

2007 FAIR AND CLEAN ELECTIONS REPORT

MARCH 28, 2008



NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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March 28, 2008

The Honorable Richard J. Codey
President of the Senate

The Honorable Joseph J. Roberts
Speaker of the General Assembly

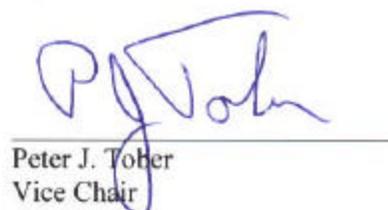
The Honorable Thomas H. Kean, Jr.
Minority Leader of the Senate

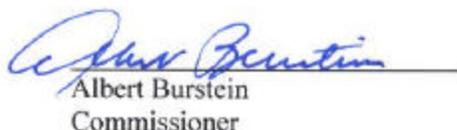
The Honorable Alex DeCroce
Minority Leader of the General Assembly

The New Jersey Election Law Enforcement Commission (ELEC) formally submits, pursuant to "The 2007 New Jersey Fair and Clean Elections Pilot Project Act" (P.L.2007, c.60), a report on the pilot project.

Respectfully,


Jerry Fitzgerald English
Chair


Peter J. Tober
Vice Chair


Albert Burstein
Commissioner

DEDICATION

To Dr. Herbert E. Alexander



• Teacher • Scholar • Friend •
•ELEC Consultant: 1973-1978, 1982, and 1986-1988 •

With the deepest gratitude



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ACKNOWLEDGEMENT

The Commission would like to thank the staff members who created this report and worked on the 2007 Fair and Clean Elections Pilot Program. Deputy Director Jeffrey M. Brindle was the Project Manager. He wrote the all important first draft. Director of Special Programs Amy Davis and her staff – Analysts Christine Aquilante, Laura Jurkiewicz, Scott M. Fagerty, and Felice Fava – were responsible for producing many of the tables in the report as well as doing an outstanding job with the actual running of the program. Countless hours were spent assisting candidates and treasurers. They also were involved in proofreading and editing the first draft. Legal Director Carol L. Hoekje served as a proofreader too. Special thanks are also due to former Legal Director Nedda G. Massar for all of her wonderful contributions to setting up and administering the 2007 experiment in Clean Elections. A good deal of its administrative success was due to her hard work and talent. Executive Director Frederick M. Herrmann served as the report's general editor and also made many contributions in outlining the report and writing various sections of it. Finally, Administrator Elbia Zeppetelli did a marvelous job using her special desktop publishing and word processing skills to produce an attractive final product, Principal Webmaster Maryanne Garcia made a superb contribution with the cover, and Executive Secretary Maureen Tilbury provided invaluable assistance.

ELEC would also like to thank the Division of Elections in the Department of Law and Public Safety for compiling the election data used in many of the report's tables.

EXECUTIVE SUMMARY

Pursuant to the Clean Elections Act, this report is fact-based and contains no recommendations regarding any future Clean Elections Pilot Project.

Section 20, paragraph b of the Act states:

Within one year after the effective date of this Act, the Commission shall issue a report to the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly, and the Minority Leader of the General Assembly on the pilot project created by this Act. The report shall be strictly fact-based and shall contain no recommendations with respect to any future pilot project similar to the one created by this Act.

The stated goals of the Clean Elections Program are the following:

- to end the undue influence of special interest money;
- to improve the unfavorable opinion of the political process held by many citizens; and,
- to “level the playing field” by allowing ordinary citizens (especially women, minorities, and persons of modest means) to run for office, share a message, be competitive, and win election.

Other goals of the program in general are the following:

- to reduce campaign spending,
- to provide more time for candidates to communicate with voters by reducing private fundraising,
- to increase voter turnout,
- to stimulate voter involvement by encouraging small contributions from individuals,

- to reduce the number of uncontested elections,
- to end negative campaigning, and
- to prevent out-of-state money from affecting New Jersey elections.

This report covers key areas of interest involving the 2007 Clean Elections Pilot Project including: a program history, the law, promotional materials, ELEC's public hearing, data, and an analysis of the issues that developed as the election unfolded.

The Commission notes in general the importance of adequate financial resources, staffing, and preparation time to implement such a program effectively. Administering the project was a labor intensive activity. ELEC used existing staff resources to design specialized software, draft regulations, and create forms and instructions. Much preliminary preparation was done prior to enactment assuring the seamless administration of the program.

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INTRODUCTION

The legislative election of 2003 was until that point the most expensive in State history. Candidates for State Senate and General Assembly raised \$48 million and spent \$36.4 million in their quest for election. Against this backdrop, good government groups and interested citizens, having expressed concern for years over the amount of money flowing throughout New Jersey's electoral system, grew increasingly restive. Add to this worry the fact that a prominent lawmaker had admitted misusing campaign funds for personal use and there was a clear rationale for reform.

The recipe for change came in the form of the Clean Elections Act, which, in many ways, was modeled after similar programs in Arizona and Maine. The initial effort to apply public financing to New Jersey's legislative elections took place in the general election of 2005, during which the General Assembly was up for election. As part of the experiment to reduce the amount of money spent on legislative elections, two legislative districts, the 6th and 13th, were selected to allow candidates for the General Assembly to participate in the program. During the general election period, candidates intending to participate in the program were required to raise \$20,000 with 1,000 five dollar and 500 thirty dollar contributions. Once this threshold was reached, candidates could proclaim they were certified Clean Elections candidates and receive public funds as follows:

- (1) an initial grant amount of 75 percent of the average spent by General Assembly candidates in the same legislative district in the two preceding general elections, not to exceed \$100,000;
- (2) their non-participating opponents initial grant amount;
- (3) up to \$50,000 more to match contributions in excess of the initial grant provided to the non-participating candidate; and,
- (4) up to \$50,000 more to match independent expenditures made on behalf of an opponent.

The statute enabling the 2005 pilot program did not extend to the legislative elections of 2007. Therefore, new legislation was required to continue the experiment in legislative public financing in the most recent general election for State Senate and General Assembly. Thus, on March 28, 2007, Governor Jon S. Corzine signed into law a modified version of the Clean Elections Pilot Program that included three legislative districts. Ultimately, the 14th, 24th, and 37th legislative districts were chosen, two non-competitive districts and one competitive district. Responding to commentary regarding the efficacy of the earlier program, the Legislature took steps to make it easier for candidates to raise the requisite amount of qualifying contributions. The Legislature also provided for the program to be promoted through media advertising. A major party candidate could now become a certified Clean Elections candidate by collecting 400 ten dollar contributions. Candidates could receive added amounts if they collected up to 800 ten dollar contributions. The amounts received varied depending upon the district, party status, and whether or not the candidate was opposed.

Commenting on the amended program, Assembly Speaker Joseph J. Roberts, a prime sponsor of the legislation and a champion of the program, stated, “I think this program makes it easier for candidates to qualify, makes it easier for citizens to participate, and allows the project to take the next step forward.”

In this report, which is mandated by the Clean Elections Act, a review of the program is provided. Pursuant to the directive contained in the law, this report does not contain any recommendations but includes important information about the 2007 experience to enable the Governor and Legislature to determine its future.

Misgivings involving the amount of money in New Jersey elections, and the influence over public policy it is thought to hold, is not a new phenomenon. In the modern era, concern about the consequences of overzealous fundraising dates to the 1970's. Since that time, attempts to combat the growing importance of money in the State's electoral politics have taken various twists and turns. Numerous reform proposals have been advanced, with some adopted and others, as they say in the newspaper business, ending up on the "editor's floor." Among the most notable of reform proposals, however, and one with a shelf life that extends to current times, is public financing. The thread of public financing runs deep through electoral politics in New Jersey, from the 1977 general election for governor, through the decades of the 1980's and 1990's, and into the first decade of the 21st century with the Clean Elections Pilot Projects.

As mentioned, the first venture into public financing involved the gubernatorial general election of 1977. Embedded in "The New Jersey Campaign Contributions and Expenditures Reporting Act," enacted in 1974 in the shadow of the Watergate scandals, the State's Gubernatorial Public Financing Program was the first to be offered by any state in the nation. Following the first round, which involved the general election only, the program was expanded to include the gubernatorial primary in 1981. As stated in the Commission's report, New Jersey Public Financing 1985 Gubernatorial Elections:

This statute as amended now contains a system of partial public funding for both the gubernatorial primary and general election campaigns. The declared intent of the law is to provide adequate funds to qualified candidates so that they "may conduct their campaigns free from improper influence and so that persons of limited financial means may seek election to the State's highest office."

New Jersey's Gubernatorial Public Financing Program has been highly successful and looked to as a model by other states. Thus far, the program has encompassed eight gubernatorial

election cycles, seven of which included the primary and general elections. Throughout those elections, a total of 63 candidates for governor have participated in the program and benefited from public funds. All told, these candidates received approximately \$91.4 million. These funds have allowed them to run effective campaigns free from undue influence.

The success of the gubernatorial public financing program, and its by-product of helping to maintain the integrity of gubernatorial elections, has not been lost on elected officials, the media, reform minded groups and individuals, and the Election Law Enforcement Commission (ELEC). In various ways and at various times, all of these entities have advocated the expansion of public financing to include legislative elections.

While it might seem that the concern over the amounts of money being spent on elections, and the clamor for reform, has only reached a fever pitch in recent years, this belief is not entirely true. In October of 1988, Harvey Fisher, then a reporter for the Bergen Record wrote:

If you think door-to-door fundraising by the candidates themselves is the height of chutzpah, think about this: Last year, candidates for the 120 seats in the Legislature did better at raising campaign funds than at passing laws. Much better. They raked in \$15 million in establishing themselves as the undisputed champs of Trenton's money game.

In July 1989, the Commission confronted concern about heightened financial activity in legislative elections and published Legislative Public Financing, a report that analyzed various approaches to publicly funding elections and recommended public financing for the State's Senate and General Assembly contests. The report stated:

In this modern era of expensive campaign finance in New Jersey Legislative elections, it is in the best interest of the electoral and democratic processes to enact a public financing program as an alternative to a campaign

finance system that depends solely on contributions from private sources. Legislative public financing would provide a means for candidates to raise the money they need to conduct effective campaigns, and at the same time reduce the possibility of corruption. It would help to increase public trust in the electoral process and in government

That same year, then Governor Thomas H. Kean, in his annual message to the Legislature declared:

I believe New Jerseyans will be willing to make the investment in public financing of legislative races, in exchange for a return to the days of a truly citizens' Legislature. We are very close to the day when the only candidates for the State Legislature will be the wealthy, lawyers, or fulltime politicians. Public service should not be a pastime or vocation for the privileged few.

Interest in enacting a legislative public financing program was indeed bipartisan. In fact, several bills were introduced to usher in public financing for legislative elections. Then Assemblyman William E. Schluter, teaming up with former State Senator John A. Lynch, proposed bills that would extend public financing to legislative candidates in primary and general elections. Other bills were introduced by the late Senator Richard Van Wagner and the late Assembly Speaker Alan J. Karcher. All of these bills were matching fund proposals modeled after the gubernatorial public financing program and contained public funds caps and expenditure limits.

While none of these proposals were enacted, concern over the amount of financial activity in legislative elections did not wane. In 1990, the Ad Hoc Commission on Legislative Ethics and Campaign Finance, headed by Dr. Alan Rosenthal of the Eagleton Institute at Rutgers University, was formed. Many reform measures proposed by the Commission were adopted three years later. However, a legislative public financing program was not among them.

Despite the comprehensive reforms of 1993, legislative spending continued to climb and voices decrying the situation were not silenced. Advocacy for further reforms hit a crescendo following the 2003 election for State Senate and Assembly. Indeed, spending in this general election tipped the scales in favor of reform and reignited interest in the public financing of legislative elections.

Candidates for the State Senate and General Assembly spent a record \$36.4 million in 2003, having raised \$48.5 million for the general election. For many groups, individuals, and the media, this financial activity was excessive. Therefore, pressure built toward enacting a public financing program to be part of the 2005 legislative elections. The result was public financing in the form of a Clean Elections Pilot Project, an approach tried and seemingly successful in Arizona and Maine.

The 2005 Clean Elections Program involved the 6th and 13th Legislative Districts. To qualify for public funds in those districts, candidates for the General Assembly were required to raise \$20,000 in denominations of five and thirty dollars. Participants were required to obtain a minimum of 1,000 five dollar contributions and a minimum of 500 thirty dollar contributions to reach the threshold amount. Moreover, these contributions raised by check or money order were to come from only registered voters in the legislative district and were to be collected between July 5th and September 7th of 2005. A maximum of \$3,000 raised through contributions of up to \$200 was permitted in seed money to help candidates raise the requisite \$20,000. Finally, once a candidate became certified he or she was barred from accepting any further contributions.

Once certified, Clean Elections candidates were awarded an initial amount equal to 75 percent of the average spent in the last two elections by General Assembly candidates in that legislative district not to exceed \$100,000 in public funds. Additional amounts would be awarded if: a certified candidate were opposed by a non-participating candidate, a non-participating candidate raised contributions beyond the public funds awarded to the Clean Elections candidate, or independent expenditures were made on behalf of an opponent. The

program also provided for: withdrawal from the program, 250-word candidate statements in a Voter's Guide, and candidate debates.

Unfortunately, only two candidates qualified for Clean Elections funds in that first pilot project, Democrats Louis D. Greenwald and Pamela R. Lampitt in the Sixth District. These candidates received the maximum initial grant in public funds and shared the additional funds with their opponents, who had declared themselves as intending to participate but found the time frame for raising money and the threshold amount for qualifying insurmountable. Candidates for General Assembly in the Thirteenth District found the time frame and contribution threshold similarly daunting.

Despite the fact that Clean Elections got off to a slow start in 2005, support remained strong for the pilot program and its reauthorization in 2007. The New Jersey Citizens' Clean Elections Commission (NJCEC), established as part of the 2005 pilot project, was instrumental in keeping interest in the program alive.

The bipartisan Commission was chaired by former State Senator William E. Schluter. Other members were Vice Chairman Steven Lenox, State Senator Anthony R. Bucco, State Senator Nicholas P. Scutari, Assemblyman William E. Baroni, Jr., Assemblywoman Linda R. Greenstein, Victor DeLuca, former Assemblywoman Carol Murphy, and Curtis Tao.

Numerous public hearings were held by the Clean Elections Commission. Testimony was given by representatives of good government groups, interested citizens, participants in the program, and ELEC.

At the hearings, the NJCEC heard about the shortcomings of the program and recommendations for improving it for the 2007 cycle. From the testimony and observations of its own members, the NJCEC proposed changes to the program for 2007. Some recommendations involved bureaucratic processes inherent in the 2005 law. Others dealt with more substantive recommendations that if adopted could lead to a more successful effort in 2007.

The NJCCEC supported the reauthorization and expansion of the program to apply to the 2007 election. It suggested that the program include the primary election as well as the general election. Believing it to be imperative that the program's concept be understood by the voters and that participating candidates be relieved of the task of educating potential donors about the merits of the experiment, the NJCCEC recommended that the 2007 effort be highly promoted.

During the hearing process, participants bemoaned the difficulty in raising 1,500 contributions, totaling \$20,000 in \$5 and \$30 denominations. They also noted that the time frame for raising the requisite amount of contributions to reach the certification threshold was too short. The NJCCEC addressed the process for becoming certified as mentioned above and called the time frame for collecting qualifying contributions too short.

The NJCCEC final report was issued on May 8, 2006. It provided a useful starting point for the debate that would ensue during the coming months. This debate would ultimately lead to the reauthorization of the program, albeit in an amended form, for the 2007 legislative general election.

Following the issuance of the New Jersey Citizens' Clean Elections Commission (NJCCEC) report discussed in the previous chapter, a spate of bills were introduced in the Legislature to reauthorize the program for the 2007 election cycle. These bills came in a variety of forms. Anyone familiar with the lawmaking process knows that rarely do measures move through the process unscathed. Changes always occur along the way. The road toward reauthorizing Clean Elections was no exception. Changes would be made to the NJCCEC's proposals.

Assembly Speaker Roberts, a strong advocate of the program and prime sponsor of the 2005 law, recognized the need for modifications. To ease the path, and in his own words, "to sort through the various proposals and reports," he formed a bipartisan General Assembly working group to develop a consensus on what the reauthorization should look like. The intent was to iron out a bill that could be ushered through the Legislature and gain support from Governor Corzine. The working group included General Assembly members: William E. Baroni, Jr., Linda R. Greenstein, Louis D. Greenwald, and Amy H. Handlin.

The outcome of these efforts was legislation that adopted some of the NJCCEC's ideas, rejected others, and added new provisions. Assembly Bill A-100, sponsored by Assembly Speaker Roberts, was eventually substituted for Senate Bill S-2438, sponsored by State Senator Shirley K. Turner. Following an arduous path of amendment, A-100 was passed in the General Assembly on March 15, 2007, by a vote of 58-18-3 and in the Senate by a vote of 23-9 on the same day. The Act covered the general election but not the primary. On March 28, 2007, Governor Corzine signed the Clean Elections Act, which contained an appropriation of \$7,675,000 for its implementation. Thus, the people of New Jersey prepared for the second round of an experimental public financing program.

The Act called for the President of the State Senate and the Speaker of the General Assembly, along with the Minority leaders of both houses, to select the districts to be included in the 2007 program. The leaders of each party would select one district that contained three legislative members from their party. The third district to be selected would be a split district, in which no more than two of the three members of the Legislature belonged to the same political party. Further, the Act held that an alternative selection committee would be established if the leaders failed to come to an agreement. This committee would be made up of four public members and a fifth who was to be a former governor. Each legislative leader would select one public member. The former governor would be selected by the President of the Senate and the Speaker of the General Assembly.

The President of the Senate and Speaker of the General Assembly, both Democrats, selected District 37, which includes a section of Bergen County. The Minority leaders, both Republicans, selected District 24, covering: Hunterdon, Morris, and Sussex counties. Selection of the split district, however, proved more difficult. The respective legislative leaders could not come to an agreement. Therefore, an alternative selection committee was named, with former Governor James J. Florio appointed as the fifth member by the Senate President and the Speaker. Other members were: B. Thomas Byrne, Jr., Steven Le nox, Assemblywoman Carol Murphy, and former State Senator William E. Schluter.

Republicans favored the 12th Legislative District, while Democrats urged that the 14th District be selected. In the end, the 14th District was selected and by early April, the program was set to begin.

As noted above, the Clean Elections Act established an experimental program for the public financing of Senate and General Assembly candidates in the 2007 general election. The stated goals of the program were to: end the undue influence of special interest money; improve citizens' opinion of the political process; and level the playing field to allow ordinary citizens (including women, minorities, and persons of modest means) to run for office, share a message, be competitive, and win election.

Other goals of the program included reducing campaign spending and providing more time for candidates to communicate with voters by lessening private fundraising. In addition, the program aimed to increase voter turnout and to stimulate voter involvement by encouraging small contributions from individuals.

In order to participate in the program, a candidate was required to be certified by ELEC and could not receive any private funding except for seed money and qualifying contributions.

The qualifying period for certification ran from April 23rd to September 30th. During this period, a candidate could accept seed money contributions of \$500 or less up to a maximum amount of \$10,000 from individuals registered to vote in the State. A candidate was permitted to use previously raised and reported contributions of \$500 or less from New Jersey registered voters for this purpose. All seed money contributions were required to be disclosed by name and address with occupation and employer information for those giving cash or over \$300. De minimis in-kind contributions of seed money worth \$200 or less from individuals were permitted and not counted toward the \$10,000 maximum. In-kind contributions could be used to host a home event or prepare a flyer.

Under the law, qualifying contributions of \$10 were raised during the qualifying period and could not be spent until submitted to ELEC and approved for certification. These contributions were permitted from registered voters within a candidate's legislative district. The contributor's name and address had to be disclosed. Seed money and qualifying contributions were allowed to be in the form of: cash, check, money order, electronic check, debit card, or credit card.

A candidate became certified by receiving \$4,000 in qualifying contributions from 400 contributors by September 30th. Once a candidate raised \$8,000 in qualifying contributions from 800 contributors, he or she was not allowed to raise any additional seed money. No General Assembly candidate could receive public money if his or her running mate was not certified.

The Act stipulated that opposed certified candidates could receive an initial grant of \$50,000 after raising 400 qualifying contributions. An unopposed certified candidate could receive an initial grant of \$25,000 after raising the same number of contributions.

