



ELEC-TRONIC

An Election Law Enforcement Commission Newsletter

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"Furthering the Interest of an Informed Citizenry"

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Website:

www.elec.state.nj.us

Comments from the Chairman Ronald DeFilippis

My first column of 2016 will discuss the Commission, its history, its future.

ELEC is mainly viewed as a disclosure agency, which of course it is. Yet, it is actually much more! The Commission is comprised of a unique blend of disclosure, prosecutorial, quasi-judicial, and legislative responsibilities.

In 1973, then Governor William T. Cahill signed into law the New Jersey Campaign Contributions and Expenditures Reporting Act. The Commission was established as part of this law.

One year later, Governor Brendan T. Byrne signed a measure that created the Gubernatorial Public Financing Program. The program enables qualified candidates of limited means to run for governor.

Incidentally, the program, which is now needed more than ever because of the deluge of independent spending, will again be in full throttle in fiscal year 2017 for the primary election.

In creating a single agency to oversee campaign financial activity by candidates ranging from fire district commissioner to governor, the Legislature provided it with an independent, quasi-judicial, quasi-legislative status.

This independence, important to electoral integrity, was accomplished in two ways.

First, the Legislature guaranteed the autonomy of the Commission by making it independent of any department, board, or office by giving the Commission authority over personnel and budgetary matters, and enforcement, etc.

Second, by statute, the Commission is supposed to be made up of four commissioners, of which no more than two members can be appointed from the same party. Moreover, commissioners are prohibited from engaging in any political activity in the State and are subject to a strict code of ethics.

The intention is that commissioners and staff, like judges, would be free from the influence of political pressures.

The structure has worked well; so well that numerous additional responsibilities have been added since 1973.

Additions to the Commission's responsibilities have included jurisdiction over the regulation of lobbying, including registration, quarterly reporting of their activities, annual financial disclosure, and grassroots lobbying.

In addition, the Commission regulates political parties, legislative leadership committees, political action committees (PACs), and political party committees. Independent expenditures are also disclosed when advertisements expressly support or oppose candidates.

Of course, the Commission, following Citizens United's endorsement of disclosure, has called for the registration and disclosure of contributions and expenditures by these independent groups.

Other reforms that have come the Commission's way include oversight of pay-to-play, fundraisers, and political activity on governmental property.

And of course, as mentioned above, the Gubernatorial Public Financing Program is also under its purview.

In recent years, the Commission has become much more aggressive in tracking trends in campaign financing, lobbying, and all areas under its jurisdiction.

Further, more aggressive efforts have been undertaken in the area of enforcement, which also contributes to an approximate 95 percent rate of compliance with disclosure laws.

Overall, the profile of the Commission has been lifted significantly, which has increased the respect for ELEC and the job it is tasked to do.

In the coming year, the Commission will continue to undertake its functions in a professional manner, mindful of its important place in the electoral process.

In doing so, the Commission will unveil its new computer system, with enhanced electronic filing, access to reports, upgraded infrastructure, and new and simplified web page.

The Commission is planning to move its offices to a newly renovated office building as well, which will improve efficiency by having all staff on the same floor.

So, all in all, the future is bright for the Commission and all who believe that sunlight on the electoral process is the antidote needed for enhancing trust in the electoral system.

Executive Director's Thoughts Jeff Brindle

Could Decline of Parties and Turnout be Linked?

[Reprinted from politickerni.com](http://politickerni.com)

Former Governor Brendan T. Byrne once joked "when I die, I want to be buried in Hudson County so I can continue to vote."

Maybe Governor Byrne has a good idea- let the deceased vote! Just kidding. But the problem of declining voter turnout is serious.

Only 21 percent of registered voters showed up to vote in this year's Assembly elections.

This low turnout figure comes on the heels of a gubernatorial and legislative election two years ago when only 39 percent of voters went to the polls.

These miserable turnout figures cry out for legislative action.

