



# Newsletter

## *ELEC*tronic

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AN ELECTION LAW ENFORCEMENT COMMISSION NEWSLETTER  
“Furthering the Interest of an Informed Citizenry”

### Comments from the Chairman Eric H. Jaso

“[W]herever the people are well informed they can be trusted with their own government; that whenever things get so far wrong as to attract their notice, they may be relied on to set them to rights.” – Thomas Jefferson

The New Jersey Election Law Enforcement Commission (ELEC) embraces its continuing mission to ensure a well-informed electorate.

Essential to the fulfillment of this commitment is ELEC’s enforcement of all campaign finance laws, from seemingly technical provisions to the most significant regulations on campaigns and lobbyists.

One of those provisions, sometimes overlooked by candidates and campaigns -- but not by their opponents or the public -- is the disclaimer law.

Whenever a candidate or joint candidates committee expends money for an advertisement designed to promote or defeat a candidate, a political identification statement must be included with or attached to the communication.

For example, if a candidate purchases a radio spot which promotes his or her candidacy, the spot must contain language identifying the name, business or residence address of the committee, person or group sponsoring the ad and a “paid for by” disclaimer.

This “paid for by” provision applies to all broadcast, online, and print media advertising. It also applies to direct telemarketing efforts, including “robo-calls.”

The disclaimer requirement not only applies to candidates but to political parties, legislative leadership committees, PACs, and political committees.

While the law focuses on candidate committees, its political identification requirements also apply to spending to pass or defeat a public question. Any committee spending money on advertising in support or opposition to public referenda must provide a clear identifying statement.

ELEC primarily relies on political rivals and interested members of the public to police compliance with the disclaimer law and report violations to us for potential investigation and enforcement action.

Enforcing the disclaimer law is one way that ELEC ensures that New Jersey voters know who is paying for campaign advertising.

The Commission urges all participants in the electoral process to be aware of “paid for by” disclaimer requirement and comply with it. As always, we invite inquiries from anyone who wishes to speak to our Compliance staff to get clarification on the specific application of this law.

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#### COMMISSIONERS

- Eric H. Jaso, Chairman
- Stephen M. Holden, Commissioner
- Marguerite T. Simon, Commissioner
- Edwin R. Matthews, Legal Counsel

## Executive Director's Thoughts

### Jeff Brindle

## Stronger Parties Could Reduce Polarization

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

Despite the antipathy toward political parties that can be traced to the founding of the Republic, political parties, which help elected officials work together and find common ground, may be just the antidote for these highly partisan and combustible times.

Foremost among the many roles of political parties is to organize government. Party leaders influence elections and ultimately government policy. By strengthening parties, compromise and moderation, rather than polarization, is more likely.

American's historical aversion to political parties dates to colonial times when royalists squared off against patriots, then later federalists against anti-federalists.

Upon leaving office President George Washington in his farewell address to the nation said, "Let me . . . warn you in the most solemn manner against the baneful effects of the Spirit of Party."

Washington was unhappy over the factionalism within his own government between rivals Thomas Jefferson and Alexander Hamilton.

Jefferson himself believed that an enlightened public would reject parties while James Madison thought

that a growing variety of interests would dampen the unfolding of mass parties.

Though anti-party sentiment existed from the beginning, at least among the elites of early American society, it was not until the Progressive Era of the late 19th and early 20th centuries that an aversion to parties took root among the general population.

In fact, from the 1830's to the 1890's, political parties were an accepted part of American life. This period, which included the onset of mass parties and party machines, coincided with an expansion of the electorate as well as with significant European immigration and America's industrial revolution.

Though the spoils system, with its jobs and contracts for supporters, created potential for misdeeds, nevertheless the political parties had their virtues. They helped immigrants assimilate into the country and adapt to the social disruption wrought by the industrial revolution.

Yet, despite the positive role that political parties played, the inequalities of the industrial revolution and concern about corrupt machine politics aroused reformers, who, by 1910, had coalesced into a progressive third-party movement.

The reforms of the Progressive movement would not only undermine party machines and bosses, but reformers, with the aid of a "muckraker" press, nurtured an overall cynicism toward political parties among a large swath of the population.

The Progressive reforms included primary elections, administration of elections transferred from parties to state governments, the power to oust bad officials through recall elections, and initiative and referendum, which gave the public more direct control over policy.

Moreover, the era brought about amendments to the Constitution that would give women the right to vote as well as direct election of U.S. senators.

While the Progressive Era increased cynicism toward political parties and substantially weakened them, it did not kill them off. Instead, parties survived and became far more accountable to the public.

This fact has implications for today. By strengthening modern parties and their leadership, parties may serve as the solvent that calms the highly charged political environment of current times.

Nationally and in New Jersey, politics and elections have become increasingly influenced by independent groups and social media. From 2005 – 2017, for example, independent spending grew in state elections by almost 11,500 percent compared to party spending that lagged far behind.

