

19:44A-3 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA 19:44A-3 et al.; 54A:9-25.1 (Gubernatorial elections--public financing--extend to primaries)

LAWS OF 1980 CHAPTER 74

Bill No. S1176

Sponsor(s) Yates and Orechio

Date Introduced April 14, 1980

Committee: Assembly State Govt., Federal & Interstate Relations & Veterans Affairs
Senate State Govt., Federal & Interstate Relations & Veterans Affairs

Amended during passage Yes Amendments during passage denoted by asterisks

Date of Passage: Assembly June 26, 1980

Senate May 5, 1980

Date of approval July 23, 1980

Following statements are attached if available:

| | | |
|-------------------------|-------------------------------------|-------------------------------------|
| Sponsor statement | Yes | <input checked="" type="checkbox"/> |
| Committee Statement: | Assembly | <input checked="" type="checkbox"/> |
| | Senate | <input checked="" type="checkbox"/> |
| Fiscal Note | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Veto message | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Message on signing | Yes | <input checked="" type="checkbox"/> |
| Following were printed. | | |
| Reports | Yes | <input checked="" type="checkbox"/> |
| Hearings | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

DO NOT REMOVE FROM FILE

974.90 New Jersey. Election Law Enforcement Commission.
E38 Public financing in New Jersey: the 1977 general
1978b election for Governor...August, 1978. Trenton, 1978.

(See especially Summary of conclusions and recommendations)

(over)

9/1/78
JE

U.S. Supreme Court case mentioned in sponsor's and Senate Committee statement: Buckley v. Valeo, 424 U.S. 1 (1976)

Similar bill--vetoed during 1978-9 Legislative session (cited in Governor's press release: A.1698, original, Assembly Committee statement, veto, fiscal note and 2nd OCR (attached))

74
7. 25- 50
[OFFICIAL COPY REPRINT]

SENATE, No. 1176

STATE OF NEW JERSEY

INTRODUCED APRIL 14, 1980

By Senators YATES and ORECHIO

Referred to Committee on State Government, Federal and
Interstate Relations and Veterans Affairs

AN ACT concerning public financing of gubernatorial election
campaigns, amending and supplementing P. L. 1973, c. 83, amend-
ing N. J. S. 54A :9-25.1 and P. L. 1974, c. 26, and repealing section
6 of P. L. 1974, c. 26.

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

1 1. Section 3 of P. L. 1973, c. 83 (C. 19:44A-3) is amended to read
2 as follows:

3 3. As used in this act, unless a different meaning clearly appears
4 from the context:

5 a. The term "allied candidates" means candidates in any elec-
6 tion who are (1) seeking nomination or election (A) to an office or
7 offices in the same county or municipal government or school dis-
8 trict or (B) to the Legislature representing in whole or part the
9 same constituency (C) as members of the State committee of the
10 same political party from the same county, or (D) as delegates or
11 alternates to the national convention of the same political party;
12 and who are (2) either (A) nominees of the same political party,
13 or (B) publicly declared in any manner, including the seeking or
14 obtaining of any ballot position or common ballot slogan, to be
15 aligned or mutually supportive.

16 b. The term "allied campaign organization" means any political
17 committee, any State, county or municipal committee of a political
18 party or any campaign organization of a candidate which is in
19 support or furtherance of the same candidate or any one or more
20 of the same group of allied candidates or the same public question
21 as any other such committee or organization.

22 c. The term "candidate" means an individual seeking or hav-
23 ing sought election to a public office of the State, or of a county,

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.

24 municipality or school district at a primary, general, municipal,
25 school or special election; except that the term shall not include
26 the office of county committeeman or committeewoman.

27 d. The terms "contributions" and "expenditures" include all
28 loans and transfers of money or other thing of value to or by
29 any candidate, political committee, committee of a political party
30 or political information organization, and all pledges or other
31 commitments or assumptions of liability to make any such trans-
32 fer; and for purposes of reports required under the provisions of
33 this act shall be deemed to have been made upon the date when such
34 commitment is made or liability assumed.

35 e. The term "election" means any election described in section
36 4 of this act.

37 f. The term "paid personal services" means personal, clerical,
38 administrative or professional services of every kind and nature
39 including, without limitation, public relations, research, legal, can-
40 vassing, telephone, speech writing or other such services, per-
41 formed other than on a voluntary basis, the salary, cost or con-
42 sideration for which is paid, borne or provided by someone other
43 than the committee, candidate or organization for whom such ser-
44 vices are rendered. In determining the value, for the purpose of
45 reports required under this act, of contributions made in the form
46 of paid personal services, the person contributing such services
47 shall furnish to the campaign treasurer through whom such con-
48 tribution is made a statement setting forth the actual amount of
49 compensation paid by said contributor to the individuals actually
50 performing said services for the performance thereof. But if any
51 individual or individuals actually performing such services also
52 performed for the contributor other services during the same
53 period, and the manner of payment was such that payment for the
54 services contributed cannot readily be segregated from contem-
55 porary payment for the other services, the contributor shall in his
56 statement to the campaign treasurer so state and shall either (1)
57 set forth his best estimate of the dollar amount of payment to each
58 such individual which is attributable to the contribution of his paid
59 personal services, and shall certify the substantial accuracy of the
60 same, or (2) if unable to determine such amount with sufficient
61 accuracy, set forth the total compensation paid by him to each such
62 individual for the period of time during which the services con-
63 tributed by him were performed. If any candidate is a holder of
64 public office to whom there is attached or assigned, by virtue of said
65 office, any aide or aides whose services are of a personal or con-
66 fidential nature in assisting him to carry out the duties of said office,

67 and whose salary or other compensation is paid in whole or in part
68 out of public funds, the services of such aide or aides which are paid
69 for out of public funds shall be for public purposes only; but they
70 may contribute their personal services, on a voluntary basis, to
71 such candidate for election campaign purposes.

72 g. The term "political information organization" means any
73 two or more persons acting jointly, or any corporation, partner-
74 ship, or any other incorporated or unincorporated association,
75 whether or not it is required to be registered pursuant to the
76 "Legislative Activities Disclosure Act of 1971" (P. L. 1971, c. 183),
77 which is organized for the purpose of, or which provides political
78 information concerning any candidate or candidates for public
79 office or with respect to any public question, or which seeks to
80 influence the content, introduction, passage or defeat of legislation.

81 The term shall not apply to any bona fide newspaper, magazine,
82 radio or television station or other bona fide news medium dis-
83 seminating political information, advertising and comment in the
84 normal course of its business; nor to any recognized school or in-
85 stitution of higher education, public or private, in conducting,
86 sponsoring or subsidizing any classes, seminars, forums, discus-
87 sions or other events in which political information or discussion
88 thereof or comment thereon is an integral part.

89 h. The term "political information" means any statement in-
90 cluding but not limited to, press releases, pamphlets, newsletters,
91 advertisements, flyers, form letters, or radio or television programs
92 or advertisements which reflect the opinion of the members of the
93 organization on any candidate or candidates for public office, on
94 any public question, or on any legislation, or which contains facts
95 on any such candidate, public question or legislation whether or
96 not such facts are within the personal knowledge of members of
97 the organization.

98 i. The term "political committee" means any two or more per-
99 sons acting jointly, or any corporation, partnership, or any other
100 incorporated or unincorporated association which is organized to,
101 or does, aid or promote the nomination, election or defeat of any
102 candidate or candidates for public office, or which is organized to,
103 or does, aid or promote the passage or defeat of a public question
104 in any election.

105 j. The term "public solicitation" means any activity by or on
106 behalf of any candidate, State, county or municipal party com-
107 mittee, political committee or political information organization
108 whereby either (1) members of the general public are personally
109 solicited for cash contributions not exceeding \$10.00 from each

110 person so solicited and contributed on the spot by the person so
 111 solicited to a person so soliciting or through a receptacle provided
 112 for the purpose of depositing contributions, or (2) members of the
 113 general public are personally solicited for the purchase of items
 114 having some tangible value as merchandise, at a price not exceeding
 115 \$10.00 per item, which price is paid on the spot in cash by the
 116 person so solicited to the person so soliciting, when the net proceeds
 117 of such solicitation are to be used by or on behalf of such candidate,
 118 party committee, or political committee or political information
 119 organization.

120 k. The term "testimonial affair" means an affair of any kind or
 121 nature including, without limitation, cocktail parties, breakfasts,
 122 luncheons, dinners, dances, picnics or similar affairs directly or
 123 indirectly intended to raise campaign funds in behalf of a person
 124 who holds, or who is or was a candidate for nomination or election
 125 to a public office in this State, or directly or indirectly intended to
 126 raise funds in behalf of any State, county or municipal committee
 127 of a political party or in behalf of a political committee, or directly
 128 or indirectly intended to raise funds for any political information
 129 organization.

130 l. The term "other thing of value" means any item of real or
 131 personal property, tangible or intangible, but shall not be deemed
 132 to include personal services other than paid personal services.

133 m. The term "qualified candidate" means:

134 (1) Any candidate for election to the office of Governor whose
 135 name appears on the general election ballot and who has deposited
 136 and expended ~~[\$40,000.00]~~ \$50,000.00 pursuant to section 7 of ~~[this~~
 137 ~~amendatory and supplementary act]~~ P. L. 1974, c. 26 (C.
 138 19:44A-32); or

139 (2) Any candidate for election to the office of Governor whose
 140 name does not appear on the general election ballot but who has
 141 deposited and expended ~~[\$40,000.00]~~ \$50,000.00 pursuant to section
 142 7 of ~~[this amendatory and supplementary act]~~ P. L. 1974, c. 26
 143 (C. 19:44A-32); or

144 (3) *Any candidate for nomination for election to the office of*
 145 *Governor whose name appears on the primary election ballot and*
 146 *who has deposited and expended \$50,000.00 pursuant to section 7*
 147 *of P. L. 1974, c. 26 (C. 19:44A-32); or*

148 (4) *Any candidate for nomination for election to the office of*
 149 *Governor whose name does not appear on the primary election*
 150 *ballot but who has deposited and expended \$50,000.00 pursuant to*
 151 *section 7 of P. L. 1974, c. 26 (C. 19:44A-32).*

1 2. Section 7 of P. L. 1973, c. 83 (C. 19:44A-7) is amended to
2 read as follows:

3 7. The amount which may be spent in aid of the candidacy of any
4 *qualified* candidate for **[a public office]** *Governor* at any election
5 shall not exceed **[\$0.50]** *in a primary election \$0.35, and in a*
6 *general election \$0.70*, for each voter who voted in the last preceding
7 general election in a presidential year in **[the district in which the**
8 **public office is sought.**

9 No money or other thing of value shall be paid or promised, or
10 expense authorized or incurred in behalf of any candidate for
11 nomination or election to any office, whether such payment is made
12 or promised, or expense authorized or incurred by the candidate
13 himself or by any other person, political committee or organiza-
14 tion, in furtherance or in aid of his candidacy, under any circum-
15 stances whatsoever, in excess of the sums provided **]** *New Jersey*;
16 but such sums shall not include the traveling expenses of the candi-
17 date or of any person other than the candidate if such traveling
18 expenses are voluntarily paid by such person without any under-
19 standing or agreement with the candidate that they shall be,
20 directly or indirectly, repaid to him by the candidate.

1 ***[3.** Section 8 of P. L. 1973, c. 83 (C. 19:44A-8) is amended to
2 read as follows:

3 8. Each State, county and municipal committee of a political
4 party, each political committee and each political information or-
5 ganization shall make a full report, upon a form prescribed by
6 the Election Law Enforcement Commission of all moneys, loans,
7 paid personal services, or other things of value contributed to it
8 and all expenditures made, incurred, or authorized by it in further-
9 ance of the nomination, election or defeat of any candidate, or in
10 aid of the passage or defeat of any public question, or to provide
11 political information on any candidate or public question or to
12 seek to influence the content, introduction, passage or defeat of
13 any legislation, during the period ending with the day preceding
14 the date of the report and beginning on the date of the most recent
15 such report filed. The report, except as hereinafter provided,
16 shall contain the name and address of each person or group from
17 whom moneys, loans, paid personal services or other things of value
18 have been contributed and the amount contributed by each person
19 or group, *and in the case of each contributor who is a natural*
20 *person shall specify the industry, business, trade, profession or*
21 *other occupation from which his livelihood is principally obtained.*
22 The report shall also contain the name and address of each person,

23 firm or organization to whom expenditures have been paid and the
24 amount and purpose of each such expenditure. The report shall
25 be filed with the Election Law Enforcement Commission on the
26 dates designated in section 16 hereof; provided, however, that any
27 political information organization which solely seeks to influence
28 the content, introduction, passage or defeat of legislation shall
29 report only on the date designated in this section. The campaign
30 treasurer of the committee or political committee reporting or
31 the treasurer of the political information organization reporting
32 shall certify to the correctness of each report.

33 Each State, county and municipal committee of a political party
34 and each political information organization shall also file with the
35 Election Law Enforcement Commission, not later than March 1
36 of each year, an annual report of all moneys, loans, paid personal
37 services or other things of value contributed to it during the pre-
38 vious calendar year and all expenditures made, incurred, or au-
39 thorized by it, whether or not such expenditures were made, in-
40 curred or authorized in furtherance of the election or defeat of any
41 candidate, or in aid of the passage or defeat of any public question
42 or to provide information on any candidate or public question or to
43 seek to influence the content, introduction, passage or defeat of any
44 legislation. The report shall contain the name and address of
45 each person or group from whom moneys, loans, paid personal
46 services or other things of value have been contributed and the
47 amount contributed by each person or group, *and in the case of*
48 *each contributor who is a natural person shall specify the industry,*
49 *business, trade, profession or other occupation from which his*
50 *livelihood is principally obtained.* The report shall also contain
51 the name and address of each person, firm or organization to
52 whom expenditures have been paid and the amount and purpose
53 of each such expenditure. The treasurer of the committee or or-
54 ganization reporting shall certify to the correctness of each report.

