



ELEC *tronic*

An Election Law Enforcement Commission Newsletter

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Comments from the Chairman

Eric H. Jaso

Before beginning this month’s comments, let me wish everyone health and well being during this difficult time, a time during which the Commission has continued to conduct its operations. Now to an issue of importance for all officeholders.

New Jersey’s campaign finance law permits officeholders to use campaign funds for the “ordinary and necessary” expenses of holding public office.

But just what does “ordinary and necessary” mean?

Generally, it means any expense that reasonably promotes or carries out the responsibilities of an individual holding elective public office.

It does not include, however, funds used for the payment of any expense arising from the furnishing, staffing or operation of an office used in connection with the elected official’s duties as a public official.

Examples of permissible uses of funds under the rubric of ordinary and necessary expenses of holding public office are as follows:

1. Expenditures on communications to constituents. This includes costs associated with mailings, with holding seminars or meetings with constituents, with charitable donations, the framing of honorary resolutions, and the purchase of nominal get-well gifts and flowers, etc.;
2. The purchase of items such as a cellular phone used by the officeholder for official travel, janitorial supplies for the official’s office, funding for a petty cash account, and newspapers and magazines used for the purpose of carrying out office holding duties;
3. Costs of dues for membership in educational organizations related to office holding duties, the costs of registration and attendance at conferences used in connection with his or her official responsibilities; and,

4. Expenditures for travel by means of a vehicle when used in connection with the performance of the officeholder’s official duties.

While the above are all examples of permissible use under the ordinary and necessary clause, it is essential to keep in mind that no campaign money is to be used for the personal benefit of the individual.

Whenever there is any doubt with respect to uses under the ordinary and necessary provision, individuals are encouraged to call the Commission for advice and guidance.

During this time of Covid-19, questions may arise concerning the use of campaign funds for purposes related to Covid-19 and an officeholder’s constituents. It is advisable to contact the Commission staff with any questions pertaining to this issue.

Staff can be reached at the toll-free number 1-888-313-ELEC (3532). The Commission’s web address is www.elec.nj.gov/.

“Furthering the Interest of an Informed Citizenry”

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Executive Director's Thoughts

Jeff Brindle

ELEC Still Doing its Job Despite the Covid-19 Crisis

Reprinted from insidernj.com

As government navigates through the uncharted waters of the Coronavirus crisis, the New Jersey Election Law Enforcement Commission (ELEC) continues to operate, albeit mostly remotely.

To reduce social contact during the current pandemic, more and more businesses are transitioning to remote operations as employees are encouraged to work from home.

New Jersey's public agencies, including ELEC, have followed suit to meet the difficult circumstances we all currently face.

With little advance notice, they have managed to maintain most government services by equipping employees to work outside their offices. Government sometimes is criticized for being inflexible. Yet, New Jersey agencies have quickly achieved this unprecedented undertaking.

As for ELEC itself, its contingency plan is working well. It is enabling the Commission to operate remotely in order to fulfill its mission of disclosure. Almost all functions, including calls from the public as well as responses, continue.

Candidates, committees, lobbyists, and public contractors still can report electronically while the public will continue to have timely, online access to those reports.

Legal and investigative functions continue as well. Moreover, ELEC has been holding virtual commission meetings, during which the public has been able to participate while not attending the meetings in person.

So, the Commission is prepared to not only ride out the storm but for the future as well.

While the Commission and other state agencies attempt to maintain customary levels of service to the public, we should be mindful of the fact that long after the crisis subsides, the effect on society and its social relations will linger.

The traditional ways by which we function as a society- in particular work-related functions and everyday person-to-person contacts- may well be altered.

Even before the current virus outbreak, technological innovations brought about changes in the way people communicate with each other. The young in particular have grown comfortable with texting and social media as a way of communicating rather than direct face-to-face conversation.

In addition, besides technological innovation, which in every age has been transformative, the last twenty years have witnessed truly life-altering events.

The biggest transformation came after 2001 when terrorists used passenger planes to attack the World Trade Center and the Pentagon, while crashing another in the fields of Pennsylvania.

That atrocity changed America. Among other things, our traditional values of civil liberties, privacy, and free access to government buildings were curtailed. Long held freedoms were sacrificed for tighter security.