Social media, including blogosphere, platforms like Facebook, Twitter, and Instagram, are combining with independent groups to greatly individualize politics, a trend which contributes to polarization, rancor, and overall dissatisfaction and decreasing trust in the institutions of government.

A stronger party system can help to ameliorate this division. Disciplined political parties organize majorities in government that are crucial to governing. As long-standing institutions, political parties have provided a training ground for leadership by allowing individuals to learn about the relationship between elections and governance, and to gain experience necessary for bringing people together on behalf of the public good.

Further, political parties encourage leaders to work together rather than at cross purposes and provide an environment that promotes compromise and the bringing forth of majorities. In contrast, single issue independent groups and social media foster individual politics and division.

In New Jersey, the Election Law Enforcement Commission has put forth several proposals for strengthening political parties.

These include removing tight caps on contributions from public contractors that have seriously depleted party coffers, increasing general contribution limits that have been frozen since 2005, requiring independent spenders to fully disclose their campaign finances just like parties and candidates, and tightening limits on contributions by public contractors to political action committees.

While perhaps not a panacea for changing the political and electoral landscape, strengthening the political party system would go far toward fostering a greater unity in the public square.

## Advisory Opinion No. 1-2020 Use of PayPal to Raise Campaign Funds

By Joe Donohue

The New Jersey Election Law Enforcement Commission (ELEC) has unanimously approved the use of PayPal by candidates to raise funds for campaigns.

The Commission approved the policy at its July 21, 2020 regular monthly meeting.

The decision was prompted by an advisory opinion request filed by Michael Jenkins, a candidate for the Holmdel Township Committee.

The Commission gave the go-ahead for candidates to use PayPal, an electronic payment facilitator, if they disclose the full amount of each contribution raised through this method. Processing fees that are deducted from the contributions must be reported separately as expenditures.

Complete donor information also must be reported to ELEC, including the name of the contributor, the contributor's address, occupation, as well as employer and employer's address.

The candidate committee must set up a PayPal account that is used only by the candidate committee and that PayPal account must be directly linked to the candidate committee's campaign depository. Contributions received by PayPal must be deposited into the

campaign depository within 10 days of receipt.

The Commission has always striven to encourage participation in the political process by citizens, and the use of new technology to promote this goal always has been in the Commission's wheelhouse, said Jeff Brindle, ELEC's Executive Director.

PayPal can arrange for candidates to obtain contributions via the internet by having a "donate" button on their website or providing a link on social media or in an email.

The Commission decided PayPal is so widely used in today's society that it would be a significant inconvenience not to allow its use. PayPal's website indicates it has more than 305 million accounts world-wide.

"Through the years, ELEC has tried to adapt to advances not anticipated by the original statute. While candidates and committees must adhere to disclosure rules that are the Commission's central mission, they should have flexibility in how they do so," said Brindle.

Here is the link to the advisory opinion: <https://www.elec.nj.gov/pdf/ao/2020/ao012020.pdf>.

## BIG SIX FUND-RAISING DROPS AMID VIRUS SCARE

Second quarter fund-raising by the two state parties and four legislative leadership PACs was down 36 percent during a period when the COVID-19 pandemic hit hardest in New Jersey, according to reports filed with the New Jersey Election Law Enforcement Commission (ELEC).

By contrast, fundraising during the second quarter four years ago was up 20 percent. In both 2016 and this year, party officials were trying to rebuild their coffers after a state election year when the Assembly was the lone house in contention. The virus outbreak appears to be the main difference.

**TABLE 1  
COMPARISON OF FIRST AND SECOND QUARTER  
FUNDRAISING FOR “BIG SIX”  
2020 VERSUS 2016**

<b>PARTY</b>	<b>FIRST QUARTER 2020</b>	<b>SECOND QUARTER 2020</b>	<b>DIFFERENCE-\$</b>	<b>DIFFERENCE-%</b>
Republicans	\$291,428	\$139,038	\$(152,390)	-52%
Democrats	\$527,956	\$386,070	\$(141,886)	-27%
<b>BOTH PARTIES</b>	<b>\$819,384</b>	<b>\$525,108</b>	<b>\$(294,276)</b>	<b>-36%</b>
<b>PARTY</b>	<b>FIRST QUARTER 2016</b>	<b>SECOND QUARTER 2016</b>	<b>DIFFERENCE-\$</b>	<b>DIFFERENCE-%</b>
Republicans	\$218,267	\$298,170	\$ 79,903	37%
Democrats	\$454,781	\$508,459	\$ 53,678	12%
<b>BOTH PARTIES</b>	<b>\$673,048</b>	<b>\$806,629</b>	<b>\$133,581</b>	<b>20%</b>

While there still are two more quarters to come, “Big Six” fundraising so far this year totals \$1.3 million. Looking back to 2007, that is the least the Big Six has raised for the first half of the year except for 2014, when they raised just under \$1.3 million. Adjusted for inflation, even that total was worth more (nearly \$1.4 million) than this year’s take so far.

