

# LEGISLATIVE HISTORY CHECKLIST

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## *LAWS of 1999*

**CHAPTER:** 57

**NJSA:** 19:44A-2.1

(Campaign contributions -- definition of "candidate")

**BILL NO:** A2370(Substituted for S1394 -- SCS)

**SPONSOR(S):** Geist and Lance

**DATE INTRODUCED:**September 14, 1998

**COMMITTEE:**

*ASSEMBLY:*State Government

*SENATE:*Judiciary

**AMENDED DURING PASSAGE:**Yes

**DATES OF PASSAGE:**

*ASSEMBLY:*February 18, 1999

*SENATE:*January 28, 1999

**DATE OF APPROVAL:**April 13, 1999

### THE FOLLOWING ARE ATTACHED IF AVAILABLE:

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**FINAL TEXT OF BILL:** *Yes*Assembly Committee Substitute (1<sup>st</sup> Reprint)  
(Amendments during passage denoted by superscript numbers)

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### **ACS for A2370**

**SPONSORS STATEMENT:***No*

**COMMITTEE STATEMENT:**

**ASSEMBLY:** *Yes*

**SENATE:** *Yes*

**FLOOR AMENDMENT STATEMENTS:***No*

**LEGISLATIVE FISCAL ESTIMATE:** *No*

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## A2370

**SPONSORS STATEMENT:** *Yes (Begins on page 9 of original bill)*

**COMMITTEE STATEMENT:**

**ASSEMBLY:** *No*

**SENATE:** *No*

**FLOOR AMENDMENT STATEMENTS:***No*

**LEGISLATIVE FISCAL ESTIMATE:** *No*

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## SCS for S1394

**SPONSORS STATEMENT:** *No*

**COMMITTEE STATEMENT:**

**ASSEMBLY:** *No*

**SENATE:** *Yes*

**FLOOR AMENDMENT STATEMENTS:***No*

**LEGISLATIVE FISCAL ESTIMATE:** *No*

**Last Version (SCS for S1394)***Yes*

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## S1394

**SPONSORS STATEMENT:** *Yes (Begins on page 10 of original bill)*

**COMMITTEE STATEMENT:**

**ASSEMBLY:** *No*

**SENATE:** *No*

**FLOOR AMENDMENT STATEMENTS:***No*

**LEGISLATIVE FISCAL ESTIMATE:** *No*

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## GOVERNOR'S ACTIONS

**VETO MESSAGE:** *No*

**GOVERNOR'S PRESS RELEASE ON SIGNING:** *Yes*

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**THE FOLLOWING WERE PRINTED:**

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**REPORTS:** *No*

**HEARINGS:** *No*

**NEWSPAPER ARTICLES:**

"Whitman signs measure on 'exploratory' campaign money," **Philadelphia Inquirer**, South Jersey Edition, 4-14-99, p. B3.

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§1  
C. 19:44A-2.1  
§3  
Repealer  
§4  
Note To §§1-3

P.L. 1999, CHAPTER 57, *approved April 13, 1999*  
Assembly Committee Substitute (*First Reprint*) for  
Assembly, No. 2370

1 **AN ACT** concerning certain individuals who are considering whether  
2 to be candidates for public office, amending P.L.1973, c.83 and  
3 repealing section 8 of P.L.1989, c.4.

4

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

7

8 1. The Legislature finds and declares that:

9 a. Accessible public disclosure of money and other things of value  
10 given to a candidate for public office by an individual, another  
11 candidate or a political committee has proven to be the most effective  
12 means of fostering public awareness of and reducing public skepticism  
13 about the current system of financing elections for public office;

14 b. However, under the current disclosure system, certain  
15 individuals who collect and spend money while considering whether to  
16 become a candidate for public office at a future election do not have  
17 to disclose anything about the money they raise or expend until they  
18 become a candidate;

19 c. The continuation of this practice undermines public confidence  
20 in the current system of financing elections for public office <sup>1</sup> **[because**  
21 **it permits a candidate who may already be the holder of one public**  
22 **office and required to file reports in connection with that office to**  
23 **receive contributions from certain individuals and committees that are**  
24 **not reported while considering whether to be a candidate for another**  
25 **office, thus appearing to permit those who contribute to a possible**  
26 **candidate for an office to have a measure of influence over a current**  
27 **office-holder that is outside of public awareness and scrutiny]**<sup>1</sup>;

28 d. The State has a compelling interest in preventing the actuality  
29 or appearance of corruption and in protecting public confidence in  
30 democratic institutions by requiring an individual who is considering  
31 whether to be a candidate for office to comply with the same laws that  
32 apply to any candidate for public office; and

33 e. It is, therefore, reasonable for the State to promote these  
34 compelling interests by requiring an individual who acts like a  
35 candidate to comply with the current limitations, prohibitions and

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> **Senate SJU committee amendments adopted January 21, 1999.**

1 requirements on campaign contributions and the disclosure of the  
2 sources and amounts of contributions and expenditures.

3

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

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

8 a. (Deleted by amendment, P.L.1993, c.65.)

9 b. (Deleted by amendment, P.L.1993, c.65.)

10 c. The term "candidate" means: (1) an individual seeking election  
11 to a public office of the State or of a county, municipality or school  
12 district at an election; except that the term shall not include an  
13 individual seeking party office; **[and]** (2) an individual who shall have  
14 been elected or failed of election to an office, other than a party office,  
15 for which he sought election and who receives contributions and  
16 makes expenditures for any of the purposes authorized by section 17  
17 of P.L.1993, c.65 (C.19:44A-11.2) during the period of his service in  
18 that office; and (3) an individual who has received funds or other  
19 benefits or has made payments solely for the purpose of determining  
20 whether the individual should become a candidate as defined in  
21 paragraph (1) <sup>1</sup>and (2) <sup>1</sup>of this subsection.