55 In any report filed pursuant to the provisions of this section the
56 organization or committee reporting may exclude from the report
57 the names, **[and]** addresses *and occupations* of contributors whose
58 contributions during the period covered by the report did not
59 exceed \$100.00; provided, however, that (1) such exclusion is
60 unlawful if any person responsible for the preparation or filing
61 of the report knew that it was made with respect to any person
62 whose contributions relating to the same election or issue and
63 made to the reporting organization or committee or to an allied
64 campaign organization or organizations aggregate, in combination
65 with the contribution in respect of which such exclusion is made,

66 more than \$100.00 and (2) any person who knowingly prepares,
67 assists in preparing, files or acquiesces in the filing of any report
68 from which the identification of a contributor has been excluded
69 contrary to the provisions of this section is subject to the pro-
70 visions of section 21 of this act, but (3) nothing in this proviso
71 shall be construed as requiring any committee or organization
72 reporting pursuant to this act to report the amounts, dates or other
73 circumstantial data regarding contributions made to any other
74 organization or political committee, committee of a political party
75 or campaign organization of a candidate.

76 Any report filed pursuant to the provisions of this section shall
77 include an itemized accounting of all receipts and expenditures
78 relative to any testimonial affairs held since the date of the most
79 recent report filed, which accounting shall include the names [and],
80 addresses *and occupations* of each contributor in excess of \$100.00
81 to such testimonial affair and the amount contributed by each, the
82 expenses incurred, and the disposition of the proceeds of such
83 testimonial affair.

84 No State, county or municipal committee of a political party nor
85 any political committee nor any political information organization
86 shall be required to file reports pursuant to this section of con-
87 tributions received or expenditures made in behalf of any candidate
88 who is not required to file reports pursuant to section 16 of this act.

1 4. Section 16 of P. L. 1973, c. 83 (C. 19:44A-16) is amended to
2 read as follows:

3 16. a. Each campaign treasurer of a candidate shall make a full
4 report, upon a form prescribed by the Election Law Enforcement
5 Commission, of all moneys, loans, paid personal services or other
6 things of value, contributed to him or to the deputy campaign
7 treasurers of the candidate, and all expenditures paid out of the
8 campaign fund of the candidate, during the period ending with the
9 day preceding the date of the report and beginning on the date the
10 most recent such report was filed, or, in the case of the first such
11 report filed after the appointment of the campaign treasurer, be-
12 ginning on the date of the appointment of the campaign treasurer.
13 The report shall also contain the name and address of each person
14 or group from whom moneys, loans, paid personal services or other
15 things of value have been contributed and the amount contributed
16 by each person or group, *and in the case of each contributor who*
17 *is a natural person shall specify the industry, business, trade,*
18 *profession or other occupation from which his livelihood is prin-*
19 *cipally obtained.* The campaign treasurer and the candidate shall
20 certify the correctness of the report.

21 b. During the period between the appointment of the campaign
22 treasurer and the election with respect to which contributions are
23 accepted or expenditures made by him, the campaign treasurer shall
24 file his report (1) on the seventh day preceding the election, and
25 (2) on the twenty-fifth day preceding the election; and after
26 the election he shall file his report on the fifteenth day follow-
27 ing such election. Concurrent with the report filed on the fifteenth
28 day following an election, or at any time thereafter, the campaign
29 treasurer of a candidate or political committee or committee of
30 a political party or the treasurer of a political information
31 organization may certify to the Election Law Enforcement Com-
32 mission that the campaign fund of such candidate, political com-
33 mittee or committee of a political party, or the fund of such
34 political information organization, having been instituted for the
35 purposes of the late election, has wound up its business and been
36 dissolved or, in the case of a political committee or a committee of
37 a political party or a political information organization which con-
38 tinues its activities beyond the election, that its business regarding
39 the late election has been wound up; and said certification shall be
40 accompanied by a final accounting of such campaign fund, or of
41 the transactions relating to such election, including the final
42 disposition of any balance remaining in such fund at the time of
43 dissolution or the arrangements which have been made for the dis-
44 charge of any obligations remaining unpaid at the time of dis-
45 solution. Until such certification has been filed, each such treasurer
46 shall continue to file, at the conclusion of each 60-day interval from
47 the fifteenth day following such election, reports in the form and
48 manner herein prescribed.

49 c. In the case of a primary, general, municipal, school, or special
50 election of a candidate for an office elected by a municipal or county-
51 wide constituency or a school district a duplicate copy of the
52 campaign treasurer's report, duly certified, shall be filed at the
53 same time with the county clerk of the county in which the candidate
54 resides.

55 d. There shall be no obligation to file the reports required by this
56 section on behalf of a candidate if such candidate files with the
57 Election Law Enforcement Commission a sworn statement to the
58 effect that the total amount to be expended in behalf of his candi-
59 dacy by the candidate, by any State, county or municipal committee
60 of a political party, by any political committee, or by any person
61 shall not in the aggregate exceed \$1,000.00; provided, that if a
62 candidate who has filed such a sworn statement receives contribu-
63 tions from any one source aggregating more than \$100.00 he shall

64 forthwith make report of the same, including the identity of the
65 source and the aggregate total of contributions therefrom, to the
66 Election Law Enforcement Commission.

67 e. There shall be no obligation imposed upon a candidate seeking
68 election to a public office of a school district to file either the reports
69 required under section 16 (b) or the sworn statement referred to
70 in subsection d. of this section or to comply with the requirements
71 of sections 9, 11 or 12 of this act, if the total amount expended and
72 to be expended in behalf of his candidacy by the candidate, any
73 political committee, any political party committee or by any person,
74 does not in the aggregate exceed \$1,000.00; provided, that if such
75 candidate receives contributions from any one source aggregating
76 more than \$100.00 he shall forthwith make a report of the same,
77 including the identity of the source and the aggregate total of con-
78 tributions therefrom, to the commission.

79 f. In any report filed pursuant to the provisions of this section,
80 the names **【and】**, addresses *and occupations* of contributors whose
81 contributions during the period covered by the report did not
82 exceed \$100.00 may be excluded; provided, however, that (1) such
83 exclusion is unlawful if any person responsible for the preparation
84 or filing of the report knew that such exclusion was made with
85 respect to any person whose contributions relating to the same
86 election and made to the reporting candidate or to an allied cam-
87 paign organization or organizations aggregate, in combination
88 with the contribution in respect of which such exclusion is made,
89 more than \$100.00, and (2) any person who knowingly prepares,
90 assists in preparing, files or acquiesces in the filing of any report
91 from which the identity of any contributor has been excluded con-
92 trary to the provisions of this section is subject to the provisions
93 of section 21 of this act, but (3) nothing in this proviso shall be
94 construed as requiring any candidate reporting pursuant to this
95 act to report the amounts, dates or other circumstantial data
96 regarding contributions made to any other candidate, political
97 committee or committee of a political party.

98 g. Any report filed pursuant to the provisions of this section shall
99 include an itemized accounting of all receipts and expenditures
100 relative to any testimonial affair held since the date of the most
101 recent report filed, which accounting shall include the names **【and】**,
102 addresses *and occupations* of each contributor in excess of \$100.00
103 to such testimonial affair and the amount contributed by each, the
104 expenses incurred, and the disposition of the proceeds of such
105 testimonial affair.】*

1 ***[5.]*** *3.* Section 2 of P. L. 1974, c. 26 (C. 19:44A-27) is
2 amended to read as follows:

3 2. It is hereby declared to be a compelling public interest and to
4 be the policy of this State that *primary and* general election cam-
5 paigns for the office of Governor shall be financed with public
6 support pursuant to the provisions of this act. It is the intention
7 of this act that such financing be adequate in amount so that
8 candidates for election to the office of Governor may conduct their
9 campaigns free from improper influence and so that persons of
10 limited financial means may seek election to the State's highest
11 office.

1 ***[6.]*** *4.* Section 3 of P. L. 1974, c. 26 (C. 19:44A-28) is
2 amended to read as follows:

3 3. The provisions of this act shall apply to the general election
4 campaign for the office of Governor to be held in November, 1977
5 and to all subsequent *primary and general election* campaigns for
6 election to the office of Governor, except that the provisions of this
7 act shall not apply to any *primary or* general election campaign
8 for the office of Governor for which the Legislature fails to make
9 an appropriation.

1 ***[7.]*** *5.* Section 4 of P. L. 1974, c. 26 (C. 19:44A-29) is
2 amended to read as follows:

3 4. a. ***[No person, candidate or political committee]*** **Except*
3A *in the case of a candidate, as provided in subsection g. of this sec-*
4 *tion, no person or political committee**, otherwise eligible to make
4A political contributions, shall make any contribution or contri-
5 butions to a candidate, his campaign treasurer or deputy cam-
6 paign treasurer, a State committee, county committee or mu-
7 nicipal committee of any political party, or to any other person or
8 committee, in aid of the candidacy of or in behalf of a candidate
9 *for nomination for election or* for election to the office of Governor
10 in **[a]** *any primary or* general election in the aggregate in excess
11 of **[\$600.00] \$800.00**, except as provided by this section]. No
12 candidate *for nomination for election or* for election to the office
13 of Governor in **[a]** *any primary or* general election and no cam-
14 paign treasurer or deputy campaign treasurer of such candidate
15 shall knowingly accept from any person, candidate or political
16 committee**[,]** any contribution or contributions in aid of **[such**
17 **candidate's candidacy]** *the candidacy of* or in behalf of such candi-
18 date in the aggregate in excess of **[\$600.00] \$800.00**, except as
19 provided by this section] *in any primary or general election. No*
20 *provision of this act shall be construed to prohibit a contribution*

21 or contributions in the aggregate not in excess of \$800.00 in aid
 22 of the candidacy of or in behalf of any candidate *for nomination*
 23 for election to the office of Governor in a primary election and
 23A *another contribution or contributions in the aggregate not in ex-
 23B cess of \$800.00 in the aid of the candidacy of or in behalf of any
 23C candidate for election to the office of Governor in a* general elec-
 23D tion.

24 b. [No person or political committee, except the State committee,
 25 county committees and municipal committees of any political party,
 26 otherwise eligible to make political contributions, shall make any
 27 contribution or contributions to a candidate, his campaign trea-
 28 surer, a State committee, county committee or municipal com-
 29 mittee of any political party, or to any other person or committee,
 30 in behalf of the winner of a primary election for the office of
 31 Governor in the aggregate in excess of \$600.00 for any purpose
 32 after the date of such primary election. No candidate for election
 33 to the office of Governor in a general election who has won the
 34 preceding primary election, and no campaign treasurer or deputy
 35 campaign treasurer of such candidate shall knowingly accept
 36 from any person or political committee, except the State committee,
 37 county committees and municipal committees of any political
 38 party, any contribution or contributions in the aggregate in
 39 excess of \$600.00 for any purpose after the date of such primary
 40 election.] Deleted by amendment. (P. L. . . . , c. . . .).

41 c. The spouse of any contributor may make a contribution or
 42 contributions of up to [\$600.00] \$800.00 in the aggregate in aid of
 43 the candidacy of or in behalf of a candidate for election to the
 44 office of Governor in a general election.

45 d. No State committee of any political party shall knowingly
 46 accept from any person or political committee, any contribution or
 47 contributions in the aggregate in excess of [\$600.00] \$800.00 in aid
 48 of the candidacy of or in behalf of a candidate for election to the
 49 office of Governor in a general election[, except as provided by
 50 subsection c. of this section]. A State committee may allocate a
 51 contribution of up to [\$600.00] \$800.00, and up to \$800.00 of a con-
 52 tribution in excess of [\$600.00] \$800.00 to, in aid of the candidacy
 53 of or in behalf of such candidate. A State committee shall create
 54 an account in a National or State bank in behalf of any candidate
 55 the committee intends to or does assist for election to the office of
 56 Governor in a general election, shall deposit in such account and
 57 report to the Election Law Enforcement Commission the name of

58 the contributor of all moneys accepted or allocated in aid of the
59 candidacy of or in behalf of such candidate, and may make a
60 contribution or contributions from such account in any amount in
61 aid of the candidacy of or in behalf of such candidate. No State
62 committee may make any contribution or contributions in aid of the
63 candidacy of or in behalf of such candidate of moneys not deposited
64 in a bank account pursuant to this subsection, and no State com-
65 mittee may make a contribution or contributions in aid of the
66 candidacy of or in behalf of such candidate of moneys or other
67 thing of value pledged or received in a *calendar* year [without an
68 election for the office of Governor] *in which no gubernatorial*
69 *election was held.*

70 e. The county committees and municipal committees of any
71 political party may make [a contribution or contributions] *an*
72 *expenditure or expenditures in the aggregate* of \$100,000.00 [in the
73 aggregate] in aid of the candidacy of or in behalf of any candidate
74 for election to the office of Governor in a general election[, except
75 that no]; *except the county committee and municipal committees*
76 *in the same county may not make an expenditure or expenditures*
77 *in the aggregate in excess of \$10,000.00 in aid of the candidacy or*
78 *in behalf of any such candidate. No county committee or municipal*
79 *committee may transfer or contribute any [money] funds to any*
80 *such candidate or to such candidate's campaign treasurer or deputy*
81 *campaign treasurer, or to any political committee supporting such*
82 *candidate [and except that no county committee and municipal*
83 *committees in any county may make a contribution or contributions*
84 *in excess of \$10,000.00 in the aggregate in aid of the candidacy*
85 *of or in behalf of any such candidate]. A candidate or his campaign*
86 *treasurer or deputy campaign treasurer shall determine the exact*
87 *amount that individual county committees or municipal committees*
88 *may contribute in aid of the candidacy of or in behalf of such*
89 *candidate, and shall file a report of such determination with the*
90 *Election Law Enforcement Commission no later than the seventh*
91 *day prior to the general election being funded.*

92 f. Communications on any subject by a corporation to its stock-
93 holders and their families, or by a labor organization to its
94 members and their families, and nonpartisan registration and
95 get-out-the-vote campaigns by a corporation aimed at its stock-
96 holders and their families, or by a labor organization aimed at its
97 members and their families, shall not be construed to be in aid of
98 the candidacy of or in behalf of a candidate for election to the
99 office of Governor in [a] *any primary or general election.*

100 g. ***[Any candidate in any primary election to the office of Gov-**
 101 *ernor may contribute an amount not in excess of \$800.00 to his cam-*
 102 *paign, and any candidate in any general election to the office of*
 103 *Governor may contribute an amount not in excess of \$800.00 to his*
 104 *campaign.]** No candidate receiving public funds may make ex-
 105 penditures from his own funds, including any contributions from
 106 his own funds, in aid of his candidacy for nomination or election to
 107 the office of Governor in excess of \$25,000.00 for the primary elec-
 108 tion and \$25,000.00 for the general election.