The overall funds distributed proportionately each week thereafter to an opposed certified candidate could not be greater than a maximum grant of \$100,000 or a maximum grant of \$534,375 calculated in the split party district from the average amount of money spent in the two previous elections. An unopposed certified candidate would receive half of these amounts. The maximum grant was obtained after raising 800 qualifying contributions. Alternative party candidates could receive half of the initial grant and a maximum grant capped at \$50,000 in all three districts if opposed and \$25,000 if unopposed.

Under the law, an additional amount of up to \$100,000 in “rescue money” was provided to a certified candidate for total contributions of over \$1,000 in excess of his or her maximum grant that each non-certified opponent reported. Alternative party candidates would receive half of this amount for total contributions over \$500. A second amount of up to \$100,000 in “rescue money” was available to a certified candidate for any independent expenditure over \$1,000 that was made on behalf of their opponents. Alternative party candidates would get half of this amount when such expenditures exceeded \$500. Candidates certified by August 17th were permitted to have placed with their names on the general election ballot the slogan, “Clean Elections Candidate.” The law contained stringent political and approval identification requirements for campaign communications. A certified candidate could include in any communication a statement that he or she was a certified candidate.

A certified candidate was allowed to withdraw from the program at any time prior to the election if a non-certified opponent spent more than double the maximum grant plus \$200,000 (based on the two types of rescue money) or the certified candidate no longer sought election. Under those circumstances, the certified candidate would have to return all remaining seed money, qualifying contributions, and public money. Such a candidate could also withdraw if an opponent was a certified candidate but would have to return all the public money received as

well as remaining seed money and qualifying contributions. Moreover, the candidate withdrawing against a certified opponent would have had to receive permission from a committee appointed by Legislative Leadership.

If a candidate who intended to be certified was not able to raise \$4,000 by the end of the qualifying period, he or she could retain seed money and qualifying contributions. If such a candidate dropped out earlier, seed money might be retained but qualifying contributions had to be returned. Candidate certification decisions by ELEC were permitted to be appealed to the Appellate Division of the Superior Court. In the event that certification was revoked as a result of such an appeal, unspent public money was required to be returned.

The Act contained strong enforcement provisions. The Commission was empowered to issue fines for various civil violations. Criminal penalties for intentional transgressions such as concealing a contributor or filing a false report were also in place. A certified candidate who knowingly violated the law was subject to termination of candidacy or removal from office.

ELEC was given numerous responsibilities. The Commission insured voter access to information through its website and by responding to questions. It selected and paid a vendor to publicize the program. ELEC provided a link on its website to candidate websites raising seed money and qualifying contributions over the Internet. Moreover, the Commission prepared for its website a Voter's Guide that identified which candidates were certified, intended to become certified, or were non-certified and administered the distribution of 250-word candidate statements that appeared on the sample ballot.

Another important Commission responsibility was to review the candidates' sponsor selections and plans for two candidate debates. Certified candidates were required to debate while non-certified ones were permitted to debate. The penalty for non-participation for a certified candidate was the return of all of the public money that had been received. Certified candidates had to file with ELEC their debate plans providing details about sponsors, formats, arrangements, and coverage.

The Fair and Clean Elections Fund which supplied the money for the program consisted of sums collected from a number of sources. They could include: money appropriated, voluntary donations, earnings from the investment of the fund, fines collected by ELEC under the program, and money returned by candidates who withdrew from being certified or for other reasons as specified in the Act. All unspent money had to be returned to the fund within five months of the election. The pilot project was budgeted by the Act at \$7,675,000. Of this amount, \$6,750,000 was for candidate funding, \$250,000 for administration, \$600,000 for publicity, and \$75,000 was for candidate statements on the sample ballot.

After the election, ELEC held a public hearing on December 18, 2007. A transcript of the hearing was made. The law required that this report be issued to the Legislative Leadership on March 28, 2008, and contain no recommendations being strictly fact-based. If the pilot program is deemed a success, the Act states it will be expanded to cover the primary and general elections for the General Assembly in 2009, a year in which the Senate is not running.



major concern of proponents of Clean Elections was that the pioneering effort in 2005 had not been adequately promoted. Therefore, the Clean Elections Act appropriated \$600,000 for that purpose in 2007. Moreover, an appropriation of \$75,000 for ballot statement costs and an additional \$250,000 for administration purposes was included in the Act. These amounts were in addition to the \$6,750,000 appropriated in a special account for disbursement of public funds to candidates.

As the agency charged with the responsibility to administer the program, ELEC, in addition to certifying candidates, disbursing funds, and promulgating regulations, etc., was designated in the Act as “the primary government source of information for the general public and candidates intending to become certified” The effort, therefore, involved two functions to be carried out by the Commission. First, it had several direct responsibilities with regard to disseminating information about the Clean Elections Program. Second, it was responsible for selecting a vendor for the purposes of promoting the program and informing the voters in the Clean Elections districts “about its provisions.”

In terms of the direct responsibilities of the Commission toward promoting the program, staff wasted no time in undertaking these tasks. A Clean Elections site was quickly established on ELEC’s homepage. In compliance with a statutory directive, “2007 Voters Guides” were created to inform citizens of the status of State Senate and General Assembly candidates in the designated Clean Elections districts. Voters were able to access the Clean Elections site, select the 14th, 24th, or 37th Districts, and view a list of legislative candidates in those jurisdictions. This particular page provided not only the names of candidates and the offices sought, but whether or not the candidates were intending to become certified, were certified, or were non-certified. Moreover, the Voters Guides were continually updated to inform voters of the candidates’ Clean Elections status. Finally, the Voters Guides were distributed to the county clerks located within the Clean Elections districts. The clerks were encouraged to reproduce the guides and distribute them to as many county-owned facilities as possible.

Another direct promotional responsibility of the Commission involved the 250-word Ballot Statement Program. By law, State Senate and General Assembly candidates certified by August 17, 2007, were entitled to submit a 250-word ballot statement to the Commission for inclusion with the sample ballots mailed to each registered voter in the district. Further, these certified candidates were then allowed to have the slogan “Clean Elections Candidate” appear with their name on the ballot. Any added printing and mailing costs incurred by the county clerks would be reimbursed by the Commission. In those districts in which the primary language of ten percent or more of the registered voters was Spanish, ballot statements were required to be printed in Spanish as well as English.

On its special Clean Elections site, the Commission went beyond that which was prescribed in the law in promoting the program. The Commission obtained the Internet domain address for its Clean Elections site, which allowed citizens to easily access information concerning the Clean Elections program. The Internet address was also used in all the advertising materials. The Commission also placed the advertising materials produced by the selected vendor on the Clean Elections site to promote professionally the program. Citizens and good government groups were able to download broadcast media spots, printed materials, web banner designs, and logos.

Also found on the Clean Elections site was a page entitled Additional Information. This page provided links to an overview of the program, a candidate fact sheet, forms and instructions, a plain language outline, a public funds available page, a Clean Elections funds disbursed page, and an article written by Executive Director Frederick M. Herrmann, Ph.D., about the program. The funds disbursement page was continually updated to keep citizens current on the status of the program.

Finally, the Commission provided a Contact Candidates page that contained for each candidate: an address, a party designation, an office sought, a link to a campaign website if applicable, and an indication of whether or not the candidate was participating or certified. The

public could also view the certified candidates' Ballot Statements online and obtain information about the two scheduled Clean Elections debates in each district.

The Special Programs Section of the Commission was designated to administer the program and was available to assist candidates, treasurers, and interested individuals with the task of complying with the requirements of Clean Elections. Training sessions were held and one-on-one assistance was provided both over the telephone and in person. The work of this section was especially important in terms of: providing campaigns with information and assistance, checking that the public's money was disbursed in accordance with statutory guidelines, assuring that campaigns received public funds without delay, and making certain that the Clean Elections website was updated and information was kept current.

Of course, a priority of the Commission was to obtain the services of a contract vendor to develop and implement a promotional campaign for the Clean Elections Pilot Project. Because the Act was only signed on March 28, 2007, and because active participation in the program was scheduled to begin less than one month from that date, on April 23, the task of selecting an advertising vendor would prove challenging.

The Commission quickly began the process of soliciting bids from firms interested in promoting the Clean Elections Program. On March 28, 2007, the very same day Governor Corzine signed Clean Elections into law, the necessary paperwork was submitted to the Division of Purchase and Property in the Department of the Treasury to begin the vendor selection process. In fact, in anticipation of the enactment of the Clean Elections Pilot Project, staff had already met with the Division's staff to determine the most efficient way to obtain lawfully the services of a contract advertising vendor.

There are two processes for selecting vendors under State bidding laws. The first, termed a Request for Purchase (RFP), is used in non-emergent circumstances and may take months to complete. The second, termed a Request for Qualification (RFQ), is used in more emergent circumstances and can be accomplished in a much shorter period of time. With the cooperation

of the Division, the Commission was able to utilize the RFQ process and secure the services of a vendor in a remarkably short period of time by May 9, 2007.

It must be pointed out that this expedited bidding process did not in anyway circumvent State bidding procedures, nor did it impede the important work of selecting a qualified vendor. Once the process started, the Division advertised the bid. In response, vendors submitted their proposals. As required, a selection committee was established involving ELEC staff and a representative from the Division. The selection committee evaluated the bids of four vendors and scored each proposal on the basis of criteria including: cost, technical merit, and artistic quality. In the end, the selection committee decided on Winning Edge Communications of Princeton, New Jersey. Once a purchase order was approved by the Division, Winning Edge undertook the task of developing and implementing the Clean Elections advertising campaign.

The proposal by Winning Edge Communications consisted of broadcast and print media advertising. It included: direct mail, cable television, public television, and radio advertising. Moreover, it included supermarket check-out videos and Internet banner advertisements. Finally, advertisements were placed in several newspapers throughout the State that had a circulation in the Clean Elections districts. Each Clean Elections district was at parity with each other in terms of overall advertising coverage. The expense associated with the advertising campaign was used for the development and production of the advertising buys as well as a before and after survey to determine the effectiveness of the campaign.

The largest share of advertising occurred between June and mid-August with a lesser proportion occurring between mid-August and the end of September. The rationale for this scenario was that in order to assist candidates in raising the requisite number of \$10 contributions to enable them to become certified, it was necessary to educate voters about the program as early in the qualifying period as possible. Using the advertising dollars appropriated as effectively as possible meant implementing the promotional campaign as early as possible and ending it by September 30th, the date when participating candidates needed to be certified.

In total, 540,000 direct mail brochures were sent to registered voters in the three Clean Elections districts. Registered voters received these introductory pieces on or about June 25, 2007.

Eight cable companies ran numerous thirty-second spots from June through September. The cable companies included Cablevision Hamilton and Comcast Middlesex, covering the 14th Legislative District. District 24 was saturated with thirty-second spots aired by Service Electric Sparta, Cablevision Morris, Comcast Far Hills, and Comcast Northwest. Finally, Cablevision Bergen and Time Warner Bergen serviced District 37.

The respective cable companies covering the 14th District each ran 76 thirty-second spots per week during June through September. In the 24th District, Service Electric Sparta ran 83 thirty-second spots per week during this period. In addition, a total of 26 thirty-second spots were run each week by Cablevision Morris, Comcast Far Hills, and Comcast Northwest respectively over the 10 weeks. In District 37, 75 thirty-second spots per week were run by both Cablevision Bergen and Time Warner Bergen during this time frame. Additionally, all paid cable stations ran numerous thirty-second and ten-second bonus spots during this period.

As part of the television promotional package, Winning Edge Communications also placed thirty-second advertisements on New Jersey Network Public Television (NJN). The network ran three spots per week during this ten-week period of time.

Promotion of the Clean Elections program also included radio advertising. Sixty-second commercials were placed on WKXW-FM/Talk/101.5 and WABC-AM/Talk/770. Radio Station 101.5 ran the spots during the following time frames: June 11 through July 9; July 23 through August 6; August 27 through September 3; and September 17 through September 24, 2007. During these periods, 101.5 FM ran 24 sixty-second spots per week. Radio WABC-AM/Talk/770 ran Clean Elections commercials during the following periods: June 11 through July 9 and July 30 through August 13. WABC ran 18 sixty-second spots per week during these time frames.

In addition to broadcast advertising, Winning Edge Communications also bought advertising space in six newspapers covering various parts of the State. The newspapers chosen were the: Trentonian, Trenton Times, New Brunswick Home News Tribune, Morristown Daily Record, Newton New Jersey Herald, and the Bergen Record/Herald News. They had large circulations in the three Clean Elections districts. Advertisements measuring three columns by ten inches were placed in each newspaper on selected days during June, July, August, and September. Advertisements were placed in the Trentonian on Wednesdays and on Sundays in the other five newspapers.

Besides television, radio, and newspaper advertisements; banner advertisements were created and appeared on the following Internet sites: nj.com, thnt.com, northjersey.com, and politickernj.com. Moreover, thirty-second supermarket check-out videos appeared in selected stores in Districts 14, 24, and 37. These videos were presented in the selected locations during the months of July and August.

As noted above, the Governor and Legislature, in enacting the Clean Elections Act, appropriated \$600,000 for the purpose of promoting the program and educating voters. The Commission, as the administering agency, was charged with the responsibility of guarding the public's money and insuring that taxpayer dollars were spent wisely and effectively. Thus, as part of the effort to promote the program and educate the voters on its merits, it was important to measure public awareness before and after the implementation of the promotional efforts. Winning Edge Communications, in association with The Center for Research and Public Policy, therefore undertook before and after surveys to measure the effectiveness of the educational program. The Center is a full-service market research and public policy consulting firm, which operates out of Trumbull, Connecticut.

The first such survey prepared for the Commission took place during May and June of 2007. The following areas for investigation were employed:

- perceptions and attitudes toward current campaigns and elections;
- awareness and knowledge about the New Jersey Clean Elections Project;
- support for and opposition to the New Jersey Clean Elections Project;
- reasons for support and opposition;
- the market or willingness to participate by contributing \$10;
- sources for information about New Jersey elections, candidates and funding; and,
- demographics.

All information was collected from telephone surveys conducted between May 29 and June 2, 2007. A total of 375 interviews, 125 from each Clean Elections district, were conducted using a research design that assured representation from various geographic or demographic groups within the sample.

Further, a second, and final tracking survey was conducted in September 2007, using the same criteria and reaching the same number of residents in the three Clean Elections districts. This second survey measured changes on perceptions and attitudes among residents to determine the impact of the Clean Elections Program and promotional effort. The two surveys and an executive summary are attached as Appendices 1 and 2. It is also noted that Farleigh Dickinson University's PublicMind Poll in conjunction with Rutgers Eagleton Institute of Politics did a monitored study of the 2007 New Jersey Clean Elections Pilot Project.



he Clean Elections Act requires the Commission to issue this report on the program to Legislative Leadership by March 28, 2008.

In conjunction with this directive, and in an effort to gather information for the purposes of completing the report, the New Jersey ELEC held a public hearing on December 18, 2007.

In total, 17 individuals testified on the 2007 pilot program at the public hearing. Five other individuals submitted written testimony but did not attend in person. Those individuals participating in the public hearing are listed in the order that they testified. Those participating were: former State Senator William E. Schluter, State Senator Loretta Weinberg, Assemblywoman Valerie Vainieri Huttel, Assemblywoman Linda R. Greenstein, Assemblyman-Elect Wayne P. DeAngelo, President Sean Parnell of the Center for Competitive Politics, Assemblyman Gordon M. Johnson, Assembly Candidate Thomas Goodwin, Assemblywoman Alison Littell McHose, Assembly Candidate Toni D. Zimmer, Assembly Candidate Patrick Walsh, Assembly Candidate Jason M. Scheurer, Director Ingrid Reed of the Eagleton Institute of Politics, Legislative Political Director Marilyn Carpinteyro of New Jersey Citizen Action, Advocacy Coordinator Sandra Matsen for the League of Women Voters, Representative Jesse Burns of the League of Women Voters, and Libertarian Party Chair Louis Jasikoff. Those submitting written testimony but not appearing were: State Senator Leonard Lance, Assemblyman Alex DeCroce, Executive Director Peter J. Wooley of the PublicMind Poll, President Gregg M. Edwards of the Center for Policy Research of New Jersey, and State Senate Candidate Edwin C. Selby.

Based upon the testimony of candidates and interested citizens, the following are the areas for review expressed with regard to the 2007 pilot program and the renewal of the program to cover the 2009 legislative elections.

ITEM NO.	PUBLIC HEARING TESTIMONY: AREAS FOR REVIEW
1.	Fund ELEC adequately and provide more lead time for the Commission to administer the program.
2.	Include primaries as part of the Clean Elections Program.
3.	Fund alternative party candidates equally with Democratic and Republican candidates.
4.	Address problems associated with the review of qualifying contributions made by newly registered voters.
5.	Provide for the slogan/ballot statement deadline and the certification deadline to be the same.
6.	Provide ballot statements for Traditional as well as Clean Elections candidates.
7.	Provide dollar-for-dollar rescue money.
8.	Consider higher rescue money funding for a late attack advertisement.
9.	Allow contributions under a set amount, not just ten dollars.

ITEM NO.	PUBLIC HEARING TESTIMONY: AREAS FOR REVIEW
10.	Consider the review procedures in general to determine whether or not they are too strict.
11.	Allow one check to be used for contributing to a slate of candidates.
12.	Examine whether or not too much public money is provided to Clean Elections candidates, particularly in competitive districts.
13.	Determine whether or not weekly reporting is excessive.
14.	Explore broadcasting all Clean Elections debates on television, cable, and/or radio.
15.	Consider whether or not the deadline for the submission of debate plans should be earlier.
16.	Consider the creation of a funding source for the program.
17.	Have the “paid for by” line contain a Clean Elections reference.
18.	Review campaign coordination among Clean Elections candidates.
19.	Reduce the number of qualifying contributions needed to become certified.

ITEM NO.	PUBLIC HEARING TESTIMONY: AREAS FOR REVIEW
20.	Review the constitutionality of the Clean Elections ballot slogan.
21.	Consider whether or not a reliance on cash contributions could lead to corruption.
22.	Consider the uses of Clean Elections money, especially the wheeling of Clean Elections money to traditional candidates.
23.	Address the “Between Elections Expenditures Funds (BEEF)” issue.
24.	Consider whether or not information pertaining to how to contribute money to Clean Elections candidates should be included on the ELEC website.
25.	Evaluate whether or not the seed money contribution limit is too high.
26.	Review the selection process for choosing the competitive district to make it fairer.
27.	Study the withdrawal of candidacy process to determine whether or not it should be prohibited or made more difficult.
28.	Examine whether or not General Assembly candidates from the same party should both be required to run as Clean Elections candidates.
29.	Review the cost effectiveness of mailing a brochure to every voter or household in a district.
30.	Study the role of legislative leadership committees and county political party committees in the Clean Elections process.

ITEM NO.	PUBLIC HEARING TESTIMONY: AREAS FOR REVIEW
31.	Review debate procedures.
32.	Study the appropriateness of ELEC advocating the program once it has begun to administer the election.
33.	Consider the creation of a study commission to review the program in time for a non-binding referendum on the 2009 general election ballot.
34.	End the program because confidence in government did not increase, elections did not become more competitive, special interest influence did not decline, and the cost was exorbitant.
35.	Expand the program to include all 40 districts.

Table 1

2007 Clean Elections Candidate Fact Sheet P.L.2007, c.60	
Program Overview	Establishes a pilot program for the public financing of Senate and General Assembly candidates in three selected districts for the 2007 General Election.
Qualification Period	April 23, 2007 through September 30, 2007
Requirements	<ol style="list-style-type: none"> 1) File a Declaration of Intent to seek certification as a NJ Fair and Clean Elections candidate and agreement to participate in two debates by September 28, 2007. 2) Suspend for the duration of the campaign, all access the candidate has to campaign funds raised prior to becoming a participating Clean Elections candidate (exception: a participating candidate may use contributions of \$500 or less raised from individuals who are NJ voters and reported to the Commission prior to becoming a participating candidate as seed money). 3) Obtain a minimum of 400 contributions of \$10 (\$4,000) to receive half of the amount of public funds available and a total of 800 contributions of \$10 (\$8,000) to receive the maximum amount of public funds. Qualifying contributions may be in the form of currency, check, money order, electronic check, debit card, or credit card made payable to the candidate intending to become certified. <ul style="list-style-type: none"> • The contributions must be from registered voters from the legislative district in which the candidate is seeking office and be accompanied by a form developed or approved by the Commission to serve as an acknowledgement of the contribution by the contributor. • Qualifying contributions must be deposited into an account under the candidate's name and separate from all other accounts. • The participating candidate shall notify the Commission within three business days of receiving 400 contributions and must file a report each following week reporting the amount of qualifying contributions received to date. All candidates, regardless of the number of qualifying contributions received shall report weekly beginning on May 23, 2007. • General Assembly candidates from the same party and legislative district must both become certified to be eligible to receive public funds.

