



# ELEC-TRONIC

An Election Law Enforcement Commission Newsletter

P.O. Box 185, Trenton, NJ 08625

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**"Furthering the Interest of an Informed Citizenry"**

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## Website:

[www.elec.state.nj.us](http://www.elec.state.nj.us)

## Comments from the Chairman Ronald DeFilippis

This past Monday, March 30, public contractors filed annual disclosure statements with the Commission.

Subject to the Pay-to-Play law, contractors are required to disclose their activity to ELEC if they have received \$50,000 or more in public contracts statewide.

The requirements of disclosure include the name and mailing address of the contractor along with the identity of the public entities from which the business received money in the previous year.

The following information is required to be disclosed and can be accessed by every citizen at [www.elec.state.nj.us](http://www.elec.state.nj.us).

1. The name of the public entity;
2. The amount of money received from the public entity;
3. The date of each contract and information to identify the specific contract with the governmental entity; and
4. A description of the goods, services, or equipment provided or properly sold to the public entity.

Moreover, the public can access the following information required to be disclosed by public contractors.

1. The candidate committee or joint candidates committee receiving a contribution;
2. The address of the committee; and
3. The date and amount of the contribution.

In addition, the same information must be supplied relative to contributions made to political parties, legislative leadership committees, political committees, and PACs.

Public contractors are also required to disclose the amount of the contributions donated during the calendar year to candidates and committees mentioned above.

Even if a business has not made any contributions during the past year but nevertheless received \$50,000 or more in public contracts, that contractor is still required to file a form indicating that no contributions were made.

Following the disclosure of business entity reports, the Commission will publish an analytical press release summarizing public contractor activity in 2014.

Last year, public contractors made \$10.1 million in contributions and received \$6.4 billion in contracts from public entities.



## Adoption of Proposed Regulations

[P.L.2014, c.58, and N.J.A.C. 19:25-8.12.](#)

The New Jersey Election Law Enforcement Commission approved its regulations to fulfill a legislative mandate to eliminate long-standing rules that required candidates to file duplicate copies of campaign finance reports with County Clerks. The proposal notice (**Proposed Amendment: N.J.A.C. 19:25-8.12**) appeared in the New Jersey Register on December 1, 2014, and was approved by the Commission on March 17, 2015.

## Executive Director's Thoughts Jeff Brindle

### Special Gubernatorial Election Could Mean Special Problems for NJ

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

During this year's State of the State Address, Governor Chris Christie stated that whether or not he runs for President, he will remain governor and be back to give next year's speech.

However, let's say, hypothetically, that the Governor decides to step down early.

It's happened before, most recently with former Governors Whitman and McGreevey. It could happen to future governors.

If a gubernatorial vacancy occurs now, the Lieutenant Governor would assume the Office of Governor. But only under certain circumstances would the Lieutenant Governor serve the duration of the gubernatorial term.

Unlike a vacancy in the office of the President, when the Vice President takes over for the remainder of the term, the Lieutenant Governor completes the term only when a little over a year is left on the term.

In every other circumstance, a special election must be held.

The next regular election for governor is scheduled for November 2017. If the Governor were to leave office within 60 days of the 2016 general election, the Lieutenant Governor would assume the office and serve out the term.

However, if the Governor were to leave office prior to 60 days before the 2016 general election, then a special gubernatorial election would be required.

With respect to a special election for governor, there are gaps in the statute and the State Constitution that must be addressed by the Legislature.

New Jersey is known for its Gubernatorial Public Financing Program, which includes primary and general elections.

This program has existed since the election of 1977 and is credited with eliminating even the appearance of corruption and allowing qualified candidates of otherwise limited personal wealth to compete for the governorship.

While the program has served the public well, at present there is no provision in the statute to provide for public funding in a special gubernatorial election.

With independent spending overwhelming political parties and candidates (\$41 million in 2013), the Gubernatorial Public Financing Program is more needed than ever.

State Senator Jim Whelan (D-2) introduced legislation to provide public financing in special elections for governor, including primary and general elections. It has moved out of the Senate State Government Committee.

A companion bill in the Assembly by Assemblywoman Linda Stender (D-22) is awaiting action.