109 As used in this subsection "own funds" means funds to which
 110 the candidate is legally and beneficially entitled, but shall not
 111 include funds as to which he is a trustee, or funds given or other-
 112 wise transferred to the candidate by any person other than the
 113 spouse of the candidate for use in aid of his candidacy.

1 ***[8.]*** *6.* Section 5 of P. L. 1974, c. 26 (C. 19:44A-30) is
 2 amended to read as follows:

3 5. The Legislature shall appropriate to the New Jersey Election
 4 Law Enforcement Commission out of the *Gubernatorial Elections*
 5 *Fund established pursuant to N. J. S. 54A:9-25.1 and available for*
 6 *appropriation from the fund, and, if necessary, out of the General*
 7 *Treasury of the State such sums as are necessary to carry out the*
 8 *purposes of this act, which sums shall constitute a fund for cam-*
 9 *paign expenses for the primary election and the general election*
 10 *to the office of Governor, in such amounts or proportions as the*
 11 *Legislature shall direct the appropriation to be distributed between*
 12 *each of the two elections, to be regulated and distributed by the*
 13 *commission pursuant to this act. Upon notice by the commission,*
 14 *the Legislature shall appropriate to the commission out of the*
 15 *General Treasury such additional sums as may be required to*
 16 *carry out the purposes of this act if the sums first appropriated*
 17 *become inadequate.*

1 ***[9.]*** *7.* Section 7 of P. L. 1974, c. 26 (C. 19:44A-32) is
 2 amended to read as follows:

3 7. **[The Election Law Enforcement Commission, shall create an**
 4 **account in a National or State bank in behalf of each candidate for**
 5 **election to the office of Governor in a general election. The com-**
 6 **mission shall deposit promptly into such an account all moneys**
 7 **received from the campaign treasurer or deputy campaign trea-**
 8 **surer of a candidate or from a State committee of any political**
 9 **party in aid of the candidacy of or in behalf of such a candidate,**
 10 **prior to the date on which is held the general election for the office**
 11 **of Governor, provided that such moneys are received pursuant to**

12 section 4 of this amendatory and supplementary act and section 12
 13 of the act to which this act is a supplement. Immediately after
 14 deposit by the commission, the campaign treasurer or deputy
 15 campaign treasurer of any candidate may transfer or expend
 16 moneys deposited in such candidate's bank account.】 a. *Each candi-*
 17 *date in the primary election to the office of Governor, shall, with*
 18 *the approval of the Election Law Enforcement Commission, create*
 19 *a bank account in a National or State bank. The candidate, his*
 20 *campaign treasurer or deputy campaign treasurer shall deposit*
 21 *promptly into the account all moneys received pursuant to section 4*
 22 *of P. L. 1974, c. 26 (C. 19:44A-29) and sections 11 and 12 of P. L.*
 23 *1973, c. 83 (C. 19:44A-11 and 19:44A-12).*

24 b. *Each candidate in the general election to the office of Governor*
 25 *shall, with the approval of the Election Law Enforcement Com-*
 26 *mission, create an account in a National or State bank. The candi-*
 27 *date, his campaign treasurer or deputy campaign treasurer shall*
 28 *deposit promptly into the account all moneys received for the*
 29 *purpose of the election, provided that the moneys are received*
 30 *pursuant to section 4 of P. L. 1974, c. 26 (C. 19:44A-29) and sec-*
 31 *tions 11 and 12 of P. L. 1973, c. 83 (C. 19:44A-11 and 19:44A-12).*

32 c. *Immediately after deposit in the bank account the candidate*
 33 *or his campaign treasurer or deputy campaign treasurer may*
 34 *transfer or expend the moneys, except that no moneys deposited in*
 35 *a candidate's bank account for the primary election may be ex-*
 36 *pended for any candidate's general election expenses, and except*
 37 *that no moneys deposited in a candidate's bank account for general*
 38 *election may be transferred or expended until the day following*
 39 *the primary election or may be expended for primary election*
 40 *expenses.*

41 d. *No State or National bank which acts as a depository for*
 42 *election funds as provided in this act shall be held accountable for*
 43 *the proper application of funds withdrawn, transferred or expended*
 44 *from such accounts by the person or persons in whose name or*
 45 *names the accounts are opened or maintained, nor shall the State*
 46 *or National bank be under any duty to determine whether the*
 47 *funds deposited in the account are withdrawn, transferred or*
 48 *expended for the purposes and at the time or times prescribed by*
 49 *law, or are received from sources and in amounts prescribed or*
 50 *limited by law.*

1 *【10.】* *8.* Section 8 of P. L. 1974, c. 26 (C. 19:44A-33) is
 2 amended to read as follows:

3 8. a. *The campaign treasurer or deputy campaign treasurer of*
 4 *any qualified candidate for nomination for election to the office of*
 5 *Governor in a primary election upon application to the commission*
 6 *shall promptly receive in behalf of the qualified candidate from*
 7 *the fund for election campaign expenses, but not prior to January*
 8 *1 of the year of the election, moneys in an amount equal to twice the*
 9 *amount of no more than *~~[\$600.00]~~* *\$800.00* of each contribution*
 10 *deposited in the qualified candidate's primary election bank ac-*
 11 *count described in section 7 of P. L. 1974, c. 26 (C. 19:44A-32),*
 12 *except that no payment shall be made from the fund to any candi-*
 13 *date for the first \$50,000.00 deposited in the qualified candidate's*
 14 *bank account. The maximum amount which any qualified candidate*
 15 *for nomination for election to the office for Governor in a primary*
 16 *election may receive from the fund for election campaign expenses*
 17 *shall not exceed \$0.20 for each voter who voted in New Jersey in the*
 18 *last preceding general election in a presidential year.*

19 b. *The campaign treasurer or deputy campaign treasurer of any*
 20 *qualified candidate for election to the office of Governor in a general*
 21 *election upon application to the commission shall promptly receive*
 22 *in behalf of such qualified candidate from the fund for ~~[general]~~*
 23 *election campaign expenses, but not prior to the primary election,*
 24 *moneys in an amount equal to twice the amount of no more than*
 25 **~~[\$600.00]~~* *\$800.00* of each contribution deposited ~~[by the Elec-~~*
 26 *tion Law Enforcement Commission] in such qualified candidate's*
 27 *bank account described in section 7 of P. L. 1974, c. 26*
 28 *(C. 19:44A-23), except that no payment shall be made from the*
 29 *fund ~~[for general election campaign expenses]~~ to any candidate*
 30 *for the first ~~[\$40,000.00]~~ \$50,000.00 deposited ~~[by the commission]~~*
 31 *in such qualified candidate's bank account.*

32 *The maximum amount which any qualified candidate for election*
 33 *to the office of Governor in a general election may receive from the*
 34 *fund for election campaign expenses shall not exceed \$0.40 for each*
 35 *voter who voted in New Jersey in the last preceding general elec-*
 36 *tion in a presidential year.*

1 *~~[11.]~~* *9.* Section 9 of P. L. 1974, c. 26 (C. 19:44A-34) is
 2 amended to read as follows:

3 9. a. *No contribution which must be or is intended by the con-*
 4 *tributor or the recipient to be refunded or repaid at any time, no*
 5 *loan obtained pursuant to section 19 of P. L. 1974, c. 26*
 6 *(C. 19:44A-44), no amount of the candidate's own funds in the*
 7 *aggregate in excess of \$800.00, and no other moneys received by*
 8 *the candidate, his campaign treasurer or deputy campaign trea-*
 9 *surer, except those contributions described in subsections a. and b.*

10 of section 4 of P. L. 1974, c. 26 (C. 19:44A-29), shall be [forwarded
 11 to the Election Law Enforcement Commission or knowingly] de-
 12 posited [by the commission] into any candidate's *primary election*
 13 *and general election* bank [account] accounts described in section
 14 7 of P. L. 1974, c. 26 (C. 19:44A-32), but shall be deposited in
 15 separate bank accounts from which expenditures for the respective
 16 campaigns may be made.

17 b. No contribution by any county committee or municipal com-
 18 mittee of any political party shall be [forwarded to the Election
 19 Law Enforcement Commission or knowingly] deposited [by the
 20 commission] into any candidate's bank [account] accounts. A
 21 State committee may forward to [the commission] a candidate
 22 and have deposited [by the commission] into [any] the candidate's
 23 *general election* bank account described in section 7 of P. L. 1974,
 24 c. 26 (C. 19:44A-32) money in aid of the candidacy of or in behalf
 25 of such candidate received pursuant to section 4 of [this amenda-
 26 tory and supplementary act] P. L. 1974, c. 26 (C. 19:44A-29) and
 27 [section] sections 11 and 12 of [the act to which this act is a sup-
 28 plement] P. L. 1973, c. 83 (C. 19:44A-11 and 19:44A-12).

1 ***[12.]*** *10.* Section 10 of P. L. 1974, c. 26 (C. 19:44A-35)
 2 is amended to read as follows:

3 10. a. All expenditures from the fund for [general] election
 4 campaign expenses shall be made pursuant to rules and regula-
 5 tions of the Election Law Enforcement Commission and shall be
 6 strictly limited to the following purposes:

- 7 (1) Purchase of time on radio and television stations;
- 8 (2) Purchase of rental space on outdoor signs or billboards;
- 9 (3) Purchase of advertising space in newspapers and regularly
 10 published magazines and periodicals;
- 11 (4) Payment of the cost of producing the material aired or dis-
 12 played on radio, television, outdoor signs or billboards, and in
 13 newspapers, regularly published magazines and periodicals;
- 14 (5) Payment of the cost of printing and mailing campaign
 15 literature and brochures distributed under the name of any qualified
 16 candidate[.];
- 17 (6) *Payment of the cost of legal and accounting expenses in-*
 18 *curring in complying with the public financing regulations of the*
 19 *Election Law Enforcement Commission and with the public financ-*
 20 *ing provisions of P. L. 1974, c. 26 (C. 19:44A-27 et seq.);*
- 21 (7) *Payment of the cost of telephone deposits, and installation*
 22 *charges and monthly billings in excess of deposits. Within 6 months*
 23 *after the primary and general elections, respectively, a candidate*

24 shall return to the fund the amount of any public funds used to
25 pay such telephone deposits which are later returned.

26 b. The limitations in subsection a. of this section upon expendi-
27 tures from the fund for **[general]** election campaign expenses shall
28 not apply to expenditures of private contributions, whether or not
29 such private contributions were deposited in a candidate's bank
30 **[account]** *accounts* pursuant to section 7 of **[this amendatory and**
31 **supplementary act]** *P. L. 1974, c. 26 (C. 19:44A-32)*.

32 c. Moneys received by a qualified candidate from the fund for
33 **[general]** election campaign expenses may be retained for a period
34 not exceeding 6 months after the **[general]** election for *which such*
35 *moneys were received* **[the liquidation of]** *in order to liquidate*
36 all obligations to pay expenses for the purposes permitted by this
37 section which were incurred during the **[general]** election cam-
38 paign. All obligations having been liquidated, all moneys remain-
39 ing available to any qualified candidate, shall be paid into the fund,
40 except that no candidate shall pay into the fund moneys in excess
41 of moneys received from the fund.

1 ***[13.]*** *11.* Section 11 of P. L. 1974, c. 26 (C. 19:44A-36)
2 is amended to read as follows:

3 11. Moneys received by any qualified candidate from the fund for
4 **[general]** election campaign expenses are to be considered "spent
5 in aid of the candidacy of any candidate" for election to the office
6 of Governor for the purpose of section 7 of **[the act to which this**
7 **act is a supplement]** *P. L. 1973, c. 83 (C. 19:44A-7)*. The Election
8 Law Enforcement Commission shall **[return to any contributor**
9 **any contribution, and shall refuse to]** *not* withdraw from the fund
10 for **[general]** election campaign expenses any sum, which results
11 in a candidate's exceeding the **[limitation]** *limitations* of that sec-
12 tion.

