committee for failing to document its street money outlays in the 1993 campaign.<sup>34</sup>

**November 16, 1993-** Due to illness, Edward Farrell, who gained a national reputation as ELEC's first Counsel, attends last meeting after 20 years of service.

**January 7, 1994-** Sponsored by Assembly Speaker Garabed "Chuck" Haytaian (R-23), a bill banning the use of cash for "street money" payments and requiring the use of checks is signed into law (Chapter 370) by Governor Jim Florio.

**January 17, 1995-** James Wyse is introduced as the successor to Edward Farrell as ELEC's Counsel. He serves nearly as long as his predecessor until 2012.

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<sup>30</sup> "Larry Lobbyist+Lou Lawmaker = Large Loophole in Disclosure Law," The Press of Atlantic City, February 25, 1990.

<sup>31</sup> "Findings and Recommendations of the Ad Hoc Commission on Legislative Ethics and Campaign Finance," October 22, 1990.

<sup>32</sup> "Rollins: GOP Cash Suppressed Black Vote," Washington Post, November 10, 1993.

<sup>33</sup> "Rollins Probe Finds No GOP Payoffs," January 13, 1994; and "ELEC Finds no 'Street Money' Abuse," Star-Ledger, February 16, 1994.

<sup>34</sup> "Dems Pay Top Penalty for Campaign Violations," Star-Ledger, August 26, 1995.

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**May 17, 1995-** A law (Chapter 105) establishing procedures for holding recall elections in New Jersey is signed by Governor Christie Whitman. It was sponsored by Assembly Speaker Garabed "Chuck" Haytaian (R-23) and Assemblyman Frank LoBiondo (R-1).

**May 23, 1995-** Former U.S. Attorney Michael Chertoff attends his first meeting as an ELEC commissioner. While he serves just four months, he later becomes the nation's Secretary of Homeland Security on February 15, 2005.

**January 10, 1996-** Governor Christie Whitman enacts a law (Chapter 391) that requires candidates and committees that report to ELEC include their name and address on any communications they distribute. Chief sponsor is Senator William Schluter (R-23).

**January 24, 1997-** First ELEC website goes live.

**October 8, 1997-** State Appellate Court concludes that Remington and Vernick circumvented state law by using multiple PACs to provide contributions to candidates and committees. On December 16, 1998, ELEC, after its own review, approves a \$16,900 fine against the engineering firm.

**November 18, 1997-** Deputy Director Jeff Brindle presents White Paper 12 entitled "Repartyization: The Rebirth of County Organizations" to the Commission. The report accurately predicts that the 1989 U.S. Supreme Court ruling in *Eu v. San Francisco County Democratic Central Committee*, which allowed party officials to make primary endorsements, coupled with 1993 reform law, would lead to a resurgence of county parties in New Jersey.

**February 10, 1998-** Governor Christie Whitman unveils her proposed Fiscal Year 1998-1999 budget. It includes a special \$1 million appropriation to help ELEC finish modernizing its computer system.

**October 6, 1999-** Upgrades to ELEC's computer enable the public, for the first time, to search reports filed by candidates on the agency's website.

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## 2000s

**June 8, 2000-** A special investigative panel that includes future ELEC Commissioner Walter Timpone, a former Assistant US Attorney, is critical of a \$500 million state motor vehicle inspection contract with Parsons Infrastructure and Technology Group.<sup>35</sup> Parsons and affiliated groups had provided more than \$500,000 in contributions to New Jersey candidates and Committees, according to the State Commission of Investigation. <sup>36</sup> The Parsons project is cited by legislative sponsors as a key impetus behind efforts to enact "pay-to-play" restrictions on public contractors.

**November 6, 2001-** With five candidates participating in the Gubernatorial Public Financing Program, ELEC distributes more than \$22 million in public funds- the most ever in one year.

<sup>35</sup> "AG: Officials Covered Up DMV Mess- Report States Supervisors Ignored, Distorted Signs of Inspection Fiasco," Star-Ledger, June 9, 2000.

<sup>36</sup> "Probe Calls Auto-Testing Deal a Waste- SCI Review Traces Overpayments and Undone Work to Bidding Process," Star-Ledger, March 14, 2002.