The fact that legislation has been introduced to plug the special election public funding hole is a good thing. However, there is another gap that needs to be filled.

Nothing in the law nor the State Constitution establishes a special gubernatorial primary election.

The State Constitution provides for a special gubernatorial general election but is silent as to a special primary election for governor.

This breach can in all probability be filled by enacting legislation creating a special gubernatorial primary. There is no mention of primaries in the State Constitution, yet they have been established in the statutes for regular elections.

Though the situation of a sitting governor stepping down in the immediate term may not occur, taking remedial action now makes sense to avoid a political crisis in the future.

## Annual Registration Fee for Governmental Affairs Agents

[N.J.A.C. 19:25-20.20.](#)

Executive Director Jeffrey M. Brindle announced that the New Jersey Election Law Enforcement Commission is proposing an amendment to governmental affairs agent's annual registration fee. According to Brindle, the proposed amendment increases the annual registration fee for governmental affairs agents to \$575.00, see [N.J.A.C. 19:25-20.20.](#)

The proposed amendment was published in the [New Jersey Register](#) on March 2, 2015, and is currently available on the Commission's website at [www.elec.state.nj.us](http://www.elec.state.nj.us). Copies of the Commission's proposal may also be obtained by calling the Commission at (609) 292-8700.

The Commission will conduct a hearing to elicit public comment concerning the proposal on Tuesday, May 19, 2015 at 11:00 A.M. at:

**Election Law Enforcement Commission  
Edward J. Farrell Memorial Conference Room  
28 West State Street, 12th Floor  
Trenton, New Jersey**

The Commission invites participation in this hearing and requests that any testimony be limited to no more than ten minutes. Persons wishing to testify at the May 19, 2015 hearing are requested to reserve time to speak by contacting Administrative Assistant Elbia L. Zeppetelli at (609) 292-8700 no later than Friday, May 15, 2015.

Submit written comments by May 19, 2015 to:

**Michelle R. Levy, Esq.  
Associate Legal Director  
Election Law Enforcement Commission  
P. O. Box 185  
Trenton, New Jersey 08625-0185**

Written comments can also be emailed to [elec.rulemaking@elec.state.nj.us](mailto:elec.rulemaking@elec.state.nj.us) by May 19, 2015. Please put "Comment" in the subject line.

## Lobbying Annual Reports 2014

Total lobbying expenditures in New Jersey fell by \$5.1 million in 2014, an 8.1 percent decrease compared to the previous year, according to an analysis of annual lobbying reports released today by the New Jersey Election Law Enforcement Commission.

Preliminary numbers indicate \$58.3 million was expended on lobbying in 2014.

**Table 1**  
**Total Spending by Lobbyists in New Jersey**  
**2010-2014**

YEAR	EXPENDITURES	CHANGE-\$	CHANGE-%
2014*	\$ 58,262,608	\$ (5,116,206)	-8.1%
2013	\$ 63,378,814	\$ 5,341,014	9.2%
2012	\$ 58,037,800	\$(16,121,882)	-21.7%
2011	\$ 74,149,682	\$ 8,253,560	12.5%
2010	\$ 65,896,122	\$ 8,331,079	14.5%

\*Preliminary

Jeff Brindle, ELEC's Executive Director, said lobbying expenditures tend to ebb and flow depending on the issues dominating the statehouse.

"Looking back at the past five years, you can see lobbying expenditures vary annually. Some years are calmer than others because there are fewer controversial issues," he said. "2014 appears to be similar to 2012 in terms of the intensity of issues and level of spending."

Brindle said spending also can be driven up if big interest groups engage over an issue. "When wealthier, more powerful interest groups perceive an issue as a major threat or benefit, spending can soar. That did not occur in 2014," he said.

An example was the 2006 clash between Verizon NJ and cable companies over local television franchising rights. That showdown alone cost an estimated \$10 million.

Some key issues in 2014 included a move to improve the financial health of the state's Transportation Trust Fund; legislation (A-2035/S-927) that would revamp the law governing auto dealerships; a November 2014 ballot question approved by voters that created new funding

for open space acquisitions; a bill (A-3628/S-2412) enacted by Governor Christie that allows towns to privatize their aging water systems without a public vote; and a bill (A-3840/S-2485) that would prevent operators of religious cemeteries from owning funeral homes.