For several years this column has described how several trends are eviscerating political parties in New Jersey. It has noted, for instance, that once heralded parties are taking a backseat to independent groups in influencing the outcomes of elections in the State.

Further, New Jersey's complicated pay-to-play law, though well intended, has likewise impacted the parties negatively.

Could it be that a weak party system is among the factors contributing to low voter turnout?

Amidst a party renaissance in 1999, the last time only the Assembly was up for election, the Big Six party entities- the two state parties and four legislative leadership committees- spent an inflation-adjusted \$6.8 million.

In this year's Assembly contest, they spent \$3.6 million.

County party committees spent \$16.3 in 1999. This year they spent \$4.8 million.

On the other hand, independent groups, non-existent in 1999, spent \$9.5 million on six targeted Assembly contests this year. Two years ago they spent \$41 million on the gubernatorial and legislative elections.

Thus, independent groups outspent the Big Six and county committees by \$1 million this year. In 2013 they outflanked the party entities by \$27 million.

Now let's look at the situation from a different perspective.

According to an Eagleton Institute poll in 1999, 55 percent of respondents identified with one of the major parties or the other. Independents accounted for 25 percent of those polled while 19 percent either identified with a third party or had no opinion.

While a similar 54 percent of those surveyed in a 2015 Eagleton poll identified themselves as either Republican or Democrat, a full 45 percent considered themselves independent.

Interestingly, this trend toward an increased number of independents, corroborated by data nationwide, has been accompanied by a decline in voter turnout. Voter turnout nationwide is also down.

In the 1999 Assembly election, 31 percent of voters went to the polls compared with 21 percent this year.

The above data does not prove unequivocally that a direct relationship exists between party strength and voter turnout.

However, the notion that a direct relationship exists is strengthened when comparing voter turnout in statewide

elections in the 1990's, when parties were strong, to recent statewide elections, following their decline.

Turnout in the four statewide elections in the 1990's averaged almost 50 percent. The most recent four statewide elections saw turnout average slightly less than 35 percent.

There are other factors that are contributing to low voter turnout. Among these are decreased public trust, voter efficacy, a more rootless society, and a variety of entertainment choices.

But, it is my belief that a weakened party system is a major contributing factor.

After all, one of the main functions of the parties is to get their supporters to the polls.

In recent columns, several ideas have been put forth to strengthen political parties in New Jersey. If enacted, these reforms would offset the outsized influence of independent groups and offset the negative impact on parties of the pay-to-play law. Simultaneously, these reforms would enhance pay-to-play by simplifying the law, establishing one state law, and improving disclosure.

The specific reforms to strengthen the party include exempting them from the pay-to-play law while including special interest PACs in it, allowing the parties to participate in gubernatorial elections, increasing contribution limits for parties and candidates, requiring registration and disclosure by independent groups, and requiring independent groups and PACs to highlight contributions from public contractors.

Political parties are broad coalitions of people and are more accountable to the public. Moreover, voters identify candidates with the political parties much more so than with often secretive independent groups.

Finally, political parties are regulated by law, subject to contribution limits and disclosure.

More viable political parties in New Jersey just might contribute to higher voter turnout.

PAC SPENDING 2014

New Jersey-only contributions by special interest political action committees (PACs) fell to \$11.1 million in 2014, a 50 percent slump after a major state election year in 2013, according to a new analysis by the Election Law Enforcement Commission (ELEC).

TABLE 1
PAC CONTRIBUTION TRENDS
2009-2014

YEAR	2009	2010	2011	2012	2013	2014
PAC Contributions to State and Local candidates and parties in NJ*	NA	NA	\$18,014,998	\$ 8,929,281	\$22,140,110	\$11,130,655
Change (%)	NA	NA	NA	-50%	148%	-50%
Total PAC Contributions	\$35,445,360	\$28,198,556	\$34,313,085	\$28,444,172	\$61,351,258	\$35,779,962
Change (%)	39.4%	-20%	22%	-17%	116%	-42%
State Elections	Governor and Assembly	None	Senate and Assembly	None	Governor, Senate and Assembly	None

*Excludes contributions to out-of-state and New Jersey federal candidates.