22 d. The terms "contributions" and "expenditures" include all loans  
23 and transfers of money or other thing of value to or by any candidate,  
24 candidate committee, joint candidates committee, political committee,  
25 continuing political committee, political party committee or legislative  
26 leadership committee and all pledges or other commitments or  
27 assumptions of liability to make any such transfer; and for purposes of  
28 reports required under the provisions of this act shall be deemed to  
29 have been made upon the date when such commitment is made or  
30 liability assumed.

31 e. The term "election" means any election described in section 4  
32 of this act.

33 f. The term "paid personal services" means personal, clerical,  
34 administrative or professional services of every kind and nature  
35 including, without limitation, public relations, research, legal,  
36 canvassing, telephone, speech writing or other such services,  
37 performed other than on a voluntary basis, the salary, cost or  
38 consideration for which is paid, borne or provided by someone other  
39 than the committee, candidate or organization for whom such services  
40 are rendered. In determining the value, for the purpose of reports  
41 required under this act, of contributions made in the form of paid  
42 personal services, the person contributing such services shall furnish  
43 to the treasurer through whom such contribution is made a statement  
44 setting forth the actual amount of compensation paid by said  
45 contributor to the individuals actually performing said services for the  
46 performance thereof. But if any individual or individuals actually

1 performing such services also performed for the contributor other  
2 services during the same period, and the manner of payment was such  
3 that payment for the services contributed cannot readily be segregated  
4 from contemporary payment for the other services, the contributor  
5 shall in his statement to the treasurer so state and shall either (1) set  
6 forth his best estimate of the dollar amount of payment to each such  
7 individual which is attributable to the contribution of his paid personal  
8 services, and shall certify the substantial accuracy of the same, or (2)  
9 if unable to determine such amount with sufficient accuracy, set forth  
10 the total compensation paid by him to each such individual for the  
11 period of time during which the services contributed by him were  
12 performed. If any candidate is a holder of public office to whom there  
13 is attached or assigned, by virtue of said office, any aide or aides  
14 whose services are of a personal or confidential nature in assisting him  
15 to carry out the duties of said office, and whose salary or other  
16 compensation is paid in whole or part out of public funds, the services  
17 of such aide or aides which are paid for out of public funds shall be for  
18 public purposes only; but they may contribute their personal services,  
19 on a voluntary basis, to such candidate for election campaign  
20 purposes.

21 g. (Deleted by amendment, P.L.1983, c.579.)

22 h. The term "political information" means any statement including,  
23 but not limited to, press releases, pamphlets, newsletters,  
24 advertisements, flyers, form letters, or radio or television programs or  
25 advertisements which reflects the opinion of the members of the  
26 organization on any candidate or candidates for public office, on any  
27 public question, or which contains facts on any such candidate, or  
28 public question whether or not such facts are within the personal  
29 knowledge of members of the organization.

30 i. The term "political committee" means any two or more persons  
31 acting jointly, or any corporation, partnership, or any other  
32 incorporated or unincorporated association which is organized to, or  
33 does, aid or promote the nomination, election or defeat of any  
34 candidate or candidates for public office, or which is organized to, or  
35 does, aid or promote the passage or defeat of a public question in any  
36 election, if the persons, corporation, partnership or incorporated or  
37 unincorporated association raises or expends \$1,000.00 or more to so  
38 aid or promote the nomination, election or defeat of a candidate or  
39 candidates or the passage or defeat of a public question; provided that  
40 for the purposes of this act, the term "political committee" shall not  
41 include a "continuing political committee," as defined by subsection n.  
42 of this section, a "political party committee," as defined by subsection  
43 p. of this section, a "candidate committee," as defined by subsection  
44 q. of this section, a "joint candidates committee," as defined by  
45 subsection r. of this section or a "legislative leadership committee," as  
46 defined by subsection s. of this section.

1       j. The term "public solicitation" means any activity by or on behalf  
2 of any candidate, political committee, continuing political committee,  
3 candidate committee, joint candidates committee, legislative leadership  
4 committee or political party committee whereby either (1) members of  
5 the general public are personally solicited for cash contributions not  
6 exceeding \$20.00 from each person so solicited and contributed on the  
7 spot by the person so solicited to a person soliciting or through a  
8 receptacle provided for the purpose of depositing contributions, or (2)  
9 members of the general public are personally solicited for the purchase  
10 of items having some tangible value as merchandise, at a price not  
11 exceeding \$20.00 per item, which price is paid on the spot in cash by  
12 the person so solicited to the person so soliciting, when the net  
13 proceeds of such solicitation are to be used by or on behalf of such  
14 candidate, political committee, continuing political committee,  
15 candidate committee, joint candidates committee, legislative leadership  
16 committee or political party committee.

17       k. The term "testimonial affair" means an affair of any kind or  
18 nature including, without limitation, cocktail parties, breakfasts,  
19 luncheons, dinners, dances, picnics or similar affairs directly or  
20 indirectly intended to raise campaign funds in behalf of a person who  
21 holds, or who is or was a candidate for nomination or election to a  
22 public office in this State, or directly or indirectly intended to raise  
23 funds in behalf of any political party committee or in behalf of a  
24 political committee, continuing political committee, candidate  
25 committee, joint candidates committee or legislative leadership  
26 committee.