**March 27, 2002-** President George W. Bush enacts the so-called McCain-Feingold law that seeks to eliminate “soft money” contributions to national parties and prohibits use of corporate or union funds for issue-oriented radio and television ads before federal elections.

**November 4, 2003-** The battle over the fourth legislative district costs the two state parties more than \$6.1 million, making it the most expensive legislative showdown ever. The campaign cost more than the 1985 gubernatorial general election.

**December 10, 2003-** In *McConnell v. FEC*, the U.S. Supreme Court, in a 5-4 vote, upholds key aspects of the McCain-Feingold law.

**June 16, 2004-** Governor Jim McGreevey enacts 20-bill package of ethics and campaign finance bills, including state’s first pay-to-play restrictions for public contractors (Chapter 19), sponsored by Senate Majority Leader Bernard Kenny (D-33) and Assemblywoman Loretta Weinberg (D-37); public disclosure of grassroots lobbying (Chapter 20), sponsored by Senator John Adler (D-6) and Assemblywoman Linda Greenstein (D-14); a reduction from \$400 to \$300 in the threshold for disclosing information about contributors (Chapter 28), sponsored by Assemblywoman Joan Voss (D-38); registration of professional fundraisers (Chapter 29), sponsored by Assemblyman Reed Gusciora (D-15); and expansion of reportable lobbying activities to include efforts to influence the executive branch (Chapter 27), sponsored by Assemblyman David Mayer (D-4).

**June 22, 2004-** Federal Election Commission imposes \$508,900 fine on New Jersey developer Charles Kushner for alleged federal campaign finance violations.

**June 22, 2004-** Former Assemblyman Albert Burstein (D-37), co-sponsor of the law that created the Gubernatorial Public Financing Program, attends his first meeting as an ELEC commissioner.

**August 8, 2004-** In an effort to test public financing for legislative campaigns, Governor Jim McGreevey enacts “New Jersey Fair and Clean Elections Pilot Project” (Chapter 121), sponsored by Assembly Majority Leader Joseph Roberts (D-5) and Assemblywoman Linda Greenstein (D-14). About \$4.2 million is spent, mostly for grants to candidates, in five legislative districts in 2005 and 2007 but ultimately the program is phased out.

**September 22, 2004-** Governor Jim McGreevey issues Executive Order 134 closing “fair and open” loophole that let contractors receive state contracts larger than \$17,500 even if the contractors made large contributions to gubernatorial candidates, or state or county parties.

**January 23, 2005-** Jerry Fitzgerald English, former commissioner of the state Department of Environmental Protection and one-time chairwoman of the Port Authority of New York and New Jersey, attends her first meeting as ELEC chairwoman. She becomes ELEC’s longest serving chair.

**January 26, 2005-** Governor Richard Codey issues Executive Order 18 clarifying that state pay-to-play laws do not apply to contracts financed through the Federal Highway Administration.

**March 22, 2005-** Governor Richard Codey enacts a law (Chapter 51) that puts statutory force behind Executive Order 134, which eliminated “fair and open” loophole for state contracts. Sponsored by Assemblywoman Linda Greenstein (D-14) and Assemblyman Michael Panter

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(D-12), the law also makes clear that federally financed contracts are exempt from state pay-to-play reforms.

**November 8, 2005-** With the two major party nominees, Democrat Jon Corzine and Republican Doug Forrester, bankrolling their own campaigns and not participating in the Gubernatorial Public Financing Program, the campaign for governor costs nearly \$88 million. It is the most expensive state election in history.

**January 5, 2006-** Governor Richard Codey enacts a law (Chapter 271) that enables local government entities to develop their own pay-to-play laws. It also requires public contractors that receive more than \$50,000 in contracts in a calendar year to file annual disclosure reports with ELEC. Prime sponsors include Assemblywoman Linda Greenstein (D-14) and Assemblyman Michael Panter (D-12).

**February 21, 2006-** ELEC approves \$255,000 fine against the Democratic State Committee- its largest fine ever, and the largest ever against a Democratic committee. On August 15, 2006, ELEC approves a \$45,750 fine against the Republican State Committee- the agency's seventh largest fine, and the largest ever against a Republican committee.