Jeff Brindle, ELEC's Executive Director, said trends show PAC spending dips between statewide elections. "Special interest groups typically spend more when there is a state election at stake," he said.

For instance, PACs contributed \$22.1 million to state and local candidates in New Jersey in 2013. That was the first time since 2001 that the governor's seat and all 120 legislative seats were up for reelection during the same year. With no state election last year, PAC contributions were half that total.

Likewise, in 2011, when both the Senate and Assembly ran for reelection, PACs spent \$18 million in New Jersey. In 2012, the total was less than \$9 million- also half.

"What is interesting about 2014 is that total contributions were 25 percent higher than in 2012, another year without state elections. One possible explanation is that some of the same PACs that take part in state elections were involved with local elections last year in Newark, Jersey City, Trenton and Bayonne," Brindle said.

ELEC began separating out non-federal, New Jersey-only spending in 2011 because many PAC reports filed by national groups include contributions made to out-of-of-state and New Jersey federal candidates. The smaller number gives a more accurate picture of PAC activity within the state.

Among the 268 PACs that spent funds in 2014, the top 25 were dominant. They made 68 percent of all PAC contributions to county parties, 59 percent to state parties, 54 percent to local committees or other PACs and 48 percent of PAC contributions to legislators. They also made 54 percent of all PAC contributions in 2014.

**TABLE 2
TOP 25 PAC CONTRIBUTORS IN 2014
TO NEW JERSEY CANDIDATES AND COMMITTEES***

NAME	GUBERNATORIAL (INAUGURAL)	LEGISLATIVE	STATE PARTIES	COUNTY PARTIES	LOCAL/OTHER PACS	TOTAL
NJ State Laborers PAC		\$ 90,350	\$ 40,000	\$ 221,400	\$ 464,925	\$ 816,675
Northeast Regional Council of Carpenters NJ Political Education Committee		\$ 101,575	\$ 25,000	\$ 344,940	\$ 292,063	\$ 763,578
International Union of Operating Engineering Local 825		\$ 106,225	\$ 40,000	\$ 174,000	\$ 187,033	\$ 507,258
NJ Education Association PAC		\$ 197,885	\$ 25,000	\$ 78,360	\$ 174,250	\$ 475,495
Growing Economic Opportunities PAC (Laborers Independent Committee)					\$ 340,511	\$ 340,511
IBEW Local #351		\$ 34,750		\$ 116,000	\$ 178,626	\$ 329,376
Local Union 164 IBEW Cope Fund		\$ 67,650	\$ 5,000	\$ 27,200	\$ 148,857	\$ 248,707
Plumbers & Pipefitters Local 9		\$ 101,150		\$ 26,875	\$ 117,745	\$ 245,770
Local 102 IBEW PAC		\$ 71,150	\$ 26,000	\$ 17,860	\$ 74,525	\$ 189,535
NJ Dental PAC		\$ 155,200	\$ 5,000		\$ 4,000	\$ 164,200
Local 322 Committee For Political Education Plumbers And Pipefitters		\$ 60,100		\$ 48,500	\$ 79,937	\$ 188,537
Realtors PAC		\$ 105,900	\$ 10,000	\$ 500	\$ 41,200	\$ 157,600
1199/SEIU NY State Political Action Fund		\$ 21,700	\$ 20,000		\$ 108,900	\$ 150,600
Developers PAC		\$ 131,825	\$ 14,000		\$ 2,500	\$ 148,325
NJ Association For Justice PAC	\$ 500	\$ 112,200	\$ 26,000			\$ 138,700
IUPAT District Council 711 PAC Fund		\$ 41,200		\$ 20,990	\$ 75,721	\$ 137,911
Laborers Local 472 PAC	\$ 500	\$ 36,600		\$ 3,600	\$ 89,605	\$ 130,305
CWA NJ Political Education Committee		\$ 76,700		\$ 2,400	\$ 47,777	\$ 126,877
Car PAC	\$ 500	\$ 119,400				\$ 119,900
Plumbers Local 24 PAC		\$ 28,000		\$ 10,900	\$ 74,830	\$ 113,730
NJ Apartment Association PAC		\$ 96,775	\$ 12,000		\$ 1,400	\$ 110,175
IBEW- (Trenton)		\$ 34,000		\$ 2,500	\$ 68,170	\$ 104,670
Constructors For Good Government		\$ 58,650	\$ 18,000	\$ 11,300	\$ 15,750	\$ 103,700
NJ Optometric PAC		\$ 95,800	\$ 7,000		\$ 500	\$ 103,300
IBEW LU 456 Cope Fund		\$ 19,000	\$ 1,750	\$ 20,000	\$ 62,340	\$ 103,090
Totals- Top 25 PACs	\$ 1,500	\$1,963,785	\$274,750	\$1,127,325	\$2,651,164	\$ 6,018,524
Totals- All PACS Registered with ELEC	\$13,300	\$4,061,322	\$468,028	\$1,668,550	\$4,919,455	\$11,130,655
Top 25 as % of Total PAC Spending	11%	48%	59%	68%	54%	54%