Requirements (Contd.)	<p>4) A certified candidate shall limit his or her expenditures to the amounts raised as seed money and qualifying contributions and public funds received from the fund.</p> <p>5) A certified candidate must participate in two debates, the details of which, including the selection of sponsors, shall be arranged by the candidates. A certified candidate who does not participate in the debates shall return moneys previously received from the fund.</p>
Public Funds Available Per Candidate	<ul style="list-style-type: none"> • <i>Districts A and B (non-split districts)</i>: \$100,000 (max.) for each party candidate; \$50,000 (max.) for each independent candidate. <p>Upon receiving 400 qualifying contributions and being certified by the Commission, a candidate nominated by a political party shall receive \$50,000 from the fund. An independent candidate shall receive \$25,000. If the candidate is unopposed, the certified candidate shall receive \$25,000, or \$12,500 if the candidate is an independent candidate. Thereafter a certified candidate shall receive an amount in equal proportion to the number of remaining qualifying contributions up to a maximum of 800 contributions, for a maximum amount of \$100,000 (\$50,000 for an independent candidate).</p> <ul style="list-style-type: none"> • <i>District C (split district)</i>: A maximum of the average amount of money spent by all candidates for the offices of General Assembly and Senate in the two preceding general elections in that district. Amounts to be determined once districts are selected. Independents receive the same amount as in non-split districts. <p>Note: Qualifying contribution amounts received will be deducted from grant amounts. Example: If a candidate raises 400 \$10 qualifying contributions, the actual amount dispersed to the candidate will be \$46,000.</p>
Seed Money	<p>Participating candidates may accept contributions of \$500 or less for a maximum aggregate amount of \$10,000 in the form of currency, check, money order, electronic check, debit card, or credit card from registered NJ voters. In-kind contributions may be accepted as seed money, provided that they are <i>de minimis</i> with a fair market value of \$200 or less. Such in-kind contributions shall not count towards the \$10,000 limit. Seed money shall be reported at the same time as qualifying contributions. Seed money contributions shall be accompanied by a Commission-created form to serve as an acknowledgment of the contribution by the contributor.</p>
Rescue Money	<p>1) <i>Excessive Expenditure by Opponent</i>: \$100,000 max (Party); \$50,000 max (Independent): If a noncertified candidate reports total contributions that exceeds the amount of money provided to each certified candidate, the Commission shall within 24 hours authorize the issuance of an amount of money equal to the excess amount, up</p>

Rescue Money (Contd.)	<p>to a maximum of \$100,000 in the case of a political party candidate (increments of \$1,000), or \$50,000 (increments of \$500) for an independent candidate.</p> <p>2) <i>Independent Expenditure Aiding Opponent</i>: \$100,000 max (Party); \$50,000 max (Independent): If the Commission determines, based on a written and certified complaint, that a nonparticipating candidate benefits from an independent expenditure or that a certified candidate is the subject of unfavorable campaign publicity or advertisements by an entity not acting in concert with that opposing noncertified candidate, then the Commission shall within 24 hours authorize the issuance of an amount of money up to a maximum of \$100,000 in the case of a political party candidate, or \$50,000 for an independent candidate. These funds shall be issued to political party candidates as each increment of \$1,000 is reported by the noncertified candidate and to independent candidates as each increment of \$500 is reported by the noncertified candidate.</p>
Communication Requirements	<p>Whenever a certified candidate makes, incurs or authorizes an expenditure to finance a communication aiding or promoting the election of the candidate alone or with other certified candidates or the defeat of any opponent(s), the communication shall include:</p> <p>a) radio: a statement in the candidate's own voice or each candidate's own voice, that identifies the candidate, office sought, and that the candidate has approved the ad, or</p> <p>b) Television, Internet, etc: a statement in the candidate's own voice or each candidate's own voice, that identifies the candidate, office sought, and that the candidate has approved the ad, that is either spoken by the candidate during an unobscured fullscreen view of the candidate or through a voice-over by the candidate accompanied by a clearly identifiable photograph or similar image of the candidate that occupies at least 80% of the vertical screen height, and includes the candidate's statement at the end of the communication in clearly readable writing letters equal to at least 4% of the vertical picture height and visible for at least four seconds. An Internet communication consisting of only printed material, with or without photographs, shall include the written statement described.</p>
Ballot Statement & Slogan	<p>Candidates certified no later than August 17, 2007, may submit a ballot statement (not to exceed 250 words) to the Commission for inclusion with the sample ballots mailed to each voter registered in the district the candidate is seeking office, and have the slogan "Clean Elections Candidate" included with their name on the general election ballot.</p>

Source: New Jersey Election Law Enforcement Commission, April 2007

Table 2
List of Candidates

District	Candidate	Party	Office Sought	Participating Candidate	Certified Clean Elections Candidate	Winners & Losers	Incumbents & Challengers
14	Bill Baroni PO Box 225 Colonia, NJ 07067	Republican	Senate	√	√	W	C
14	Adam Bushman PO Box 225 Colonia, NJ 07067	Republican	Assembly	√	√	L	C
14	Ray F. Cragle 37 Wallace Road Princeton, NJ 08550	Libertarian	Assembly	√		L	C
14	Wayne P. DeAngelo 105 Limewood Drive Hamilton, NJ 08690	Democrat	Assembly	√	√	W	C
14	Thomas Goodwin PO Box 225 Colonia, NJ 07067	Republican	Assembly	√	√	L	C
14	Linda R. Greenstein PO Box 492 Plainsboro, NJ 08536	Democrat	Assembly	√	√	W	I
14	Jason M. Scheurer 307 Trinity Court #7 Princeton, NJ 08540 jasonforassembly.com	Libertarian	Assembly	√	√	L	C
14	Seema Singh 2088 US Hwy 130 N Monmouth Junction, NJ 08852	Democrat	Senate	√	√	L	C
24	Gary R. Chiusano 18 Pelletown Road Augusta, NJ 07822	Republican	Assembly	√	√	W	C
24	Alison Littell McHose 76 Buckwheat Road Franklin, NJ 07416	Republican	Assembly	√	√	W	I
24	Steven V. Oroho 17 Edsall Road Franklin, NJ 07416	Republican	Senate	√	√	W	C
24	Edwin Selby PO Box 258 Branchville, NJ 07826 selbyforsenate.com	Democrat	Senate	√	√	L	C
24	Patrick Walsh 7 Delbar Drive Budd Lake, NJ 07828 walshforassembly.com	Democrat	Assembly	√	√	L	C

List of Candidates (Contd.)

District	Candidate	Party	Office Sought	Participating Candidate	Certified Clean Elections Candidate	Winners & Losers	Incumbents & Challengers
24	Toni D. Zimmer 242 Alpine Trail Sparta, NJ 07871 tonizimmer.com	Democrat	Assembly	√	√	L	C
37	Frank J. Cifarelli 150 Overlook Avenue Apt. 10-E Hackensack, NJ 07601	Republican	Assembly	√		L	C
37	Gordon M. Johnson 387 Murray Avenue Englewood, NJ 07631	Democrat	Assembly	√	√	W	I
37	Valerie Vainieri Huttle 485 Highview Road Englewood, NJ 07631	Democrat	Assembly	√	√	W	I
37	Clara S. Nibot 39 Bryne Place Bergenfield, NJ 07621	Republican	Senate	√		L	C
37	Wojciech J. Siemaszkiewicz 67 Lake Street Bergenfield, NJ 07621	Republican	Assembly	√		L	C
37	Loretta Weinberg 9 Millay Court Teaneck, NJ 07666	Democrat	Senate	√	√	W	I

Source: *New Jersey Election Law Enforcement Commission*

Table 3
Public Funds Available for Certified Clean Elections Candidates

The amount of Clean Elections funds received by a certified candidate depended upon several criteria: the total amount of contributions raised, the legislative district in which the candidate was seeking election, whether or not the candidate was opposed, and whether or not the candidate was a party candidate or an independent candidate. The following chart summarizes the amounts and types of funds that a certified candidate could receive depending upon the variables:

Candidate District & Party	Total Grant Amount	Initial Grant Amount Received @ 400 Qualifying Contributions	Grant Amount for Each Additional Qualifying Contribution Over 400	Maximum Rescue Money for Excess Contributions	Maximum Rescue Money for Independent Expenditures
OPPOSED					
District 24 or 37 & Republican or Democrat	\$100,000	\$46,000 (\$50,000-\$4,000)	\$115 (\$125-\$10)	\$100,000	\$100,000
District 14 & Republican or Democrat	\$534,375	\$46,000 (\$50,000-\$4,000)	\$1,200.94 (\$1,210.94-\$10)	\$100,000	\$100,000
District 14, 24, or 37 & Independent	\$50,000	\$21,000 (\$25,000-\$4,000)	\$52.50 (\$62.50-\$10)	\$50,000	\$50,000
UNOPPOSED					
District 24 or 37 & Republican or Democrat	\$50,000	\$21,000 (\$25,000-\$4,000)	\$52.50 (\$62.50-\$10)	N/A	\$100,000
District 14 & Republican or Democrat	\$267,187.50	\$21,000 (\$25,000-\$4,000)	\$595.47 (\$605.47-\$10)	N/A	\$100,000
District 14, 24, or 37 & Independent	\$25,000	\$8,500 (\$12,500-\$4,000)	\$21.25 (\$31.25-\$10)	N/A	\$50,000

Source: New Jersey Election Law Enforcement Commission, May 2007

Table 4
2007 Clean Elections Funds Disbursed

District	Candidate	Party	Office	Grant Amount Received	Rescue Money Received
14	Bill Baroni	Republican	Senate	\$526,375.00*	\$0
14	Adam Bushman	Republican	Assembly	\$526,375.00*	\$0
14	Wayne P. DeAngelo	Democrat	Assembly	\$526,375.00*	\$14,254.77
14	Thomas Goodwin	Republican	Assembly	\$526,375.00*	\$0
14	Linda Greenstein	Democrat	Assembly	\$526,375.00*	\$100,000**
14	Jason Scheurer	Independent	Assembly	\$23,521.00	\$0
14	Seema Singh	Democrat	Senate	\$526,375.00*	\$0

*Maximum grant funds for District 14 were received.

**Maximum rescue money was received.

District	Candidate	Party	Office	Grant Amount Received	Rescue Money Received
24	Gary R. Chiusano	Republican	Assembly	\$92,000.00*	\$0
24	Alison Littell McHose	Republican	Assembly	\$92,000.00*	\$0
24	Steve Oroho	Republican	Senate	\$92,000.00*	\$0
24	Edwin Selby	Democrat	Senate	\$65,895.00	\$0
24	Patrick Walsh	Democrat	Assembly	\$60,030.00	\$0
24	Toni Zimmer	Democrat	Assembly	\$61,985.00	\$0

*Maximum grant funds for District 24 were received.

District	Candidate	Party	Office	Grant Amount Received	Rescue Money Received
37	Valerie Vainieri Huttle	Democrat	Assembly	\$92,000.00*	\$0
37	Gordon Johnson	Democrat	Assembly	\$92,000.00*	\$0
37	Loretta Weinberg	Democrat	Senate	\$92,000.00*	\$0

*Maximum grant funds for District 37 were received.

Total Grant Amount Distributed - \$3,921, 681.00

Total Rescue Money Distributed - \$114,254.77

Total Clean Elections Funds Distributed - \$4,035,935.77

Source: New Jersey Election Law Enforcement Commission

Table 5
Comparison of Results in Clean Elections Districts 2003 and 2007
District 14

2003				2007			
Party	Office	Vote	Percent	Party	Office	Vote	Percent
Democrat	Senate			Democrat	Senate		
Cimino		19,613	39%	Singh		20,081	38%
Republican	Senate			Republican	Senate		
Inverso		29,499	59%	Baroni		33,207	62%
Independent	Senate						
Cragle		1,249	2%				
Sub-Total Senate		50,361				53,288	
Democrat	Assembly			Democrat	Assembly		
Greenstein		24,752	25%	Greenstein		28,266	27%
Guear		21,448	22%	DeAngelo		25,119	24%
Sub-Total		46,200	48%			53,385	52%
Republican	Assembly			Republican	Assembly		
Baroni		27,181	28%	Bushman		23,711	23%
Mitchell		23,872	25%	Goodwin		24,298	23%
Sub-Total		51,053	52%			48,009	46%
				Independent	Assembly		
				Cragle		1,308	1%
				Scheurer		1,775	2%
Sub-Total						3,083	3%
Sub-Total Assembly		97,253				104,477	
TOTAL		147,614				157,765	

Source: New Jersey Division of Elections

Table 6
Comparison of Results in Clean Elections Districts 2003 and 2007

District 24

2003				2007			
Party	Office	Vote	Percent	Party	Office	Vote	Percent
Democrat	Senate			Democrat	Senate		
Morrison		10,810	32%	Selby		13,694	31%
Republican	Senate			Republican	Senate		
Littell		23,106	68%	Oroho		31,143	69%
Sub-Total Senate		33,916				44,837	
Democrat	Assembly			Democrat	Assembly		
Boyle		11,658	20%	Walsh		13,845	16%
No candidate				Zimmer		13,644	15%
Sub-Total		11,658	20%			27,489	31%
Republican	Assembly			Republican	Assembly		
Gregg		24,472	41%	Chiusano		29,616	34%
McHose		23,103	39%	McHose		30,453	35%
Sub-Total		47,575	80%			60,069	69%
Sub-Total Assembly		59,233				87,558	
TOTAL		93,149				132,395	

Source: New Jersey Division of Elections

Table 7
Comparison of Results in Clean Elections Districts 2003 and 2007

District 37

2003				2007			
Party	Office	Vote	Percent	Party	Office	Vote	Percent
Democrat	Senate			Democrat	Senate		
Baer		22,543	62%	Weinberg		24,118	75%
Republican	Senate			Republican	Senate		
Honig		13,860	38%	Nibot		7,924	25%
<i>Sub-Total Senate</i>		36,403				32,042	
Democrat	Assembly			Democrat	Assembly		
Weinberg		23,516	33%	Huttle		22,488	36%
Johnson		22,492	31%	Johnson		21,228	34%
<i>Sub-Total</i>		46,008	64%			43,716	70%
Republican	Assembly			Republican	Assembly		
Long		11,778	16%	Cifarelli		9,051	15%
Steinfeld		11,690	16%	Siemaszkiewicz		8,932	15%
<i>Sub-Total</i>		23,468	33%			17,983	29%
Independent	Assembly						
Alessandrini		1,063	2%				
Neustadler		974	1%				
<i>Sub-Total</i>		2,037	3%				
<i>Sub-Total Assembly</i>		71,513				61,699	
TOTAL		107,916				93,741	

Source: New Jersey Division of Elections

Table 8a
Turnout in Clean Elections Districts: 2001, 2003, 2005, and 2007
District 14

Turnout		
Year	Senate	General Assembly
*2001	50%	49%
2003	41%	40%
*2005	No election	52%
2007	41%	40%

*Gubernatorial Election held

Source: New Jersey Division of Elections

Table 8b
Turnout in Clean Elections Districts: 2001, 2003, 2005, and 2007
District 24

Turnout		
Year	Senate	General Assembly
*2001	47%	45%
**2003	29%	25%
*2005	No election	44%
2007	35%	34%

*Gubernatorial Election held

**Only one Democratic General Assembly Candidate

Source: New Jersey Division of Elections

Table 8c
Turnout in Clean Elections Districts: 2001, 2003, 2005, and 2007
District 37

Turnout		
Year	Senate	General Assembly
*2001	44%	43%
2003	34%	34%
*2005	No election	44%
2007	30%	29%

*Gubernatorial Election held

Source: New Jersey Division of Elections

Table 9a
Vote by Party – Clean Elections Districts:
2003 and 2007

District 14

Party	2003		Party	2007	
	Vote	Percent		Vote	Percent
Democrat	65,813	45%	Democrat	73,466	47%
Republican	80,552	55%	Republican	81,216	51%
Independent	1,249	1%	Independent	3,083	2%
TOTAL	147,614			157,765	

Source: New Jersey Division of Elections

Table 9b
Vote by Party – Clean Elections Districts:
2003 and 2007

District 24

Party	2003		Party	2007	
	Vote	Percent		Vote	Percent
*Democrat	22,468	24%	Democrat	41,183	31%
Republican	70,681	76%	Republican	91,212	69%
TOTAL	93,149			132,395	

*Only one Democratic General Assembly Candidate

Source: New Jersey Division of Elections

Table 9c
Vote by Party – Clean Elections Districts:
2003 and 2007

District 37

2003			2007		
Party	Vote	Percent	Party	Vote	Percent
Democrat	68,551	64%	Democrat	67,834	72%
Republican	37,328	35%	Republican	25,907	28%
Independent	2,037	2%			
TOTAL	107,916			93,741	

Source: New Jersey Division of Elections

Table 10
Comparison of Turnout
Statewide and Clean Elections Districts
2007

Districts				
	Statewide	District 14	District 24	District 37
Senate	30%	41%	35%	30%
General Assembly	29%	40%	34%	29%

Source: New Jersey Division of Elections

Table 11
Independent Expenditures:
State Elections

Year	Gubernatorial	Legislative
*1977	(1) Republican National Committee \$10,700	
1979		
*1981	(18) Independent Expenditures. None more than \$14,600	
1983		
*1985		
1987		
*1989	(1) National Abortion Right Action League (NARAL) \$200,000 for James J. Florio	
1991		
*1993	(1) National Rifle Association (NRA) \$51,000 for Christine Todd Whitman	(1) National Rifle Association (NRA) \$166,000 for Republican legislative candidates
1995		
*1997		
1999		** (1) New Jersey Right to Life for Michael J. Doherty in the Primary
*2001	(2) New Jersey Education Association (NJEA) \$410,000 for McGreevey and Republican National Committee \$1 million for Bret Schundler	
2003		
*2005		
2007		(1) Commonsense America \$114,000 against Linda R. Greenstein and Wayne P. DeAngelo

*Gubernatorial Election

**No amounts available

Note: Number of independent expenditures in parenthesis.

Source: New Jersey Election Law Enforcement Commission

Table 12a
2007 State Senate Cost Per Voter:
Clean Elections Districts and Statewide

Jurisdiction	No. Voters	Amount	Cost
District 14	53,288	\$1,127,750	\$21.16
District 24	44,837	\$157,895	\$3.52
District 37	32,042	\$93,376	\$2.91
Statewide	1,441,300	\$21,752,568	\$15.09

(Four candidates did not qualify for Clean Elections funds, one in District 14 and three in District 37)

Source: New Jersey Division of Elections

Table 12b
2007 General Assembly Cost Per Voter:
Clean Elections Districts and Statewide

Jurisdiction	No. Voters	Amount	Cost
District 14	52,238	\$2,129,021	\$41.00
District 24	43,779	\$306,015	\$6.99
District 37	30,850	\$184,000	\$5.96
Statewide	1,397,274	\$23,047,107	\$16.49

Source: New Jersey Division of Elections

Table 13
Comparison of Expenditure Activity:
2001, 2003, and 2007

Expenditures			
Jurisdiction	2001	2003	2007
District 14	\$1.7 million	\$3.0 million	\$3.37 million
District 24	\$502,555	\$211,948	\$519,065
District 37	\$197,080	\$607,376	\$245,223

Source: New Jersey Election Law Enforcement Commission

Table 14
Ranking of Legislative Districts By Spending: 2007

District	Rank	Spending
12	1	\$5,959,265
1	2	4,928,348
2	3	4,358,867
*14	4	3,397,403
8	5	3,035,761
39	6	2,871,312
3	7	2,108,247
27	8	1,971,014
11	9	1,611,172
36	10	1,502,328
7	11	1,296,689
5	12	1,270,673
17	13	1,248,181
15	14	1,242,697
6	15	1,196,442
21	16	961,046
29	17	747,717
38	18	733,873
13	19	705,532
16	20	697,786
19	21	675,353
18	22	646,860
35	23	642,599
4	24	640,083
20	25	612,489
30	26	553,864
22	27	542,978
*24	28	520,729
26	29	517,659
10	30	467,016
40	31	436,726
32	32	351,703
23	33	338,976
34	34	337,887
*37	35	263,143
25	36	233,355
9	37	202,233
28	38	156,640
33	39	143,275
31	40	122,568

*Clean Elections Districts

Source: *New Jersey Election Law Enforcement Commission*

Table 15
Percent of Reported Qualifying Contributions
Made in Cash to Clean Elections Candidates

Contributions		
Cash	Total	Percent
\$2,105	\$7,279	29%

Source: New Jersey Election Law Enforcement Commission

Table 16
2007 General Election

Financial Activity		
Office	Raised	Spent
General Assembly	\$24,919,307	\$23,047,107
Senate	\$25,393,770	\$21,752,568
TOTAL	\$50,313,077	\$44,799,675

Source: New Jersey Election Law Enforcement Commission

Table 17
2007 Clean Elections Seed Money Contributions and Expenditures

Participating Clean Elections candidates were permitted to accept seed money contributions of \$500 or less for a maximum aggregate amount of \$10,000 in the form of currency, check, money order, electronic check, debit card, or credit card from registered New Jersey voters. The table below indicates by ranges the amount of seed money contributions received and spent by the 16 certified Clean Elections candidates.

