



NEWS RELEASE

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PUBLIC CONTRACTORS CHIPPED IN TO FEDERAL ELECTIONS IN 2018 BUT CONTRIBUTED LESS OVERALL

Contributions made by public contractors fell to their second lowest total ever even though contractors gave more than \$760,000 to federal candidates and committees during the 2018 elections, according to annual disclosure reports filed with the NJ Election Law Enforcement Commission (ELEC).

Preliminary figures show contractors gave about \$9 million in 2018- a drop of \$1.4 million, or 13 percent, from the previous year. Under state pay-to-play laws, public contractors that make more than negligible contributions must file lists of their contracts and donations each year with ELEC.

Jeff Brindle, ELEC's Executive Director, said the fact that 2017 featured a gubernatorial election plus contests for all 120 legislative seats largely explains the donation dip.

"Contractors and other donors typically are stingier the year after a gubernatorial election. Contributions also fell after gubernatorial elections in 2013 and 2009," said Brindle. "From a contributor's standpoint, the gubernatorial election is the political equivalent of the Superbowl."

Table 1
Campaign Contributions Reported by Public Contractors in Annual Disclosure Reports

YEAR	AMOUNT	CHANGE-%	YEAR	AMOUNT	CHANGE-%
2018*	\$ 9,039,528	-13%	2011	\$ 9,982,696	3%
2017	\$10,433,254	15%	2010	\$ 9,725,922	-12%
2016	\$ 9,076,238	-2%	2009	\$11,078,713	-9%
2015	\$ 9,215,463	-6%	2008	\$12,120,923	-26%
2014	\$ 9,843,769	-8%	2007	\$16,436,039	8%
2013	\$10,713,401	34%	2006	\$15,157,941	
2012	\$ 7,988,882	-20%			

*Preliminary

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A handful of low-key special legislative elections to fill seven vacancies was a sideshow last year to federal elections that featured a high-spending contest for the U.S. Senate seat and elections to fill 12 congressional seats. Not surprisingly, contractors steered some of their funds to federal races, though it appears the bulk of their money benefited campaigns outside of New Jersey.

Table 2
Contributions by Public Contractors to
Federal Candidates and Committees in 2018

RECIPIENT	AMOUNT
Majority Forward	\$500,000
GOPAC	\$ 91,500
Representative Chris Smith	\$ 54,000
Senator Bob Menendez	\$ 23,550
Senate candidate Bob Hugin	\$ 20,200
Representative Leonard Lance	\$ 13,950
Representative Donald Norcross	\$ 10,900
Representative Tom MacArthur	\$ 10,650
Representative Jeff Van Drew	\$ 9,400
Representative Mikie Sherrill	\$ 7,800
Congressional candidate Antony Ghee	\$ 5,000
Representative Bill Pascrell	\$ 4,000
Representative Albio Sires	\$ 3,000
Congressional candidate Josh Welle	\$ 2,850
Congressional candidate Jay Webber	\$ 2,000
Representative Josh Gottheimer	\$ 1,500
Representative Frank Pallone	\$ 1,350
Senator Cory Booker	\$ 1,100
Mary Jo Daley for Congress PA	\$ 250
Representative Andy Kim	\$ 100
National Republican Congressional Committee	\$ 25
Total	\$763,125

The biggest recipient was Majority Forward, a 501c4 non-profit group that supported Democratic candidates in some of the most hotly contested 2018 US Senate races. According to Center for Responsive Politics, the group spent \$40 million on behalf of 13 Democrats in eight states. It was not active in New Jersey, where Senator Bob Menendez fought off a challenge by Republican Bob Hugin.

While 501c4 groups do not normally disclose their contributions, a report filed by 153 Halsey Street Partnership of Secaucus indicated affiliate Hartz Mountain Industries Inc. contributed \$500,000 to the Majority Forward in 2018. Hartz Mountain’s website states it is “one of the largest private owners of commercial real estate in the US.”

According to its filings, it contributed a total of \$528,650, with the remainder of its funds going to New Jersey candidates and committees. In 2017, Hartz Mountain Industries Inc. donated a total of \$29,710.