**February 23, 2006-** Former ELEC Vice Chairwoman Paula Franzese becomes chairwoman of the State Ethics Commission following an appointment by Governor Jon Corzine.

**January 13, 2008-** Governor Jon Corzine enacts law (Chapter 304) clarifying that pay-to-play disclosure laws do not apply to non-profit groups. It was sponsored by Senators Joseph Kyrillos (R-13) and Raymond Lesniak (D-20).

**January 16, 2008-** The state Supreme Court unanimously upholds as constitutional the state's pay-to-play restrictions on public contractors, rebuffing a challenge filed by Earle Asphalt Company.

**September 24, 2008-** Governor Jon Corzine issues Executive Orders 117, which prohibits large contractor contributions to candidates for Governor or Lieutenant Governor, State Political Party Committees, County Political Party Committees, Legislative Leadership Committees, and Municipal Political Party Committees, and 118, which extends pay-to-play restrictions to redevelopment contracts.

**June 16, 2009-** The Commission announces the appointment of long-time Deputy Director Jeff Brindle as its newest Executive Director. Frederick Herrmann retires after 25 years of service. During his tenure, he served as President of the Council on Governmental Ethics Laws (COGEL) and President of the Northeastern Regional Conference on Lobbying (NORCOL) and received numerous awards for his efforts to promote ethical government.

**June 26, 2009-** Governor Jon Corzine enacts a new law (Chapter 66) sponsored by Assemblywoman Joan Quigley (D-32) and Assemblyman Joseph Cryan (D-20) that establishes electoral and campaign finance requirements for the new office of Lieutenant Governor. Kim Guadagno is elected the state's first Lieutenant Governor on November 3, 2009.

**November 3, 2009-** Independent special interest groups spend \$14 million in the New Jersey's governor's race, reflecting a trend of outside groups playing a bigger role in state, national and even local campaigns.

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Lieutenant Governor.*

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**November 16, 2009-** Executive Director Jeff Brindle announces that, for the first time, contributions made to local officials can be searched on ELEC's website.

**January 19, 2010-** ELEC Vice Chairman Peter Tober attends his last meeting after accepting an appointment as Assistant Counsel to Governor Chris Christie. On February 1, 2011, he becomes Executive Director of the State Ethics Commission after an appointment by the Governor.

**January 20, 2010-** Governor Chris Christie issues Executive Order 7 extending the definition of business entity to include labor unions and organizations. The state Appellate Court on May 7, 2010 vacates the order, insisting legislation is necessary to make that change.

**January 21, 2010-** The U.S. Supreme Court in *Citizens United v. FEC*, in a 5-4 ruling, strikes down a ban on unlimited independent campaign spending by corporations and unions while upholding contribution limits for candidates. It also declares that lawmakers have broad authority to require independent groups to disclose their campaign finance activities.

**March 8, 2010-** In *In re Election Law Enforcement Commission Advisory Opinion No. 01-2008*, the New Jersey Supreme Court unanimously upholds ELEC's authority to prohibit candidates from using campaign funds for their defense against criminal charges.

**April 22, 2010-** ELEC issues a list of seven priority recommendations, including the elimination of the "fair and open" loophole in pay-to-play law, the consolidation of pay-to-play regulations into a single state law, detailed disclosure of campaign-related spending by political non-profit groups, disclosure of lobbyists hired by government agencies, wheeling restrictions and disclosure of efforts to lobby local officials.

**September 8, 2010-** Governor Chris Christie unveils a broad ethics reform package, including an end to the "fair and open" loophole in pay-to-play laws, consolidation of pay-to-play regulation into a single statute, extension of pay-to-play laws to labor unions, and an end to the practice of "wheeling."

**November 5, 2010-** ELEC receives the "Best Official New Jersey Web Site" award from the Documents Association of New Jersey.

**November 15, 2010-** Senate State Government, Wagering, Tourism and Historic Preservation Committee approves a bill (S-2379) sponsored by Senators Barbara Buono (D-18<sup>th</sup>) and Loretta Weinberg (D-37) that requires political non-profit groups to disclose their contributions and expenditures if they take part in New Jersey elections.