IBEW= International Brotherhood of Electrical Workers;
SEIU=Service Employees International Union;
CWA=Communications Workers of America;
IUPAT=International Union of Painters and Allied Trades.
*PACs registered with ELEC

In a year without a legislative election, contributions to legislative candidates plummeted in 2014. Legislative candidates received \$13.7 million from PACs in 2013- nearly 62 percent of all PAC contributions. In 2014, the total dropped to \$4 million, or just 36 percent. With major local elections in 2014, local candidates received the lion's share of PAC contributions- \$4.9 million, or 44 percent.

TABLE 3
TOTAL CONTRIBUTIONS BY PACS IN 2014 TO
NEW JERSEY CANDIDATES AND COMMITTEES*

RECIPIENT	AMOUNT	PERCENT
Local/Other PACs	\$ 4,919,455	44%
Legislative	\$ 4,061,322	36%
County Parties	\$ 1,668,550	15%
State Parties	\$ 468,028	4%
Gubernatorial (Inaugural)	\$ 13,300	0.1%
TOTAL	\$ 11,130,655	100%

*Excludes federal candidates.

Extending a trend that has lasted at least a decade, unions again were the major PAC contributors in 2014. They gave \$7.1 million to state and local candidates and committees- about 64 percent of all PAC contributions.

TABLE 4
2014 SPENDING IN
NEW JERSEY BY PAC TYPE

TYPE	AMOUNT	PERCENT
Union	\$ 7,149,272	64%
Professional	\$ 1,415,056	13%
Trade Association	\$ 897,213	8%
Ideological	\$ 722,679	6%
Regulated Industries	\$ 342,887	3%
Business	\$ 325,084	3%
Other Ongoing	\$ 278,462	3%
TOTAL	\$ 11,130,655	100%

While PAC spending is a traditional way for special interest groups to exert their influence, it isn't the only way. Some groups rely heavily on lobbying.

For instance, state-regulated industries including gas and electric utilities, insurance, water and cable companies are barred by law from making direct campaign contributions and do minimal spending through employee PACs. But they spend considerable amounts on direct lobbying of state officials.

A more recent trend began emerging in New Jersey in 2009 as special interest groups began spending more of their campaign funds independent of candidates and parties. "Independent spending has quickly become a key part of the repertoire for influencing public officials," said Brindle. "Some groups even use all options- PAC contributions, lobbying and independent spending."