1 ***[14.]*** *12.* Section 12 of P. L. 1974, c. 26 (C. 19:44A-37)
2 is amended to read as follows:

3 12. The Election Law Enforcement Commission shall, on or
4 before the forty-fifth day prior to the date on which the general
5 election is to be held, supply each county clerk with the text of state-
6 ments from each candidate for election to the office of Governor.
7 Each candidate for the office of Governor who wishes a statement
8 mailed on his behalf shall submit to the commission, on forms pro-
9 vided by it, his proposed statement which shall not exceed 500
10 words in length. Each county clerk shall cause the statements
11 submitted by all such candidates to be printed and mailed with the
12 sample ballot for the general election to each registered voter in

13 the county with a short explanation **[from]** *prepared by* the com-
 14 mission that such statements are provided pursuant to this law to
 15 assist the voters of this State in making their determination among
 16 the candidates for the office of Governor. The cost of printing and
 17 mailing such statements shall be paid for **[in the same manner and**
 18 **as part of the costs of printing and mailing the sample ballots]**
 19 *by the counties; except that any cost to the counties resulting from*
 20 *the printing and mailing of such statements shall be reimbursed*
 21 *from State funds appropriated to the commission for that purpose*
 22 *on claim therefor made by the county clerk to the commission.*

1 ***[15.]*** *13.* Section 14 of P. L. 1974, c. 26 (C. 19:44A-39) is
 2 amended to read as follows:

3 14. a. *The New Jersey Public Broadcasting Authority estab-*
 4 *lished under P. L. 1968, c. 405 (C. 48:23-1 et seq.) shall promote*
 5 *full discussions of public issues by the candidates for nomination*
 6 *for election to the office of Governor on the ballot in any primary*
 7 *election, free of charge to the candidate. The authority shall make*
 8 *available at least 2 hours of time on its stations for joint appear-*
 9 *ances by the candidates, and at least 15 minutes of time on its sta-*
 10 *tions for individual appearances by each of the candidates. The*
 11 *authority may promulgate such rules and regulations as may be*
 12 *necessary to effectuate the purpose of this subsection.*

13 b. The **[New Jersey Public Broadcasting Commission P. L.**
 14 **1968, c. 405 (C. 48:23-1 et seq.),]** *authority shall promote full*
 15 *discussions of public issues by the candidates for the office of*
 16 *Governor on the ballot in any general election, free of charge to*
 17 *any such candidate. The **[commission]** authority shall make avail-*
 18 *able at least 1 hour of time on its stations for joint appearances*
 19 *by such candidates, and at least 1 additional hour of time on its*
 20 *stations for individual appearances by each of such candidates.*
 21 *The **[commission]** authority may promulgate such rules and regu-*
 22 *lations as may be necessary to effectuate the purposes of this*
 23 **[section]** *subsection.*

1 ***[16.]*** *14.* Section 15 of P. L. 1974, c. 26 (C. 19:44A-40) is
 2 amended to read as follows:

3 15. a. Any person who willfully and knowingly violates sec-
 4 tion 4, 6, 9 or 10 of **[this act]** *P. L. 1974, c. 26 or section 19 of this*
 5 *amendatory and supplementary act is guilty of a **[misdemeanor]***
 6 *crime of the fourth degree.*

7 b. The election to office of any candidate who is guilty of any
 8 violation within the description of subsection a. of this section shall
 9 be void, and the office shall be filled as required by law in the case

10 of a vacancy; provided, however, that nothing herein contained
 11 shall be construed in derogation of the constitutional authority of
 12 either House of the Legislature to be the judge of the election and
 13 qualification of its own members.

1 ***[17.]*** *15.* Section 19 of P. L. 1974, c. 26 (C. 19:44A-44) is
 2 amended to read as follows:

3 19. Notwithstanding any provision of this act any candidate
 4 ***[for the office of Governor in a *primary or general election*]*** *in
 5 a *primary election for the office of Governor, or his campaign*
 6 *treasurer or deputy campaign treasurer, or any candidate in a gen-*
 7 *eral election for the office of Governor**, or his campaign treasurer
 8 or deputy treasurer may borrow funds from any National or State
 9 bank**[, provided that no]**. No person or political committee, other
 10 than the candidate himself or the State committee of any political
 11 party *in a general election*, may in any way endorse or guarantee
 12 such loan *in an amount in the aggregate in excess of \$800.00. The*
 13 *endorsement shall constitute a contribution for so long as the loan*
 14 *is outstanding. The amount borrowed by any such candidate or his*
 15 *campaign treasurer or deputy campaign treasurer shall in the*
 16 *aggregate not exceed \$50,000.00 and must be repaid in full by such*
 17 *candidate or his campaign treasurer or deputy campaign treasurer*
 18 *from moneys accepted or allocated pursuant to section 4 of [this*
 19 *amendatory and supplementary act 30] P. L. 1974, c. 26*
 20 *(C. 19:44A-29) 20 days prior to the date of the *primary or general**
 21 *election for [the office of Governor] which the loan was made, and*
 22 *certification of such repayment shall be made by the borrower to*
 22A *the Election Law Enforcement Commission in accordance with*
 22B *commission regulations.*

23 Upon the failure of the borrower to repay the full amount bor-
 24 rowed on or before the **[thirtieth]** *twentieth* day prior to the date
 25 of the *primary or general election* for the office of Governor, or to
 26 certify such repayment to the Election Law Enforcement Commis-
 27 sion as required herein, all payments of moneys to such candidate
 28 from the fund for **[general]** election campaign expenses pursuant
 29 to section 8 of **[this act]** P. L. 1974, c. 26 (C. 19:44A-33) shall
 30 promptly cease; and the Election Law Enforcement Commission
 31 shall forthwith seek and may obtain in a summary action in the
 32 Superior Court an injunction prohibiting the expenditure by any
 33 such candidate of any moneys received by him at any time from
 34 the fund for **[general]** election campaign expenses pursuant to
 35 said section 8 of **[this act]** P. L. 1974, c. 26 (C. 19:44A-33), and
 36 any other moneys received by him in aid of *or in behalf of* his
 37 candidacy in said **[general]** election **[for the office of Governor]**.

1 ***[18.]*** *16.* N. J. S. 54A:9-25.1 is amended to read as follows:
 2 54A:9-25.1. There is hereby established within the General Treas-
 3 ury a special fund to be known as the "Gubernatorial **[General]**
 4 Elections Fund." Where a taxpayer has indicated on a return filed
 5 pursuant to this act that \$1.00 of his taxes is to be reserved for
 6 such fund, the Treasurer shall credit such fund from the taxes
 7 collected under the provisions of this act. The fund shall be avail-
 8 able for appropriation pursuant to section 5 of P. L. 1974, c. 26
 9 (C. 19:44A-30), provided however that establishment of the
 10 "Gubernatorial **[General]** Elections Fund" shall in no way affect
 11 the operation of said section.

12 Blank forms of return provided by the director for use in
 13 reporting under this act shall include, in a conspicuous place, the
 14 opportunity for a taxpayer to indicate his preference under this
 15 section in substantially the following manner:

| | | Yes | No |
|---|---|-----|----|
| "Gubernatorial [General] Elections Fund" | Do you wish to designate \$1 of your taxes for this fund? | | |
| NOTE: If you check the "Yes" box(es) it will not increase your tax or reduce your refund. | If joint return, does your spouse wish to designate \$1? | | |

1 ***[19.]*** *17.* (New section) a. No person, candidate or politi-
 2 cal committee, otherwise eligible to make political contributions,
 3 shall make any contribution or contributions for the purpose of
 4 any gubernatorial inaugural fund-raising event or events in the
 5 aggregate in excess of \$250.00.

6 b. For the purposes of the limitation in subsection a. of this
 7 section the term "gubernatorial inaugural fund-raising event"
 8 means any event or events held between the date of the general
 9 election for the office of Governor and a date 30 days after the
 10 date of the inauguration of the Governor, whether the event is
 11 sponsored by the inaugural committee, the State political party
 12 committee representing the party of the Governor-elect, or any
 13 other person or persons, and at which the Governor-elect is a prom-
 14 inent participant or for which solicitations of contributions include
 15 the name of the Governor-elect in prominent display.

16 c. The person or committee sponsoring the event shall make a
 17 full report of all contributions and expenditures with respect to
 18 the event within 45 days following the event in accordance with
 19 the provisions of this act.

1 ***[20.]*** *18.* (New section) a. Contributions to a political com-
 2 mittee associated with a person who becomes a candidate for Gov-
 3 ernor in a primary election campaign which have been deposited in
 4 a campaign bank account pursuant to section 12 of P. L. 1973, c. 83
 5 (C. 19:44A-12) prior to December 1, 1979 may be transferred from
 6 such account to a separate campaign bank account established pur-
 7 suant to section 5 of P. L. 1974, c. 26 (C. 19:44A-32) on behalf of
 8 the candidate for Governor in a primary election. Up to and in-
 9 cluding the limit specified in section 7 of P. L. 1974, c. 26
 10 (C. 19:44A-29) of each contribution may be so transferred. The
 11 committee shall file at the time of transfer a statement with the
 12 Election Law Enforcement Commission certifying the names and
 13 addresses of contributors and the amount contributed by each and
 14 the dates of the contributions.

15 b. The transferred funds may be used and be eligible for matching
 16 with public funds upon submission to the commission of documenta-
 17 tion relative to identification of the contributor and contribution
 18 in accordance with P. L. 1974, c. 26 as amended and supplemented
 19 and regulations of the Election Law Enforcement Commission. The
 20 funds of the political committee remaining in the bank account
 21 established pursuant to section 12 of P. L. 1973, c. 83 (C. 19:44A-12)
 22 shall not be used directly or indirectly in aid of or in opposition to
 23 a candidate for Governor in a primary or general election.

24 c. Nothing in this act shall require the declaration of candidacy
 25 by the person with whom the political committee is associated as a
 26 condition for depositing the contributions raised prior to the effec-
 27 tive date of this act into the bank account established pursuant to
 28 section 7 of P. L. 1974, c. 26 (C. 19:44A-32). If, however, there is
 29 no declaration of candidacy, or if the candidate on behalf of whom
 30 the funds have been collected files a written document with the
 31 commission requesting a return of any or all of the funds to the
 32 political committee, then the funds may be returned, in whole or
 33 part to the committee and be used for such purposes as are per-
 34 mitted by that committee and are not inconsistent with P. L. 1973,
 35 c. 83 and P. L. 1974, c. 26 as supplemented.

1 ***[21.]*** *19.* (New section) For the purpose of determining the
 2 continuing adequacy of the limits set by law upon contributions
 3 and expenditures in aid of the candidacy or in behalf of any candi-
 4 date for nomination or election to the office of Governor, the
 5 Election Law Enforcement Commission shall monitor the general
 6 level of prices, with particular reference to those directly affecting
 7 the costs of election campaigning in this State. In the year next
 8 preceding any year in which a primary election and general elec-

9 tion for the office of Governor are to be held, and not later than 12
10 months before the date of the primary election, the commission
11 shall report to the Legislature its recommendations, if any, for
12 altering those limits in accordance with its findings pursuant to
13 this section.

1 ***[22.]*** *20.* Section 6 of P. L. 1974, c. 26 (C. 19:44A-31) is
2 repealed.

1 ***[23.]*** *21.* This act shall take effect immediately.

15 b. The transferred funds may be used and be eligible for matching
 16 with public funds upon submission to the commission of documenta-
 17 tion relative to identification of the contributor and contribution
 18 in accordance with P. L. 1974, c. 26 as amended and supplemented
 19 and regulations of the Election Law Enforcement Commission. The
 20 funds of the political committee remaining in the bank account
 21 established pursuant to section 12 of P. L. 1973, c. 83 (C. 19:44A-12)
 22 shall not be used directly or indirectly in aid of or in opposition to
 23 a candidate for Governor in a primary or general election.

24 c. Nothing in this act shall require the declaration of candidacy
 25 by the person with whom the political committee is associated as a
 26 condition for depositing the contributions raised prior to the effec-
 27 tive date of this act into the bank account established pursuant to
 28 section 7 of P. L. 1974, c. 26 (C. 19:44A-32). If, however, there is
 29 no declaration of candidacy, or if the candidate on behalf of whom
 30 the funds have been collected files a written document with the
 31 commission requesting a return of any or all of the funds to the
 32 political committee, then the funds may be returned, in whole or
 33 part to the committee and be used for such purposes as are per-
 34 mitted by that committee and are not inconsistent with P. L. 1973,
 35 c. 83 and P. L. 1974, c. 26 as supplemented.

1 21. (New section) For the purpose of determining the continuing
 2 adequacy of the limits set by law upon contributions and expendi-
 3 tures in aid of the candidacy or in behalf of any candidate for
 4 nomination or election to the office of Governor, the Election Law
 5 Enforcement Commission shall monitor the general level of prices,
 6 with particular reference to those directly affecting the costs of
 7 election campaigning in this State. In the year next preceding any
 8 year in which a primary election and general election for the office
 9 of Governor are to be held, and not later than 12 months before
 10 the date of the primary election, the commission shall report to the
 11 Legislature its recommendations, if any, for altering those limits in
 12 accordance with its findings pursuant to this section.

1 22. Section 6 of P. L. 1974, c. 26 (C. 19:44A-31) is repealed.

1 23. This act shall take effect immediately.

STATEMENT

This bill would extend the public financing of gubernatorial election campaigns to the primary-election phase of such campaigns. It sets the expenditure limits on candidates who participate in such public funding for the primary at 35 cents for each voter who voted in the last preceding general election in a presidential year, and raises the general-election limit to 70 cents for each such voter (formerly 50 cents). The section of the law regarding such

S1176 (1980)

limits (section 7 of P. L. 1973, c. 83; C. 19:44A-7) is further amended to recognize the U. S. Supreme Court's determination that they are constitutional only when imposed as a condition of public financing—that is to say, in New Jersey, only in gubernatorial elections. A further limit is imposed on the amount of his own funds that a gubernatorial candidate who participates in public funding may spend on any election: \$25,000.00.