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

30       m. The term "qualified candidate" means:

31       (1) Any candidate for election to the office of Governor whose  
32 name appears on the general election ballot; who has deposited and  
33 expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26  
34 (C.19:44A-32); and who, not later than September 1 preceding a  
35 general election in which the office of Governor is to be filled, (a)  
36 notifies the Election Law Enforcement Commission in writing that the  
37 candidate intends that application will be made on the candidate's  
38 behalf for monies for general election campaign expenses under  
39 subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b)  
40 signs a statement of agreement, in a form to be prescribed by the  
41 commission, to participate in two interactive gubernatorial election  
42 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
43 (C.19:44A-45 through C.19:44A-47); or

44       (2) Any candidate for election to the office of Governor whose  
45 name does not appear on the general election ballot; who has  
46 deposited and expended \$150,000.00 pursuant to section 7 of

1 P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1  
2 preceding a general election in which the office of Governor is to be  
3 filled, (a) notifies the Election Law Enforcement Commission in  
4 writing that the candidate intends that application will be made on the  
5 candidate's behalf for monies for general election campaign expenses  
6 under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
7 (b) signs a statement of agreement, in a form to be prescribed by the  
8 commission, to participate in two interactive gubernatorial election  
9 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
10 (C.19:44A-45 through C.19:44A-47); or

11 (3) Any candidate for nomination for election to the office of  
12 Governor whose name appears on the primary election ballot; who has  
13 deposited and expended \$150,000.00 pursuant to section 7 of  
14 P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for  
15 filing petitions to nominate candidates to be voted upon in a primary  
16 election for a general election in which the office of Governor is to be  
17 filled, (a) notifies the Election Law Enforcement Commission in  
18 writing that the candidate intends that application will be made on the  
19 candidate's behalf for monies for primary election campaign expenses  
20 under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
21 (b) signs a statement of agreement, in a form to be prescribed by the  
22 commission, to participate in two interactive gubernatorial primary  
23 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
24 (C.19:44A-45 through C.19:44A-47); or

25 (4) Any candidate for nomination for election to the office of  
26 Governor whose name does not appear on the primary election ballot;  
27 who has deposited and expended \$150,000.00 pursuant to section 7  
28 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day  
29 for filing petitions to nominate candidates to be voted upon in a  
30 primary election for a general election in which the office of Governor  
31 is to be filled, (a) notifies the Election Law Enforcement Commission  
32 in writing that the candidate intends that application will be made on  
33 the candidate's behalf for monies for primary election campaign  
34 expenses under subsection a. of section 8 of P.L.1974, c.26  
35 (C.19:44A-33), and (b) signs a statement of agreement, in a form to  
36 be prescribed by the commission, to participate in two interactive  
37 gubernatorial primary debates under the provisions of sections 9  
38 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47).

39 n. The term "continuing political committee" means any group of  
40 two or more persons acting jointly, or any corporation, partnership, or  
41 any other incorporated or unincorporated association, including a  
42 political club, political action committee, civic association or other  
43 organization, which in any calendar year contributes or expects to  
44 contribute at least \$2,500.00 to the aid or promotion of the candidacy  
45 of an individual, or of the candidacies of individuals, for elective public  
46 office, or the passage or defeat of a public question or public



1 questions, and which may be expected to make contributions toward  
2 such aid or promotion or passage or defeat during a subsequent  
3 election, provided that the group, corporation, partnership, association  
4 or other organization has been determined to be a continuing political  
5 committee under subsection b. of section 8 of P.L.1973, c.83  
6 (C.19:44A-8); provided that for the purposes of this act, the term  
7 "continuing political committee" shall not include a "political party  
8 committee," as defined by subsection p. of this section, or a  
9 "legislative leadership committee," as defined by subsection s. of this  
10 section.

11 o. The term "statement of agreement" means a written declaration,  
12 by a candidate for nomination for election or for election to the office  
13 of Governor who intends that application will be made on that  
14 candidate's behalf to receive monies for primary election or general  
15 election campaign expenses under subsection a. or subsection b.,  
16 respectively, of section 8 of P.L.1974, c.26 (C.19:44A-33), that the  
17 candidate undertakes to abide by the terms of any rules established by  
18 any private organization sponsoring a gubernatorial primary or general  
19 election debate, as appropriate, to be held under the provisions of  
20 sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through  
21 C.19:44A-47) and in which the candidate is to participate. The  
22 statement of agreement shall include an acknowledgment of notice to  
23 the candidate who signs it that failure on that candidate's part to  
24 participate in any of the gubernatorial debates may be cause for the  
25 termination of the payment of such monies on the candidate's behalf  
26 and for the imposition of liability for the return to the commission of  
27 such monies as may previously have been so paid.

28 p. The term "political party committee" means the State committee  
29 of a political party, as organized pursuant to R.S.19:5-4, any county  
30 committee of a political party, as organized pursuant to R.S.19:5-3, or  
31 any municipal committee of a political party, as organized pursuant to  
32 R.S.19:5-2.

33 q. The term "candidate committee" means a committee established  
34 pursuant to subsection a. of section 9 of P.L.1973, c.83 (C.19:44A-9)  
35 for the purpose of receiving contributions and making expenditures.

36 r. The term "joint candidates committee" means a committee  
37 established pursuant to subsection a. of section 9 of P.L.1973, c.83  
38 (C.19:44A-9) by at least two candidates for the same elective public  
39 offices in the same election in a legislative district, county,  
40 municipality or school district, but not more candidates than the total  
41 number of the same elective public offices to be filled in that election,  
42 for the purpose of receiving contributions and making expenditures.  
43 For the purpose of this subsection: the offices of member of the  
44 Senate and members of the General Assembly shall be deemed to be  
45 the same elective public offices in a legislative district; the offices of  
46 member of the board of chosen freeholders and county executive shall

1 be deemed to be the same elective public offices in a county; and the  
2 offices of mayor and member of the municipal governing body shall be  
3 deemed to be the same elective public offices in a municipality.

