

BIPARTISAN MOVE TO SIMPLIFY PAY-TO-PLAY LAW AND INCREASE DISCLOSURE BY INDIE GROUPS

BY JEFF BRINDLE | 06/20/16 11:24am



Senator Linda Greenstein, and ELEC's Jeff Brindle and Joe Donohue.

Even as Super PACs and other independent groups have emerged as a serious concern to voters in the presidential election, both sides of the political aisle in New Jersey's legislature are showing renewed interest in improving state campaign finance laws.

Assembly Minority Leader Jon M. Bramnick (R-21) and Assemblyman Troy Singleton (D-7) both recently introduced bills that require expanded disclosure by independent groups, reform the state's pay-to-play law and bolster political parties.

The first of Assemblyman Singleton's two bills (A-3902) requires 527 and 501(c)4 non-profit groups that participate in state or local elections to register with the Election Law Enforcement Commission (ELEC), file quarterly reports, and file 48-hour notices of contributions and expenditures.

Spending on advertising amounting to \$10,000 or more that supports or opposes a candidate for office or a ballot question would have to be reported regardless of whether the communication includes explicit phrases like "vote for" or "vote against." Current law fails to incorporate recent strong pro-disclosure rulings by the U.S. Supreme Court and instead requires inclusion of these so-called magic words.

The bill increases contribution limits and allows transfers between county party committees.

Assemblyman Singleton's second bill (A-3903) reforms pay-to-play.

The bill would impose one state law, end the fair and open loophole, include political action committees (PACs) under pay-to-play, exclude political parties from pay-to-play, increase contractor contribution limit to \$1,000, require \$17,500 contracts to be disclosed, and require disclosure of contractor donations to independent groups.

Minority Leader Bramnick's bill (A-3639) requires 527 and 501c(4), (5), and (6) organizations to disclose their election-related activity to ELEC.

If these independent groups raise or spend \$5,000 or more to influence the outcome of an election or ballot question, they would be required to disclose their activities.

Specifically, under the bill, all contributions and expenditures of \$300 or more would be reported.

Bramnick's bill increases donation limits across the board.

Included in this bill are measures to reform pay-to-play in New Jersey. The proposal calls for one state law, uniformly applied throughout the state, eliminates fair and open, increases the contractor contribution limit to \$1,000, and enhances disclosure by requiring reporting on contracts of \$17,500.

The Minority Leader's bill would place PACs, political committees, independent groups, and parties under the pay-to-play law.

In a word, the amendments to the campaign finance statutes contained in these bills are urgently needed.

Independent, outside groups have steadily grown in influence over national and New Jersey elections.

Several polls have shown concern among Republican, Democratic and independent voters about the growing influence of Super PACs and other groups that operate independent of party control.

"The public is starting to worry that the Wild West nature of campaign finance is damaging the way we choose presidential candidates," said Patrick Murray, director of the Monmouth University Polling Institute, told Politico on July 22, 2015.

As a result, presidential candidates from both parties have expressed concern and talked about the need for reform.

Independent groups, some of them anonymously, spent \$41 million to influence the 2013 gubernatorial and legislative elections in New Jersey. Last year, they were responsible for over a third of all expenditures in the Assembly election, most of which were targeted successfully in about five legislative districts.

With three ballot questions on the ballot this year, these groups are expected to spend between \$80 million and \$100 million in support or opposition to them.

Already spending by independent groups is mounting in regards to the 2017 gubernatorial contest. Eight groups supporting potential gubernatorial candidates have spent an estimated \$10.6 million.

While independent spending has grown, political parties at all levels have been losing steam. In 2013 they spent \$14 million compared to the \$41 million by independent groups.

During the last decade, political party financial activity has declined by 50 percent.

The fact that political parties are dwarfed by independent groups is a shame. Parties are integral to our electoral system, accountable and regulated, and represent a broad swath of people rather than a special interest or super wealthy individual.

As much as independent groups need to be reigned in and parties strengthened, the pay-to-play law needs amending.

It is too complex and contains too many ways for contractors to get around it. In addition to fair and open, which allows local governmental entities to publicly advertise their bids in order to lift pay-to-play restrictions, it likewise allows local governments to adopt their own ordinances.

PACs are not included under the current pay-to-play law, thereby opening up another avenue for circumvention.

The current law has brought about less transparency, has contributed to the decline in political parties by restricting contributions to them, and has redirected contractor cash to PACs and independent groups.

It is difficult to understand and therefore difficult to enforce.

Minority Leader Bramnick and Assemblyman Singleton have courageously stepped up to the plate to sponsor bills that will go far toward eliminating weaknesses in our campaign finance system that have developed over the last decade.

Hopefully, these efforts signify bipartisan support that will move the state forward toward greater transparency and accountability in the electoral system.

Jeff Brindle is the Executive Director of the New Jersey Election Law Enforcement Commission. The opinions presented here are his own and not necessarily those of the Commission.