As a result of its large contribution to Majority Forward, Hartz Mountain Industries Inc. led all contractors in contributions in 2018.

Table 3
Business Entities that Made Most Contributions in 2018

BUSINESS ENTITIES	AMOUNT	CONTRACTS
153 Halsey Street Partnership/ Hartz Mountain Industries Inc.	\$528,650	\$ 6,339,920
Remington & Vernick Engineers	\$515,400	\$39,875,096
T&M Associates	\$396,400	\$33,606,382
Richard A. Alaimo Business Entities ¹	\$339,600	\$ 9,661,063
Pennoni Associates Inc.	\$301,245	\$13,086,713
CME Associates	\$298,890	\$39,870,811
Weiner Law Group LLP	\$184,850	\$ 5,704,215
Adams Rehmann & Heggan Associates Inc.	\$177,200	\$ 5,502,257
French and Parrello Associates PA	\$152,900	\$ 8,242,247
Capehart Scatchard, P.A.	\$134,795	\$12,117,864

Before Hartz Mountain topped all contractors in 2018, engineering firms were the top donors since 2009 except for 2014.

Table 4
Top Contractor Donors since 2009

YEAR	FIRM	CONTRIBUTIONS
2018	153 Halsey Street Partnership/ Hartz Mountain Industries Inc.	\$528,650
2017	Remington & Vernick	\$512,550
2016	Remington & Vernick	\$430,920
2015	Remington & Vernick	\$474,100
2014	Bloomberg Finance LP	\$422,800
2013	Remington & Vernick	\$529,400
2012	Remington & Vernick	\$457,050
2011	CME Associates	\$537,960
2010	T&M Associates	\$435,110
2009	T&M Associates	\$534,300

¹ The Alaimo Group Inc., Richard A. Alaimo Associates, Richard A. Alaimo Association of Engineers, Richard A. Alaimo Engineering Associates, Richard A. Alaimo Engineering Company.

Majority Forward was the largest recipient of funds from a public contractor in 2018. Five of the top ten recipients were independent committees or traditional political action committees. The other five were county freeholder committees.

**Table 5
 Top Ten Recipients of Contractor Contributions in 2018**

RECIPIENT	AMOUNT
Majority Forward	\$500,000
General Majority PAC	\$159,000
Ronald Rios for Freeholder (Middlesex County)	\$137,450
Shanti Narra for Freeholder (Middlesex County)	\$126,750
Robert Damminger & James Lavender for Freeholder (Gloucester County)	\$111,450
Constructors for Good Government	\$102,609
Committee to Reelect John Bartlett and Gerry Little (Ocean County)	\$ 94,325
GOPAC	\$ 91,500
EFO Jeff Nash for Freeholder (Camden County)	\$ 85,675
New Jerseyans for a Better Tomorrow	\$ 75,500

Though overall contributions were down, the \$1.7 million in contributions to PACs and independent groups represented 19 percent of all contributions by public contractors- tying the 2014 high on a percentage basis.

**Table 6
 Public Contractor Contributions
 to PACs and Independent Groups**

YEAR	AMOUNT	CHANGE-%	% OF TOTAL CONTRIBUTIONS
2018	\$1,731,839	27%	19%
2017	\$1,364,528	6%	13%
2016	\$1,286,280	-1%	14%
2015	\$1,300,622	-30%	14%
2014	\$1,863,693	16%	19%
2013	\$1,604,014	58%	15%
2012	\$1,017,353	-42%	13%
2011	\$1,746,947		18%

While the total reported value of contracts was down 5 percent in 2018 to \$9.8 billion, it still was the third highest total since contractors began filing reports with ELEC in 2006.