The amount that any single contributor may give to a gubernatorial election campaign, primary or general, is raised from \$600.00 to \$800.00; and the minimum amount a candidate must raise from private sources in order to qualify for public funding is raised from \$40,000.00 to \$50,000.00. A limit of \$10,000.00 is placed on the combined contributions of county and municipal political party committees in any one county; but the overall Statewide limit on aggregate contributions from such committees remains at \$100,000.00. The total amount of public funds that a candidate may receive is set at 20 cents per voter for the primary and 40 cents per voter for the general election.

The reports of campaign treasurers must disclose the occupations, as well as the names and addresses, of individual contributors who contribute more than \$100.00.

Provision is made for conditions under which primary-election campaign funds raised by a political committee prior to December 1, 1979, may be transferred to, and used by, a candidate favored by such committee, and may qualify for matching funds under the public financing program.

New limits and reporting requirements, similar to those hitherto adopted for campaign contributions and expenditures, are established for "gubernatorial inauguration fund-raising events"—defined as fund-raising events in which a Governor-elect is a prominent participant during the interval between his election and the thirtieth day following his inauguration.

The responsibility hitherto laid by law upon the New Jersey Public Broadcasting Authority to promote discussion of issues by and among gubernatorial candidates in the general election is extended to the primary election.

It is further provided that the expenses incurred by counties in printing gubernatorial candidates' statements to be distributed with general-election sample ballots shall be reimbursed by the State.

The Election Law Enforcement Commission is charged with the responsibility of monitoring cost-of-living changes and of recommending any increases in campaign spending limits that such changes may make appropriate.

SENATE STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS AFFAIRS
COMMITTEE

STATEMENT TO
SENATE, No. 1176
with Senate committee amendments

STATE OF NEW JERSEY

DATED: APRIL 28, 1980

This bill would extend the public financing of gubernatorial election campaigns to the primary-election phase of such campaigns. It sets the expenditure limits on candidates who participate in such public funding for the primary at 35 cents for each voter who voted in the last preceding general election in a presidential year, and raises the general-election limit to 70 cents for each such voter (formerly 50 cents). The section of the law regarding such limits (section 7 of P. L. 1973, c. 83; C. 19:44A-7) is further amended to recognize the U. S. Supreme Court's determination that they are constitutional only when imposed as a condition of public financing-that is to say, in New Jersey, only in gubernatorial elections. A further limit is imposed on the amount of his own funds that a gubernatorial candidate who participates in public funding may spend on any election: \$25,000.00.

The committee made two amendments in the language of the bill dealing with the limit on the amount of his own funds a candidate qualifying for public funding may spend. The new language makes it clear that such a candidate may spend an amount not in excess of \$25,000.00 in a primary election or in a general election.

The original language of the bill required that the reports of campaign treasurer must disclose the occupations, as well as the names and addresses of individual contributors who contribute more than \$100.00. The committee amended the bill to delete this requirement on the grounds that it would place a serious burden on reporting organizations and would tend to discourage potential contributors.

As drafted, the bill set the amount of each \$800.00 contribution to be matched with public money at a \$600.00 limit. The committee amended the bill to increase the amount to be matched with public funding at the full amount of each \$800.00 contribution.

The committee also amended the bill to make it clear that a contributor could contribute an amount not in excess of \$800.00 in both the guber-

natorial primary and in the general election for Governor. The same language was added in the section covering the borrowing of funds by the candidate.

SUMMARY OF COMMITTEE AMENDMENTS

1. Sections 3 and 4 are deleted in their entirety. This removes the requirement that the occupations of contributors be filed with the Election Law Enforcement Commissioner.

2. Two amendments are made in section 7 (subsections a. and g.) to make it clear that a candidate may make expenditures from his own funds (including his own contributions) in an amount not to exceed \$25,000.00.

3. Amendments on page 10, section 7, line 23 and on page 18, section 17, lines 3 and 4 have been made to make it clear that (1.) contributions of up to \$800.00 can be made by an individual in both the primary and general election and that (2.) the candidate or treasurer and deputy treasurer may borrow funds from national or State banks in both a primary and general election.

4. Section 10 on pages 14 and 15 is amended to raise the amount that would be matched with public money from \$600.00 to \$800.00 which is the full amount of the contribution.

[SECOND OFFICIAL COPY REPRINT]

ASSEMBLY, No. 1698

STATE OF NEW JERSEY

INTRODUCED OCTOBER 5, 1978

By Assemblymen BURSTEIN, WEIDEL, DOYLE, Assemblywoman
KIERNAN, Assemblymen VAN WAGNER, EDWARDS,
HURLEY and BAER

Referred to Committee on State Government, Federal and
Interstate Relations and Veterans Affairs

AN ACT to amend and supplement "The New Jersey Campaign
Contributions and Expenditures Reporting Act," approved April
24, 1973 (P. L. 1973, c. 83) and to amend "An act to amend and
supplement 'The New Jersey Campaign Contributions and
Expenditures Reporting Act,' approved April 24, 1973 (P. L.
1973, c. 83)" approved May 6, 1974 (P. L. 1974, c. 26) and re-
pealing section 7 of P. L. 1973, c. 83 and sections 6 and 11 of P. L.
1974, c. 26.

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

1 *1. Section 2 of P. L. 1973, c. 83 (C. 19:44A-2) is amended to
2 read as follows:

3 2. It is hereby declared to be in the public interest and to be the
4 policy of the State **[to limit the campaign expenditures by candi-**
5 **dates for public office and]** to require the reporting of all contribu-
6 tions received and expenditures made to aid or promote the nomina-
7 tion, election or defeat of any candidate for public office or to aid
8 or promote the passage or defeat of a public question in any election
9 and to require the reporting of all contributions received and ex-
10 penditures made to provide political information on any candidate
11 for public office, or on any public question, or to influence the
12 content, introduction, passage or defeat of legislation.*

1 ***[1.]*** *2.* Section 3 of P. L. 1973, c. 83 (C. 19:44A-3) is amended
2 to read as follows:

3 3. As used in this act, unless a different meaning clearly appears
4 from the context:

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

5 a. The term "allied candidates" means candidates in any elec-
6 tion who are (1) seeking nomination or election (A) to an office or
7 offices in the same county or municipal government or school dis-
8 trict or (B) to the Legislature representing in whole or part the
9 same constituency, (C) as members of the State committee of the
10 same political party from the same county or (D) as delegates or
11 alternates to the national convention of the same political party;
12 and who are (2) either (A) nominees of the same political party,
13 or (B) publicly declared in any manner, including the seeking or
14 obtaining of any ballot position or common ballot slogan, to be
15 aligned or mutually supportive.

16 b. The term "allied campaign organization" means any political
17 committee, any State, county or municipal committee of a political
18 party or any campaign organization of a candidate which is in
19 support or furtherance of the same candidate or any one or more
20 of the same group of allied candidates or the same public question
21 as any other such committee or organization.

22 c. The term "candidate" means an individual seeking or having
23 sought election to a public office of the State, or of a county, munici-
24 pality or school district at a primary, general, municipal, school or
25 special election; except that the term shall not include the office of
26 county committeeman or committeewoman.

27 d. The terms "contributions" and "expenditures" include all
28 loans and transfers of money or other thing of value to or by any
29 candidate, political committee, committee of a political party or
30 political information organization, and all pledges or other commit-
31 ments or assumptions of liability to make any such transfer; and
32 for purposes of reports required under the provisions of this act
33 shall be deemed to have been made upon the date when such com-
34 mitment is made or liability assumed.

35 e. The term "election" means any election described in section
36 4 of this act.

37 f. The term "paid personal services" means personal, clerical,
38 administrative or professional services of every kind and nature
39 including, without limitation, public relations, research, legal, can-
40 vassing, telephone, speech writing or other such services, performed
41 other than on a voluntary basis, the salary, cost or consideration
42 for which is paid, borne or provided by someone other than the
43 committee, candidate or organization for whom such services are
44 rendered. In determining the value, for the purpose of reports
45 required under this act, of contributions made in the form of paid
46 personal services, the person contributing such services shall
47 furnish to the campaign treasurer through whom such contribu-

48 tion is made a statement setting forth the actual amount of com-
49 pensation paid by said contributor to the individuals actually
50 performing said services for the performance thereof. But if any
51 individual or individuals actually performing such services also
52 performed for the contributor other services during the same
53 period, and the manner of payment was such that payment for the
54 services contributed cannot readily be segregated from contem-
55 porary payment for the other services, the contributor shall in his
56 statement to the campaign treasurer so state and shall either (1)
57 set forth his best estimate of the dollar amount of payment to each
58 such individual which is attributable to the contribution of his paid
59 personal services, and shall certify the substantial accuracy of the
60 same, or (2) if unable to determine such amount with sufficient
61 accuracy, set forth the total compensation paid by him to each such
62 individual for the period of time during which the services con-
63 tributed by him were performed. If any candidate is a holder of
64 public office to whom there is attached or assigned, by virtue of said
65 office, any aide or aides whose services are of a personal or con-
66 fidential nature in assisting him to carry out the duties of said
67 office, and whose salary or other compensation is paid in whole or
68 in part out of public funds, the services of such aide or aides which
69 are paid for out of public funds shall be for public purposes only;
70 but they may contribute their personal services, on a voluntary
71 basis, to such candidate for election campaign purposes.

72 g. The term "political information organization" means any
73 two or more persons acting jointly, or any corporation, partner-
74 ship, or any other incorporated or unincorporated association,
75 whether or not it is required to be registered pursuant to the
76 "Legislative Activities Disclosure Act of 1971" (P. L. 1971, c. 183),
77 which is organized for the purpose of, or which provides political
78 information concerning any candidate or candidates for public
79 office or with respect to any public question, or which seeks to
80 influence the content, introduction, passage or defeat of legislation.
81 The term shall not apply to any bona fide newspaper, magazine,
82 radio or television station or other bona fide news medium dis-
83 seminating political information, advertising and comment in the
84 normal course of its business; nor to any recognized school or in-
85 stitution of higher education, public or private, in conducting,
86 sponsoring or subsidizing any classes, seminars, forums, discus-
87 sions or other events in which political information or discussion
88 thereof or comment thereon is an integral part.

89 h. The term "political information" means any statement in-
90 cluding but not limited to, press releases, pamphlets, newsletters,
91 advertisements, flyers, form letters, or radio or television programs
92 or advertisements which reflect the opinion of the members of the
93 organization on any candidate or candidates for public office, on
94 any public question, or on any legislation, or which contains facts
95 on any such candidate, public question or legislation whether or
96 not such facts are within the personal knowledge of members of the
97 organization.

98 i. The term "political committee" means any two or more per-
99 sons acting jointly, or any corporation, partnership, or any other
100 incorporated or unincorporated association which is organized to,
101 or does, aid or promote the nomination, election or defeat of any
102 candidate or candidates for public office, or which is organized to,
103 or does, aid or promote the passage or defeat of a public question
104 in any election.

105 j. The term "public solicitation" means any activity by or on
106 behalf of any candidate, State, county or municipal party com-
107 mittee, political committee or political information organization
108 whereby either (1) members of the general public are personally
109 solicited for cash contributions not exceeding \$10.00 from each
110 person so solicited and contributed on the spot by the person so
111 solicited to a person so soliciting or through a receptacle provided
112 for the purpose of depositing contributions, or (2) members of the
113 general public are personally solicited for the purchase of items
114 having some tangible value as merchandise, at a price not exceeding
115 \$10.00 per item, which price is paid on the spot in cash by the person
116 so solicited to the person so soliciting, when the net proceeds of such
117 solicitation are to be used by or on behalf of such candidate, party
118 committee, or political committee or political information organiza-
119 tion.

120 k. The term "testimonial affair" means an affair of any kind or
121 nature including, without limitation, cocktail parties, breakfasts,
122 luncheons, dinners, dances, picnics or similar affairs directly or
123 indirectly intended to raise campaign funds in behalf of a person
124 who holds, or who is or was a candidate for nomination or election
125 to a public office in this State, or directly or indirectly intended to
126 raise funds in behalf of any State, county or municipal committee
127 of a political party or in behalf of a political committee, or directly
128 or indirectly intended to raise funds for any political information
129 organization.

130 l. The term "other thing of value" means any item of real or
131 personal property, tangible or intangible, but shall not be deemed
132 to include personal services other than paid personal services.

133 m. The term “qualified candidate” means:

134 (1) Any candidate for election to the office of Governor whose
 135 name appears on the general election ballot and who has deposited
 136 and expended *~~[\$40,000.00]~~* *\$50,000.00* pursuant to section 7 of
 137 *P. L. 1974, c. 26 (C. 19:44A-32)* ~~[of this amendatory and supple-~~
 137A ~~mentary act]~~; or

138 (2) Any candidate for election to the office of Governor whose
 139 name does not appear on the general election ballot but who has
 140 deposited and expended *~~[\$40,000.00]~~* *\$50,000.00* pursuant to
 141 section 7 of *P. L. 1974, c. 26 (C. 19:44A-32)*; ~~[of this amendatory~~
 142 ~~and supplementary act.] or~~

143 (3) *Any candidate for nomination for election to the office of*
 144 *Governor whose name appears on the primary election ballot and*
 145 *who has deposited and expended *~~[\$40,000.00]~~* *\$50,000.00* pur-*
 146 *suant to section 7 of P. L. 1974, c. 26 (C. 19:44A-32); or*

147 (4) *Any candidate for nomination for election to the office of*
 148 *Governor whose name does not appear on the primary election*
 149 *ballot but who has deposited and expended *~~[\$40,000.00]~~* **
 150 *\$50,000.00* pursuant to section 7 of P. L. 1974, c. 26 (C. 19:44A-32).*

1 *~~[2.]~~* *3.* Section 2 of *P. L. 1974, c. 26 (C. 19:44A-27)* is
 2 amended to read as follows:

3 2. It is hereby declared to be a compelling public interest and
 4 to be the policy of this State that *primary and* general election cam-
 5 paigns for the office of Governor shall be financed with public
 6 support pursuant to the provisions of this act. It is the intention
 7 of this act that such financing be adequate in amount so that candi-
 8 dates for election to the office of Governor may conduct their cam-
 9 paigns free from improper influence and so that persons of limited
 10 financial means may seek election to the State’s highest office.