4 s. The term "legislative leadership committee" means a committee  
5 established, authorized to be established, or designated by the  
6 President of the Senate, the Minority Leader of the Senate, the  
7 Speaker of the General Assembly or the Minority Leader of the  
8 General Assembly pursuant to section 16 of P.L.1993, c.65  
9 (C.19:44A-10.1) for the purpose of receiving contributions and  
10 making expenditures.

11 (cf: P.L.1995, c.194, s.1)

12

13 3. Section 8 of P.L.1989 c.4 (C.19:44A-11.1) is repealed.

14

15 4. This act shall take effect on <sup>1</sup>[January 1 next following  
16 enactment] the quarterly reporting date next following enactment  
17 which is at least 30 days after enactment<sup>1</sup>.

18

19

20

21

22 Expands definition of candidate under "The New Jersey Campaign  
23 Contributions and Expenditures Reporting Act" to include individual  
24 considering whether to be candidate for public office.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR  
**ASSEMBLY, No. 2370**

**STATE OF NEW JERSEY**

DATED: SEPTEMBER 17, 1998

The Assembly State Government Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 2370.

This committee substitute expands the definition of a candidate as used in "The New Jersey Campaign Contributions and Expenditures Reporting Act" (P.L.1973, c.83; C.19:44A-1 et seq.) to include certain individuals who are seeking to determine whether to become candidates for public office.

Specifically, the substitute adds to the current definition of a candidate an individual who has received funds or other benefits or has made payments solely for the purpose of determining whether the individual should seek election to a public office of the State or of a county, municipality or school district.

If enacted, the substitute would require such a candidate to comply with the limitations, prohibitions and requirements imposed on all candidates by the P.L.1973, c.83 and other relevant sections of the statutory law.

Finally, the substitute repeals section 8 of P.L.1989, c.4 (C.19:44A-11.1) which currently addresses the situation of individuals seeking to determine whether they should become candidates.

# SENATE JUDICIARY COMMITTEE

## STATEMENT TO

### ASSEMBLY COMMITTEE SUBSTITUTE FOR **ASSEMBLY, No. 2370**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 21, 1999

The Senate Judiciary Committee reports favorably and with committee amendments to Assembly Committee Substitute for Assembly Bill No. 2370.

This bill expands the definition of the term "candidate" as used in the "New Jersey Campaign Contributions and Expenditures Reporting Act", P.L.1973, c.83 (C.19:44A-1 et seq.) to include an individual who has received funds or other benefits or has made payments solely for the purpose of determining whether the individual should seek election to a public office of the State or of a county, municipality or school district. If enacted, the bill would require such a individual to comply with the limitations, prohibitions and requirements imposed on all candidates by the P.L.1973, c.83 and other relevant sections of the statutory law.

The bill also repeals N.J.S.A.19:44A-11.1 (19:44A:11.1) which presently deals with contributions and expenditures made by an individual seeking to determine whether to become a candidate for elected office.

The committee amendments are intended to clarify that the bill is applicable to apply to both elected officials considering seeking another public office and to potential candidates for public office who are presently not serving in an elected office. The committee also changed the bill's effective date from January 1 next following enactment to the quarterly reporting date next following enactment which is at least 30 days after enactment.

# ASSEMBLY, No. 2370

## STATE OF NEW JERSEY 208th LEGISLATURE

INTRODUCED SEPTEMBER 14, 1998

**Sponsored by:**

**Assemblyman GEORGE F. GEIST**

**District 4 (Camden and Gloucester)**

**Assemblyman LEONARD LANCE**

**District 23 (Warren, Hunterdon and Mercer)**

**Co-Sponsored by:**

**Assemblymen Luongo, Greenwald, Assemblywoman Previte, Assemblymen  
Conaway and Conners**

**SYNOPSIS**

Requires compliance with campaign contribution and reporting requirement by certain individuals considering whether to be candidates for public office.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning certain individuals who are considering whether  
2 to be candidates for public office, amending and supplementing  
3 P.L.1973, c.83 (C.19:44A-1 et seq.) and repealing section 8 of  
4 P.L.1989, c.4.

5

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

8

9 1. (New section) The Legislature finds and declares that:

10 a. Accessible public disclosure of money and other things of value  
11 given to a candidate for public office by an individual, another  
12 candidate or a political committee has proven to be the most effective  
13 means of fostering public awareness of and reducing public skepticism  
14 about the current system of financing elections for public office;

15 b. However, under the current disclosure system, certain individuals  
16 who collect and spend money while considering whether to become a  
17 candidate for public office at a future election do not have to disclose  
18 anything about the money they raise or expend until they become a  
19 declared candidate;

20 c. The continuation of this practice undermines public confidence  
21 in the current system of financing elections for public office because  
22 it permits a candidate who may already be the holder of one public  
23 office and required to file reports in connection with that office to  
24 receive contributions from certain individuals and committees that are  
25 not reported while considering whether to be a candidate for another  
26 office, thus appearing to permit those who contribute to a possible  
27 candidate for an office to have a measure of influence over a current  
28 office-holder that is outside of public awareness and scrutiny;

29 d. The State has a compelling interest in preventing the actuality or  
30 appearance of corruption and in protecting public confidence in  
31 democratic institutions by requiring an individual who is considering  
32 whether to be a candidate for office to comply with the same laws that  
33 apply to a declared candidate for public office; and

34 e. It is, therefore, reasonable for the State to promote these  
35 compelling interests by requiring an individual who acts like a  
36 candidate but has not yet declared the individual's candidacy for a  
37 public office to comply with the current limitations, prohibitions and  
38 requirements on campaign contributions and the disclosure of the  
39 sources and amounts of contributions and expenditures before  
40 becoming a declared candidate.