**TABLE 5
TOP SPECIAL INTEREST SPENDING IN 2014
INCLUDING GROUPS WITHOUT PAC SPENDING**

RANK	GROUP	PAC CONTRIBUTIONS	LOBBYING	INDEPENDENT SPENDING	TOTAL
1	AARP NJ	None	\$1,645,217	None	\$1,645,217
2	NJ State Laborers PAC	\$816,675	\$ 65,385	\$496,191	\$1,378,251
3	Northeast Regional Council of Carpenters NJ Political Education Committee	\$763,578	None	\$350,000	\$1,113,578
4	NJ Education Association PAC	\$475,495	\$ 351,600	\$195,207	\$1,022,302
5	Realtors PAC	\$157,600	\$ 546,409	\$122,637	\$ 826,646
6	Verizon Good Government Club of New Jersey	\$ 73,100	\$ 719,986	None	\$ 793,086
7	Prudential Financial Inc.	None	\$ 716,340	None	\$ 716,340
8	PS Exec PAC (Public Service Electric and Gas)	\$ 37,337	\$ 530,177	None	\$ 567,515
9	NJ Hospital Association Health PAC	\$ 69,190	\$ 489,804	None	\$ 558,994
10	NJ State League of Municipalities	None	\$ 513,407	None	\$ 513,407

Technically known in New Jersey as continuing political committees, PACs generally are required to file detailed reports with ELEC when, during a calendar year, they contribute in excess of \$5,500 to state and/or local candidates. They must file reports with ELEC each quarter that list their contributions and expenditures.

For purposes of this analysis, special interest PACs are defined as those that identified themselves as a business, labor union, professional association, ideological group, civic association, trade association, or other ongoing. The list also includes PACs formed by employees of regulated industries such as banks and insurance companies, which cannot use corporate funds for campaign contributions.

This press release is a compilation of figures reported to the Commission, and is not intended to express any opinion concerning the accuracy or completeness of any filed report. Although the Commission has taken all reasonable precautions to prevent mathematical or typographical errors, they may occur.

Copies of PAC, lobbying and independent spending reports are available on ELEC's website at www.elec.state.nj.us.

2016 TRAINING SEMINARS

The seminars listed below will be held at the Offices of the Commission, located at 28 West State St., Trenton, NJ. Since space is limited, you must reserve a seat in order to attend. Please visit ELEC's website at <http://www.elec.state.nj.us> for more information on training seminar registration.

BUSINESS ENTITY PAY-TO-PLAY TRAINING	
January 15, 2016	2:00 p.m.
February 12, 2016	10:00 a.m.
March 18, 2016	10:00 a.m.
March 28, 2016	10:00 a.m.
March 28, 2016	2:00 p.m.
TREASURER TRAINING FOR CANDIDATES AND COMMITTEES	
Tuesday, March 29, 2016	10:00 a.m.
Wednesday, April 6, 2016	10:00 a.m.
Tuesday, April 26, 2016	10:00 a.m.
Wednesday, September 14, 2016	10:00 a.m.
Tuesday, September 27, 2016	10:00 a.m.
TREASURER TRAINING FOR POLITICAL COMMITTEES AND PACS	
Wednesday, March 30, 2016	10:00 a.m.
Wednesday, June 22, 2016	10:00 a.m.
Thursday, September 22, 2016	10:00 a.m.
Wednesday, December 14, 2016	10:00 a.m.
R-1 ELECTRONIC FILING SOFTWARE (REFS) TRAINING	
Tuesday, March 22, 2016	10:00 a.m.
Thursday, April 7, 2016	10:00 a.m.
Thursday, April 21, 2016	10:00 a.m.
Wednesday, July 27, 2016	10:00 a.m.
Thursday, September 15, 2016	10:00 a.m.
Thursday, September 29, 2016	10:00 a.m.

LOBBYING REPORTING DATES

	INCLUSION DATES	ELEC DUE DATE
Lobbying Quarterly Filing		
1 st Quarter	1/1/2016 to 3/31/2016	4/11/2016
2 nd Quarter	4/1/2016 to 6/30/2016	7/11/2016
3 rd Quarter	7/1/2016 to 9/30/2016	10/11/2016
4 th Quarter	10/1/2016 to 12/31/2016	1/10/2017
Lobbying Annual Report*	1/1/2015 - 12/31/2015	2/16/2016

*A certified benefit notice shall be transmitted to all benefit recipients itemized on Schedule G-1 no later than February 1st of the year in which the report is due to be filed (the year following the year in which the benefit was received).