1 *~~[3.]~~* *4.* Section 3 of *P. L. 1974, c. 26 (C. 19:44A-28)* is
 2 amended to read as follows:

3 3. The provisions of this act shall apply to the general election
 4 campaign for the office of Governor to be held in November,
 5 1977 and to all subsequent *primary and general election* campaigns
 6 for election to the office of Governor, except that the provisions of
 7 this act shall not apply to any *primary or* general election campaign
 8 for the office of Governor for which the Legislature fails to make
 9 an appropriation.

1 *~~[4.]~~* *5.* Section 4 of *P. L. 1974, c. 26 (C. 19:44A-29)* is
 2 amended to read as follows:

3 4. a. No person, candidate or political committee, otherwise
 4 eligible to make political contributions, shall make any contribution
 5 or contributions to a candidate, his campaign treasurer or deputy

6 campaign treasurer, a State committee, county committee or
 7 municipal committee of any political party, or to any other person
 8 or committee, in aid of the candidacy of or in behalf of a candidate
 9 *for nomination for election or for election to the office of Governor*
 10 in **[a]** *any primary or general election in the aggregate in excess*
 11 of ***[\$600.00]* *\$800.00***, except as provided by this section].
 12 No candidate *for nomination for election or for election to the office*
 13 of Governor in **[a]** *any primary or general election* and no cam-
 14 paign treasurer or deputy campaign treasurer of such candidate
 15 shall knowingly accept from any person, candidate or political
 16 committee**],** any contribution or contributions in aid of **[such**
 17 *candidate's candidacy]* *the candidacy of or in behalf of such*
 18 candidate in the aggregate in excess of ***[\$600.00]* *\$800.00***,
 19 except as provided by this section] *in any primary or general elec-*
 20 *tion. No provision of this act shall be construed to prohibit a con-*
 21 *tribution or contributions in the aggregate not in excess of*
 22 ***[\$600.00]* *\$800.00*** *in aid of the candidacy or in behalf of any*
 23 *candidate for nomination for election to the office of Governor in a*
 24 *primary election and another contribution or contributions in the*
 24A *aggregate not in excess of *[\$600.00]* *\$800.00* in the aid of the*
 25 *candidacy of or in behalf of any candidate for election to the office*
 26 *of Governor in a general election.*

27 **[b.** No person or political committee, except the State committee,
 28 county committees and municipal committees of any political party,
 29 otherwise eligible to make political contributions, shall make any
 30 contribution or contributions to a candidate, his campaign treasurer,
 31 a State committee, county committee or municipal committee of
 32 any political party, or to any other person or committee, in behalf
 33 of the winner of a primary election for the office of Governor in the
 34 aggregate in excess of \$600.00 for any purpose after the date of
 35 such primary election. No candidate for election to the office of
 36 Governor in a general election who has won the preceding primary
 37 election, and no campaign treasurer or deputy campaign treasurer
 38 of such candidate shall knowingly accept from any person or
 39 political committee, except the State committee, county committees
 40 and municipal committees of any political party, any contribution
 41 or contributions in the aggregate in excess of \$600.00 for any
 42 purpose after the date of such primary election.]

43 **[c.** The spouse of any contributor may make a contribution or
 44 contributions of up to \$600.00 in the aggregate in aid of the
 45 candidacy of or in behalf of a candidate for election to the office
 46 of Governor in a general election.]

47 **[d.] b.** No State committee of any political party shall knowingly
 48 accept from any person or political committee, any contribution or
 49 contributions in the aggregate in excess of ***[\$600.00]*** *\$800.00*
 50 in aid of the candidacy of or in behalf of a candidate for election to
 51 the office of Governor in a general election**],** except as provided by
 52 subsection c. of this section**].** A State committee may allocate a con-
 53 tribution of up to ***[\$600.00]*** *\$800.00* and up to ***[\$600.00]***
 54 *\$800.00* of a contribution in excess of ***[\$600.00]*** *\$800.00* to,
 55 in aid of the candidacy of or in behalf of such candidate. A State
 56 committee shall create an account in a National or State bank in
 57 behalf of any candidate the committee intends to or does assist for
 58 election to the office of Governor in a general election, shall deposit
 59 in such account and report to the Election Law Enforcement Com-
 60 mission the name of the contributor of***[.]*** all moneys accepted
 61 or allocated in aid of the candidacy of or in behalf of such candidate,
 62 may make a contribution or contributions from such account in any
 63 amount in aid of the candidacy of or in behalf of such candidate.
 64 No State committee may make any contribution or contributions
 65 in aid of the candidacy of or in behalf of such candidate of moneys
 66 not deposited in a bank account pursuant to this subsection, and
 67 no State committee may make a contribution or contributions, in
 68 aid of the candidacy of or in behalf of such candidate of moneys or
 69 other thing of value pledged or received in a *calendar* year **[with-**
 70 **out an election for the office of Governor]** *in which no gubernatorial*
 70A *election was held.*

71 **[e.] c.** The county committees and municipal committees of any
 72 political party may make **[a contribution or contributions]** *an ex-*
 73 *penditure or expenditures in the aggregate* of \$100,000.00 **[in the**
 74 **aggregate]** in aid of the candidacy of or in behalf of any candidate
 75 for election to the office of Governor in a general election***[.]*** *;*
 76 *provided*,* however, the county committee and municipal*
 77 *committees in the same county may not make an expenditure or*
 78 *expenditures in the aggregate in excess of \$10,000.00 in aid of the*
 79 *candidacy of or in behalf of any such candidate.**[,** except that no**]**
 80 No county committee or municipal committee may transfer or
 81 contribute any **[money]** funds to any such candidate or to such
 82 candidate's campaign treasurer or deputy campaign treasurer, or
 83 to any political committee supporting such candidate. **[and except**
 84 **that no county committee and municipal committees in any county**
 85 **may make a contribution or contributions in excess of \$10,000.00 in**
 86 **the aggregate in aid of the candidacy of or in behalf of any such**
 87 **candidate.]** A candidate or his campaign treasurer or deputy
 88 campaign treasurer shall determine the exact amount that in-
 89 dividual county committees or municipal committees may **[contri-***

90 bute] *expend* in aid of the candidacy of or in behalf of such candi-
 91 date, and shall file a report of such determination with the Election
 92 Law Enforcement Commission no later than the seventh day prior
 93 to the general election being funded.

94 [f.] *d.* Communications on any subject by a corporation to its
 95 stockholders and their families, or by a labor organization to its
 96 members and their families, and nonpartisan registration and get-
 97 out-the-vote campaigns by a corporation aimed at its stockholders
 98 and their families or by a labor organization aimed at its members
 99 and their families shall not be construed to be in aid of the
 100 candidacy of or in behalf of a candidate for election to the office
 101 of Governor in [a general] *any primary or general* election.

102 *e.* *Any candidate in any primary election to the office of Governor*
 103 *may contribute an amount not in excess of *[\$600.00]* *\$800.00**
 104 *to his campaign, and any candidate in any general election to the*
 105 *office of Governor may contribute an amount not in excess of*
 106 **[\$600.00]* *\$800.00* to his campaign. No candidate receiving*
 107 *public funds may make expenditures from his own funds (including*
 108 *any contributions from his own funds) in aid of his candidacy for*
 109 *nomination or election to the office of Governor in excess of*
 110 *\$25,000.00 for the primary election and \$25,000.00 for the general*
 110A *election.*

111 *f.* *For this purpose "own funds" shall mean funds to which the*
 112 *candidate is legally and beneficially entitled, but shall not include*
 113 *funds as to which he is a trustee, or funds given or otherwise*
 114 *transferred to the candidate by any person other than the spouse*
 115 *of such candidate for use in aid of his candidacy.*

1 *5.* *6.* Section 5 of P. L. 1974, c. 26 (C. 19:44A-30) is
 2 amended to read as follows:

3 5. The Legislature shall appropriate to the New Jersey Election
 4 Law Enforcement Commission out of the ***Gubernatorial General*
 5 *Elections Fund established pursuant to N. J. S. 54A:9-25.1 and*
 6 *available for appropriation from the said fund, and for the 1981*
 7 *gubernatorial primary and general elections only, if necessary, out*
 8 *of the** General Treasury of the State such sums as are necessary*
 9 *to carry out the purposes of this act, which sums shall constitute*
 10 *a fund for the campaign expenses for the primary election and the*
 11 *general election to the office of Governor**.* *in such amounts or*
 12 *proportions as the Legislature shall direct such appropriation to*
 13 *be distributed between each of the two said elections,** to be regu-*
 14 *lated and distributed by the commission pursuant to this act.*
 15 ***[Upon notice by the commission, the Legislature shall appropri-*
 16 *ate to the commission out of the General Treasury such additional*

17 sums as may be required to carry out the purposes of this act if
 18 the sums first appropriated become inadequate.】** *The General*
 19 *Treasury of the State shall be reimbursed from the Gubernatorial*
 20 *General Elections Fund for any funds from the General Treasury*
 21 *used for the 1981 gubernatorial primary or general elections.***

1 *【6.】* *7.* Section 7 of P. L. 1974, c. 26 (C. 19:44A-32) is
 2 amended to read as follows:

3 【7. The Election Law Enforcement Commission, shall create an
 4 account in a National or State bank in behalf of each candidate for
 5 election to the office of Governor in a general election. The com-
 6 mission shall deposit promptly into such an account all moneys
 7 received from the campaign treasurer or deputy campaign trea-
 8 surer of a candidate or from a State committee of any political
 9 party in aid of the candidacy of or in behalf of such a candidate,
 10 prior to the date in which is held the general election for the office
 11 of Governor, provided that such moneys are received pursuant to
 12 section 4 (C. 19:44A-29) of this amendatory and supplementary
 13 act and section 12 of the act to which this act is a supplement.
 14 Immediately after deposit by the commission, the campaign trea-
 15 surer or deputy campaign treasurer of any candidate may transfer
 16 or expend moneys deposited in such candidate's bank account.】

17 7. a. *Each candidate in the primary election to the office of*
 18 *Governor shall*,* with the approval of the Election Law Enforce-*
 19 *ment Commission*,* create a bank account in a National or State*
 20 *bank. The candidate, his campaign treasurer or deunty campaign*
 21 *treasurer shall deposit promptly into such an account all moneys*
 22 *received for such election, provided that such moneys are received*
 23 *pursuant to section 4 of P. L. 1974, c. 26 (C. 19:44A-29) and*
 24 **【section】* *sections 11 and* 12 of P. L. 1973, c. 83 (C. 19:44A-*11*
 25 *and* 12).*

26 b. *Each candidate in the general election to the office of Governor*
 27 *shall*,* with the approval of the Election Law Enforcement Com-*
 28 *mission*,* create an *【accocunt】* *account* in a National or State*
 29 *bank. The candidate, his campaign treasurer or deputy campaign*
 30 *treasurer shall deposit promptly into such an account all moneys*
 31 *received for the purpose of such election*,* provided that such*
 32 *moneys are received pursuant to section 4 of P. L. 1974, c. 26*
 33 *(C. 19:44A-29) and *【section】* *sections 11 and* 12 of P. L. 1973,*
 34 *c. 83 (C. 19:44A-*11 and* 12).*

35 c. *Immediately after deposit in such bank account the candidate*
 36 *or his campaign treasurer or deputy campaign treasurer may*
 37 *transfer or expend such moneys, except that no moneys deposited*
 38 *in a candidate's bank account for the primary election may be*

39 expended for any candidate's general election expenses, and except
 40 that no moneys deposited in a candidate's bank account for the
 41 general election may be transferred or expended until the day
 42 following the primary election or may be expended for primary
 43 election expenses.

44 *d. No State or National bank which acts as a depository for
 45 election funds as provided in this act shall be held accountable for
 46 the proper application of funds withdrawn, transferred or ex-
 47 pended from such accounts by the person or persons in whose name
 48 or names such accounts are opened or maintained, nor shall any
 49 such State or National bank be under any duty to determine
 50 whether the funds deposited in any such account are withdrawn,
 51 transferred or expended for the purposes and at the time or times
 52 prescribed by law, or are received from sources and in amounts
 53 prescribed or limited by law.*

1 ***[7.]*** *8.* Section 8 of P. L. 1974, c. 26 (C. 19:44A-33) is
 2 amended to read as follows:

3 8. a. The campaign treasurer or deputy campaign treasurer of
 4 any qualified candidate for nomination for election to the office of
 5 Governor in a primary election upon application to the commission
 6 shall promptly receive in behalf of such qualified candidate from
 7 the fund for election campaign expenses, but not prior to January
 8 1 of the year of the election, moneys in an amount equal to twice
 9 the amount of *no more than \$600.00 of* each contribution de-
 10 posited in such qualified candidate's primary election bank account
 11 described in section 7 of P. L. 1974, c. 26 (C. 19:44A-32), except
 12 that no payment shall be made from the fund to any candidate for
 13 the first ***[\$40,000.00]*** *\$50,000.00* deposited in such qualified
 14 candidate's bank account. The maximum amount which any quali-
 15 fied candidate for election to the office of Governor in a primary
 16 election may receive from the fund for election campaign expenses
 17 shall not exceed 20 cents for each voter who voted in New Jersey
 18 in the last preceding general election in a presidential year.