Seed Money Amount	Number of Candidates Receiving Contributions	Number of Candidates Expending Contributions
Less than \$2,000	3	4
\$2,000 to \$4,000	4	3
\$4,001 to \$6,000	1	1
\$6,001 to \$8,000	4	4
\$8,001 or more	4	4

Note: 69% of the seed money contributions received were \$200 or less.
 In total, \$88,878 in seed money was spent.

Source: New Jersey Election Law Enforcement Commission



n administering the Clean Elections Act, ELEC encountered numerous issues during the life of the program. Those issues are summarized below:

1. **Joint Checking Account Process for Signing Checks and Candidate Contribution Forms**

Issue: Holders of joint checking accounts were permitted to make contributions to a Clean Elections candidate using one check. The law required each account holder to sign both the check and contribution receipt form. The check was then deposited by the candidate into his or her Clean Elections account. The contribution receipt form was then maintained by the candidate for record purposes.

Clean Elections candidates complained that the process of signing both the check and contribution receipt form was too burdensome, making the effort to become certified more difficult than necessary.

Action Taken: The process described above is not applicable to any other disclosure process or program administered by the Commission. However, since this process was statutory, Commission staff required Clean Elections candidates to comply with the guidelines prescribed by law.

2. **Primary Debt Payment Issue**

Issue: The Act held that a candidate must suspend access to campaign funds from a prior election during the time that a candidate is “intending to become certified.”

During the general election cycle, Clean Elections Candidate Alison Littell McHose, 24th District, submitted an Advisory Opinion Request to the Commission. The request asked whether or not debts incurred during the 2007 primary election could be paid by funds remaining in her

2007 primary election account. The Advisory Opinion Request also inquired as to whether or not additional primary funds could be raised to pay the outstanding 2007 primary debts.

Action Taken: ELEC advised Candidate McHose that it would be permissible to pay outstanding primary debts with existing primary money. The Commission also advised the candidate that new primary money could not be raised during the general election cycle because the public policy of the Act was to remove access to large contributions that could unduly influence a candidate. However, ELEC stated that the day after the election she could resume such fundraising. See Advisory Opinion No. 03-2007 in Appendix-3.

3. Donation of Clean Elections Money to Other Candidates

Issue: Certified Candidates Edwin C. Selby, Patrick Walsh, and Toni D. Zimmer in the 24th District used Clean Elections money to contribute to other candidates. More than \$4,000 in Clean Elections money was contributed to their party's candidates at the county and municipal levels. The candidates stated that the money was contributed to help them (the Clean Elections candidates) in their efforts at the local level.

Action Taken: The permissible uses of Clean Elections money were tied to the permissible use provision in "The Campaign Contributions and Expenditures Reporting Act." Under the Campaign Act, candidates are permitted to contribute their campaign funds to other candidates.

4. Coordination Issue Before and After Certification

Issue: The Clean Elections Act states that:

In the event that the candidates for the office of member of the General Assembly from the same legislative district are certified and are members of the same political party and the candidate for the member of the Senate from the

same legislative district is a member of the same political party and is also certified, nothing in this act shall prevent such candidates from coordinating their campaigns for election to office in the general election. In the event, however, that either the candidates for the office of member of the General Assembly or the candidate for the member of the Senate does not become certified, [emphasis added] the certified candidate or candidates shall not be permitted to coordinate his or her campaign with the noncertified candidate or candidates. The failure by either the certified candidates or the noncertified candidates to comply with this restriction shall constitute an illegal contribution and both candidates shall be liable for the penalty provided by subsection a. of section 19 of this act.

Inquiries were received from candidates intending to participate in the Clean Elections pilot program regarding the applicability of this provision. Traditionally, in New Jersey, candidates for Senate and General Assembly from the same party in the same district coordinate activities with each other. Examples of coordination involved the purchase of lawn signs, the printing and distribution of campaign literature, and the gathering of information through research polls.

The statutory provision could be read to restrict coordination relative to this activity until all candidates (of the same party) were certified. If interpreted in this manner, campaigns might be hampered.

Action Taken: The Commission considered a possible reading of the law's intent to mean that all candidates of the same party in the same district had to become certified candidates before coordinating campaigns. However, the Commission had to acknowledge the tradition of same party legislative candidates coordinating their campaigns and the need to not hamper the effectiveness of those campaigns.

The Commission determined that participating candidates could coordinate campaign activities during the period in which they were attempting to become certified. However, once a candidate became certified, he or she was no longer able to coordinate his or her campaign with a running mate that was not yet certified. Coordination could resume once the other candidate or candidates had become certified.

A certified candidate was not permitted to coordinate activities with a non-certified candidate.

5. Independent Expenditures and Rescue Money including the News Exception

Issue: The Commission received a request for rescue money from Linda R. Greenstein, Clean Elections candidate for General Assembly in the 14th District. Candidate Greenstein claimed that an independent organization, Commonsense America, had spent an estimated \$165,000 for radio advertisements and telephone push polls in opposition to her candidacy.

A second request for rescue money involved 14th District Assembly Candidate Wayne P. DeAngelo. Candidate DeAngelo claimed that an independent expenditure in the amount of \$14,254 was made by Commonsense America which subjected the candidate to “unfavorable campaign publicity.”

A third request for rescue money involved the Libertarian Candidate for the General Assembly in the 14th District, Jason M. Scheurer. Candidate Scheurer asked for \$60,000 in rescue money because News 12 New Jersey failed to include him in a debate held on October 25, 2007. The News 12 debate was not one of the two mandated Clean Elections debates. Candidate Scheurer maintained that the failure to include him in the debate was the “worst form of an attack advertisement” and constituted an independent expenditure against him.

Action Taken: Candidate Greenstein was awarded the maximum \$100,000 in rescue money. Confirmation was obtained regarding the independent expenditures on radio advertisements and push polls. Likewise, Candidate DeAngelo was awarded \$14,254 in rescue money following verification that independent expenditures were made for mailings that subjected the candidate to “unfavorable campaign publicity.” Rescue money was not provided to Candidate Scheurer since News 12 New Jersey is a bonafide news organization and is not controlled by any candidate or political committee. Furthermore, the debate in question was not one of the two required Clean Elections debates. As a news organization, the actions of News 12 New Jersey could not be construed as favoring or opposing any candidate.

6. **Lawsuit Over the Funding of Independent Candidates and Deadline for Clean Elections Ballot Designation**

Issue: Candidate Jason M. Scheurer, 14th District, filed a lawsuit in State court challenging the Clean Elections Act on the grounds that it discriminated against independent candidates by awarding greater amounts of public money to major party candidates than to third party candidates. The lawsuit addressed the issue of the deadline of August 17, 2007, to become a certified candidate in order to have the “Clean Elections Candidate” slogan with the candidate’s name on the ballot.

Third party candidates were eligible for a maximum \$42,000 in public funds plus \$8,000 in money raised. Thus, in all three Clean Elections districts, third party candidates could spend a maximum of \$50,000 on their campaign. In the 14th District, major party candidates received a maximum of \$534,375 (\$526,375 plus \$8,000) each and in the 24th and 37th Districts, such candidates were eligible to receive a maximum of \$100,000 (\$92,000 plus \$8,000).

Action Taken: The court did not provide any immediate relief to Candidate Scheurer. The case is still pending. Ultimately, the question may not be addressed by the court since the law will expire on May 4, 2008.

7. Return of Unspent Funds and Access to Previously Raised Funds

Issue: The Clean Elections Act prohibited Clean Elections candidates from incurring debt or from making additional expenditures following the date of the 2007 general election. Candidates could make expenditures using their Clean Elections money for the payment of outstanding debt made for permissible campaign expenses on or before the date of the election. Clean Elections candidates could use public funds to cover the costs of closing their campaign accounts.

Clean Elections candidates were required to return all remaining unspent funds to the State by March 31, 2008. Candidates had to certify either the 20-day postelection report or the first quarterly report (April 15, 2008) as the final report. Moreover, candidates were prohibited from spending any qualifying contributions in excess of the \$8,000 required to receive the maximum in public funds.

Action Taken: Clean Elections rules prohibited candidates from accessing regular election funds until after the Clean Elections accounts had been closed and a final report had been submitted. It is not always an easy task for campaigns to close out an account. There are often delays in obtaining invoices and determining outstanding obligations. The question arose as to how Clean Elections candidates pay for the ordinary and necessary expenses of holding public office during the interim period between the election and when they are able to finalize reports. Under the Act, candidates could not access or spend funds collected prior to participating in the program during this time frame.

CONCLUSION

The Commission was charged with the responsibility to administer the 2007 Clean Elections Pilot Project. It was also given the responsibility of issuing a report to the four leaders of the Legislature concerning the 2007 experience. As directed by the Clean Elections Act, this report must be “strictly fact-based” and contain no recommendations as to any future similar endeavor. In undertaking this study, ELEC, while adhering to this mandate, has attempted to provide factual information that will allow legislators to gain important perspectives on the issues that arose and the initiatives that were taken in implementing the 2007 Clean Elections Program.

The report contains a chapter on the efforts to introduce public financing into legislative elections dating back to the late 1980’s. This chapter demonstrates that public officials, the media, citizen groups, individuals, and the Commission have long expressed concern over spending in legislative campaigns that history shows has continued to increase.

Additionally, an in-depth summary of the Clean Elections Act is provided in the text. This chapter is a valuable reference for those who wish to thoroughly understand the approach taken by the Legislature in its attempt to provide an alternative to the traditional system of funding campaigns for the State Senate and General Assembly.

An area of considerable interest to advocates of the program was the need to promote adequately the Clean Elections Program. As noted in the text, an appropriation of \$600,000 for the purpose of promoting the pilot project was included in the Act. The chapter on the promotion of the program provides a detailed synopsis of the effort to raise the public’s awareness of the experimental program as carried out by Winning Edge Communications of Princeton, New Jersey. This vendor was selected in compliance with the bidding laws of the State of New Jersey. The text also summarizes the promotional efforts made directly by ELEC through its website and other endeavors including training programs. Moreover, as part of the report, two Appendices are attached which contain information about two New Jersey Clean

Elections Tracking Surveys conducted by the Center for Research and Public Policy in association with Winning Edge. These surveys track the impact of the promotional program on the awareness level of the public relative to the Clean Elections Program per se and to various and sundry aspects of the pilot project in general.

Also, included in the report is a very important section containing many different data tables. The tables included in this chapter contain information that surely will be of assistance to legislators as they measure the impact of the pilot program on the electoral process in the legislative elections of 2007.

The report contains a chapter devoted to the public hearing conducted by ELEC on December 18, 2007. The public hearing was held to solicit the thoughts of candidates, consultants, officeholders, former officeholders, think tank representatives, and the public on the merits and shortcomings of the program. Many individuals testified in person and some by submitting written testimony. The issues of concern articulated by the participants are included in this important chapter.

As with any program in government, particularly when the program is in the beginning or trial stages, there are bound to be certain issues that arise during implementation. In administering the 2007 program, the Commission encountered certain issues that occurred as the program moved forward. These issues are highlighted in the report as well as the action taken to deal with them. The following issues are addressed in the Issues chapter:

- joint checking account process for signing checks and candidate contribution forms;
- primary debt payment;
- donation of Clean Elections money to other candidates;
- coordination issue before and after certification;
- independent expenditures and rescue money including the news exception;

- lawsuit over the funding of independent candidates and deadline for Clean Elections ballot designation; and,
- return of unspent funds and access to previously raised funds.

It has been the goal of this report to provide factual information and background material for the benefit of the Governor and members of the Legislature as they undertake the process of determining the future of the program as it applies to the 2009 legislative elections.

APPENDICES

Appendix No.

1. New Jersey Clean Elections Tracking Surveys for May/June and September 2007
2. New Jersey Clean Elections Tracking Surveys: Executive Summary
3. New Jersey Election Law Enforcement Commission
Advisory Opinion No. 03-2007*
4. “The 2007 New Jersey Fair and Clean Elections Pilot Project Act” (P.L.2007, c.60)

*This advisory opinion was the only one requested.

APPENDIX-1

***NEW JERSEY CLEAN ELECTIONS
TRACKING SURVEYS***

Prepared for:

New Jersey Election Law Enforcement Commission

September 2007

Statement of Confidentiality and Ownership

All of the analyses, findings and recommendations contained within this report are the exclusive property of the New Jersey Election Law Enforcement Commission (ELEC).

As required by the Code of Ethics of the National Council on Public Polls and the United States Privacy Act of 1974, The Center for Research and Public Policy maintains the anonymity of respondents to surveys the firm conducts. No information will be released that might, in any way, reveal the identity of the respondent.

Moreover, no information regarding these findings will be released without the written consent of an authorized representative of the New Jersey Election Law Enforcement Commission.

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Crosstabulation Table

Survey Instrument

Composite Aggregate Data

1 INTRODUCTION

The Center for Research & Public Policy (CRPP) is pleased to present the results of a NJ Clean Elections Project Tracking Survey conducted among New Jersey residents on behalf of the New Jersey Election Law Enforcement Commission.

The September 2007 survey was designed to track a similar survey conducted in May/June 2007. Both surveys were designed to collect input from residents regarding Project awareness, perceptions, knowledge and support.

The research study included a comprehensive telephone survey. Interviews were conducted among resident registered voters within districts 14, 24, and 37. CRPP, working together with both New Jersey Election Law Enforcement Commission and Winning Edge officials, designed the survey instrument to be used when calling voters within the three districts.

This report summarizes information collected from telephone surveys conducted September 24-29, 2007.

The survey instrument employed in the Community Survey included the following areas for investigation:

- Perceptions and attitudes toward current campaigns and elections;
- Awareness and knowledge about the NJ Clean Elections Project;
- How residents learned about the Project;
- Support for and opposition to the NJ Clean Elections Project;
- Reasons for support and opposition;
- “The Market” or willingness to participate by contributing \$10;
- Sources for information about NJ elections, candidates and funding; and
- Demographics

Section II of this report discusses the Methodology used in the study, while Section III includes Highlights derived from an analysis of the quantitative research. Section IV is a Summary of Findings for the residential telephone surveys - a narrative account of the data.

Section V is an Appendix to the report containing a crosstabulation table, a copy of the survey instruments, and the composite aggregate data.

METHODOLOGY

Using a quantitative research design, CRPP completed 375 interviews among resident voters of the New Jersey Election Law Enforcement Commission. A total of 125 surveys were completed within each of the three designated voting districts.

All telephone interviews were conducted between September 24 – 29, 2007. This survey tracks similar questions posed May 29 – June 2, 2007. Residents were contacted between 5:00 p.m. and 9:00 p.m. weekdays and 10:00 a.m. and 4:00 p.m. on the weekend.

Survey input was provided by New Jersey Election Law Enforcement Commission officials and Winning Edge.

Survey design at CRPP is a careful, deliberative process to ensure fair, objective and balanced surveys. Staff members, with years of survey design experience, edit out any bias. Further, all scales used by CRPP (either numeric, such as one through ten, or wording such as strongly agree, somewhat agree, somewhat disagree, or strongly agree) are balanced evenly. And, placement of questions is carefully accomplished so that order has minimal impact.

All population-based surveys conducted by CRPP are proportional to population contributions within States, towns, and known census tract, group blocks and blocks. This distribution ensures truly representative results without significant under or over representation of various geographic or demographic groups within a sampling frame.

CRPP utilized an Nth name stratified sampling procedure. This process allows randomization of numbers, which equalizes the probability of qualified respondents being included in the sampling frame.

Respondents qualified for the survey if they confirmed they were registered to vote and at least eighteen years of age.

Training of telephone researchers and pre-test of the survey instrument occurred on September 24, 2007.

All facets of the study were completed by CRPP's senior staff and researchers. These aspects include: survey design, pre-test, computer programming, fielding, coding, editing, data entry, verification, validation and logic checks, computer analysis, analysis, and report writing.

Completion rates are a critical aspect of any telephone survey research. Because one group of people might be easier to reach than another group, it is important that concentrated efforts are made to reach all groups to an equal degree. A high completion rate means that a high percentage of the respondents within the original sample were actually contacted, and the resulting sample is not biased toward one potential audience. CRPP maintained a 75% completion rate on all calls made during this NJ Clean Elections Survey. And, a high completion rate, many times indicates an interest in the topic.

Statistically, a sample of 375 surveys represents a margin for error of +/-5.0% at a 95% confidence level.

In theory, a sample of District 14, 24, 37 residents will differ no more than +/-5.0% than if all district residents were contacted and included in the survey. That is, if random probability sampling procedures were reiterated over and over again, sample results may be expected to approximate the large population values within plus or minus 5.0% -- 95 out of 100 times.

Readers of this report should note that any survey is analogous to a snapshot in time and results are only reflective of the time period in which the survey was undertaken. Should concerted public relations or information campaigns be undertaken during or shortly after the fielding of the survey, the results contained herein may be expected to change and should be, therefore, carefully interpreted and extrapolated.

Furthermore, it is important to note that all surveys contain some component of "sampling error". Error that is attributable to systematic bias has been significantly reduced by utilizing strict random probability procedures. This sample was strictly random in that selection of each potential respondent was an independent event, based on known probabilities.

Each qualified voter within the three districts had an equal chance for participating in the study. Statistical random error, however, can never be eliminated but may be significantly reduced by increasing sample size.

HIGHLIGHTS

On Perceptions and Attitudes...

- A large majority of survey respondents, 84.5% (81.9% in June), agreed with a statement suggesting that private organizations and special interest groups have too much influence on the candidates they contribute funds to during elections.
- And, just under three quarters, 82.4% (73.9% in June), agreed with a movement toward more small dollar public voter contributions to candidates.
- Just over half, 56.3%, (46.9% in June) agree that State candidates should have access to public funding.
- While 81.1% (95.2% in June) of all respondents indicated they had not heard of any changes to campaign finance or campaigning in their respective districts this year, 15.7% (4.0% in June) said they were aware of some changes. A few were unsure (3.2%).
- By nearly a three-to-one margin, 50.1% to 16.0% (52.0% to 8.8% in June), respondents rated the State Senate and Assembly campaign and election process as being influenced by financial contributions to candidates. The remaining respondents were either neutral (17.8%) in their views or unsure (16.0%).

On The Project: Awareness / Knowledge

- Following an introduction of the new “Clean Elections Project”, researchers asked respondents if they had heard of the Project prior to the call. Most, 61.6%, (91.7% in June) had not heard of the Project while 37.1% (7.5% in June) said they had. Some, 1.3%, were unsure.
- In an effort to measure depth of knowledge about the Project, researchers asked “aware” respondents (37.1%) how aware they were of four features.
 - Two thirds, 69.8% (53.6% in June), were very or somewhat aware of the maximum \$10 contribution allowed;
 - Over half, 51.1% (35.7% in June), were very or somewhat aware the Pilot Project was in only three districts;
 - Over half, 56.8% (32.1% in June), knew only registered voters within a candidates district could contribute; and
 - Just under one quarter, 23.7% (28.6% in June), were very or somewhat aware that participating candidates were required to debate.

- Over one in ten, 11.7%, indicated they had been approached by a “Fair and Clean” candidate, campaign or organization for a \$10 contribution. Of this group, 59.1% contributed.

On Support and Opposition...

- Strong support for the NJ Clean Elections Project continues. Nearly two thirds, 62.1% (57.1% in June) indicated they strongly or somewhat support the Project while 8.6% (15.2% in June) were strongly or somewhat opposed. Others, 29.3%, were unsure. When “don’t know” respondents are removed from the data, support moves to 87.9% (79.0% in June).
- Approximately two thirds of all respondents believe the Project will likely (very or somewhat) make a positive difference in New Jersey politics and cause positive change in how New Jersey elects politicians – 69.3% and 61.6% respectively (up from 53.6% and 51.5% in June respectively).
- Over half, 58.1% (41.9% in June) said the Project was very or somewhat likely to reduce corruption in New Jersey.