September 11th changed New Jersey's state capitol as well. Where once citizens had free access to the State house and other government buildings, access is now necessarily curbed. As is the case with airports and even sporting events, state government buildings require the public to walk through metal detectors and sign in with security guards.

So much has changed as the result of 9/11. Now society should be poised for more changes as we grind our way out of the latest crisis.

More and more businesses will continue on the road toward operating remotely. Employees will be further encouraged to work from home. Business will continue to try to improve efficiency. There will be some benefits to workers as well. Family life may be improved, and traffic will ease, leading to better air quality.

But not everyone benefits when society undergoes sweeping changes.

A less office-based work environment could mean shopping in malls and other retail stores could decline even further as people work from home. More online shopping would mean

greater job losses in the bricks and mortar sector. More vacant malls and other buildings could mar the landscape.

To some extent, government will be influenced by these trends. As the result of the current crisis, government certainly has revved up its capacity to conduct operations remotely.

But let's hope the shift isn't too drastic.

Once the virus has run its course, government hopefully will return to something close to what traditionally has been the norm.

For me, it's hard to imagine government operating on an entirely impersonal, virtual model. Government and politics require some personal interactions to be effective.

Government exists to serve the public interest and it does so best, not through social media platforms, webinars, and the internet, but through honest to goodness face-to-face dialogue.

That's why ELEC will eventually resume in-person training sessions, continue to greet callers with real people and be ready to assist members of the public who prefer to visit its office.

Where electronic media serves the public efficiently, it is warranted. At times like these, the ability to carry on remotely is critically important and preparations for future crisis should continue.

However, for government to turn into a virtual reality show does not fit the best interest of the public.

Aristotle, the first political scientist, said that humans are "social and political animals" and that society is prior to the individual. In other words, the individual depends on society.

Since politics and government is integral to a well-functioning society it should not be done at a distance. 'Social distancing' is an important concept now during this crisis.

Hopefully this concept will not be carried too far once the crisis is over, particularly in government.

Webinars

Introducing ELEC's new web-based Electronic File Filing System. Please register for one of the following Webinars.

R-1 WEBINARS	9/22/2020	2pm
	10/1/2020	10am
R-3 WEBINARS	7/6/2020	2pm
	9/17/2020	10am
	10/8/2020	2pm

After registering, you will receive a confirmation email containing information about joining the webinar.

Should you need assistance please call

(609) 292-8700 or visit

https://www.elec.nj.gov/seminar_train/SeminarTraining.html.

ELEC Approves Four-Year Inflation Adjustments to Key Limits and Thresholds

Contributors to candidates for governor will be able to give up to \$4,900 per election in 2021 under new inflation-adjusted limits and thresholds set by the New Jersey Election Law Enforcement Commission (ELEC).

In another change required by law every four years, gubernatorial candidates who qualify for public funding can spend a maximum of \$7.3 million in primary elections and \$15.6 million in general elections.

They can receive up to \$4.6 million in public funds during the primary election, and \$10.5 million during the general election. New Jersey in 1974 was the first state in the nation to approve the use of public matching funds for gubernatorial elections.

“Our program, which has won national acclaim, is a relative bargain. The average of \$4.18 per taxpayer spent in 2017 to pay for the program helped free up gubernatorial candidates to focus more on issues that matter most to voters while exposing them to less direct influence by special interest groups,” said Jeff Brindle, ELEC’s Executive Director.

The table below shows the adjusted limits and thresholds under the Gubernatorial Public Financing Program. The adjustments apply to 2021 gubernatorial campaigns already underway (one person has declared his candidacy for the 2021 primary), or candidates who declare later for next year’s election.

Table 1
2021 Gubernatorial Cost Index Adjustments

LIMIT/THRESHOLD	2017 AMOUNT	2021 AMOUNT
Contribution Limit	\$ 4,300	\$ 4,900
Qualification Threshold	\$ 430,000	\$ 490,000
Amount Not Matched	\$ 138,000	\$ 156,000
Primary Public Fund Cap	\$ 4,000,000	\$ 4,600,000
Primary Expenditure Limit	\$ 6,400,000	\$ 7,300,000
General Public Fund Cap	\$ 9,300,000	\$10,500,000
General Expenditure Limit	\$13,800,000	\$15,600,000

The bi-partisan Commission approved the 2021 Cost Index Report at its June 16 meeting. Following a public hearing October 20, 2020, the Commission must by December adopt rules implementing the changes.