19 b. The campaign treasurer or deputy campaign treasurer of any
 20 qualified candidate for election to the office of Governor in a general
 21 election upon application to the commission shall promptly receive
 22 in behalf of such qualified candidate from the fund for **[general]**
 23 election campaign expenses, but not prior to the primary election,
 24 moneys in an amount equal to twice the amount of *no more than
 25 \$600.00 of* each contribution deposited **[by the Election Law En-**
 26 **forcement Commission]** in such qualified candidate's general elec-
 27 tion bank account described in section 7 of P. L. 1974, c. 26 (C.
 28 19:44A-32), except that no payment shall be made from the fund

29 **[for general election campaign expenses]** to any candidate for the
 30 first **[\$40,000.00]** **\$50,000.00** deposited **[by the commission]** in
 31 such qualified candidate's bank account. *The maximum amount*
 32 *which any qualified candidate for election to the office of Governor*
 33 *in a general election may receive from the fund for election cam-*
 34 *campaign expenses shall not exceed 40 cents for each voter who voted*
 35 *in New Jersey in the last preceding general election in a presi-*
 36 *dential year.*

1 **[8.]** **9.** Section 9 of P. L. 1974, c. 26 (C. 19:44A-34) is
 2 amended to read as follows:

3 9. a. No contribution which must be or is intended by the con-
 4 tributor or the recipient to be refunded or repaid at any time, *no*
 5 *loan obtained pursuant to section 19 of P. L. 1974, c. 26*
 6 *(C. 19:44A-44), no amount of the candidate's own funds in the*
 7 *aggregate in excess of **[\$600.00]** **\$800.00**, and no other moneys*
 8 *received by the candidate, his campaign treasurer or deputy cam-*
 9 *campaign treasurer, except those contributions described in sections*
 10 *4. a. and b. of P. L. 1974, c. 26 (C. 19:44A-29), shall be **[forwarded***
 11 *to the Election Law Enforcement Commission or knowingly]* de-
 12 *posited **[by the commission]** into any candidate's primary election*
 13 *and general election bank **[account]** accounts described in section*
 14 *7 of P. L. 1974, c. 26 (C. 19:44A-32), but shall be deposited in*
 15 *separate bank accounts from which expenditures for the respective*
 16 *campaigns may be made.*

17 b. No contribution by any county committee or municipal commit-
 18 tee of any political party shall be **[forwarded to the Election Law**
 19 **Enforcement Commission or knowingly]** deposited **[by the commis-**
 20 **sion]** into any candidate's bank **[account]** accounts. A State
 21 committee may forward to a candidate **[the Commission]** and have
 22 deposited **[by the commission]** into **[any]** the candidate's general
 23 election bank account described in section 7 of P. L. 1974, c. 26
 24 (C. 19:44A-32), money in aid of the candidacy of or in behalf of
 25 such candidate received pursuant to section 4 of P. L. 1974, c. 26
 26 (C. 19:44A-29) **[of this amendatory and supplementary act]** and
 27 **[section]** **sections 11 and* 12 of P. L. 1973, c. 83 (C. 19:44A-**11**
 28 *and* 12) **[of the act to which this act is a supplement].***

1 **[9.]** **10.** Section 10 of P. L. 1974, c. 26 (C. 19:44A-35) is
 2 amended to read as follows:

3 10. a. All expenditures from the fund for **[general]** election
 4 campaign expenses shall be made pursuant to rules and regulations
 5 of the Election Law Enforcement Commission and shall be strictly
 6 limited to the following purposes:

7 (1) Purchase of time on radio and television stations;

8 (2) Purchase of rental space on outdoor signs or billboards;

9 (3) Purchase of advertising space in newspapers and regularly
10 published magazines and periodicals;

11 (4) Payment of the cost of producing the material aired or
12 displayed on radio, television, outdoor signs or billboards, and in
13 newspapers, regularly published magazines and periodicals;

14 (5) Payment of the cost of printing and mailing campaign
15 literature and brochures distributed under the name of any quali-
16 filed candidate;

17 (6) *Payment of the cost of legal and accounting expenses in-*
18 *curred in complying with the public financing regulations of the*
19 *Election Law Enforcement Commission and with the public financ-*
20 *ing provisions of P. L. 1974, c. 26 (C. 19:44A-27 et seq.);*

21 (7) *Payment of the cost of telephone deposits, and installation*
22 *charges and monthly billings in excess of deposits. Within 6 months*
23 *after the primary and general elections respectively, a candidate*
24 *shall return to the fund the amount of any public funds used to pay*
25 *such telephone deposits which are later returned.*

26 b. The limitations in subsection a. of this section upon expendi-
27 tures from the fund for **[general]** election campaign expenses shall
28 not apply to expenditures of private contributions, whether or not
29 such private contributions were deposited in a candidate's bank
30 **[account]** *accounts* pursuant to section 7 **[of this amendatory and**
31 **supplementary act]** *of P. L. 1974, c. 26 (C. 19:44A-32).*

32 c. Moneys received by a qualified candidate from the fund for
33 **[general]** election campaign expenses may be retained for a period
34 not exceeding 6 months after the **[general]** election *for which such*
35 *moneys were received* **[for the liquidation of]** *in order to liquidate*
36 all obligations to pay expenses for the purposes permitted by this
37 section which were incurred during **[the general]** *such* election
38 campaign. All obligations having been liquidated, all moneys
39 remaining available to any qualified candidate, shall be paid into
40 the fund, except that no candidate shall pay into the fund moneys
41 in excess of moneys received from the fund.

1 ***[10.]*** *11.* Section 12 of P. L. 1974, c. 26 (C. 19:44A-37) is
2 amended to read as follows:

3 12. The Election Law Enforcement Commission shall, on or
4 before the forty-fifth day prior to the date on which the general elec-
5 tion is to be held, supply each county clerk with the text of state-
6 ments from each candidate for election to the office of Governor.
7 Each candidate for the office of Governor who wishes a statement
8 mailed on his behalf shall submit to the commission, on forms pro-
9 vided by it, his proposed statement which shall not exceed 500 words

10 in length. Each county clerk shall cause the statement submitted by
 11 all such candidates to be printed and mailed with the sample ballot
 12 for the general election to each registered voter in the county with
 13 a short explanation **from** *prepared by* the commission that such
 14 statements are provided pursuant to this law to assist the voters of
 15 this State in making their determination among the candidates for
 16 *election to* the office of Governor. The cost of printing and mailing
 17 such statements shall be paid for **in the same manner and as part**
 18 **of the costs of printing and mailing the sample ballots** *by the*
 19 *counties*;* *provided**,* *however, that any cost to the counties*
 20 *resulting from the printing and mailing of such statements shall be*
 21 *reimbursed from State funds appropriated to the commission for*
 22 *that purpose on claim therefor made by the county clerk to the*
 23 *commission.*

1 ***11.*** *12.* Section 14 of P. L. 1974, c. 26 (C. 19:44A-39) is
 2 amended to read as follows:

3 14. a. *The New Jersey Public Broadcasting Authority, P. L. 1968,*
 4 *c. 405 (C. 48:23-1 et seq.), shall promote full discussions of public*
 5 *issues by the candidates for nomination for election to the office of*
 6 *Governor on the ballot in any primary election, free of charge to*
 7 *any such candidate. The authority shall make available at least*
 8 *2 hours of time on its stations for joint appearances by such candi-*
 9 *dates, and at least 15 minutes of time on its stations for individual*
 10 *appearances by each of such candidates. The authority may pro-*
 11 *mulgate such rules and regulations as may be necessary to effectu-*
 12 *ate the purpose of this subsection.*

13 b. *The New Jersey Public Broadcasting **Commission** Authority*
 14 *P. L. 1968, c. 405 (C. 48:23-1, et seq.), shall promote full discussions*
 15 *of public issues by the candidates for the office of Governor on the*
 16 *ballot in any general election, free of charge to any such candidate.*
 17 *The **commission** authority shall make available at least 1 hour of*
 18 *time on its stations for joint appearances by such candidates, and*
 19 *at least 1 additional hour of time on its stations for individual*
 20 *appearances by each of such candidates. The **commission***
 21 *authority may promulgate such rules and regulations as may be*
 22 *necessary to effectuate the purposes of this **section** subsection.*

1 ***12.*** *13.* Section 15 of P. L. 1974, c. 26 (C. 19:44A-40) is
 2 amended to read as follows:

3 15. a. Any person who willfully and knowingly violates sections
 4 4, 6, 9 or 10 of **this act** *P. L. 1974, c. 26 or section 14 of this amend-*
 5 *atory and supplementary act* is guilty of a misdemeanor.

6 b. The election to office of any candidate who is guilty of any
 7 violation within the description of subsection a. of this section shall

8 be void, and the office shall be filled as required by law in the case
 9 of a vacancy; provided, however, that nothing herein contained
 10 shall be construed in derogation of the constitutional authority of
 11 either House of the Legislature to be the judge of the election and
 12 qualification of its own members.

1 ***[13.]*** *14.* Section 19 of P. L. 1974, c. 26 (C. 19:44A-44) is
 2 amended to read as follows:

3 19. Notwithstanding any provision of this act any candidate
 4 **[for the office of Governor in a general election,]** *in a primary*
 5 *election for the office of Governor, or his campaign treasurer or*
 6 *deputy campaign treasurer, or any candidate in a general election*
 7 *for the office of Governor, or his campaign treasurer or deputy*
 8 *campaign treasurer may borrow funds from any National or State*
 9 *bank,* **[** provided that no person or political committee, other than
 10 the candidate himself or the State committee of any political party,
 11 may in any way **]** *No person or political committee, other than the*
 12 *candidate himself or the State committee of any political party*
 13 *in a general election*,* may endorse or guarantee such loan in an*
 14 *amount in the aggregate in excess of ***[\$600.00]*** *\$800.00*.* *The*
 15 *endorsement shall constitute a contribution for so long as the loan*
 16 *is outstanding.* The amount borrowed for the purpose of any elec-
 17 tion by any such candidate or his campaign treasurer or deputy
 18 campaign treasurer shall in the aggregate not exceed \$50,000.00
 19 and must be repaid in full by such candidate or his campaign
 20 treasurer or deputy campaign treasurer from moneys accepted or
 21 allocated pursuant to section 4 of P. L. 1974, c. 26 (C. 19:44A-29)
 22 **[of this amendatory and supplementary act]** ***[30]*** *20* days
 23 prior to the date of the **[general election for the office of Governor,]**
 24 *primary or general election for which the loan was made* and
 25 certification of such repayment shall be made by the borrower to the
 26 Election Law Enforcement Commission *in accordance with commis-*
 27 *sion regulations.*

28 Upon the failure of the borrower to repay the full amount bor-
 29 rowed on or before the ***[thirtieth]*** **twentieth** day prior to the
 30 date of the *primary or general election for* **[the office of Governor]**
 31 *which the loan was made, or to certify such repayment to the Elec-*
 32 *tion Law Enforcement Commission as required herein, all pay-*
 33 *ments of moneys to such candidate from the fund for* **[general]**
 34 *election campaign expenses pursuant to section 8 of P. L. 1974,*
 35 *c. 26 (C. 19:44A-33)* **[of this act]** shall promptly cease; and the
 36 Election Law Enforcement Commission shall forthwith seek, and
 37 may obtain in a summary action in the Superior Court, an injunc-
 38 tion prohibiting the expenditure by any such candidate of any

39 moneys received by him at any time from the fund for **[general]**
 40 election campaign expenses pursuant to said section 8 of *P. L.*
 41 *1974, c. 26 (C. 19:44A-33)* **[of this act,]** and of any other moneys
 42 received by him in aid of *or in behalf of* his candidacy in said
 43 **[general]** election **[for the office of Governor]**.

1 ***[14.]*** *15.* (New section) a. No person, candidate or political
 2 committee, otherwise eligible to make political contributions, shall
 3 make any contribution or contributions for the purpose of any
 4 gubernatorial inaugural fund-raising event or events in the aggre-
 5 gate in excess of ***[\$100.00]*** *\$250.00*.

6 b. For the purposes of the limitation in subsection a. of this
 7 section the term “gubernatorial inaugural fund-raising event”
 8 means any event or events held between the date of the general
 9 election for the office of Governor and a date 30 days after the
 10 date of the inauguration of the Governor, whether such event is
 11 sponsored by the inaugural committee, the State political party
 12 committee representing the party of the Governor-elect, or any
 13 other person or persons, and at which the Governor-elect is a
 14 prominent participant or for which solicitations of contributions
 15 include the name of the Governor-elect in prominent display.

16 c. The person or committee sponsoring such event shall make a
 17 full report of all contributions and expenditures with respect to
 18 such event within 45 days following such event in accordance with
 19 the provisions of this act.

1 ***[15.]*** *16.* The following laws or sections of laws, together
 2 with all amendments thereto are repealed.

3 Section 7 of *P. L. 1973, c. 83 (C. 19:44A-7)*.

4 Section 6 of *P. L. 1974, c. 26 (C. 19:44A-31)*.

5 Section 11 of *P. L. 1974, c. 26 (C. 19:44A-36)*.

1 ***[16.]*** *17.* This act shall take effect immediately.

STATEMENT

This bill provides for partial public financing of primary elections for the office of Governor and amends the partial public financing of the general election for the office of Governor. It includes limitations on (1) contributions in behalf of gubernatorial candidates; (2) the amount of public funds any gubernatorial candidate is entitled to receive; (3) the amount of his own funds a gubernatorial candidate may expend for his own campaign; (4) loans to gubernatorial candidates; and (5) contributions to gubernatorial inaugural fund-raising events. Because of the inclusion of these provisions, the limitation on expenditures for a gubernatorial campaign included in section 7 of P. L. 1973, c. 83 (C. 19:44A-7) and the limitation on the distribution of public funds included in section 11 of P. L. 1974, c. 26 (C. 19:44A-36) are repealed.