**May 26, 2011-** ELEC, in conjunction with the state Attorney General's office, files a civil lawsuit seeking repayment of \$94,004 in campaign funds used to fund criminal defense costs on behalf of Sharpe James, a former Newark Mayor and State Senator.

**September 15, 2011-** State Comptroller Matthew Boxer and ELEC Executive Director Jeff Brindle hold joint press conference calling for the elimination of the so-called "fair and open" loophole in state pay-to-play laws.

**January 17, 2012-** Governor Chris Christie enacts a law (Chapter 204) sponsored by Senator Raymond Lesniak (D-20) that prohibits candidates or office-holders from raising campaign funds on public property and allows ELEC to impose fines of at least \$5,000 for violations.

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*September 8, 2010-*

*Governor Chris Christie unveils a broad ethics reform package, including an end to the "fair and open" loophole in pay-to-play laws.*

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**February 7, 2012-** In *Margaret Nordstrom v. William "Hank" Lyon*, the state Appellate Division upholds the authority of ELEC to enforce the state's campaign finance rules.

**March 7, 2012-** Lobbyist expenditures reached a record \$74.1 million in 2011 due largely to an unprecedented \$10.9 million communications expenditure by the New Jersey Education Association.

**May 3, 2012-** Senator Minority Leader Tom Kean (R-21) and Senator Michael Doherty (R-23) introduce legislation (S-1917) that imposes the same contribution limits, disclosure requirements and contract conditions on labor unions that most other public contractors face under state pay-to-play laws.

**May 21, 2012-** Former election officials, including former ELEC and FEC Chairman Frank Reiche, jointly file an amicus brief urging the Supreme Court to reconsider its ruling in *Citizens United v. FEC*.

**June 2012-** Senator Samuel Thompson (R-12) introduces budget resolution 4357 seeking \$2 million to enable ELEC to upgrade its computer system.

**October 18, 2012-** State Assembly, in a 49-23-6 vote, approves resolution (AR86) opposing *Citizens United v. FEC* ruling and calls on Congress to amend the U.S. Constitution to reverse it.

**March 14, 2013-** Assembly State Government Committee approves a bill (A-3863) co-sponsored by Assemblyman Reed Gusciora (D-15) and Assemblywoman Linda Stender (D-22) that adopts ELEC's proposal to require political non-profit groups and Super PACs to disclose contributions and expenditures if they take part in a New Jersey election.

**March 26, 2013-** Attorney General Jeffrey Chiesa announces indictment against Birdsall Services Group and several executives for allegedly circumventing the state's pay-to-play laws. On June 13, 2013, the Attorney General's office announced Birdsall pleaded guilty and agreed to pay a \$1 million fine in addition to \$2.6 million in previous civil penalties.

**April 5, 2013-** Fund for Jobs, Growth and Security, a Washington-based 527 committee, files a lawsuit against ELEC. Fund organizers want to file as a political committee and disclose both their contributors and expenditures. But they insist that in the wake of *Citizens United v. FEC*, the committee should not have to abide by contribution limits. On April 26, 2013, the United States District Court for the District of New Jersey issues temporary injunction against enforcement of the contribution limits for the Fund.

**April 24, 2013-** Senator Minority Leader Tom Kean (R-21) appoints former ELEC Executive Director Frederick Herrmann to the Joint Legislative Committee on Ethical Standards.

**April 30, 2013-** A bill (S-2748) is introduced by Senators James Beach (D-6<sup>th</sup>) and Linda Greenstein (D-14<sup>th</sup>) proposing a sweeping overhaul of campaign finance laws. It would establish a single statewide pay-to-play law; scale back the use of the "fair and open" loophole while still allowing it for state, county and municipal political party committees; expand disclosure requirements for independent groups; require disclosure of all contributions, not just those above \$300; raise contribution limits in accordance with ELEC's Cost Index Report recommendations; and require disclosure of contributions for all vendors with public contracts over \$17,500.

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**April 30, 2013-**

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