On the Market...

- Over half of all respondents, 53.9% (54.7% in June), indicated they would be very or somewhat likely to contribute ten dollars to a campaign if asked by a candidate of their choice. When extrapolated on the total population, this represents a significant number of contributors.

On Sources for Information...

- Newspaper ads and articles, the internet, TV news, campaign materials, friends/relatives. Direct mail and radio news represent the primary sources for information about New Jersey elections, candidates, and election funding among survey respondents.

SUMMARY OF FINDINGS

Readers are reminded that the following section summarizes statistics collected from surveys among 375 registered voters residing within Districts 14, 24, and 37.

PERCEPTIONS AND ATTITUDES

All respondents were asked to think about campaigns and elections for the State Senate and Assembly in New Jersey.

Researchers read three statements to respondents and asked if they strongly agreed, somewhat agreed, somewhat disagreed or strongly disagreed with each.

The following table presents the cumulative totals for those strongly and somewhat agreeing with each statement. The second column holds composite results (all 375 cases) while the remaining columns present district results (125 cases each).

Campaign and Election Statements	Composite: Strongly and Somewhat Agree (June)	Composite: Strongly and Somewhat Agree (September)
Private organizations and special interest groups have too much influence on the candidates they contribute funds to	81.9	84.5
We should move toward more small dollar public voter contributions to candidates	73.9	82.4
State candidates should have access to public funding	46.9	56.3

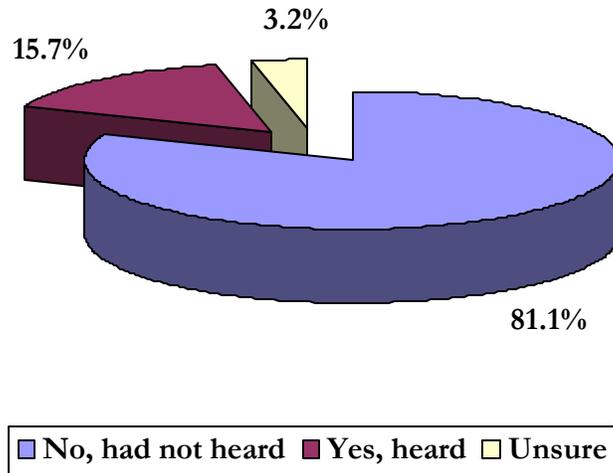
The following table presents results for each district separately in both June and September, 2007.

Campaign and Election Statements	District 14 (June)	District 14 (Sept)	District 24 (June)	District 24 (Sept)	District 37 (June)	District 37 (Sept)
Private organizations and special interest groups have too much influence on the candidates they contribute funds to	76.0	85.6	84.8	84.0	84.8	84.0
We should move toward more small dollar public voter contributions to candidates	73.6	81.6	72.0	82.4	75.2	83.2
State candidates should have access to public funding	53.6	64.0	40.8	50.4	46.4	54.4

The following table presents the composite results without “don’t know” respondents.

Campaign and Election Statements	Composite: Strongly and Somewhat Agree (June)	Composite: Strongly and Somewhat Agree (September)
Private organizations and special interest groups have too much influence on the candidates they contribute funds to	88.5	90.8
We should move toward more small dollar public voter contributions to candidates	83.9	90.4
State candidates should have access to public funding	54.9	65.3

Respondents were asked if they had heard of any changes to campaign finance or campaigning in their district this year. While a large majority, 81.1% (95.2% in June), said they had not, 15.7% (4.0% in June) said they did and 3.2% were unsure.



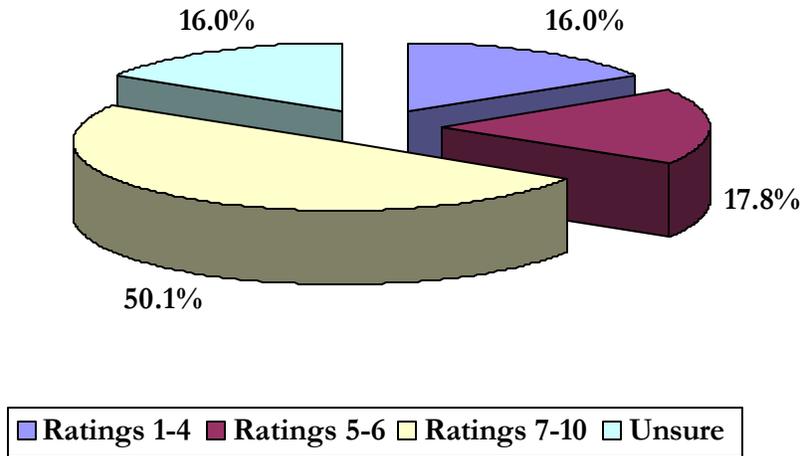
In an open end format question, researchers asked respondent who had heard of changes to report what they had heard.

Changes Heard	Percent
\$10 contributions	28.8
Clean Elections Project	27.1
Don't Know	11.9
Small contributions	10.2
Pilot districts / three districts for \$10	6.8
Public funding available to participants	5.1
Reform of campaign funding	3.4

Other changes heard and mentioned less frequently included: district 37 going through a reform, limited contributions will weck out special interest groups, limited contributions, pay to play.

Based on all they know or have heard, respondents were asked to rate the State Senate and Assembly campaign and election process on being free from financial influence. Researchers asked respondents to use a scale of one to ten where one meant the process was very free from financial influence and ten meant the process was not at all free from influence.

By nearly a six-to-one margin, respondents considered the process influenced by finances. Just over half, 50.1% (52.0% in June) provided cumulative ratings of 7 – 10 while 16.0% (8.8% in June) provided cumulative ratings of 1 - 4.

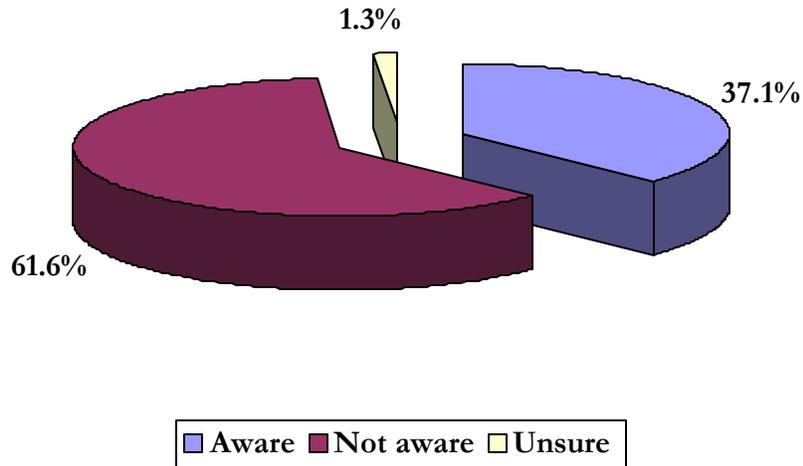


When don't know respondents are removed from the data, those considering the process influenced by finances grows to 59.7% (67.8% in June).

THE PROJECT: AWARENESS/KNOWLEDGE

Researchers read respondents the following: “There is a new “Clean Elections Project” in New Jersey. Briefly, candidates for State Senate and Assembly who choose to participate collect only \$10 (ten dollars) each from at least 400 voters and they agree to turn away private special interest contributions. In return they receive public funding.”

Each respondent was asked if, prior to the researcher’s call, they were away of the New Jersey Clean Elections Project. While a majority, 61.6% (91.7% in June) indicated they were not aware, 37.1% (7.5% in June) suggested they were. A few, 1.3%, were unsure.



Awareness of the Project was highest in District 14 -- 44.0% (14.4% in June) and lower in Districts 24 and 37 – 25.6% and 41.6% respectively (3.2% and 4.8% respectively in June).

In a new question for the September tracking survey, all “aware” respondents were asked how each learned about the New Jersey Clean Elections Project. The following table presents the results as collected.

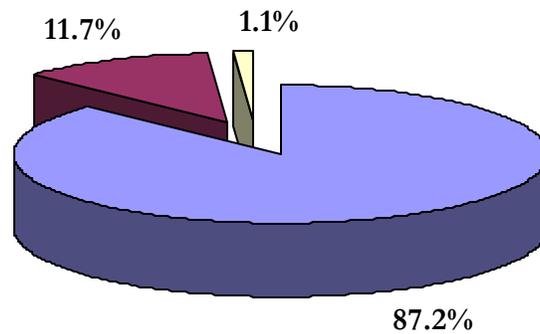
How Respondents Learned About the Project	Percent
Newspaper article	27.3
Newspaper ads	12.2
TV news	10.8
TV ads	9.4
Candidates directly	6.5
Direct mail / brochures	6.5
Friends / relatives / co-workers	6.5
Radio news	5.8
Campaign materials	5.0
Radio ads	2.2
Campaign ads	1.4

In an effort to measure depth of knowledge about the New Jersey Clean Elections Project, researchers asked respondents how aware they were of four different project features.

The following table presents the cumulative totals for those suggesting they were very or somewhat aware of each project feature.

Project Features	Somewhat and Very Aware (June)	Somewhat and Very Aware (September)
The maximum contribution to participating candidates is \$10	53.6	69.8
The Pilot Project is only in three districts	35.7	51.1
Only registered voters within the candidates district may contribute the \$10	32.1	56.8
Participating and certified candidates are required to debate while non-participating candidates are not	28.6	23.7

A majority of respondents, 87.2% (97.3% in June), said they had not been approached by a “Fair and Clean” candidate for a \$10 contribution. However, 11.7% (1.9% in June) indicated they had been approached and 1.1% were unsure.



■ Not been approached ■ Been approached ■ Unsure

In another new question for the September tracking survey, 43.2% suggested they had been approached by the candidate him/herself while 13.6% indicated a campaign worker made the approach and 18.2% suggested the approach was made by an organization. Another 9.1% said “other” while 15.9% were unsure how they were approached.

Of those who were approached, 59.1% said they did contribute to one candidate (38.6%) or more than one candidate (20.5%).

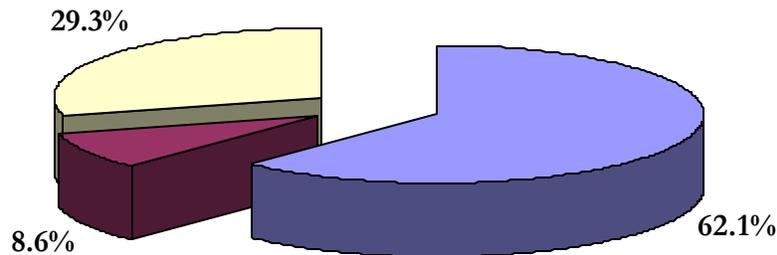
Reasons offered for contributing included: It's someone I like, felt I should, good idea, affordable, should not use public funding, so they could get matching funds, keep playing field even, step in the right direction, keep elections clean and hones, great candidate, wanted to help, would like to have a say, involved in politics, support the program, knew the candidate personally, would like to show my support, wanted to support the candidates.

Reasons for not contributing included: just not interested, fixed income, NJ politics are corrupt, do not contribute to politicians, waste of money, knocked on everyone's door, didn't like the candidate, don't trust anyone, don't believe in contributing to campaigns, don't believe it will work.

PROJECT SUPPORT AND OPPOSITION

Respondents were asked, based on the survey conversation to that point, if they strongly supported, somewhat supported, somewhat opposed or strongly opposed the New Jersey Clean Elections Project.

Over one half, 62.1% (57.1% in June) indicated they strongly (37.1%) or somewhat supported (25.1%) the Project while 8.6 (15.2% in June) indicated they strongly (5.9%) or somewhat opposed (2.7%) the Project. Others, 29.3%, were unsure.



■ Strongly / somewhat support ■ Strongly / somewhat oppose □ Unsure

When “don't know” respondents are removed from the data, support moves to 87.9% (79.0% in June) and opposition moves to 12.1% (21.1% in June).

The following table presents the most frequently named reasons, in an open end format question, for supporting the Project.

Reasons for Project Support	Percent
NJ politics are very corrupt	15.0
Get ride of special interests	12.9
Would eliminate influences	6.4
Keep playing field level	6.4
Keep elections clean and hones	6.0
Less likely candidates now have a chance	3.0
Stop corruption	3.0

The following table presents the most frequently named reasons, in an open end format question, for opposing the Project.

Reasons for Project Opposition	Percent
Should not be able to use public funding	18.8
Would need more information	12.5
Candidates should use their own money	9.4
Won't be enough money	9.4
Don't believe it will work	6.3
NJ politics are very corrupt	6.3

Researchers asked respondents how likely they felt the Project may impact campaigns and elections in three specific ways. Each was asked if the three impacts were very likely, somewhat likely, somewhat unlikely or not at all likely to happen.

The following table presents the cumulative totals for those suggesting each impact was very or somewhat likely to occur.

Impacts on Campaigns / Elections	Composite: Very and Somewhat Likely (June)	Composite: Very and Somewhat Likely (Sept)
Reduce corruption in New Jersey Politics	41.9	58.1
Make a positive difference in New Jersey politics	53.6	69.3
Cause positive change in how New Jersey elects politicians	51.5	61.3

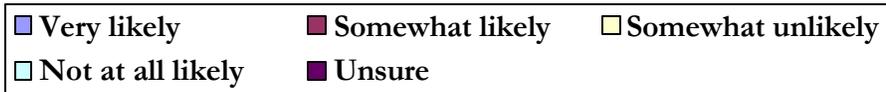
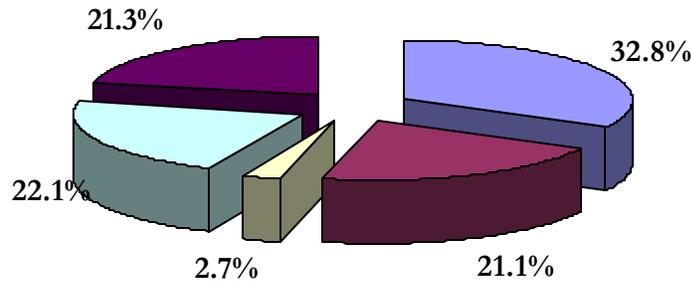
The following table presents the composite results after removing “don’t know” respondents from the data.

Impacts on Campaigns / Elections	Composite: Very and Somewhat Likely (June)	Composite: Very and Somewhat Likely (September)
Reduce corruption in New Jersey Politics	51.3	64.9
Make a positive difference in New Jersey politics	65.7	76.5
Cause positive change in how New Jersey elects politicians	65.6	71.1

Impacts on Campaigns / Elections	District 14 (June)	District 14 (Sept)	District 24 (June)	District 24 (Sept)	District 37 (June)	District 37 (Sept)
Reduce corruption in New Jersey Politics	44.8	60.0	34.4	54.4	46.4	60.0
Make a positive difference in New Jersey politics	57.6	73.6	46.4	60.0	56.8	74.4
Cause positive change in how New Jersey elects politicians	56.0	64.8	47.2	54.4	51.2	65.6

THE MARKET

Over half of all respondents, 53.9% (54.7% in June), indicated they would be very 32.8% or somewhat likely 21.1% to contribute ten dollars to a campaign if asked by a candidate of their choice. Another 24.8% (32.8% in June) indicated they would be somewhat (2.7%) or very unlikely (22.1%) to contribute ten dollars. Others, 21.3% (12.5% in June) were unsure.



When “don’t know” respondents are removed from the data, 68.5% (62.5% in June) would be very or somewhat likely to contribute.

The most frequent reasons offered for a willingness to contribute ten dollars are presented within the following table.

Reasons for Willingness to Contribute	Percent
I support candidates I like	49.5
Good idea	6.4
Affordable amount	4.5
Would like to show my support	3.5
Get ride of special interest groups	3.5

And, the most frequent reasons offered for an unwillingness to contribute ten dollars are included in the following table.

Reasons Among Those Unlikely to Contribute	Percent
Fixed income	26.9
Do not contribute to politicians	10.8
Candidates should use their own money	8.6
Would need more information	7.5
Just not interested	5.4
Support other causes / charities	5.4
They have enough campaign funds	4.3

SOURCES FOR INFORMATION

Researchers asked respondents where they typically go to find information about New Jersey elections, candidates, or election funding. The results are depicted in the following table. Multiple responses were accepted.

Sources for Political Information	Percent (June)	Percent (Sept)
Campaign materials	10.9	7.5
TV news	24.5	25.6
TV ads	---	6.4
Radio news	9.9	7.7
Radio ads	---	3.5
Newspaper stories	61.6	41.3
Newspaper ads	---	20.3
Campaign ads	3.5	3.7
Friends / relatives / co-workers	6.4	9.9
njcleanelections	0.5	2.4
Church	0.3	---
Employer	---	0.3
Internet	20.8	19.7
Candidates directly	2.1	2.1
Direct mail	---	8.8
Don't know / Unsure	5.1	6.7

DEMOGRAPHICS

Age	June 2007	Sept 2007
Less than 35	7.3	5.5
35 to less than 65	49.7	54.2
65 and older	33.7	31.2
Refused	9.3	9.1

Years lived in New Jersey	June 2007	Sept 2007
Less than 10	3.7	4.8
10 or more	91.2	91.7
Refused	5.1	3.5

Education	June 2007	Sept 2007
8 th grade or less	1.1	1.3
Some high school	1.6	1.6
High school graduate	21.9	22.7
Some technical school	0.3	--
Technical school graduate	1.6	1.3
Some college	14.9	15.5
College graduate	31.2	26.1
Post graduate	21.6	25.3
Refused	5.9	6.1

Internet access	June 2007	Sept 2007
Home	28.5	28.5
Work	4.3	2.4
Both, work and home	39.2	41.9
No, but plan on having access	1.9	4.0
No, don't plan on having access	23.5	20.5
Don't know	2.7	2.7

Income	June 2007	Sept 2007
Less than \$30,000	5.1	5.9
\$30,000 to less than \$60,000	8.3	6.7
\$60,000 to less than \$90,000	9.3	10.9
\$90,000 to less than \$125,000	12.0	7.7
\$125,000 to less than \$160,000	4.8	4.8
\$160,000 or more	4.8	5.6
Don't know	3.2	2.9
Refused	52.5	55.5

Gender	June 2007	Sept 2007
Male	46.9	40.5
Female	53.1	59.5

Districts	June 2007	Sept 2007
District #14	33.3	33.3
District #24	33.3	33.3
District #37	33.3	33.3

5 APPENDIX

INTERPRETATION OF AGGREGATE RESULTS

The computer processed data for this survey is presented in the following frequency distributions. It is important to note that the wordings of the variable labels and value labels in the computer-processed data are largely abbreviated descriptions of the Questionnaire items and available response categories.

The frequency distributions include the category or response for the question items. Responses deemed not appropriate for classification have been grouped together under the “Other” code.

The “NA” category label refers to “No Answer” or “Not Applicable”. This code is also used to classify ambiguous responses. In addition, the “DK/RF” category includes those respondents who did not know their answer to a question or declined to answer it. In many of the tables, a group of responses may be tagged as “Missing” – occasionally, certain individual’s responses may not be required to specific questions and thus are excluded. Although when this category of response is used, the computations of percentages are presented in two (2) ways in the frequency distributions: 1) with their inclusion (as a proportion of the total sample), and 2) their exclusion (as a proportion of a sample sub-group).

Each frequency distribution includes the absolute observed occurrence of each response (i.e. the total number of cases in each category). Immediately adjacent to the right of the column of absolute frequencies is the column of relative frequencies. These are the percentages of cases falling in each category response, including those cases designated as missing data. To the right of the relative frequency column is the adjusted frequency distribution column that contains the relative frequencies based on the legitimate (i.e. non-missing) cases. That is, the total base for the adjusted frequency distribution excludes the missing data. For many Questionnaire items, the relative frequencies and the adjusted frequencies will be nearly the same. However, some items that elicit a sizable number of missing data will produce quite substantial percentage differences between the two columns of frequencies. The careful analyst will cautiously consider both distributions.

The last column of data within the frequency distribution is the cumulative frequency distribution (Cum Freq.). This column is simply an adjusted frequency distribution of the sum of all previous categories of response and the current category of response. Its primary usefulness is to gauge some ordered or ranked meaning.