Since its inception, the Gubernatorial Public Financing program has provided funds to 37 Republican candidates, 36 Democrats and three independents.

“One purpose of the program is to help persons of limited financial means seek election to the state’s highest office,” said Brindle. “In other states with no contribution limits or public funding, candidates are more likely to have to depend on large checks from special interest donors.”

“It is fine for interest groups to seek government policies that favor their interests. Public financing and contribution limits simply ensure that no one donor has too much direct leverage over candidates,” he said.

One reason for the gubernatorial financing program’s success is the fact that contribution limits and other thresholds are adjusted regularly to offset inflation.

New Jersey is believed to be the only state that factors in the cost of advertising as a major part of its inflation formula. “Media inflation generally is higher than general inflation. New Jersey’s method adjusts for this disparity better than relying solely on the consumer price index,” said Brindle, who developed the unique index.

Revised fines and reporting thresholds for non-gubernatorial candidates are listed on the following page. They apply to any candidates or committees intending to take part in 2021 elections.

Table 2
2021 Adjustments for Non-Gubernatorial Candidates and Committees

REPORTING THRESHOLDS AND FINES	2017 AMOUNT	2021 AMOUNT
Political Committee Reporting Threshold	\$ 2,800	\$ 3,200
CPC Reporting Threshold	\$ 6,300	\$ 7,200
Contribution Reporting Threshold (P.L. 2004, c.28)*	\$ 300	\$ 300
48-hr Notice Contribution Threshold	\$ 1,600	\$ 1,900
48-hr Notice Expenditure Threshold	\$ 1,600	\$ 1,900
JCC Thresholds - 2 candidates	\$ 9,700	\$11,000
JCC - 3 or more candidates	\$14,000	\$15,800
Form A-3 Threshold	\$ 6,300	\$ 7,200
Form A-1 & School Board/Write-in Threshold	\$ 5,100	\$ 5,800
Independent Expenditure Threshold	\$ 1,600	\$ 1,900
Section 20.1 Penalties (P.L. 2004, c.32)		
First Time	\$ 8,600	\$ 9,800
Subsequent	\$17,200	\$19,500
Section 22 Penalties (P.L. 2004, c.32)		
First Time	\$ 8,600	\$ 9,800
Subsequent	\$17,200	\$19,500
Pro Rata Return of Contributions**	\$ 300	\$ 300

*Frozen at \$300 pursuant to P.L. 2004, c.28.

**Frozen by regulation to conform to contribution reporting threshold pursuant to P.L. 2004, c.28.

Contribution limits for non-gubernatorial candidates are not adjusted automatically. In fact, they have been frozen at the same levels since 2005.

The law requires that by July 1st each year, the Commission must issue a report that includes recommended increases in contribution limits for non-gubernatorial candidates. The report must be transmitted to the Legislature by July 15th. The Legislature then decides whether to enact legislation accepting these revisions.

The recommended 2021 non-gubernatorial contribution limit adjustments are displayed below. The Commission derived the 2021 recommended amounts by applying the cost multiplier to the contribution levels from 2005, the last year when adjustments were made.

Table 3
Recommended 2021 Non-Gubernatorial Contribution Amount Adjustments

2005 CONTRIBUTION LIMIT	2021 CONTRIBUTION LIMIT
\$ 2,600	\$ 3,000
\$ 7,200	\$ 8,200
\$ 8,200	\$ 9,300
\$25,000	\$29,000
\$37,000	\$42,000
\$72,000	\$82,000

A copy of the “2021 Cost Index Report” is available at ELEC’s website (www.elec.state.nj.us).