41

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

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

**Matter underlined thus is new matter.**

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

3       a. (Deleted by amendment, P.L.1993, c.65.)

4       b. (Deleted by amendment, P.L.1993, c.65.)

5       c. The term "candidate" means: (1) an individual seeking election  
6 to a public office of the State or of a county, municipality or school  
7 district at an election; except that the term shall not include an  
8 individual seeking party office; and (2) an individual who shall have  
9 been elected or failed of election to an office, other than a party office,  
10 for which he sought election and who receives contributions and  
11 makes expenditures for any of the purposes authorized by section 17  
12 of P.L.1993, c.65 (C.19:44A-11.2) during the period of his service in  
13 that office.

14       d. The terms "contributions" and "expenditures" include all loans  
15 and transfers of money or other thing of value to or by any candidate,  
16 candidate committee, joint candidates committee, political committee,  
17 continuing political committee, political party committee or legislative  
18 leadership committee and all pledges or other commitments or  
19 assumptions of liability to make any such transfer; and for purposes of  
20 reports required under the provisions of this act shall be deemed to  
21 have been made upon the date when such commitment is made or  
22 liability assumed.

23       e. The term "election" means any election described in section 4 of  
24 this act.

25       f. The term "paid personal services" means personal, clerical,  
26 administrative or professional services of every kind and nature  
27 including, without limitation, public relations, research, legal,  
28 canvassing, telephone, speech writing or other such services,  
29 performed other than on a voluntary basis, the salary, cost or  
30 consideration for which is paid, borne or provided by someone other  
31 than the committee, candidate or organization for whom such services  
32 are rendered. In determining the value, for the purpose of reports  
33 required under this act, of contributions made in the form of paid  
34 personal services, the person contributing such services shall furnish  
35 to the treasurer through whom such contribution is made a statement  
36 setting forth the actual amount of compensation paid by said  
37 contributor to the individuals actually performing said services for the  
38 performance thereof. But if any individual or individuals actually  
39 performing such services also performed for the contributor other  
40 services during the same period, and the manner of payment was such  
41 that payment for the services contributed cannot readily be segregated  
42 from contemporary payment for the other services, the contributor  
43 shall in his statement to the treasurer so state and shall either (1) set  
44 forth his best estimate of the dollar amount of payment to each such  
45 individual which is attributable to the contribution of his paid personal  
46 services, and shall certify the substantial accuracy of the same, or (2)

1 if unable to determine such amount with sufficient accuracy, set forth  
2 the total compensation paid by him to each such individual for the  
3 period of time during which the services contributed by him were  
4 performed. If any candidate is a holder of public office to whom there  
5 is attached or assigned, by virtue of said office, any aide or aides  
6 whose services are of a personal or confidential nature in assisting him  
7 to carry out the duties of said office, and whose salary or other  
8 compensation is paid in whole or part out of public funds, the services  
9 of such aide or aides which are paid for out of public funds shall be for  
10 public purposes only; but they may contribute their personal services,  
11 on a voluntary basis, to such candidate for election campaign  
12 purposes.

13 g. (Deleted by amendment, P.L.1983, c.579.)

14 h. The term "political information" means any statement including,  
15 but not limited to, press releases, pamphlets, newsletters,  
16 advertisements, flyers, form letters, or radio or television programs or  
17 advertisements which reflects the opinion of the members of the  
18 organization on any candidate or candidates for public office, on any  
19 public question, or which contains facts on any such candidate, or  
20 public question whether or not such facts are within the personal  
21 knowledge of members of the organization.

22 i. The term "political committee" means any two or more persons  
23 acting jointly, or any corporation, partnership, or any other  
24 incorporated or unincorporated association which is organized to, or  
25 does, aid or promote the nomination, election or defeat of any  
26 candidate or candidates for public office, or which is organized to, or  
27 does, aid or promote the passage or defeat of a public question in any  
28 election, if the persons, corporation, partnership or incorporated or  
29 unincorporated association raises or expends \$1,000.00 or more to so  
30 aid or promote the nomination, election or defeat of a candidate or  
31 candidates or the passage or defeat of a public question; provided that  
32 for the purposes of this act, the term "political committee" shall not  
33 include a "continuing political committee," as defined by subsection n.  
34 of this section, a "political party committee," as defined by subsection  
35 p. of this section, a "candidate committee," as defined by subsection  
36 q. of this section, a "joint candidates committee," as defined by  
37 subsection r. of this section or a "legislative leadership committee," as  
38 defined by subsection s. of this section.

39 j. The term "public solicitation" means any activity by or on behalf  
40 of any candidate, political committee, continuing political committee,  
41 candidate committee, joint candidates committee, legislative leadership  
42 committee or political party committee whereby either (1) members of  
43 the general public are personally solicited for cash contributions not  
44 exceeding \$20.00 from each person so solicited and contributed on the  
45 spot by the person so solicited to a person soliciting or through a  
46 receptacle provided for the purpose of depositing contributions, or (2)



1 members of the general public are personally solicited for the purchase  
2 of items having some tangible value as merchandise, at a price not  
3 exceeding \$20.00 per item, which price is paid on the spot in cash by  
4 the person so solicited to the person so soliciting, when the net  
5 proceeds of such solicitation are to be used by or on behalf of such  
6 candidate, political committee, continuing political committee,  
7 candidate committee, joint candidates committee, legislative leadership  
8 committee or political party committee.