APPENDIX-2

NEW JERSEY CLEAN ELECTIONS TRACKING SURVEYS

EXECUTIVE SUMMARY

Prepared for:
New Jersey Election Law Enforcement Commission

September 2007
The Center for Research & Public Policy

In association with:

winning edge
communications

Contact: Bryce Rudolph 609-275-4747
brudolph@winningedgecommunications.com



HIGHLIGHTS

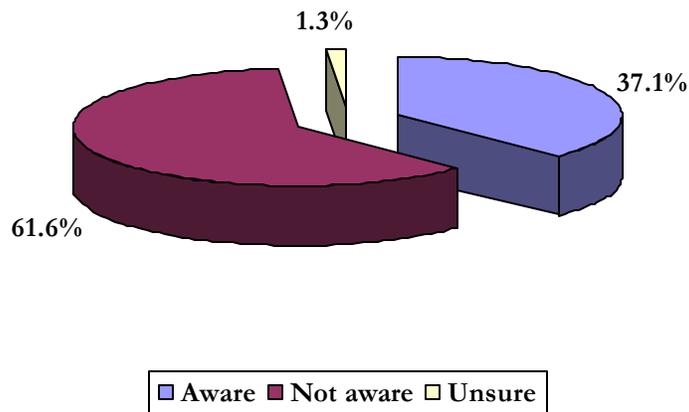
ON PERCEPTIONS AND ATTITUDES...

- A large majority of survey respondents, 84.5% (81.9% in June), agreed with a statement suggesting that private organizations and special interest groups have too much influence on the candidates they contribute funds to during elections.
- And, just under three quarters, 82.4% (73.9% in June), agreed with a movement toward more small dollar public voter contributions to candidates.
- Just over half, 56.3%, (46.9% in June), agreed that State candidates should have access to public funding.
- While 81.1% (95.2% in June) of all respondents indicated they had not heard of any changes to campaign finance or campaigning in their respective districts this year, 15.7% (4.0% in June), said they were aware of some changes. A few were unsure (3.2%).
- By nearly a three-to-one margin, 50.1% to 16.0% (52.0% to 8.8% in June), respondents rated the State Senate and Assembly campaign and election process as being influenced by financial contributions to candidates. The remaining respondents were either neutral (17.8%) in their views or unsure (16.0%).



ON THE PROJECT: AWARENESS / KNOWLEDGE

- Following an introduction of the new “Clean Elections Project,” researchers asked respondents if they had heard of the Project prior to the call. Most, 61.6%, (91.7% in June), had not heard of the Project while 37.1% (7.5% in June), said they had. Some, 1.3%, were unsure.

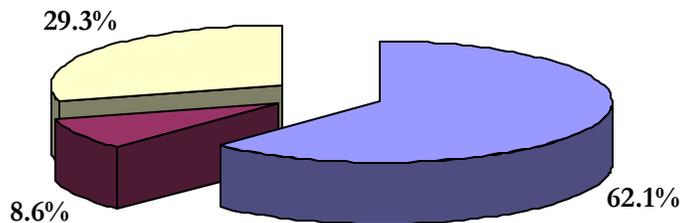


- In an effort to measure depth of knowledge about the Project, researchers asked “aware” respondents (37.1%) how aware they were of four features.
 - Two thirds, 69.8% (53.6% in June), were very or somewhat aware of the maximum “\$10” contribution allowed;
 - Over half, 51.1% (35.7% in June), were very or somewhat aware the Pilot Project was in only three districts;
 - Over half, 56.8% (32.1% in June), knew only registered voters within a candidate’s district could contribute; and
 - Just under one quarter, 23.7% (28.6% in June), were very or somewhat aware that participating candidates were required to debate.
- Over one in ten, 11.7%, indicated they had been approached by a “Fair and Clean” candidate, campaign or organization for a \$10 contribution. Of this group, 59.1% contributed.



ON SUPPORT AND OPPOSITION...

- Strong support for the NJ Clean Elections Project continues. Nearly two thirds, 62.1% (57.1% in June), indicated they strongly or somewhat support the Project, while 8.6% (15.2% in June), were strongly or somewhat opposed. Others, 29.3% were unsure. When “don’t know” respondents are removed from the data, support moves to 87.9% (79.0% in June).



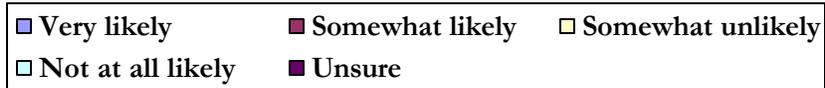
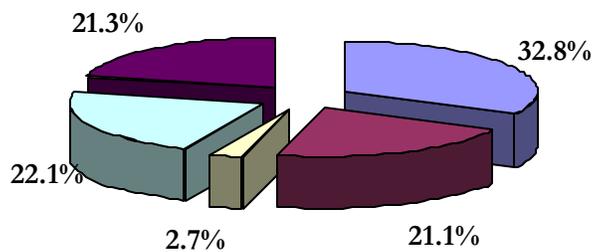
■ Strongly / somewhat support ■ Strongly / somewhat oppose □ Unsure

- Approximately two thirds of all respondents believe the Project will likely (very or somewhat) make a positive difference in New Jersey politics and cause positive change in how New Jersey elects politicians – 69.3% and 61.6% respectively (up from 53.6% and 51.5% in June respectively).
- Over half, 58.1% (41.9% in June), said the Project was very or somewhat likely to reduce corruption in New Jersey.



ON THE MARKET...

- Over half of all respondents, 53.9% (54.7% in June), indicated they would be very or somewhat likely to contribute ten dollars to a campaign if asked by a candidate of their choice. When extrapolated on the total population, this represents a significant number of contributors.



ON SOURCES FOR INFORMATION...

- Newspaper ads and articles, the internet, TV news, campaign materials, friends/relatives. Direct mail and radio news represent the primary sources for information about New Jersey elections, candidates, and election funding among survey respondents.



RESEARCH PROFILES
SEPTEMBER 2007

Total Phone Interviews:	375 (125 per district)	
Districts:	#14, #24, #37	
Gender:	41% Male; 59% Female	
Age:	under 35	6%
	age 35 -64	54%
	65 & older	31%
	Refused	9%
Education:	High School graduate:	23%
	College graduate	26%
	Post Graduate	21%
	Some college	16%
Internet Access:	Home, work or both:	73%
	No, and no plans	21%



APPENDIX-3



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

JERRY FITZGERALD ENGLISH
Chair

PETER J. TOBER
Vice Chair

ALBERT BURSTEIN
Commissioner

Respond to:
P.O. Box 185
Trenton, New Jersey 08625-0185

(609) 292-8700 or Toll Free Within NJ 1-888-313-ELEC (3532)

Website: <http://www.elec.state.nj.us/>

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JEFFREY M. BRINDLE
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EVELYN FORD
Compliance Director

JAMES P. WYSE
Legal Counsel

September 11, 2007

Alison Littell McHose
P.O. Box 23
Franklin, New Jersey 07416

Advisory Opinion No. 03-2007

Dear Candidate McHose:

The Commission considered your request for an advisory opinion at its meeting today and directed me to issue this response. You are a 2007 general election Clean Elections candidate for General Assembly in the 24th Legislative District and have asked questions concerning payment of outstanding obligations remaining from your 2007 primary election candidacy. The Commission notes that you were certified as a 2007 general election Clean Elections candidate on or about August 17, 2007, pursuant to the requirements of the 2007 Fair and Clean Elections Pilot Project Act, P.L.2007, c.60 (hereafter, the Clean Elections Act).

Question Presented

You have asked two questions concerning payment of outstanding obligations remaining from your 2007 primary election candidacy. May you: 1) pay 2007 primary election campaign expenses with funds remaining in your 2007 primary election account; and 2) raise additional contributions for deposit into your 2007 primary election account to pay your outstanding 2007 primary election expenses.

Commission Response

The Commission advises you that as a certified Clean Elections candidate you may use funds currently remaining in your 2007 primary election account to pay 2007 primary election outstanding obligations, but you may not raise additional primary election contributions until the day after the 2007 general election, that is November 7, 2007, to satisfy outstanding 2007 primary election campaign obligations.

Submitted Facts

The Commission notes that you filed an amended 20-day postelection report for the 2007 primary election on August 16, 2007, which reported on the Statement of Campaign Depository and Campaign Treasurer that there was a closing balance in your primary election depository account in the amount of \$14,873.72. You further reported on Schedule E, Outstanding Obligations, that you had unpaid 2007 primary election obligations totaling \$44,904.33.

Commission regulations applicable to 2007 general election candidates who are not Clean Elections candidates provide that a candidate may continue to raise contributions for a past election only where the candidate reports on his or her 20-day postelection report that the total amount of outstanding liabilities is in excess of the total assets of the committee, including the cash balance in all depository accounts for that office in that election; see N.J.A.C. 19:25-8.7A, Retirement of net liabilities. Based upon N.J.A.C. 19:25-8.7A, your amended 20-day postelection report indicates that you are in a net liability position for her 2007 primary election candidacy. The rule establishes strict procedures under which a candidate may continue to raise contributions to satisfy the amount of the outstanding obligations in a past election. Pursuant to N.J.A.C. 19:25-8.7A(a)2, any new contributions received to satisfy the net liabilities are subject to the contribution limit in the past election where the debt was incurred. However, because of the unique requirements of the Clean Elections Law and your status as a certified Clean Elections candidate, the Commission must determine whether or not you are permitted to use funds remaining in your primary election account to pay debt and whether or not you should be permitted to raise additional funds for the primary election pursuant to N.J.A.C. 19:25-8.7A.

The Clean Elections Law

The Commission believes that it is necessary to consider the purpose of the Clean Elections Pilot Project as the context in which to answer your questions. The goal of the first Clean Elections Pilot Project in 2005 is reiterated in the 2007 law and aims “to improve the unfavorable opinion that many residents of this State have toward the political process and to strengthen the integrity of that process and improve access to it by many individuals and groups who have traditionally not been part of it.” The goal “to halt the erosion in public confidence in the political process” is achieved “by instituting a voluntary, publicly funded campaign finance system for legislative office designed to remove access to monied contributors as a major determinant of a citizen’s influence within the political process.” See P.L. 2007, c.60, §2c and f. (Emphasis added.) A legislative candidate in a Pilot Project district who raises many small contributions from registered voters in that district is eligible to receive public money with which to pay campaign expenses. Sources of funding available to non-Clean Elections candidates, such as contributions from corporations, continuing political committees, and political party committees, are prohibited for a Clean Elections candidate. By restricting not only the sources of contributions, but also the size of each contribution, as discussed below, the Clean Elections Pilot Project aims to ensure that if a candidate is elected, he or she will be responsive to individuals, not to “monied contributors.”

A Clean Elections candidate who raises 400 contributions of \$10 each, known as qualifying contributions, becomes a certified Clean Elections candidate and receives public funds, up to a maximum amount, to finance his or her 2007 general election campaign. As a Clean Elections candidate in the 24th District, you are eligible to receive a maximum of \$100,000 in Clean Elections

grant funds once you have collected the 800 maximum number of qualifying contributions. In addition, a Clean Elections candidate may raise “seed money” contributions from individuals registered to vote in New Jersey of not more than \$500 each, up to a maximum of \$10,000, that must be spent to raise qualifying contributions. As a Clean Elections candidate, you are prohibited from using any funds other than Clean Elections grant funds, qualifying contributions, and seed money contributions in the 2007 general election.

The Clean Elections Act requires as a condition of certification that the candidate “suspend for the time the candidate is a candidate intending to become certified all access that candidate has to the funds” in a candidate committee or joint candidates committee “which have been raised prior to becoming a candidate intending to become certified.” See P.L.2007, c.60, §7(a)3; also see N.J.A.C. 19:25-23.6(a)3. To implement that provision of the Clean Elections Act, N.J.A.C. 19:25-23.7(a)2 and (a)3 require that a candidate certify in the Declaration of Intent to be a Certified Candidate (Form CE-1) that he or she agrees to “suspend all access to the funds in any existing candidate committee or joint candidates committee,” and also agrees “not to use existing candidate committee or joint candidates committee funds in any way that would assist in his or her general election candidacy as a certified candidate.”

On July 3, 2007, you filed a Declaration of Intent to be a Certified Candidate, pursuant to P.L.2007, c.60, §7 and N.J.A.C. 19:25-23.7, in which you certified that you would observe these requirements. Based upon the information reported on your 20-day postelection report and the August 16, 2007 amendment, the Commission notes that you received no further 2007 primary election contributions after June 21, 2007, a date prior to filing your Declaration of Intent to be a Certified Candidate.

Discussion

The text of Section 7 of the Clean Elections Act states that a candidate shall suspend access to campaign funds from a prior election during the time that a candidate is “intending to become certified.” Strictly applying the language of Section 7 to the facts in this inquiry, you are no longer a candidate “intending to become certified,” and have in fact become a certified Clean Elections candidate. The Commission therefore advises you that you may use funds raised and deposited into your 2007 primary election account prior to filing the Declaration of Intent to pay outstanding 2007 primary election obligations. Because the contributions remaining in your 2007 primary election account were legally raised prior to your participation in the 2007 Clean Elections Pilot Project and would not “in any way . . . assist in . . . [your] general election candidacy,” the Commission finds that they should be treated as outside the Clean Elections prohibitions for the exclusive purpose of paying your net liabilities from the 2007 primary election.

However, the Commission advises you that you may not raise additional 2007 primary election contributions to pay outstanding primary election obligations until November 7, 2007, the day after the 2007 general election. The public policy and purpose of the Clean Elections Act dictate this result. As expressed in Section 2 of the Clean Elections Law, the Legislature sought to improve public confidence in the political process with a publicly-financed campaign finance program “to remove access to monied contributors as a major determinant of a citizen’s influence within the political process.” See P.L. 2007, c.60, §2c. If a candidate were permitted to raise additional 2007 primary election contributions during the pendency of a 2007 general election Clean Elections candidacy, the protection afforded by the severe limitations on seed money and qualifying

contribution limits would be lost and the spectre of influence from “monied contributors” would be reintroduced into the election.

The Commission is aware that Section 8 of the Clean Elections Act may seem to permit postelection fundraising by a Clean Elections candidate. It provides that:

After filing a declaration of intent, and prior to certification as a certified candidate, a candidate intending to become certified shall collect seed money contributions and qualifying contributions, starting on April 23, 2007 and continuing for the remainder of the qualifying period [through September 30, 2007]. All moneys that a candidate collects during that time as a participant in the pilot project created by this act shall be separate from, and in no way infringe on, the collection of money in which the candidate may be engaged as a candidate for nomination for election in the legislative district the candidate seeks to represent. P.L.2007, c.60, §8. See N.J.A.C. 19:25-23.6(c).

The Commission understands that the text of Section 8, above, was intended to reassure a 2007 primary election candidate that, should he or she file a Declaration of Intent to be a Certified Candidate starting on April 23, 2007, but prior to the primary election, as permitted by the 2007 Pilot Project, participation in the Clean Elections program would not interfere with his or her fundraising during the primary election. This text was necessary because the rules of the 2007 Clean Elections Pilot Project differ significantly from the 2005 rules and permit a 2007 candidate to start the 2007 qualifying process before the date of the primary election. The Legislature may have been concerned that a candidate would avoid the 2007 Pilot Project if he or she were prohibited from raising contributions during a competitive primary election. You explained in your inquiry that you were involved in such a contested primary election.

You have not yet received the maximum Clean Elections grant amount for your district and are therefore permitted to collect seed money and qualifying contributions, pursuant to N.J.A.C. 19:25-23.7(a)5 and (a)6, until the end of the qualifying period on September 30, 2007; see P.L.2007, c.60, §3 and N.J.A.C. 19:25-23.1. The Commission does not read Section 8 to permit you to collect primary election contributions also during the general election reporting period which began on June 23, 2007 (after the close of the primary election 20-day postelection report period). To do so would undermine the statutory purpose of the Clean Elections Law to reduce the impact of campaign contributions during the general election from “monied contributors.”

The Commission believes that this same concern was addressed in a 1977 case, Common Cause v. New Jersey Election Law Enforcement Commission, 74 N.J. 231 (1977), which was decided in the context of the first New Jersey publicly-financed gubernatorial election. While the underlying law has changed since 1977, and unlimited contributions to candidates are no longer permissible because all candidates are now subject to per-election contribution limits, the discussion in Common Cause of the impact of large contributions is still vital.

The 1977 gubernatorial general election was publicly-financed and imposed a \$600 contribution limit on participating candidates, but the 1977 primary election was not publicly-financed. The court overturned a Commission rule that prohibited a publicly-financed general election gubernatorial candidate from accepting a contribution in excess of \$600 after the date of the primary election to

pay off primary election debt, but did not similarly prohibit such contributions in excess of \$600 to a non-publicly financed candidate. Even though there are now per-election contribution limits on all candidates, and unrestricted contributions to candidates are impermissible, the Commission believes that the court's reasoning in striking the 1977 ELEC rule is instructive in the context of Clean Elections which seeks to remove "monied contributors" from the election.

A publicly-financed gubernatorial campaign argued as an intervenor in Common Cause that it should be permitted to accept unlimited contributions during the general election to retire primary election debt. The court rejected that position because:

Intervenor's interpretation of the statute would leave the legislation ineffective in guarding against the very evil which it was designed to combat: the improper influence which a contributor gains when he is able to give a candidate a large contribution near the end of the campaign. Id. at 239.

The court further stated that "one of the primary purposes of the [gubernatorial public financing] act was to eliminate the improper influence which might result if a contributor were allowed to offer large sums of money to a candidate during the general election (citation omitted)." Id. at 240.

The Commission finds that the same rationale applies in the Clean Elections process. To permit a Clean Elections candidate to accept new contributions now in excess of the amounts permitted by the Clean Elections Law to pay primary election debt, even though limited by the primary election contribution limit, would severely weaken the effect of the Clean Elections seed money and qualifying contribution limits. The Commission therefore advises you that after the 2007 general election, that is on or after November 7, 2007, you may resume raising contributions to retire 2007 primary election net liabilities subject to the requirements of N.J.A.C. 19:25-8.7A. The Commission anticipates that any future Clean Elections legislation will clarify the issue of payment of net liabilities remaining from a prior election.

The Commission wishes to thank you for your inquiry.

Very truly yours,

Election Law Enforcement Commission

By: _____
Nedda G. Massar, Esq.

APPENDIX-4

[CORRECTED COPY]
CHAPTER 60

AN ACT creating a pilot project for the public financing of candidates seeking election to the offices of member of the Legislature in three districts in 2007, and making an appropriation.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. This act shall be known and may be cited as “The 2007 New Jersey Fair and Clean Elections Pilot Project Act.”

2. The Legislature finds and declares that:

a. On August 11, 2004, P.L.2004, c.121 was enacted into law, creating the “New Jersey Fair and Clean Elections Pilot Project.”

b. The pilot project was based on similar programs in Arizona and Maine and it sought to have candidates for election to the office of member of the General Assembly in two legislative districts seek office with equal financial resources.

c. This project was a milestone in the political history of this State that sought to halt the erosion in public confidence in the political process by instituting a voluntary, publicly funded campaign finance system for legislative office designed to remove access to monied contributors as a major determinant of a citizen’s influence within the political process.

d. The pilot project was a success in the sense that all the candidates in each of the selected districts sought election as “clean elections” candidates, though only two candidates were actually certified as such, and the project raised public awareness about a proven method of campaign finance that allows candidates to compete for election on the basis of issues without reliance on how much money they raise and spend.

e. The New Jersey Citizens’ Clean Elections Commission (NJCCEC), which was created by P.L.2004, c.121 to monitor the project and report to the Legislature, found that the project was worth continuing and, with some adjustments, was ready to be used in elections for the office of member of the Senate and the office of member of the General Assembly in 2007, as provided for in the act.

f. P.L.2007, c.60 embodies changes to P.L.2004, c.121 suggested by participants in the pilot project, legislators and the members of interest groups who monitored the program, and the members of the NJCCEC.

g. As with P.L.2004, c.121, the 2007 pilot project’s goal is to improve the unfavorable opinion that many residents of this State have toward the political process and to strengthen the integrity of that process and improve access to it by many individuals and groups who have traditionally not been part of it.

3. As used in this act:

“Candidate intending to become certified” means a candidate from a participating district, as designated by section 6 of this act, who seeks election to the office of member of the Senate or the office of member of the General Assembly pursuant to this act and is seeking certification pursuant to section 9 of this act.

“Certified candidate” means a candidate seeking election to the office of member of the Senate or the office of member of the General Assembly who has chosen to seek such office pursuant to the provisions of this act, P.L.2007, c.60, and is certified pursuant to section 9 of this act.