"Missing, however, was any riveting educational issue that involved the New Jersey Education Association (NJEA), a big spender on issue advocacy in past years," Brindle said.

AARP NJ, a New Jersey chapter of an association that represents 37 million members nationally, topped all special interest organizations in 2014 by spending \$1.6 million. That figure was more than double the \$717,148 spent by the group in 2013.

The overall total was the second highest spending ever reported by the AARP NJ. Its \$1.4 million total in 2006 was slightly higher when adjusted for inflation. The AARP's outlay for communications in 2014- \$1.2 million- was its largest ever in that category.

AARP supported legislation (A-2354/S-785) that would require employers to provide earned paid sick leave to their workers in New Jersey. It also advocated a bill (S-841/A-1855) that would provide a tax credit of up to \$675 to families who care for chronically ill or elderly relatives, and backed a bill (A-2955/S-2127) enacted by Governor Christie that allows hospital patients to designate a caregiver for post-hospital care.

**Table 2**  
**Top 10 Special Interest Organizations**  
**by Total Spending in 2014**

ORGANIZATION	SPENDING
AARP NJ	\$ 1,645,217
Honeywell International Inc.	\$ 780,000
Verizon NJ	\$ 719,986
Prudential Financial Inc.	\$ 716,340
Alliance of Automobile Manufacturers	\$ 557,842
Public Service Enterprise Group	\$ 530,177
First Energy/Jersey Central Power and Light	\$ 525,051
NJ State League of Municipalities	\$ 513,407
New Jersey Hospital Association	\$ 489,804
Horizon Blue Cross Blue Shield of NJ	\$ 483,494

The top two spenders, respectively, in 2013- NJEA and Americans for Prosperity- dropped off the top 10 list in 2014, as did Hackensack University Medical Center.

New to the list in 2014 were the Alliance of Automobile Manufacturers, First Energy/Jersey Central Power and Light, and Horizon Blue Cross Blue Shield of NJ.

Overall, insurance companies reported lobbying expenditures of \$4.2 million in 2014- the most of any special interest segment.

Hospitals, the biggest spenders in 2013 at \$4.6 million, slipped to second last year, spending \$3.4 million.

**Table 3**  
**Top 5 Special Interest Groups**  
**by Total Spending in 2014**

SPECIAL INTEREST GROUP	SPENDING
Insurance	\$ 4,219,923
Hospitals	\$ 3,388,992
Energy	\$ 3,174,026
Business- Miscellaneous	\$ 2,942,231
Ideological	\$ 2,249,625

Spending on communications, a major lobbying activity in recent years, fell 45 percent in 2014 to \$3.7 million.

**Table 4**  
**Spending on Lobbying Communications**  
**2010-2014**

YEAR	AMOUNT	CHANGE-\$	CHANGE-%
2014	\$ 3,719,936	\$ (3,096,043)	-45%
2013	\$ 6,815,979	\$ 4,608,363	209%
2012	\$ 2,207,616	\$ (12,979,720)	-85%
2011	\$15,187,336	\$ 4,844,019	47%
2010	\$10,343,317	\$ 4,215,953	69%

AARP NJ led the top five communications spenders.

**Table 5**  
**Spending on Lobbying Communications**  
**in 2014**

GROUP	AMOUNT
AARP NJ	\$1,198,627
Alliance of Automobile Manufacturers	\$ 401,222
Americans for Prosperity	\$ 227,538
Altria Client Services Inc and Affiliates	\$ 222,102
NJ Association of Realtors Issues Mobilization PAC	\$ 153,676

Most of the reduction in lobbying expenditures in 2014 came from a decrease in communications outlays along with reductions in in-house salaries and compensation paid to outside agents.