9 k. The term "testimonial affair" means an affair of any kind or  
10 nature including, without limitation, cocktail parties, breakfasts,  
11 luncheons, dinners, dances, picnics or similar affairs directly or  
12 indirectly intended to raise campaign funds in behalf of a person who  
13 holds, or who is or was a candidate for nomination or election to a  
14 public office in this State, or directly or indirectly intended to raise  
15 funds in behalf of any political party committee or in behalf of a  
16 political committee, continuing political committee, candidate  
17 committee, joint candidates committee or legislative leadership  
18 committee.

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

22 m. The term "qualified candidate" means:

23 (1) Any candidate for election to the office of Governor whose  
24 name appears on the general election ballot; who has deposited and  
25 expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26  
26 (C.19:44A-32); and who, not later than September 1 preceding a  
27 general election in which the office of Governor is to be filled, (a)  
28 notifies the Election Law Enforcement Commission in writing that the  
29 candidate intends that application will be made on the candidate's  
30 behalf for monies for general election campaign expenses under  
31 subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b)  
32 signs a statement of agreement, in a form to be prescribed by the  
33 commission, to participate in two interactive gubernatorial election  
34 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
35 (C.19:44A-45 through C.19:44A-47); or

36 (2) Any candidate for election to the office of Governor whose  
37 name does not appear on the general election ballot; who has  
38 deposited and expended \$150,000.00 pursuant to section 7 of  
39 P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1  
40 preceding a general election in which the office of Governor is to be  
41 filled, (a) notifies the Election Law Enforcement Commission in  
42 writing that the candidate intends that application will be made on the  
43 candidate's behalf for monies for general election campaign expenses  
44 under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and

1 (b) signs a statement of agreement, in a form to be prescribed by the  
2 commission, to participate in two interactive gubernatorial election  
3 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
4 (C.19:44A-45 through C.19:44A-47); or

5 (3) Any candidate for nomination for election to the office of  
6 Governor whose name appears on the primary election ballot; who has  
7 deposited and expended \$150,000.00 pursuant to section 7 of  
8 P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for  
9 filing petitions to nominate candidates to be voted upon in a primary  
10 election for a general election in which the office of Governor is to be  
11 filled, (a) notifies the Election Law Enforcement Commission in  
12 writing that the candidate intends that application will be made on the  
13 candidate's behalf for monies for primary election campaign expenses  
14 under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
15 (b) signs a statement of agreement, in a form to be prescribed by the  
16 commission, to participate in two interactive gubernatorial primary  
17 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
18 (C.19:44A-45 through C.19:44A-47); or

19 (4) Any candidate for nomination for election to the office of  
20 Governor whose name does not appear on the primary election ballot;  
21 who has deposited and expended \$150,000.00 pursuant to section 7  
22 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day  
23 for filing petitions to nominate candidates to be voted upon in a  
24 primary election for a general election in which the office of Governor  
25 is to be filled, (a) notifies the Election Law Enforcement Commission  
26 in writing that the candidate intends that application will be made on  
27 the candidate's behalf for monies for primary election campaign  
28 expenses under subsection a. of section 8 of P.L.1974, c.26  
29 (C.19:44A-33), and (b) signs a statement of agreement, in a form to  
30 be prescribed by the commission, to participate in two interactive  
31 gubernatorial primary debates under the provisions of sections 9  
32 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47).

33 n. The term "continuing political committee" means any group of  
34 two or more persons acting jointly, or any corporation, partnership, or  
35 any other incorporated or unincorporated association, including a  
36 political club, political action committee, civic association or other  
37 organization, which in any calendar year contributes or expects to  
38 contribute at least \$2,500.00 to the aid or promotion of the candidacy  
39 of an individual, or of the candidacies of individuals, for elective public  
40 office, or the passage or defeat of a public question or public  
41 questions, and which may be expected to make contributions toward  
42 such aid or promotion or passage or defeat during a subsequent  
43 election, provided that the group, corporation, partnership, association  
44 or other organization has been determined to be a continuing political  
45 committee under subsection b. of section 8 of P.L.1973, c.83  
46 (C.19:44A-8); provided that for the purposes of this act, the term

1 "continuing political committee" shall not include a "political party  
2 committee," as defined by subsection p. of this section, or a  
3 "legislative leadership committee," as defined by subsection s. of this  
4 section.

5 o. The term "statement of agreement" means a written declaration,  
6 by a candidate for nomination for election or for election to the office  
7 of Governor who intends that application will be made on that  
8 candidate's behalf to receive monies for primary election or general  
9 election campaign expenses under subsection a. or subsection b.,  
10 respectively, of section 8 of P.L.1974, c.26 (C.19:44A-33), that the  
11 candidate undertakes to abide by the terms of any rules established by  
12 any private organization sponsoring a gubernatorial primary or general  
13 election debate, as appropriate, to be held under the provisions of  
14 sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through  
15 C.19:44A-47) and in which the candidate is to participate. The  
16 statement of agreement shall include an acknowledgment of notice to  
17 the candidate who signs it that failure on that candidate's part to  
18 participate in any of the gubernatorial debates may be cause for the  
19 termination of the payment of such monies on the candidate's behalf  
20 and for the imposition of liability for the return to the commission of  
21 such monies as may previously have been so paid.

22 p. The term "political party committee" means the State committee  
23 of a political party, as organized pursuant to R.S.19:5-4, any county  
24 committee of a political party, as organized pursuant to R.S.19:5-3, or  
25 any municipal committee of a political party, as organized pursuant to  
26 R.S.19:5-2.

27 q. The term "candidate committee" means a committee established  
28 pursuant to subsection a. of section 9 of P.L.1973, c.83 (C.19:44A-9)  
29 for the purpose of receiving contributions and making expenditures.