2020 Reporting Dates

Please refer to ELEC’s website for up-to-date revised dates

www.elec.nj.gov/pdf/files/reporting_dates/REVISED_2020_Reporting_Dates.pdf

	INCLUSION DATES	REPORT DUE DATE
FIRE COMMISSIONER – FEBRUARY 15, 2020		
29-day Preelection Reporting Date	Inception of campaign* – 1/14/2020	1/17/2020
11-day Preelection Reporting Date	1/15/2020 – 2/1/2020	2/4/2020
20-day Postelection Reporting Date	2/2/2020 – 3/3/2020	3/6/2020
48-Hour Notice Reports Start on 2/2/2020 through 2/15/2020		
APRIL SCHOOL BOARD – May 12, 2020		
29-day Preelection Reporting Date	Inception of campaign* – 4/10/2020	4/13/2020
11-day Preelection Reporting Date	4/11/2020 – 4/28/2020	5/1/2020
20-day Postelection Reporting Date	4/29/2020 – 5/29/2020	6/1/2020
48-Hour Notice Reports Start on 4/29/2020 through 5/12/2020		
MAY MUNICIPAL – MAY 12, 2020		
29-day Preelection Reporting Date	Inception of campaign* – 4/10/2020	4/13/2020
11-day Preelection Reporting Date	4/11/2020 – 4/28/2020	5/1/2020
20-day Postelection Reporting Date	4/29/2020 – 5/29/2020	6/1/2020
48-Hour Notice Reporting Starts on 4/29/2020 through 5/12/2020		
RUNOFF (JUNE) ** – JULY 7, 2020		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	4/29/2020 – 6/23/2020	6/26/2020
20-day Postelection Reporting Date	6/24/2020 – 7/24/2020	7/27/2020
48-Hour Notice Reporting Starts on 6/24/2020 through 7/7/2020		
PRIMARY (90-DAY START DATE: MARCH 4, 2020) *** – JULY 7, 2020 (See Executive Order No. 120)		
29-day Preelection Reporting Date	Inception of campaign* – 6/5/2020	6/8/2020
11-day Preelection Reporting Date	6/6/2020 – 6/23/2020	6/26/2020
20-day Postelection Reporting Date	6/24/2020 – 7/24/2020	7/27/2020
48-Hour Notice Reporting Starts on 6/24/2020 through 7/7/2020		
GENERAL (90-DAY START DATE: AUGUST 5, 2020) – NOVEMBER 3, 2020		
29-day Preelection Reporting Date	7/25/2020 – 10/2/2020	10/5/2020
11-day Preelection Reporting Date	10/3/2020 – 10/20/2020	10/23/2020
20-day Postelection Reporting Date	10/21/2020 – 11/20/2020	11/23/2020
48-Hour Notice Reporting Starts on 10/21/2020 through 11/3/2020		
RUNOFF (DECEMBER)** – DECEMBER 8, 2020		
29-day Preelection Reporting Date	No Report Required for this Period	
11-day Preelection Reporting Date	10/21/2020 – 11/24/2020	11/27/2020
20-day Postelection Reporting Date	11/25/2020 – 12/25/2020	12/28/2020
48-Hour Notice Reporting Starts on 11/25/2020 through 12/8/2020		

PACs, PCFRs & CAMPAIGN QUARTERLY FILERS		
1 st Quarter	1/1/2020 – 3/31/2020	4/15/2020
2 nd Quarter	4/1/2020 – 6/30/2020	7/15/2020
3 rd Quarter	7/1/2020 – 9/30/2020	10/15/2020
4 th Quarter	10/1/2020 – 12/31/2020	1/15/2021
GOVERNMENTAL AFFAIRS AGENTS (Q-4)		
1 st Quarter	1/1/2020 – 3/31/2020	4/13/2020
2 nd Quarter	4/1/2020 – 6/30/2020	7/10/2020
3 rd Quarter	7/1/2020 – 9/30/2020	10/13/2020
4 th Quarter	10/1/2020 – 12/31/2020	1/11/2021

*Inception Date of Campaign (first time filers) or January 1, 2020 (Quarterly filers)

**A candidate committee or joint candidates committee that is filing in a 2020 Runoff election is not required to file a 20-day postelection report for the corresponding prior election (May Municipal or General).

***Form PFD-1 is due on April 9, 2020 for the Primary Election Candidates and July 17, 2020 for the Independent General Election Candidates.

Note: A fourth quarter 2019 filing is needed for the Primary 2020 candidates if they started their campaign prior to December 4, 2019.
 A second quarter is needed by Independent/Non-Partisan General Election candidates if they started their campaign prior to May 5, 2020.

HOW TO CONTACT ELEC

www.elec.state.nj.us

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