Jeff Brindle, ELEC’s Executive Director, said while Big Six fundraising has not totally collapsed, its fundraising certainly seems squeezed by the surprise pandemic that struck right before the quarter that began April 1. Big Six committees must file reports with ELEC every three months updating their financial activity.

“We’ve seen stories that some candidates nationally and in areas like New York City are having fundraising difficulties due to the virus crisis,” he said. “Based solely on fundraising numbers for the recent quarter, it seems to be presenting a challenge here as well.”

**TABLE 2  
CAMPAIGN FINANCE ACTIVITY BY “BIG SIX”  
AT END OF SECOND QUARTER BY YEAR**

<b>BOTH PARTIES</b>	<b>RAISED</b>	<b>SPENT</b>	<b>CASH-ON-HAND</b>	<b>NET WORTH*</b>	<b>STATE ELECTIONS**</b>
<b>2007</b>	<b>\$5,776,859</b>	<b>\$2,328,316</b>	<b>\$8,015,277</b>	<b>\$7,911,808</b>	<b>S/A</b>
2008	\$3,438,622	\$2,238,356	\$1,577,591	\$ 918,612	
<b>2009</b>	<b>\$3,653,103</b>	<b>\$1,811,223</b>	<b>\$3,682,236</b>	<b>\$3,548,060</b>	<b>G/A</b>
2010	\$2,175,742	\$1,637,673	\$1,835,526	\$1,666,742	
<b>2011</b>	<b>\$3,684,467</b>	<b>\$1,915,020</b>	<b>\$3,329,478</b>	<b>\$3,051,770</b>	<b>S/A</b>
2012	\$2,988,610	\$2,590,387	\$1,426,366	\$1,193,221	
<b>2013</b>	<b>\$3,382,737</b>	<b>\$1,874,081</b>	<b>\$3,189,889</b>	<b>\$3,093,711</b>	<b>G/S/A</b>
2014	\$1,276,109 <sup>1</sup>	\$1,319,714	\$ 800,994	\$ 287,246	
<b>2015</b>	<b>\$2,476,599</b>	<b>\$1,983,389</b>	<b>\$2,160,318</b>	<b>\$1,624,601</b>	<b>A</b>
2016	\$1,661,559	\$1,513,987	\$1,127,086	\$ 979,443	
<b>2017</b>	<b>\$2,751,561</b>	<b>\$2,205,599</b>	<b>\$2,263,401</b>	<b>\$2,178,899</b>	<b>G/S/A</b>
2018	\$2,991,664	\$2,416,353	\$1,321,894	\$1,237,392	
<b>2019</b>	<b>\$2,283,313</b>	<b>\$1,729,263</b>	<b>\$2,075,620</b>	<b>\$1,988,194</b>	<b>A<sup>2</sup></b>
2020	\$1,342,492	\$1,090,629	\$ 911,929	\$ 807,204	

\*Net worth is cash-on-hand adjusted for debts owed to and by the committee.

\*\*G=Gubernatorial; S=Senate; A=Assembly

An analysis by the Center for Responsive Politics recently said that “political fundraising took an intense dip as the coronavirus pandemic ravaged the nation in mid-March and early April.”<sup>3</sup>

According to fundraising event information tracked by GovNetNJ.com, none of the Big Six committees held fundraisers during the second quarter 2020. Three of the six committees held fundraisers during the second quarter 2019.

In March of this year, 13 legislators and one county party cancelled or postponed fundraising events. The only reported fundraisers during the second quarter were two held by a single legislator.

With virus infection numbers much lower now than in March and April, one Big Six committee did hold a fundraiser July 14, which is in the third quarter, according to GovNetNJ.com.

“There is still time for party officials to play catch-up. The two state parties have raised the most cash so far this year and they are more likely to get involved in this year’s federal election. The four legislative leadership PACs tend to be most active in state election years, which isn’t until next year,” Brindle said.

“For the foreseeable future, however, more fundraising may occur using telephone, mail and party committee website solicitations than in-person events,” he said.

<sup>1</sup> \$1,389,637 adjusted for inflation

<sup>2</sup> There was also a special legislative election for the first legislative district Senate seat.

<sup>3</sup> Karl Evers-Hillstrom, “Political Donations Dropped Off as Coronavirus Pandemic Peaked,” June 9, 2020, <https://www.opensecrets.org/news/2020/06/political-donations-dropped-off-as-coronavirus-pandemic-peeked/>

Through June 30, Democrats have raised and spent twice as much as Republicans and have more than twice the cash-on-hand. Democrats hold majorities in both houses and control 77 of the 120 legislative seats.