30 r. The term "joint candidates committee" means a committee  
31 established pursuant to subsection a. of section 9 of P.L.1973, c.83  
32 (C.19:44A-9) by at least two candidates for the same elective public  
33 offices in the same election in a legislative district, county,  
34 municipality or school district, but not more candidates than the total  
35 number of the same elective public offices to be filled in that election,  
36 for the purpose of receiving contributions and making expenditures.  
37 For the purpose of this subsection: the offices of member of the  
38 Senate and members of the General Assembly shall be deemed to be  
39 the same elective public offices in a legislative district; the offices of  
40 member of the board of chosen freeholders and county executive shall  
41 be deemed to be the same elective public offices in a county; and the  
42 offices of mayor and member of the municipal governing body shall be  
43 deemed to be the same elective public offices in a municipality.

44 s. The term "legislative leadership committee" means a committee  
45 established, authorized to be established, or designated by the  
46 President of the Senate, the Minority Leader of the Senate, the

1 Speaker of the General Assembly or the Minority Leader of the  
2 General Assembly pursuant to section 16 of P.L.1993, c.65  
3 (C.19:44A-10.1) for the purpose of receiving contributions and  
4 making expenditures.

5 t. The term "testing candidate" means an individual who has  
6 accepted a contribution or made an expenditure of greater than \$300  
7 for the purpose of determining whether that individual should become  
8 a candidate as defined in paragraph (1) of subsection c. of this section.  
9 (cf: P.L.1995, c.194, s.1)

10

11 3. (New section) a. Not later than the 10th day after an individual  
12 becomes a testing candidate as defined in subsection t. of section 3 of  
13 P.L.1973, c.83 (C.19:44A-3), the individual shall:

14 (1) establish a testing candidate's committee, designate a treasurer  
15 and establish a depository account in any bank authorized by law to  
16 transact business in this State; and

17 (2) file with the Election Law Enforcement Commission a  
18 certificate of organization, on a form prescribed by the commission,  
19 identifying (a) the name of the depository account and the mailing  
20 address of the bank at which it is located, (b) the name and mailing  
21 address of the testing candidate, (c) the name and mailing address of  
22 the committee, (d) the names and mailing addresses of the treasurer,  
23 and, if any, the other principle members of the committee, and (e) the  
24 election year and type of election for which the testing candidate is  
25 considering whether to become a candidate.

26 b. The treasurer of a testing candidate's committee shall file with  
27 the commission, not later than January 15, April 15, July 15 and  
28 October 15 of each calendar year, a cumulative quarterly report, on a  
29 form prescribed by the commission, of all moneys, loans, paid personal  
30 services and other things of value contributed to, and of all  
31 expenditures by, the testing candidate or the committee or the  
32 treasurer of the testing candidate during the period ending on the 15th  
33 day preceding that filing date and beginning on the date the individual  
34 became a testing candidate. The form and content of the report  
35 prescribed by the commission shall conform as closely as practicable  
36 to that prescribed for reports pursuant to section 16 of P.L.1973, c.83  
37 (C.19:44A-16).

38 c. The treasurer of a testing candidate's committee shall keep a full  
39 record of all funds received and expenditures made by the testing  
40 candidate, or the committee or treasurer of the testing candidate.

41 d. Nothing in this section shall be construed to prescribe a  
42 minimum number of members for a testing candidate's committee.

43 e. Notwithstanding any provision of this section to the contrary,  
44 any committee formed by a testing candidate shall not be considered  
45 or treated as a candidate committee as defined in subsection q. of  
46 section 3 of P.L.1973, c.83 (C.19:44A-3), or considered or treated as

1 a joint candidates committee as defined in subsection r. of section 3 of  
2 P.L.1973, c.83 (C.19:44A-3), or as either term is used in P.L.1973,  
3 c.83 (C.19:44A-1 et seq.) and any amendments and supplements  
4 thereto.

5 f. All contributions accepted, and all expenditures made, by a  
6 testing candidate or the testing candidate's committee or treasurer shall  
7 be accepted and made, except as otherwise may be provided by this  
8 section, in accordance with the limitations, prohibitions and  
9 requirements imposed on candidates set forth in P.L.1973, c.83  
10 (C.19:44A-1 et seq.) and P.L.1974, c.26 (C.19:44A-27 et seq.), and  
11 any amendments and supplements thereto, to the maximum extent  
12 practicable as determined by the commission pursuant to such rules  
13 and regulations as it shall promulgate.

14 g. A testing candidate, and the committee and treasurer of such a  
15 candidate, shall be subject to the penalties for any of the offenses  
16 prescribed in sections 21 and 22 of P.L.1973, c.83 (C.19:44A-21 and  
17 22) or sections 15 and 16 of P.L.1974, c.26 (C.19:44A-40 and 41), as  
18 may be applicable given the provisions of this section.

19 h. (1)Whenever a testing candidate becomes a candidate as defined  
20 in paragraph (1) of section c. of P.L.1973, c.83 (C.19:44A-3), that  
21 individual shall thereafter file reports of all contributions received and  
22 expenditures made thereby with the commission on the schedule  
23 prescribed for candidates by section 16 of P.L.1973, c.83 (C.19:44A-  
24 16) and shall comply with all of the other provisions of P.L.1973, c.83  
25 (C.19:44A-1 et seq.) and P.L.1974, c.26 (C.19:44A-27 et seq.).

26 (2) Whenever an individual does not become a candidate, as  
27 defined in paragraph (1) of section c. of P.L.1973, c.83(C.19:44A-3),  
28 and ceases to receive contributions and make expenditures as a testing  
29 candidate, the individual shall so notify the commission in writing  
30 forthwith and no further reports after the filing of the report for the  
31 last quarter during which the individual was a testing candidate shall  
32 be required pursuant to subsection b. of this section.