Table 7
Total Value of Contracts Reported Annually by Business Entities

YEAR	AMOUNT	CHANGE-%	YEAR	AMOUNT	CHANGE-%
2018	\$ 9,841,957,191	-5%	2011	\$ 5,509,000,868	-6%
2017	\$10,358,553,914	18%	2010	\$ 5,831,430,755	-4%
2016	\$ 8,747,122,938	6%	2009	\$ 6,061,413,903	21%
2015	\$ 8,280,639,442	19%	2008	\$ 5,003,469,665	-12%
2014	\$ 6,982,725,369	3%	2007	\$ 5,686,393,016	-45%
2013	\$ 6,752,690,921	13%	2006	\$10,396,758,835	
2012	\$ 5,954,013,939	8%			

The preliminary number of contracts for 2018 is 18,695, a 5 percent drop from 2017. The highest total ever was 24,935 in 2006. The total number of business entities in 2018 was 1,947, a drop of 8 percent. The 2,339 business entities filing in 2006 also stands as a record.

The numbers in this report reflect information available to the Commission through April 5, 2019 and should be considered preliminary. Some contractors are likely to submit reports or amendments after that date that could change the totals. Numbers earlier than 2018 reflect these revisions and could differ from those reported in prior press releases. All reports are available at ELEC’s website at www.elec.state.nj.us.

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 March 30th for the previous calendar year.

With some exceptions, most firms with state contracts in excess of \$17,500 are barred from contributing more than \$300 to gubernatorial candidates, other candidates, state political parties, legislative leadership committees, county political parties and municipal political party committees. Firms that exceed this limit must seek refunds of excess contributions within a necessary time period or relinquish their contracts for four years.

The average contribution made by contractors in 2018 was \$1,215- up 3 percent from a year earlier. The largest average of \$1,222 occurred in both 2006 and 2007.

Two health insurance companies that service the state and/or other governmental entities in New Jersey topped the list of contract recipients. The list also includes three banks, four construction firms, and a telecommunications firm.

Table 8
Top Ten Business Entities That Reported
Largest Contract Totals in 2018

BUSINESS ENTITY	CONTRACTS	CONTRIBUTIONS
Horizon Blue Cross Blue Shield of NJ Affiliates ²	\$5,434,337,794	\$20,400
AMERIGROUP New Jersey, Inc.	\$1,363,503,779	\$ 1,600
South State, Inc.	\$ 222,787,873	\$13,239
SB One Bank (Sussex Bank)	\$ 131,883,591	\$16,515
Spencer Savings Bank, SLA	\$ 128,263,364	\$ 500
Unity Bank	\$ 121,928,601	None
J. Fletcher Creamer & Son, Inc./ Creamer Sanzari- Joint Venture	\$ 116,877,952	\$40,500
George Harms Construction Co., Inc.	\$ 86,501,258	\$23,700
Union Paving & Construction Co., Inc.	\$ 84,475,448	\$ 9,100
Verizon New Jersey Inc.	\$ 78,695,673	\$31,150

State government again was the largest source of contracts in 2018. The New Jersey Department of Human Services as usual was the top contracting public agency.

Table 9
Contracts by Public Entity Type in 2018

PUBLIC ENTITY TYPE	AMOUNT	PERCENT
State	\$ 7,587,737,668	77%
Municipality	\$ 897,309,148	9%
Independent Authority	\$ 738,485,790	8%
County	\$ 304,118,537	3%
School Board	\$ 222,796,254	2%
College/University	\$ 63,466,442	1%
No information/Uncertain	\$ 23,629,135	0.24%
Fire District	\$ 4,318,627	0.04%
Total	\$ 9,841,957,191	100%

Table 10
Top Ten Contracting Agencies in 2018

CONTRACTING AGENCY	AMOUNT
New Jersey Department of Human Services	\$6,629,852,629
New Jersey Department of Transportation	\$ 680,817,847
New Jersey Turnpike Authority	\$ 246,640,685
New Jersey Department of Treasury	\$ 211,606,721
Port Authority of NY and NJ	\$ 82,157,470
City of Elizabeth	\$ 52,578,842
Middlesex County Municipal Utilities Authority	\$ 37,011,501
Middlesex County	\$ 33,400,145
New Jersey Transit	\$ 33,372,585
New Jersey Department of Environmental Protection	\$ 33,176,297

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² Horizon Healthcare of NJ Inc., Horizon Insurance Co., Horizon Casualty Services Inc., and Horizon Healthcare Dental Inc.