Clarifying amendments to section 4 of P. L. 1974, c. 26 (C. 19:44A-29) preclude the necessity for subsections b. and c. of that section which are repealed.

Amendments to section 7 of P. L. 1974, c. 26 (C. 19:44A-32) preclude the necessity for section 6 of P. L. 1974, c. 26 (C. 19:44A-31) which is repealed.

A1698(1980)

ASSEMBLY STATE GOVERNMENT, FEDERAL AND
INTERSTATE RELATIONS AND VETERANS
AFFAIRS COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1698
with Assembly committee amendments

STATE OF NEW JERSEY

DATED: JULY 9, 1979

SUMMARY OF THE BILL AS AMENDED

This bill, as amended by the committee, provides public funds for those gubernatorial candidates in the primary election and in the general election who have deposited and expended \$50,000.00. Such a "qualified candidate" will receive from public funds twice the amount of contributions above the \$50,000.00 threshold but, in the case of a primary election, no more than \$0.20 for each New Jersey voter who voted in the last preceding general election in a presidential year, and, in the case of a general election, no more than \$0.40 for each such voter.

Whether or not a gubernatorial candidate qualifies for and accepts public funding, each contribution to his campaign is limited to \$800.00 in the primary and \$800.00 in the general election; of this amount, \$600.00 may be counted for the purpose of receiving matching public funds. Like other contributors, each candidate is also limited to a contribution of \$800.00, and a candidate who receives public funds is limited to expenditures from his own funds of \$25,000.00 for the primary and \$25,000.00 for the general election. The present limitation of \$50,000.00 on loans to a gubernatorial candidate in the general election is extended to candidates in the primary election as well (that is, each may borrow up to \$50,000.00 for the primary).

The present statutory limit on total campaign expenditures by a candidate (\$0.50 per New Jersey voter who voted in the last preceding general election in a presidential year) is repealed.

Other provisions of the bill are:

1. The New Jersey Public Broadcasting Authority is to provide free of charge at least 2 hours of joint time and at least 15 minutes of individual time for the candidates in a primary election. (The time to be provided for the general election campaign remains the same as now—at least 1 hour of joint time and at least 1 additional hour of individual time.)
2. The list of expenditures which are permitted from the public funds a candidate receives is expanded to include: (a) legal and accounting

costs incurred in complying with public financing regulations, and (b) the costs of telephone deposits, installment charges, and monthly billings.

3. Under the present law the Election Law Enforcement Commission opens a campaign bank account for each candidate in a general election. Under this bill the candidate, with the approval of ELEC, creates the bank accounts for both his primary and general campaign funds.

4. A separate bank account is to be maintained for each of the following: (a) those funds that are qualified for matching public money, (b) public money, and (c) the candidate's own funds and loans.

5. No person or political committee, other than the candidate or the State committee, may endorse or guarantee a loan in excess of \$800.00; such an endorsement shall constitute a contribution until the loan is repaid.

6. The provision in present law which places the contribution limit for the spouse of any contributor at \$600.00 is deleted because it is regarded as redundant and unnecessary.

7. The county committees and municipal committees are permitted to expend \$100,000.00 in the aid of a gubernatorial candidate in a general election. However, total expenditures of the county committee and the municipal committees in any county are not to exceed \$10,000.00. This is a change from present law, which places such limits on the contributions of county and municipal committees. The change reflects the Election Law Enforcement Commission's interpretation of section 4 of P. L. 1974, c. 26 in conjunction with section 9b. of the same law.

8. Costs to the counties for the printing and mailing of the 500-word statements made by gubernatorial candidates in a general election are to be paid by the State—rather than the county, as at present. (The total Statewide cost in the last election for such printing and mailing is estimated by ELEC at \$50,000.00 to \$75,000.00.)

9. State and National banks serving as depositories for election funds will not be held accountable for unlawful account transactions not of their own doing.

10. A new section to the law is added which limits the individual contribution for a gubernatorial inaugural fund-raising event to an amount of no more than \$250.00.

COMMITTEE AMENDMENTS

The Assembly State Government Committee made the following amendments of the original bill:

1. The threshold for receiving public funds was increased from the present \$40,000.00 for a gubernatorial candidate in the general election to \$50,000.00 for both the general and the primary elections.

2. The limit on each contribution in both elections was raised from \$600.00 to \$800.00, of which \$600.00 may be counted for the purpose of receiving matching public funds.

3. The date of repayment on any loans by a candidate was changed from 30 days to 20 days prior to an election.

4. Language was added relieving State and National banks serving as depositories for election funds of accountability for unlawful account transactions not of their own doing.

5. The limit on contributions to a gubernatorial inaugural fund-raising event was raised from \$100.00 to \$250.00.

6. Since the present limit on total expenditures by a candidate was repealed, the appropriate deletion was made from the public policy section of "The New Jersey Campaign Contributions and Expenditures Reporting Act" (P. L. 1973, c. 86).

7. Certain technical errors were corrected.

ASSEMBLY BILL NO. 1698 (2nd OCR)

STATEMENT

I am filing Assembly Bill No. 1698 (2nd OCR) in the State Library without my approval.

Under the provisions of Article V, Section I, Paragraph 14(b) of the Constitution, this bill does not become a law if it is not signed within the 45-day period, Sundays excepted, following the adjournment sine die of the Legislature. In these circumstances there is no provision for a veto, but I deem it to be in the public interest to state my reasons for deciding not to sign the bill.

Assembly Bill No. 1698 would amend and supplement "The New Jersey Campaign Contributions and Expenditures Reporting Act" (P.L. 1973, c. 83 and P.L. 1974, c. 26 (C. 19:44A)) by providing for partial public financing of the gubernatorial primary election and eliminating the present limit on total expenditure by a candidate in the gubernatorial general election.

Specifically, the proposed law would limit contributions by individual persons or corporations to \$800, an increase of \$200 from the limit under existing law, and would make this contribution limit applicable as well to primary campaigns. After raising a \$50,000 threshold amount, candidates would be eligible to receive matching public funds at the ratio of \$2 for every \$1 for single contributions up to a \$600 limit. The total limit of all matching funds would be equal to a maximum of 20 cents per voter in primaries and 40 cents per voter in general gubernatorial elections. Assuming a voter turnout in the 1980 Presidential election of 3 million voters, each primary candidate would be eligible to receive \$600,000 in State funds. The bill also repeals the existing law applicable to general gubernatorial elections limiting overall expenditures to 50 cents per voter or approximately \$1,500,000 per gubernatorial campaign.

I have been an advocate of financing gubernatorial elections with public funds for a long time. In 1977, New Jersey was the first State in the Union to provide public funds for the gubernatorial general election. The availability of public funds makes it possible to provide for limitations in the size of individual contributions, the amount of a candidate's own money that can be spent, and the total amount a candidate may spend in the campaign. All of these limitations are essential to eliminate the influence



of big money on gubernatorial campaigns, and to make it possible for qualified candidates to aspire to the Office of the Governor regardless of the fact that they may lack monetary means. To the extent that this bill extends these concepts to the gubernatorial primary election, I fully endorse it.

However, the bill suffers from one major flaw which causes me to withhold my approval. A-1698 eliminates the current limitation on total spending in the gubernatorial general election. Of course, it does not provide for such limitation in the primary. As a result, a candidate could receive the allowable limits of public funds for each election (approximately \$600,000 and \$1.2 million respectively), and continue to receive and spend unmatched contributions. In other words, a candidate with access to sufficient private funds to run a campaign may, nevertheless, be provided with additional public funds. I am opposed to providing public funds under these circumstances.

Assuming a field as large as the last gubernatorial primary, and all signs point that way, the taxpayers can expect to spend almost \$5 million in State funds in the primary alone. Bear in mind that because the \$1 income tax check-off procedures produce only \$1.4 million in State revenues per year, significant amounts of matching funds for the general election would have to come from the general revenue.

To put this kind of State expenditure in perspective, I want to remind you that \$5 million is almost equal to all of the urban aid furnished to Newark and Jersey City combined, or put it another way, it would provide enough funds to operate the Jamesburg Training School for Boys, the Johnston Training and Research Center on Mental Retardation or the New Jersey Memorial Home for Disabled Soldiers at Menlo Park for a full year. Since the benefits of the bill do not outweigh this important loss to the public, I cannot, in conscience, ask New Jersey voters to divert money from general revenues to the election fund unless the matching grants serve the public interest of limiting the influence of big spenders.

Taken from another perspective, a well known person with an organized political base would be easily able to gain enough support to pick up \$350,000 in contributions. One good \$250 a plate dinner would almost make that. This person's campaign would then pick up \$600,000 of State money.

I have carefully studied the comments of the concerned public, the Legislature, the Election Law Enforcement Commission and at large. I understand their arguments that the limitation of \$800 per person in contributions, the limit of \$25,000 per candidate in personal expenditures, with a total borrowing limit of \$50,000 and that matching limits of \$600,000 in a primary and \$1,200,000 in the general, will be, in effect, a practical spending cap. To that I say, if such limitations are, in effect, a cap, the Legislature should have no problem in mandating a cap. I point out the fact that in 1973 the same public interest research groups who now favor the elimination of the spending cap criticized our first attempts at gubernatorial spending reform because there was no cap on expenditures.

Where I differ from the supporters of this bill, is that they believe in unlimited spending of small sums of money. I don't. Furthermore, my experience convinces me that with a matchable allowance of \$1,200 per couple, any reasonably placed candidate will have little difficulty in raising the money to pick up our State match and keep on going indefinitely with their own sources of funds.

Nonetheless, I remain prepared to support a primary financing law, if it balances the benefits to the candidates against an overall reduction in the scale of election financing. Recent inflation in the cost of Presidential primaries have shown that costs are going "out of sight." The pressures on candidates to concentrate on fund raising are overwhelming. I share the thoughts of Adlai Stevenson, who upon accepting his nomination for the Presidency in 1952, reflected upon a candidate's perspective, saying:

"What does concern me,...is not just winning the election, but how it is won...I hope and pray that we...can campaign not as a crusade to exterminate the opposing party,...but as a great opportunity to educate and elevate a people whose destiny is leadership, not alone of a rich and prosperous, contented country as in the past, but of a world in ferment..."

Hence, I remain deeply committed to the belief that the so-called campaign reform embodied in this bill is really a wolf in sheep's clothing.

I cannot justify the expenditure of public funds to support the campaigns of candidates whose access to private money is so great that they will not accept spending limits.

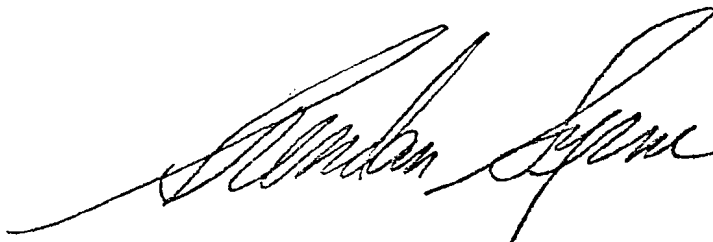


-4-

For the reasons stated above, I firmly believe that public financing should be extended to the gubernatorial primary election, but not without a limitation on total spending in both primary and general elections. I urge the Legislature to pass a bill similar to A-1698 which would also place a limit on total spending. I would sign such a bill.

At this time, I will file Assembly Bill No. 1698 (2nd OCR) without my approval.

Respectfully,



GOVERNOR

Dated: March 5, 1980

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

JULY 23, 1980

PATRICK SWEENEY

Governor Brendan Byrne today, in a public ceremony, signed the "public financing" bill S-1176, sponsored by Senator Charles B. Yates (D-Burlington).

The bill extends public financing of gubernatorial election campaigns to the primary election, and will limit total spending by each candidate in both the primary and general elections.

"This bill," the Governor said, "limits the total spending by each candidate in an election. Such a limitation is essential to eliminate the influence of big money on gubernatorial campaigns.

"It is vitally important to our form of democracy for qualified candidates to be able to aspire to the Office of the Governor, regardless of the fact that they may lack access to big contributions."

On March 5, 1980, the Governor vetoed a similar bill (A-1698), because it lacked spending limits.

In accordance with S-1176, the maximum amount which may be spent in aid of any qualified candidate participating in public funding is:

| | |
|--------------------------|---|
| for the primary | \$.35 for each voter who voted in the last preceding general election in a presidential year, and |
| for the general election | \$.70 for each such voter. |

Assuming a turnout of 3 million voters, this bill limits overall expenditures per candidate to approximately \$1,050,000 per candidate for primary campaigns, and approximately \$2,100,000 per candidate for general election campaigns.

Contributions of up to \$800 can be made by an individual in both primary and general elections. These contributions will be matched with public money at the rate of \$2 for each \$1 the candidate raises for each campaign, after the first \$50,000.

-more-

A further limit of \$25,000 is imposed on the amount a candidate participating in public funding may spend from his own funds for the primary and general elections.

A \$250 contribution limit to gubernatorial inaugural events is also imposed by this bill.

In addition, the present limitation of \$50,000 on loans to a gubernatorial candidate in a general election is extended to candidates in the primary election. The total amount of loans must be repaid 20 days prior to the date of the primary or general election for which the loan was obtained.

Enactment of this bill makes New Jersey the first State in the East to extend public financing of political campaigns to gubernatorial primary elections. New Jersey, in 1977, was the first State to employ public financing to a gubernatorial general election.

#