**Table 6**  
**Lobbying Expenses by Category**

EXPENSE CATEGORY	2014	2013	CHANGE \$	CHANGE %
In-House Salaries	\$34,646,562	\$35,912,147	\$(1,265,858)	-4%
Compensation to Outside Agents	\$15,009,476	\$15,808,219	\$ (798,743)	-5%
Communications	\$ 3,719,936	\$ 6,815,979	\$(3,096,043)	-45%
Support Personnel	\$ 2,330,556	\$ 2,363,020	\$ (32,464)	-1%
Travel and Lodging	\$ 543,065	\$ 529,637	\$ 13,428	3%

For the eighth consecutive year, the amount spent by lobbyists on "benefit passing"- gifts like meals, trips or other things of value- continued to drop, falling to a new record low of \$3,162. The figure has steadily dwindled since peaking at \$163,375 in 1992.

**Table 7**  
**Total Spending on Benefit Passing**  
**Unadjusted for Reimbursements**

YEAR	TOTAL SPENT ON BENEFIT PASSING	CHANGE IN %
2014	\$ 3,162	-21%
2013	\$ 4,022	-29%
2012	\$ 5,652	-1%
2011	\$ 5,687	-24%
2010	\$ 7,476	-22%

Lobbyists reported serving on 174 appointed seats with public authorities, boards and commission- the same number as in 2013. Some lobbyists sit on multiple boards.

The average number of lobbyists rose by 1 percent from 910 to 917 in 2014. The number peaked at 1,043 in 2008. The number of clients fell 6 percent from 2,065 to 1,942.

For the twelfth straight year, Princeton Public Affairs Group Inc. reported the highest receipts among multi-client firms. While some rankings changed, the same top ten firms on the list for 2014 were also on the list in 2013.

**Table 8  
Top Ten Multi-Client Firms Ranked by 2014 Fees**

FIRM	2014 RECEIPTS
Princeton Public Affairs Group Inc	\$ 9,374,310
Public Strategies Impact LLC	\$ 6,288,639
MBI Gluckshaw	\$ 4,203,621
Kaufman Zita Group LLC	\$ 2,238,582
Gibbons PC	\$ 2,143,778
Cammarano Layton and Bombardieri Partners LLC	\$ 2,109,500
Optimus Partners LLC	\$ 1,434,150
MWW Group	\$ 1,354,531
Capital Impact Group	\$ 1,255,608
Riker Danzig Scherer Hyland & Perretti LLP	\$ 1,086,976

At the federal level, spending by lobbyists fell for the fourth straight year, according to the Center for Responsive Politics. Federal lobbying expenditures fell 1 percent to \$3.21 billion.

Lobbyists have been active in other states as well as New Jersey. For instance, they spent \$37 million in Michigan and \$18.4 million in Kentucky in 2014.

While 2014 numbers aren't yet available for Pennsylvania, New Jersey's neighbor saw a record \$518 million spent there in 2013.

Summary data provided above should be considered preliminary and incomplete.

This analysis reflects reports received as of 5 p.m. on March 3, 2015. In New Jersey, lobbyists who raise or spend more than \$2,500 were required to file a report on February 17<sup>th</sup> that reflects activity from the prior calendar year.

Summary information about lobbyist activities in 2014 can be obtained at the following website:

[www.elec.state.nj.us/publicinformation/gaa\\_annual.htm](http://www.elec.state.nj.us/publicinformation/gaa_annual.htm).

Copies of annual reports also are available on ELEC's website.

## Training Seminars 2015

The seminars listed below will be held at the Offices of the Commission, located at 28 West State St., Trenton, NJ. Please visit ELEC's website at [www.elec.state.nj.us](http://www.elec.state.nj.us) for more information on training seminar registration.

<b>TREASURER TRAINING FOR CANDIDATES AND JOINT CANDIDATES COMMITTEES</b>	
April 23, 2015	10:00 a.m.
September 17, 2015	10:00 a.m.
September 29, 2015	10:00 a.m.
<b>TREASURER TRAINING FOR POLITICAL PARTY COMMITTEES AND PACS</b>	
June 17, 2015	10:00 a.m.
September 15, 2015	10:00 a.m.
December 16, 2015	10:00 a.m.
<b>R-1 ELECTRONIC FILING SOFTWARE (REFS) TRAINING</b>	
April 2, 2015	10:00 a.m.
April 28, 2015	10:00 a.m.
July 28, 2015	10:00 a.m.
September 24, 2015	10:00 a.m.
September 30, 2015	10:00 a.m.