"Commission" means the Election Law Enforcement Commission, established pursuant to section 5 of P.L.1973, c.83 (C.19:44A-5).

"Department" means the Department of the Treasury.

"Fund" means the New Jersey Fair and Clean Elections Fund, established pursuant to section 5 of this act.

"Non-certified candidate" means a candidate seeking election to the office of member of the Senate or member of the General Assembly who does not seek office pursuant to the provisions of this act and is not certified pursuant to section 9 of this act.

"Political party committee" has the same meaning as provided in subsection p. of section 3 of P.L.1973, c.83 (C.19:44A-3).

"Qualifying contribution" means a contribution of \$10 given to a candidate intending to become certified by an individual who is registered to vote and resides in the district the candidate seeks to represent that is contributed during the qualifying period, with at least 400 such contributions needed to receive the minimum amount of public funding and at least 800 such contributions needed to receive the maximum amount of public funding, pursuant to section 11 of this act.

"Qualifying period" means the period during which both seed money contributions and qualifying contributions can be collected, beginning on April 23, 2007 and ending on September 30, 2007.

"Seed money contribution" means a contribution of money of no more than \$500 from any individual registered to vote in this State, including the candidate and candidate's immediate family, but not from a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee or legislative leadership committee, up to a limit of \$10,000 in the aggregate.

4. There is established a pilot project for the public financing of the campaigns of candidates seeking election to the office of member of the Senate or seeking election to the office of member of the General Assembly from three legislative districts in 2007, pursuant to section 6 of this act. The pilot project shall be open to candidates for those offices in those districts who are nominated directly by petition. Candidates participating in this pilot project shall comply with the applicable provisions of the "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et al.), unless otherwise provided by this act.

5. a. There is established in the Department of the Treasury a fund to be known as the "New Jersey Fair and Clean Elections Fund," hereinafter referred to as the fund, to be held separate and apart from all other funds of the State. The department shall administer the fund and moneys in the fund shall be used to finance the election campaigns of certified candidates. All moneys on deposit pursuant to this section shall be appropriated for the fiscal year in which there is an election to elect members of the Senate and members of the General Assembly.

b. Moneys from the following sources shall be deposited in the fund:

- (1) voluntary donations made directly to the fund;
- (2) all earnings received from the investment of money in the fund;
- (3) fines and penalties collected by the State Treasurer or by the commission, pursuant to section 19 of this act;
- (4) money returned to the fund by candidates who withdraw from being certified candidates, pursuant to section 10 of this act; and

(5) money appropriated to the fund, pursuant to section 22 of this act.

6. Three legislative districts shall be selected to participate in “The 2007 New Jersey Fair and Clean Elections Pilot Project.” They shall be selected as follows:

a. The President of the Senate and the Speaker of the General Assembly shall together select one legislative district in which the member of the Senate and the members of the General Assembly are each members of the political party whose candidate for the office of Governor received the largest number of votes in the most recent gubernatorial election.

b. The Minority Leader of the Senate and the Minority Leader of the General Assembly shall together select one legislative district in which the member of the Senate and the members of the General Assembly are each members of the political party whose candidate for the office of Governor received the next largest number of votes in the most recent gubernatorial election.

c. The President of the Senate and the Minority Leader of the Senate, and the Speaker of the General Assembly and the Minority Leader of the General Assembly, shall together select one legislative district in which no more than two members of the Legislature are members of the same political party as the other member of the Legislature.

d. The selections required by subsections a., b., and c. of this section shall take into account geographic diversity in this State and shall be made no later than April 9, 2007.

e. In the event that the President of the Senate and the Minority Leader of the Senate, and the Speaker of the General Assembly and the Minority Leader of the General Assembly refuse to make one or more such selections by April 11, 2007, an alternative selection committee shall be established to make the selection. The committee shall consist of a total of five individuals, four members of the public, one appointed by the President of the Senate, one appointed by the Minority Leader of the Senate, one appointed by the Speaker of the General Assembly and one appointed by the Minority Leader of the General Assembly, and one former Governor of this State appointed jointly by the Senate President and the Speaker. No more than three members of the committee shall be members of the same political party. The committee shall select the districts to participate in the pilot project no later than April 16, 2007.

f. The legislative districts selected to participate in the pilot project shall be those districts approved by the Apportionment Commission on April 11, 2001 and described in the corrected plan for legislative districts filed with the New Jersey Secretary of State on April 17, 2001.

7. a. Following the selection of districts pursuant to section 6 of this act, each candidate who becomes a candidate intending to become certified shall:

(1) sign and file a declaration of intent to seek certification and to comply with the requirements of this act, which shall be filed with the commission at any time during the qualifying period, using the forms and procedures developed by the commission pursuant to section 20 of this act;

(2) begin to accept seed money contributions and qualifying contributions under section 8 of this act; and

(3) except as permitted by section 8 of this act, suspend for the time the candidate is a candidate intending to become certified all access that candidate has to the funds of the candidate committee of that candidate, including those that the candidate has as part of a joint candidates committee, which have been raised prior to becoming a candidate intending to become certified.

b. (1) Candidates intending to become certified who are seeking election to the office of member of the General Assembly from the same legislative district and are members of the same political party shall be required to become certified candidates together and shall seek election together. A candidate intending to become certified who is seeking election to the office of member of the Senate shall not be required to become certified at the same time as candidates for election to the office of member of the General Assembly from the same political party and in the same legislative district, nor shall candidates for the office of member of the General Assembly be required to seek election together with a candidate for the office of member of the Senate from the same political party and in the same legislative district. Such candidates, however, may coordinate their campaigns pursuant to section 9 of this act.

Any candidate intending to become certified who does not file a declaration of intent to seek certification during the qualifying period shall be considered a noncertified candidate and precluded from becoming a certified candidate in the 2007 general election.

8. After filing a declaration of intent, and prior to certification as a certified candidate, a candidate intending to become certified shall collect seed money contributions and qualifying contributions, starting on April 23, 2007 and continuing for the remainder of the qualifying period. All moneys that a candidate collects during that time as a participant in the pilot project created by this act shall be separate from, and in no way infringe on, the collection of money in which the candidate may be engaged as a candidate for nomination for election in the legislative district the candidate seeks to represent.

a. (1) A candidate intending to become certified shall obtain seed money contributions in amounts of no more than \$500 per individual, up to a maximum of \$10,000 in the aggregate. Such funds shall be raised and spent by a candidate during the qualifying period while the candidate seeks the required number of qualifying contributions. Except as provided in paragraph (2) of this subsection, no seed money contributions shall be accepted from an individual who is not a registered voter in this State, nor from a candidate committee, joint candidates committee, political committee, continuing political committee or legislative leadership committee.

(2) A candidate intending to become certified may use funds raised and reported to the commission pursuant to P.L.1973, c.83 (C.19:44A-1 et al.) prior to becoming such a candidate as part of the seed money collected by a candidate intending to become certified, but only to the extent that such money can be attributable to contributions of \$500 or less from individuals who are registered to vote in this State.

(3) Seed money contributions shall be in the form of cash, check, money order, electronic check, debit card, or credit card payable to one or more candidates intending to become certified.

(4) Seed money contributions shall be deposited by the candidate or an individual associated with his or her campaign as soon as possible into an account separate from all other accounts but in the name of the candidate in a banking institution holding a State or federal charter. No such funds shall be transferred subsequently into an investment account of any type or used by the candidate for the purpose of gambling. The candidate shall file a report with the commission on the amount of seed money contributions collected at the same time as the candidate files reports on the number of qualifying contributions collected, as required by this section. The report shall be made on the forms required by this subsection.

(5) De-minimus, in-kind contributions of seed money that have a fair market value of \$200 or less per individual per year shall be permitted and not counted toward the \$10,000

seed money maximum. Pursuant to section 20 of this act, the commission shall use current Federal Election Commission regulations to define what constitutes a de-minimus, in-kind contribution of seed money, especially with respect to events held in an individual's home to raise qualifying contributions.

(6) Each seed money contribution shall be accompanied by a form developed by the commission. The form for non-cash contributions shall: (a) be as clear, concise and easy to use as possible; (b) serve as the acknowledgement of one or more contributions by one or more individuals to a single candidate; and (c) include such other identifying information deemed appropriate by the commission. The form for cash contributions shall: (a) be as clear, concise and easy to use as possible; (b) include the contributor's name, mailing address, contact telephone number and the date of the contribution; (c) be signed by the individual; (d) include an affirmation that the contribution is made without knowing intention to commit fraud; and (e) include such additional information deemed appropriate by the commission.

b. (1) A candidate intending to become certified shall obtain qualifying contributions of \$10 per individual during the qualifying period from at least 400 registered voters residing in the district the candidate is seeking to represent. Such individuals may include the candidate and the candidate's immediate family. No such funds shall be spent by a candidate during the qualifying period. No qualifying contributions shall be accepted from a candidate committee, joint candidates committee, political committee, continuing political committee or legislative leadership committee.

(2) Qualifying contributions shall be in the form of cash, check, money order, electronic check, debit card, or credit card payable to the one or more candidate intending to become certified. No such contribution shall be in the form of an in-kind contribution.

(3) All qualifying contributions shall be deposited by the candidate or an individual associated with his or her campaign as soon as possible into an account separate from all other accounts but in the name of the candidate in a banking institution holding a State or federal charter. No such funds shall be transferred subsequently into an investment account of any type or used by the candidate for the purpose of gambling. The candidate shall notify the commission within three business days when he or she has received at least 400 qualifying contributions, and thereafter shall file a report each week listing the number and aggregate dollar amount of qualifying contributions received to date and such other information about the contributions as may be required by the commission including after 800 qualifying contributions have been received.

(4) Each qualifying contribution shall be accompanied by a form developed by the commission. The form for non-cash contributions shall: (a) be as clear, concise and easy to use as possible; (b) serve as the acknowledgement of one or more contributions by one or more individuals to a single candidate; and (c) include such other identifying information deemed appropriate by the commission, except that such information shall not include the name and mailing address of the employer of the individual. The form for cash contributions shall: (a) be as clear, concise and easy to use as possible; (b) include the contributor's name, mailing address, contact number and the date of the contribution; (c) be signed by the individual; (d) include an affirmation that the contribution is made without knowing intention to commit fraud; and (e) include such additional information deemed appropriate by the commission, except that such information shall not include the name and mailing address of the employer of the individual.

c. Each candidate intending to become certified shall be permitted to create and use a qualifying contribution form, based on the requirements established by this act and the

commission, to mail to potential contributors, provided the candidate submits a draft of the form to the commission and the commission does not disapprove of the draft form within 24 hours of its receipt.

d. An individual shall be permitted to make both a seed money contribution and a qualifying contribution to one or more candidates intending to become certified.

e. Joint checking account holders shall be permitted to make a qualifying contribution, a seed money contribution, or both, using one check that is signed by one account holder; however, if both persons holding a joint checking account wish to make a seed money contribution, a qualifying contribution, or both, the check must include the signature of each person and each such individual shall sign the contribution form required by this section.

f. The following activities shall be permitted and not counted as an in-kind contribution on behalf of a certified candidate or a candidate intending to become certified:

(1) personal services performed by an individual, a political party committee or another association, organization or group on a voluntary, non-compensated basis for the purpose of collecting seed money contributions, qualifying contributions, or both, and the collection of signatures on petitions of nomination;

(2) communications in writing, or delivered via telephone or the Internet, in support of or in opposition to the election of any candidate by a labor organization or membership organization or other such association to its members and their families, or by any association, group or organization, other than a labor organization, to its members and their families; and

(3) communications to the general public in any form by any means undertaken by any organization, group, association or business that seeks to disseminate information in any form about this act that is neither in support of, or in opposition to, the election of any candidate.

g. Except as provided otherwise by this act, all cash contributions shall be subject to the provisions of P.L.1973, c.83 (C.19:44A-1 et al.), as amended and supplemented.

h. (1) Unless the candidate has already begun reporting as required by subsection b. of this section, starting on May 23, 2007 and continuing each week thereafter, each candidate intending to become certified who has been nominated by the voters of a political party and has signed and filed a declaration of intent to become certified shall file with the commission a report listing the number and aggregate dollar amount of qualifying contributions received to date and such other information about the contributions as may be required by the commission. Nothing in this subsection shall preclude a candidate intending to become certified from becoming certified before May 23, 2007.

(2) Each candidate intending to become certified who is nominated by direct petition filed with the Attorney General pursuant to chapter 13 of Title 19 of the Revised Statutes may start collecting seed money and qualifying contributions after his or her petitions of nomination are filed with the Attorney General, provided the candidate does so during the qualifying period. Unless the candidate has already begun reporting as required by subsection b. of this section, starting on the 30th day after the candidate signs and files a declaration of intent to become a certified candidate, and each week thereafter, such a candidate intending to become certified shall file with the commission a report listing the number and aggregate dollar amount of qualifying contributions received to date and such other information about the contributions as may be required by the commission. Nothing in this subsection shall preclude a candidate intending to become certified from becoming certified before the 30th day after the candidate signs and files a declaration of intent to become certified.

i. Notwithstanding any law, rule or regulation to the contrary, no candidate intending to become certified shall collect contributions or make expenditures as part of the candidate's campaign for nomination for election and election at the general election in 2007 at the same event where the candidate intending to become certified is seeking to collect seed money or qualifying contributions.

j. In addition to the types of contributions provided for in this section, an individual shall be permitted to make a seed money contribution, a qualifying contribution, or both, to a candidate by means of the Internet. Such a contribution shall be accompanied by an electronic version of the forms required by this section and may be made on the website of the candidate if such a site is established. The commission shall establish a link on its own website to other websites collecting such contributions and shall be responsible for providing technical assistance to candidates seeking to collect contributions by means of the Internet.

k. The commission shall ensure the rapid transmission and public access to the reports required by this section and, wherever possible, shall use electronic means for receiving, reporting, storing and displaying such information.

9. a. The commission shall certify a candidate intending to become certified if he or she has:

(1) received at least 400 qualifying contributions by September 30, 2007 from registered voters residing within the candidate's district, pursuant to section 8 of this act;

(2) not accepted other contributions, except for seed money contributions, and otherwise complied with the contribution restrictions of this act;

(3) in the case of a candidate seeking election to the office of member of the Senate or election to the office of member of the General Assembly by direct nomination, submitted to the Attorney General a petition for such pursuant to chapter 13 of Title 19 of the Revised Statutes; and

(4) otherwise met the requirements to be considered a certified candidate pursuant to this act.

b. The commission shall certify a candidate intending to become certified as soon as possible, and in any case no later than three days after the candidate makes his or her final submission of qualifying contributions. A certified candidate shall comply with the provisions of this act after certification and through the general election.

c. After certification, a candidate shall limit his or her campaign expenditures and obligations, including outstanding obligations, to the moneys in the candidate's qualifying contribution account, including qualifying contributions and moneys distributed to the candidate from the fund and shall not accept any other contributions, including seed money, unless specifically authorized by this act or the commission. All such funds distributed to certified candidates from the fund shall be used only for the purposes provided in section 17 of P.L.1993, c.65 (C.19:44A-11.2).

d. If a candidate intending to become certified or a certified candidate is not nominated for election at the primary election preceding the general election held in 2007, the candidate shall either return all seed money and qualifying contributions collected prior to the day of the primary election for the general election to contributors thereof on a pro-rata basis or remit such moneys to the fund; and shall, if in receipt of moneys from the fund pursuant to section 11 or 12 of this act, return to the fund the full amount of such moneys received.

e. In the event that the candidates for the office of member of the General Assembly from the same legislative district are certified and are members of the same political party and the candidate for the member of the Senate from the same legislative district is a member

of the same political party and is also certified, nothing in this act shall prevent such candidates from coordinating their campaigns for election to office in the general election. In the event, however, that either the candidates for the office of member of the General Assembly or the candidate for the member of the Senate does not become certified, the certified candidate or candidates shall not be permitted to coordinate his or her campaign with the noncertified candidate or candidates. The failure by either the certified candidates or the noncertified candidates to comply with this restriction shall constitute an illegal contribution and both candidates shall be liable for the penalty provided by subsection a. of section 19 of this act.

f. Notwithstanding any law, rule or regulation to the contrary, each candidate who is certified no later than August 17, 2007 shall:

(1) have included with his or her name on the general election ballot the slogan "Clean Elections Candidate" in such size and type face as to be easily readable to the voter and in addition to the name of the political party of which the candidate is a member; and

(2) be permitted to submit to the commission a statement of no more than 250 words for inclusion with the sample ballot mailed to registered voters in the district in which the candidate is seeking office prior to the election pursuant to R.S.19:14-21 et al.

10. a. (1) If a certified candidate wishes to withdraw from the pilot project and become a noncertified candidate because the noncertified opponent of the candidate has spent substantially more than the certified candidate has been provided pursuant to sections 11 and 12 of this act; or if a certified candidate wishes to withdraw from the pilot project and no longer seek election to either the office of member of the Senate or the office of member of the General Assembly at the 2007 general election, the candidate may do so after transmitting written notification to the commission. The commission shall provide the candidate with a receipt of the notification within 24 hours of receiving the notification and shall, as soon as possible thereafter, make a public announcement noting the withdrawal, and as part of the announcement, inform available electronic news media and at least three newspapers that circulate within at least three counties in this State, including the district the candidate seeks to represent, that the candidate who has withdrawn is no longer a certified candidate. Upon the receipt of the notification, the candidate shall: (a) immediately suspend all activity on the qualifying contribution and seed money accounts established and used by the candidate; (b) within 24 hours thereafter, make and certify an accounting of the moneys remaining in the accounts, including any money received from the fund; and (c) within 24 hours thereafter, return to the commission for deposit into the fund all moneys remaining in the accounts. As used in this paragraph "substantially more" means an expenditure by a noncertified candidate that exceeds by 100 percent or more of the maximum allowable amount of money provided to a certified candidate pursuant to sections 11 and 12 of this act.

(2) If a certified candidate wishes to withdraw from being such and become a noncertified candidate, although the opponent of that candidate is a certified candidate who is continuing in the program; or if a certified candidate leaves or is forced out of the pilot project due to his or her criminal misconduct, the candidate shall do so pursuant to the provisions of this paragraph. The candidate shall transmit written notification to the commission and it shall provide the candidate with a receipt of the notification within 24 hours of receiving the notification. It shall also, as soon as possible thereafter, make a public announcement noting the withdrawal, and as part of the announcement, inform available electronic news media and at least three newspapers that circulate within at least three counties in this State, including the district the candidate seeks to represent, that the candidate who has withdrawn is no

longer a certified candidate. Upon the receipt of the notification, the candidate shall: (a) immediately suspend all activity on the qualifying contribution and seed money accounts established and used by the candidate; (b) within 24 hours thereafter, make and certify an accounting of the moneys remaining in the accounts, including any money received from the fund; (c) within 24 hours thereafter, return to the commission for deposit into the fund all moneys remaining in the accounts ; and (d) return to the commission for deposit into the fund an amount equal to all moneys the candidate already spent from public funds he or she received pursuant to section 11 or section 12, or both, of this act by such time as shall be determined by the commission, based on the circumstances of the withdrawal. In addition to these requirements, any certified candidate who wishes to withdraw and become a noncertified candidate, although the opponent of that candidate is a certified candidate who is continuing, shall not be permitted to do so until the request is reviewed and decided by a special committee identical to the one established by subsection e. of section 6 of this act. The members of the committee shall be appointed within three days after the candidate informs the commission that the candidate seeks to withdraw and the commission so informs the respective appointing authorities. Within three days after the appointment of its members, the committee shall notify the candidate and the commission of their decision whether or not to permit the candidate to withdraw from being a certified candidate.

(3) In the event that a candidate who has become certified no later than August 17, 2007 wishes to withdraw from being certified and become a noncertified candidate for any reason, or wishes to withdraw from the pilot project and no longer seek election to any office, the commission shall make a public announcement noting the withdrawal, and as part of the announcement, inform available electronic news media and at least three newspapers that circulate within at least three counties in this State, including the district the candidate seeks to represent, that the candidate who has withdrawn is no longer a certified candidate and the designation "Clean Elections Candidate," provided for by section 9 of this act, is no longer valid.

b. If a candidate intending to become certified chooses not to become certified and becomes instead a noncertified candidate at any time prior to the last day of the qualifying period, the candidate shall rescind his or her declaration of intent by notifying the commission as soon as possible. The commission shall acknowledge this decision as soon as possible, but in any event no later than three business days after receipt of the request. Once the candidate receives the acknowledgement, the candidate shall be permitted to raise and spend campaign contributions pursuant to the provisions of P.L.1973, c.83 (C.19:44A-1 et al.). The qualifying contributions in the account of such a candidate shall be remitted to the fund as soon as possible, but in no event no later than three days following receipt of the acknowledgement. If a candidate intending to become certified fails to qualify because he or she did not receive sufficient qualifying contributions by the last date of the qualifying period for the general election, the candidate shall be permitted to retain and expend those qualifying contributions as well as any remaining seed money that has been collected.

c. Each certified candidate who is defeated in a general election in 2007 shall, upon the filing of a final report relative to the election, return to the commission for deposit into the fund all unspent fund moneys.