**TABLE 3**  
**FUNDRAISING BY “BIG SIX” COMMITTEES**  
**JANUARY 1 THROUGH JUNE 30, 2020**

<b>REPUBLICANS</b>	<b>RAISED</b>	<b>SPENT</b>	<b>CASH-ON-HAND</b>	<b>NET WORTH*</b>
New Jersey Republican State Committee	\$ 244,187	\$ 202,013	\$ 177,694	\$ 177,694
Senate Republican Majority	\$ 86,600	\$ 63,160	\$ 52,264	\$ 40,624
Assembly Republican Victory	\$ 97,679	\$ 78,618	\$ 59,844	\$ 59,844
<b>SubTotal-Republicans</b>	<b>\$ 428,466</b>	<b>\$ 343,791</b>	<b>\$ 289,802</b>	<b>\$ 278,162</b>
<b>DEMOCRATS</b>				
New Jersey Democratic State Committee	\$ 572,825	\$ 426,479	\$ 180,364	\$ 150,946
Senate Democratic Majority	\$ 137,001	\$ 99,295	\$ 427,281	\$ 394,053
Democratic Assembly Campaign Committee	\$ 204,200	\$ 221,064	\$ 14,482	\$ (15,957)
<b>SubTotal-Democrats</b>	<b>\$ 914,026</b>	<b>\$ 746,838</b>	<b>\$ 622,127</b>	<b>\$ 529,042</b>
<b>Total-Both Parties</b>	<b>\$1,342,492</b>	<b>\$1,090,629</b>	<b>\$ 911,929</b>	<b>\$ 807,204</b>

\*Net worth is cash-on-hand adjusted for debts owed to or by the committee.

Brindle said the new fundraising difficulties caused by the COVID19 crisis makes it even more imperative that the Legislature adopt ELEC recommendations that would make it easier for party committees to raise funds.

These recommendations include letting party committees accept larger contributions from regular donors as well as public contractors, while sharply limiting the amount public contractors can contribute to political action committees. Requiring independent special interest groups to meet the same disclosure rules as parties and candidates might help reduce their fundraising advantage over parties and candidates.

“Today’s virus crisis is one more threat to the political party system in New Jersey. Steps must be taken to help parties survive this and other challenges because ultimately parties are more transparent and accountable than a system dominated by ‘dark money’ groups,” Brindle said.

State Parties and Legislative Leadership Committees are required to report their financial activity to the Commission on a quarterly basis. The reports are available on ELEC’s website at [www.elec.state.nj.us](http://www.elec.state.nj.us). ELEC also can be accessed on Facebook ([www.facebook.com/NJElectionLaw](https://www.facebook.com/NJElectionLaw)) and Twitter ([www.twitter.com/elecny](https://www.twitter.com/elecny)).

## 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](http://www.elec.nj.gov/pdf/files/reporting_dates/REVISED_2020_Reporting_Dates.pdf)

	INCLUSION DATES	REPORT DUE DATE
<b>FIRE COMMISSIONER – FEBRUARY 15, 2020</b>		
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		
<b>APRIL SCHOOL BOARD – May 12, 2020</b>		
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		
<b>MAY MUNICIPAL – MAY 12, 2020</b>		
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		
<b>RUNOFF (JUNE) ** – JULY 7, 2020</b>		
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		
<b>PRIMARY (90-DAY START DATE: MARCH 4, 2020) *** – JULY 7, 2020 (See Executive Order No. 120)</b>		
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		
<b>GENERAL (90-DAY START DATE: AUGUST 5, 2020) – NOVEMBER 3, 2020</b>		
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		
<b>RUNOFF (DECEMBER)** – DECEMBER 8, 2020</b>		
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 <sup>st</sup> Quarter	1/1/2020 – 3/31/2020	4/15/2020
2 <sup>nd</sup> Quarter	4/1/2020 – 6/30/2020	7/15/2020
3 <sup>rd</sup> Quarter	7/1/2020 – 9/30/2020	10/15/2020
4 <sup>th</sup> Quarter	10/1/2020 – 12/31/2020	1/15/2021

**GOVERNMENTAL AFFAIRS AGENTS (Q-4)**

1 <sup>st</sup> Quarter	1/1/2020 – 3/31/2020	4/13/2020
2 <sup>nd</sup> Quarter	4/1/2020 – 6/30/2020	7/10/2020
3 <sup>rd</sup> Quarter	7/1/2020 – 9/30/2020	10/13/2020
4 <sup>th</sup> 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.

## Webinars

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

<b>R-1 WEBINARS</b>	9/22/2020	2pm
	10/1/2020	10am
<b>R-3 WEBINARS</b>	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](https://www.elec.nj.gov/seminar_train/SeminarTraining.html).

### HOW TO CONTACT ELEC

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

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