2016 REPORTING DATES

Inclusion Dates		Report Due Date
Fire Commissioner - 2/20/2016		
29-day Preelection Reporting Date	Inception of campaign* - 1/19/16	1/22/2016
11-day Preelection Reporting Date	1/20/16 - 2/6/16	2/9/2016
20-day Postelection Reporting Date	2/7/16 - 3/8/16	3/11/2016
48 Hour Notice Reports Start on 2/7/2016 through 2/20/2016		
April School Board - 4/19/2016		
29-day Preelection Reporting Date	Inception of campaign* - 3/18/16	3/21/2016
11-day Preelection Reporting Date	3/19/16 - 4/5/16	4/8/2016
20-day Postelection Reporting Date	4/6/16 - 5/6/16	5/9/2016
48 Hour Notice Reports Start on 4/6/2016 through 4/19/2016		
May Municipal - 5/10/2016		
29-day Preelection Reporting Date	Inception of campaign* - 4/8/16	4/11/2016
11-day Preelection Reporting Date	4/9/16 - 4/26/16	4/29/2016
20-day Postelection Reporting Date	4/27/16 - 5/27/16	5/31/2016
48 Hour Notice Reports Start on 4/27/2016 through 5/10/2016		
Runoff (June)** - 6/14/2016		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	4/27/16 - 5/31/16	6/3/2016
20-day Postelection Reporting Date	6/1/16 - 7/1/16	7/5/2016
48 Hour Notice Reports Start on 6/1/2016 through 6/14/2016		
Primary (90 day start date: 3/9/2016)*** - 6/7/2016		
29-day Preelection Reporting Date	Inception of campaign* - 5/6/16	5/9/2016
11-day Preelection Reporting Date	5/7/16 - 5/24/16	5/27/2016
20-day Postelection Reporting Date	5/25/16 - 6/24/16	6/27/2016
48 Hour Notice Reports Start on 5/25/2016 through 6/7/2016		
General (90 day start date: 8/10/2016)*** - 11/8/2016		
29-day Preelection Reporting Date	6/25/16 - 10/7/16	10/11/2016
11-day Preelection Reporting Date	10/8/16 - 10/25/16	10/28/2016
20-day Postelection Reporting Date	10/26/16 - 11/25/16	11/28/2016
48 Hour Notice Reports Start on 10/26/2016 through 11/08/2016		
Runoff (December)** - 12/6/2016		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	10/26/16 - 11/22/16	11/25/2016
20-day Postelection Reporting Date	11/23/16 - 12/23/16	12/27/2016
48 Hour Notice Reports Start on 11/23/2016 through 12/6/2016		
PACs, PCFRs & Campaign Quarterly Filers		
1st Quarter	1/1/16 - 3/31/16	4/15/2016
2nd Quarter	4/1/16 - 6/30/16	7/15/2016
3rd Quarter	7/1/16 - 9/30/16	10/17/2016
4th Quarter	10/1/16 - 12/31/16	1/17/2017

* Inception Date of Campaign (first time filers) or from January 1, 2016 (Quarterly filers).

** A candidate committee or joint candidates committee that is filing in a 2016 Runoff election is not required to file a 20-day postelection report for the corresponding prior election (May Municipal or General).

*** Form PFD-1 is due on April 14, 2016 for Primary Election Candidates and June 17, 2016 for Independent General Election Candidates.

Note: A fourth quarter 2015 filing is needed for Primary 2016 candidates if they started their campaign prior to 12/9/15.
A second quarter 2016 filing is needed by Independent/Non-Partisan General Election candidates if they started their campaign prior to 5/11/2016.