11. a. (1) Upon collecting and depositing at least 400 qualifying contributions prior to the end of the qualifying period, and certification by the commission that such amount has been received by the candidate, a certified candidate who has been nominated by voters who are members of a political party shall be provided with \$50,000 from the fund to seek election to

either the office of member of the Senate or the office of member of the General Assembly; except that, if such a candidate is not opposed by any other candidate seeking election to the office of member of the Senate or the office of member of the General Assembly from the same district, the candidate shall be provided with \$25,000 from the fund. Thereafter, a certified candidate who has been nominated by voters who are members of a political party shall be provided with money from the fund in equal proportion to the number of remaining qualifying contributions the candidate receives, up to a maximum of 800 contributions, calculated to the nearest dollar, up to an amount equal to the initial amount provided by the fund, to (a) a maximum of \$100,000 for candidates from districts selected pursuant to subsections a. and b. of section 6 of this act; or (b) for candidates in a district selected pursuant to subsection c. of section 6 of this act, to a maximum of the average amount of money expended by all candidates for the office of member of the General Assembly and the office of member of the Senate in that legislative district in the two immediately preceding general elections for those offices. These amounts shall be in addition to the money provided to candidates pursuant to section 12 of this act.

(2) Upon collecting and depositing at least 400 qualifying contributions prior to the end of the qualifying period, and certification by the commission that such amount has been received by the candidate, a certified candidate who has been nominated by direct nomination by petition filed with the Attorney General pursuant to chapter 13 of Title 19 of the Revised Statutes shall be provided with \$25,000 from the fund to seek election to either the office of member of the Senate or the office of member of the General Assembly; except that, if such a candidate is not opposed by any other candidate seeking election to the office of member of the Senate or the office of member of the General Assembly from the same district, the candidate shall be provided with \$12,500 from the fund. Thereafter, a certified candidate who has been nominated by direct nomination by petition filed with the Attorney General pursuant to chapter 13 of Title 19 of the Revised Statutes shall be provided with money from the fund in equal number to the percentage of remaining qualifying contributions they receive, up to a maximum of 800 contributions, calculated to the nearest dollar, up to an amount equal to the initial amount provided by the fund, up to a maximum of \$50,000.

b. No later than the third day following the candidate's certification, the commission shall determine the amount of qualifying contribution money in the candidate's account and shall authorize the department to transmit to the candidate from the fund as soon as possible the amount of money provided for by this section, less the amount of qualifying contributions received by the candidate.

12. a. (1) If a campaign report of a noncertified candidate shows that the aggregate amount of the contributions, alone or in conjunction with money raised on behalf of such a candidate in a general election by a person or a political committee, continuing political committee, political party committee, candidate committee, joint candidates committee or legislative leadership committee not acting in concert with that noncertified candidate, exceeds the amount of money provided to an opposing candidate certified pursuant to section 11 of this act, the commission shall within 24 hours of the receipt of the report authorize the issuance from the fund to each opposing certified candidate in the same district as the noncertified candidate, an additional amount of money equivalent to the excess amount, up to a maximum of \$100,000. The additional amount of money shall be known as rescue money and shall be issued as each increment of \$1,000 is reported by the noncertified candidate.

(2) If a campaign report of a noncertified candidate shows that the aggregate amount of the contributions, alone or in conjunction with money raised on behalf of such a candidate in a general election by a person or a political committee, continuing political committee, political party committee, candidate committee, joint candidates committee or legislative leadership committee not acting in concert with that noncertified candidate, exceeds the amount of money provided pursuant to section 11 of this act to an opposing certified candidate who has been nominated by direct nomination by petition filed with the Attorney General, the commission shall within 24 hours of the receipt of the report authorize the issuance from the fund to each opposing certified candidate in the same district as the noncertified candidate, an additional amount of money equivalent to the excess amount, up to a maximum of \$50,000. The additional amount of money shall be known as rescue money and shall be issued as each increment of \$500 is reported by the noncertified candidate.

b. (1) If, based on a written and certified complaint that is filed by a certified candidate, the commission determines that a noncertified candidate is benefiting from money spent independently on behalf of such a candidate or that a certified candidate is the subject of unfavorable campaign publicity or advertisements by a person or a political committee, continuing political committee, political party committee, candidate committee, joint candidates committee or legislative leadership committee not acting in concert with that opposing noncertified candidate, the commission shall within 24 hours of either determination authorize the issuance from the fund to the opposing certified candidate in the same legislative district who is not benefiting from such an expenditure, an additional amount of money up to a maximum of \$100,000. The additional amount of money shall also be known as rescue money and shall be issued as each increment of \$1,000 is reported by the noncertified candidate.

(2) If, based on a written and certified complaint that is filed by a certified candidate who has been nominated by direct nomination by petition filed with the Attorney General, the commission determines that a noncertified candidate is benefiting from money spent independently on behalf of such a candidate or that a certified candidate is the subject of unfavorable campaign publicity or advertisements by a person or a political committee, continuing political committee, political party committee, candidate committee, joint candidates committee or legislative leadership committee not acting in concert with that opposing noncertified candidate, the commission shall within 24 hours of either determination authorize the issuance from the fund to the opposing certified candidate nominated by direct nomination by petition in the same legislative district who is not benefiting from such an expenditure, an additional amount of money up to a maximum of \$50,000. The additional amount of money shall also be known as rescue money and shall be issued as each increment of \$500 is reported by the noncertified candidate.

c. Notwithstanding any law, rule or regulation to the contrary, for the purposes of subsections a. and b. of this section, communications on any subject by a corporation to its stockholders and their families, or by a labor organization, partnership, membership organization or other association to its members and their families, shall not be considered to be an independent expenditure in aid of, or in opposition to, the candidacy of a noncertified candidate or a certified candidate.

d. The amounts of money provided to a certified candidate pursuant to this section shall be in addition to the money from the fund provided to a certified candidate pursuant to section 11 of this act.

13. For a candidate who is seeking election to the office of member of the Senate or the office of member of the General Assembly by direct nomination by petition, pursuant to chapter 13 of Title 19 of the Revised Statutes, to become a certified candidate, the candidate shall meet the requirements to become certified provided in section 9 of this act. If the candidate meets those requirements and becomes certified, the candidate shall be eligible for the money from the fund provided by sections 11 and 12 of this act.

14. The commission shall undertake a comprehensive program to inform the voters in each participating district and the general public about the provisions of this act. The program shall include, but need not be limited to, the following elements:

a. The commission shall be the primary government source of information for the general public and candidates intending to become certified about the provisions of "The 2007 New Jersey Fair and Clean Elections Pilot Project Act." This information shall be both of a general and technical nature, and include such aspects of campaign finance law and regulations in this State as deemed appropriate by the commission. To facilitate the dissemination of such information, the commission shall, at a minimum: (1) feature it in a prominent location on its website and allocate sufficient space thereon to explain the pilot project fully; (2) respond to questions received by telephone, via the Internet or any other means that are asked by the candidates and the general public about the pilot project; and (3) have information available to each registered voter in each participating district explaining the pilot project and notify the voter where additional information is available and how it may be accessed.

b. The commission shall be authorized to contract for the services it deems necessary to inform the voters in the districts selected to participate in "The 2007 New Jersey Fair and Clean Elections Pilot Project Act" about its provisions. After an expedited review and determination by the Division of Purchase and Property in the Department of the Treasury that such services cannot be provided by, or are not available already in, the Executive Branch of State government, such a contract may be awarded pursuant to the public exigency provisions of subsection b. of section 5 of P.L.1954, c.48 (C.52:34-10), but the contract shall be awarded in accordance with such requirements as the director of the commission deems appropriate. The transmission shall occur by such means as the vendor and the commission deem appropriate, including but not limited to, Statewide or local electronic media, public service announcements broadcast by such media, special mailings to each voter registered in each participating district, and paid advertisements in newspapers or publications circulating in the counties and municipalities in which the districts are located. Nothing in this section shall preclude a vendor from providing information about the pilot project to registered voters who reside in districts other than participating districts.

c. The commission shall prepare a voter's guide for the general public for each district in which certified candidates are seeking election to public office. The guide shall list the name of each candidate seeking election to public office. The guide shall identify the candidates that are candidates intending to become certified, the candidates that are certified candidates, and the candidates that are noncertified candidates. Copies of the guide shall be posted on the web site of the commission no later than the date provided for the mailing of absentee ballots by section 11 of P.L.1953, c.211 (C.19:57-11). The commission shall also encourage the clerk and election officials in each county that contains a district in which a certified candidate is seeking election to reproduce and distribute copies of the guide to as many publicly accessible, county-owned or operated facilities as possible.

d. Notwithstanding any law, rule or regulation to the contrary, the commission shall notify the clerk of each county in which a certified candidate is seeking election that for each candidate certified no later than August 17, 2007: (1) the name of the candidate on the general election ballot shall be accompanied by the slogan "Clean Elections Candidate" in a such size and type face as to be easily readable to the voter; and (2) a statement by the candidate of no more than 250 words shall be included with the sample ballot mailed to registered voters in the district in which the candidate is seeking office prior to the election pursuant to R.S.19:14-21 et al. The statements shall be administered and distributed by the commission in the same manner as the commission administers and distributes the statements printed and mailed with the sample ballot for candidates seeking election to the office of Governor, pursuant to section 12 of P.L.1974, c.26 (C.19:44A-37).

e. The commission shall undertake any other actions it deems necessary to inform the voters in the participating districts about the provisions of this act.

15. In addition to the assistance it shall give to candidates pursuant to section 14 of this act, the commission shall assign one member of its staff to serve as the primary liaison to each of the districts selected to participate in this act. The liaisons need not be located physically in the district, but shall be responsible for receiving and bringing to the attention of the commission any issue raised by a candidate that concerns the commission with respect to this act. In addition, the liaisons shall:

a. be available to provide information to certified candidates, noncertified candidates and candidates intending to become certified about the provisions of this act and any regulations adopted by the commission that pertain to it;

b. receive and review any complaints from the candidates regarding the actions or activities of another candidate, especially where such actions are alleged to be in violation of this act, rendering a decision as to the legitimacy of such complaints within 48 hours after the receipt thereof; and

c. receive and review requests for rescue money, as provided by section 12 of this act, and if deemed appropriate, authorize the distribution of such moneys from the fund to the certified candidate as the certified candidate is entitled to pursuant to section 12 of this act.

16. Whenever any certified candidate makes, incurs, or authorizes an expenditure to finance a communication aiding or promoting the election of the candidate alone or in conjunction with another certified candidate who is a member of the same political party and seeking the office of member of the Senate or the office of member of the General Assembly from the same legislative district, or the defeat of such candidates' opponent or opponents, the communication shall include:

(a) in the case of radio, an audio statement in the candidate's own voice, or if in conjunction with another certified candidate in each candidate's own voice, that identifies the candidate, the office the candidate is seeking, and that the candidate has approved the communication; or

(b) in the case of television, the Internet or any other similar form of communication containing audio and visual images, a statement in the candidate's own voice, or if in conjunction with another certified candidate in each candidate's own voice, that identifies the candidate, the office the candidate is seeking, and that the candidate has approved the communication, that is either spoken by the candidate during an unobscured full-screen view of the candidate or through a voice-over by the candidate accompanied by a clearly identifiable photograph or similar image of the candidate that occupies at least eighty percent

of the vertical screen height, and includes the candidate's statement at the end of the communication in clearly readable writing in letters equal to at least four percent of the vertical picture height and visible for at least four seconds, except that an Internet communication consisting of printed material only, with or without photographs, shall include the written statement described above; or

(c) in the case of any other form of communication, the communication shall include the written statement described in paragraph (b) above.

A certified candidate, alone or in conjunction with the any other certified candidate who is seeking election to the office of member of the Senate or the office of member of the General Assembly from the same legislative district, may include in any communication made pursuant to this section a statement that he or she is a certified candidate.

17. a. A candidate who has been denied certification by the commission, or a person who opposes a candidate who has been certified, may challenge a certification decision by the commission as follows:

A candidate or an opponent may appeal to the commission within three days of the decision to grant or deny a certification. The appeal shall be in writing and shall set forth the reasons for the appeal.

Within five days after an appeal is filed, the commission shall hold a hearing thereon after notice is given of the hearing to the challenger. The challenger has the burden of providing evidence to demonstrate that the decision of the commission to certify, or to deny certification of, the candidate was improper. The commission shall rule on the appeal within three days after the completion of the hearing.

A challenger may appeal to the Appellate Division of the Superior Court a decision on an appeal rendered by the commission pursuant to this section and the court shall hear the appeal and render a decision thereon in an expedited manner.

b. Any candidate whose certification by the commission is revoked as a result of an appeal to the Appellate Division of the Superior Court shall return to the commission for deposit into the fund any unspent moneys received to date from the fund.

c. If the commission or the court finds that an appeal was made frivolously or to cause delay or hardship, the commission or court may require the challenger to pay the expenses of the commission, the court and the challenged candidate, if any such expenses have been incurred.

18. The candidates shall select the sponsors, and arrange among themselves, for at least two interactive debates prior to the general election. All certified candidates shall be required to participate in the debates, the first of which shall occur on or after October 1, 2007 and on or before October 15, 2007 and the second of which shall occur on or after October 16, 2007 and on or before October 30, 2007. The sponsorship and arrangement of such debates shall be subject to review and certification by the commission, and these arrangements shall be revised thereby if the commission deems it appropriate to insure maximum fairness to the candidates and access to the public. The candidates shall submit their plans for debates in writing to the commission no later than October 3, 2007 and the commission shall respond in writing to the candidates no later than October 7, 2007. At each debate, each certified candidates shall be identified as such and the meaning of that certification shall be explained in a manner to be determined by the commission. The candidates shall invite and permit noncertified candidates to participate in the debates. Any certified candidate who refuses to participate in the debates shall be liable for the return of

moneys received previously from the fund in the same manner as the commission is authorized to seek the return of funds from gubernatorial candidates who received public financing and fail or refuse to participate in interactive debates required pursuant to section 11 of P.L.1989, c.4 (C.19:44A-47). The commission shall determine whether reasonable circumstances existed to prevent a debate from being scheduled and whether a certified candidate has a reasonable justification to refuse to participate in the debates.

19. a. (1) Any person, including any candidate, treasurer or other official associated with the campaign of a candidate intending to become certified or a certified candidate, with the responsibility for the preparation, certification, filing or retention of any reports, records, notices or other documents in paper or electronic form, who, knowingly and willfully, fails, neglects or omits to prepare, certify, file or retain any such report, record, notice or document at the time or during the time period, as the case may be, and in the manner prescribed by law, or who, knowingly and willfully, omits or incorrectly states or certifies any of the information required by law to be included in such report, record, notice or document, and any other person who in any way knowingly and willfully violates any of the provisions of this act, shall, in addition to any other penalty provided by law, be liable to a penalty of not more than \$6,000 for the first offense and not more than \$12,000 for the second and each subsequent offense. Upon receiving evidence of a violation, the commission shall use the procedure provided in section 22 of P.L.1973, c.83 (C.19:44A-22) for investigating the violation and assessing a penalty, if deemed appropriate.

(2) The fine imposed for a violation of paragraph (1) of this subsection shall, upon payment to the commission, be deposited in the fund.

b. Any individual found to have knowingly and willfully given any amount of money to another person for the purpose of having that other person give such money, or a part thereof, to a candidate intending to become certified as a seed money contribution or qualifying contribution is guilty of a crime of the fourth degree.

c. (1) Any person, including any candidate, treasurer or other official associated with the campaign of a certified candidate or candidate intending to become certified, who knowingly and willfully makes a false statement or knowingly or willfully files a false report, record, notice or document in paper or electronic form is guilty of a crime of the third degree.

(2) If an individual is found to be in violation of paragraph (1) of this subsection, the candidate shall remit in an expedited manner to the commission for deposit into the fund all moneys distributed to the candidate since he or she became certified for the election cycle in which the offense occurred.

d. In addition to the penalties imposed by this section, any certified candidate or candidate intending to become certified who is investigated and found by the commission to have purposefully, knowingly and willfully violated this act shall be disqualified as a candidate for the public office sought or shall forfeit such office if elected.

e. All investigations undertaken by the commission pursuant to this section shall be carried out in full compliance with the existing requirements of due process of law, and shall be conducted and completed on an expedited basis.

f. Two hundred and fifty dollars shall be added to each fine and penalty imposed and collected through a court under authority of any law for any violation of the provisions of chapter 27 or 30 of Title 2C of the New Jersey Statutes, chapter 34 or 44A of Title 19 of the Revised Statutes, or chapter 13D of Title 52 of the Revised Statutes and shall be forwarded by the person to whom the same are paid to the State Treasurer. The State Treasurer shall upon receipt deposit those moneys so forwarded into the account of the commission for use

to effectuate the public information requirements established in subsection a. of section 14 of this act, up to a maximum of \$600,000. The State Treasurer shall deposit any moneys over that amount received pursuant to this section into the fund.

20. a. The commission shall promulgate such rules and regulations as it deems necessary to implement the provisions of this act , except that, notwithstanding any provision of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the commission may adopt, immediately upon so filing with the Office of Administrative Law, such rules and regulations as the commission deems necessary to implement the provisions of this act. Those rules and regulations shall be effective for a period not to exceed 18 months following the effective date of this act and may thereafter be amended, adopted or readopted by the commission pursuant to the requirements of P.L.1968, c.410. These rules and regulations shall include, but not be limited to, procedures for obtaining seed money and qualifying contributions, obtaining certification as a certified candidate, the distribution of fund moneys to certified candidates, the return of unspent distributed fund moneys from certified candidates, the electronic filing of campaign reports, and such other matters delegated to it or required of it by this act.

b. Within one year after the effective date of this act, the commission shall issue a report to the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly and the Minority Leader of the General Assembly on the pilot project created by this act. The report shall be strictly fact-based and shall contain no recommendations with respect to any future pilot project similar to the one created by this act.

c. The county clerks and municipal clerks of this State shall provide to the commission, at no cost to the commission, the current voter registration information and any additional election or voter information the commission may require to comply with the provisions of this act.

21. The New Jersey Fair and Clean Elections Pilot Project established by this act shall be reauthorized by the Legislature and the Governor in sufficient time for elections in 2009 to include:

a. candidates seeking election to the office of member of the Senate and candidates seeking election to the office of member of the General Assembly;

b. candidates seeking nomination for election to the office of member of the Senate and candidates seeking nomination for election to the office of member of the General Assembly, if this act is deemed a success; and

c. for any candidate nominated by direct petition pursuant to chapter 13 of Title 19 of the Revised Statutes, the same amount of funding as any candidate who is a member of a political party whose candidate for Governor received the greatest or next great number of votes in the most recent gubernatorial election, provided that: (1) a candidate nominated by direct petition who is a member of a political organization received 10 percent or more of the total number of votes cast in the legislative district from which the candidate sought to be elected in the general election held in 2007; or (2) a candidate independent of any such political organization or political party received 10 percent or more of the total number of votes cast in the legislative district from which the candidate sought to be elected in the general election held in 2007 and is also a candidate in 2009.

As used in this section, “success” means that at least 50 percent of the candidates who were members of political parties and were seeking election for either the office of member

of the Senate or the office of member of the General Assembly became certified candidates and did not withdraw from that designation.

22. There is appropriated from the General Fund to the Election Law Enforcement Commission \$600,000 to effectuate the public information requirements in subsection a. of section 14 of this act, \$75,000 to effectuate the voter's guide requirements in subsection c. of section 14 of this act and \$250,000 to fund the expenses incurred by the commission as a result of administering this act. There is appropriated from the General Fund to the Department of the Treasury for deposit into the New Jersey Fair and Clean Elections Fund, established pursuant to section 5 of this act, \$6,750,000 for the other purposes of this act.

23. This act shall take effect immediately and shall expire on the 180th day following the date of the general election held in 2007.

Approved March 28, 2007.

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