## Lobbying Reporting Dates

Lobbying Quarterly Filing	INCLUSION DATES	ELEC DUE DATE
1 <sup>st</sup> Quarter	1/1/2015 - 3/31/2015	April 10, 2015
2 <sup>nd</sup> Quarter	4/1/2015 - 6/30/2015	July 10, 2015
3 <sup>rd</sup> Quarter	7/1/2015 - 9/30/2015	October 13, 2015
4 <sup>th</sup> Quarter	10/1/2015 - 12/31/2015	January 11, 2016

## 2015 REPORTING DATES

		<i>Inclusion Dates</i>	<i>Report Due Date</i>
<b>Fire Commissioner - 2/21/2015</b>			
29-day pre-election		Inception of campaign* - 1/20/15	1/23/2015
11-day pre-election		1/21/15 - 2/7/15	2/10/2015
20-day post-election		2/8/15 - 3/10/15	3/13/2015
48 Hour Notice Reports Start on 2/8/2015 through 2/21/2015			
<b>School Board Election - 4/21/2015</b>			
29-day pre-election		Inception of campaign* - 3/20/15	3/23/2015
11-day pre-election		3/21/15 - 4/7/15	4/10/2015
20-day post-election		4/8/15 - 5/8/15	5/11/2015
48 Hour Notice Reports Start on 4/8/2015 through 4/21/2015			
<b>May Municipal Election - 5/12/2015</b>			
29-day pre-election		Inception of campaign* - 4/10/15	4/13/2015
11-day pre-election		4/11/15 - 4/28/15	5/1/2015
20-day post-election		4/29/15 - 5/29/15	6/1/2015
48 Hour Notice Reports Start on 4/29/2015 through 5/12/2015			
<b>Runoff (June)** - 6/9/2015</b>			
29-day pre-election		No Report Required for this Period	
11-day pre-election		4/29/15 - 5/26/15	5/29/2015
20-day post-election		5/27/15-6/26/15	6/29/2015
48 Hour Notice Reports Start on 5/27/2015 through 6/9/2015			
<b>Primary Election*** - 6/2/2015</b>			
29-day pre-election		Inception of campaign* - 5/1/15	5/4/2015
11-day pre-election		5/2/15 - 5/19/15	5/22/2015
20-day post-election		5/20/15 - 6/19/15	6/22/2015
48 Hour Notice Reports Start on 5/20/2015 through 6/2/2015			
90 Day Start Date: 3/4/2015			
<b>General Election*** - 11/3/2015</b>			
29-day pre-election		6/20/15 - 10/2/15	10/5/2015
11-day pre-election		10/3/15 - 10/20/15	10/23/2015
20-day post-election		10/21/15 - 11/20/15	11/23/2015
48 Hour Notice Reports Start on 10/21/2015 through 11/3/2015			
<b>Runoff (December)** - 12/8/2015</b>			
29-day pre-election		No Report Required for this Period	
11-day pre-election		10/21/15 - 11/24/15	11/27/2015
20-day post-election		11/25/15 - 12/25/15	12/28/2015
48 Hour Notice Reports Start on 11/25/2015 through 12/8/2015			
<b>PACs, PCFRs &amp; Campaign Quarterly Filers</b>			
1 <sup>st</sup> Quarter		1/1/15 - 3/31/15	4/15/2015
2 <sup>nd</sup> Quarter****		4/1/15 - 6/30/15	7/15/2015
3 <sup>rd</sup> Quarter		7/1/15 - 9/30/15	10/15/2015
4 <sup>th</sup> Quarter		10/1/15 - 12/31/15	1/15/2016

\* Inception Date of Campaign (first time filers) or from January 1, 2015 (Quarterly filers).

\*\* A candidate committee or joint candidates committee that is filing in a 2015 Runoff election is not required to file a 20-day post election report for the corresponding prior election (May Municipal or General).

\*\*\* Form PFD-1 is due on April 9, 2015 for Primary Election Candidates and June 12, 2015 for Independent General Election Candidates.

\*\*\*\* A second quarter report is needed by Independent/Non-Partisan General Election candidates if they started their campaign before 5/5/2015.