33

34 4. Section 8 of P.L.1989 c.4 (C.19:44A-11.1) is repealed.

35

36 5. This act shall take effect on January 1 following enactment.

37

38

39

STATEMENT

40

41 The purpose of this bill is to require certain individuals who are  
42 contemplating becoming a candidate for public office to file reports  
43 with the Election Law Enforcement Commission (ELEC) and comply  
44 with the laws regarding contribution limitations currently applicable to  
45 declared candidates for public office.

46 Specifically, the bill defines any individual who has accepted a

1 contribution or made any expenditure of greater than \$300 for the  
2 purpose of determining whether to become a candidate for public  
3 office as a "testing candidate." Such individuals shall, not later than  
4 the 10th day after becoming a testing candidate,:

5 1) establish a testing candidate's committee, designate a treasurer  
6 and establish a depository account; and

7 2) file a certificate of organization with ELEC.

8 The treasurer of a testing candidate's committee will be required to  
9 file with ELEC, not later than January 15, April 15, July 15 and  
10 October 15 of each calendar year, a cumulative quarterly report of all  
11 moneys, loans, paid personal services and other things of value  
12 contributed to and the expenditures by the testing candidate, or the  
13 committee or treasurer of the testing candidate. In addition, The  
14 treasurer of the testing candidate's committee must keep a full record  
15 of all funds received and expenditures made by the testing candidate,  
16 or the committee or treasurer of the testing candidate.

17 Notwithstanding these provisions, any committee formed by a  
18 testing candidate would not be considered or treated as a candidate  
19 committee or as a joint candidates committee, as either term is used in  
20 "The New Jersey Campaign Contributions and Expenditures Reporting  
21 Act," P.L.1973, c.83 (C.19:44A-1 et seq.).

22 All contributions accepted and all expenditures made by a testing  
23 candidate or the committee or treasurer of such a candidate must  
24 comply with the limitations, prohibitions and restrictions imposed on  
25 candidates by P.L.1973, c.83 and P.L.1974, c.26 (C.19:44A-27 et  
26 seq.).

27 Under the bill, a testing candidate, and the committee and treasurer  
28 of such a candidate, shall be subject to the penalties for any of the  
29 offenses prescribed in P.L.1973, c.83 and P.L.1974, c.26.

30 The bill provides that whenever a testing candidate becomes a  
31 candidate, as defined pursuant to P.L.1973, c.83, that individual will  
32 thereafter file reports of all contributions received and expenditures  
33 made with ELEC on the schedule prescribed for candidates by statute  
34 and comply with all of the other provisions of P.L.1973, c.83 and  
35 P.L.1974, c.26. Whenever an individual does not becomes a candidate  
36 and ceases to receive contributions and make expenditures as a testing  
37 candidate, the individual must so notify the commission in writing  
38 forthwith and no further reports after filing of the report for the last  
39 quarter during which the individual was a testing candidate will be  
40 required.

41 Finally, the bill repeals section 8 of P.L.1989, c.4 (C.19:44A-11.1)  
42 which currently addresses the situation of individuals seeking to  
43 determine whether they should become candidates.

SENATE JUDICIARY COMMITTEE

STATEMENT TO

SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 1394**

**STATE OF NEW JERSEY**

DATED: JANUARY 21, 1999

The Senate Judiciary Committee reports favorably a Senate committee substitute for Senate Bill No. 1394.

This bill expands the definition of the term "candidate" as used in the "New Jersey Campaign Contributions and Expenditures Reporting Act", P.L.1973, c.83, (C.19:44A-1 et seq.) to include an individual who has received funds or other benefits or has made payments solely for the purpose of determining whether the individual should seek election to a public office of the State or of a county, municipality or school district. If enacted, the bill would require such a individual to comply with the limitations, prohibitions and requirements imposed on all candidates by the P.L.1973, c.83 and other relevant sections of the statutory law.

The bill also repeals N.J.S.A.19:44A-11.1 which presently deals with contributions and expenditures made by an individual seeking to determine whether to become a candidate for elected office.

SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 1394**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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ADOPTED JANUARY 21, 1999

**Sponsored by:**

**Senator WILLIAM E. SCHLUTER**

**District 23 (Warren, Hunterdon and Mercer)**

**Senator EDWARD T. O'CONNOR**

**District 31 (Hudson)**

**Co-Sponsored by:**

**Senators Inverso and Baer**

**SYNOPSIS**

Expands definition of candidate under "The New Jersey Campaign Contributions and Expenditures Reporting Act" to include individual considering whether to be candidate for public office.

**CURRENT VERSION OF TEXT**

Substitute as adopted by the Senate Judiciary Committee.



**(Sponsorship Updated As Of: 1/29/1999)**



1 **AN ACT** concerning certain individuals who are considering whether  
2 to be candidates for public office, amending P.L.1973, c.83 and  
3 repealing section 8 of P.L.1989, c.4.

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. The Legislature finds and declares that:

9 a. Accessible public disclosure of money and other things of value  
10 given to a candidate for public office by an individual, another  
11 candidate or a political committee has proven to be the most effective  
12 means of fostering public awareness of and reducing public skepticism  
13 about the current system of financing elections for public office;

14 b. However, under the current disclosure system, certain  
15 individuals who collect and spend money while considering whether to  
16 become a candidate for public office at a future election do not have  
17 to disclose anything about the money they raise or expend until they  
18 become a candidate;

19 c. The continuation of this practice undermines public confidence  
20 in the current system of financing elections for public office;

21 d. The State has a compelling interest in preventing the actuality  
22 or appearance of corruption and in protecting public confidence in  
23 democratic institutions by requiring an individual who is considering  
24 whether to be a candidate for office to comply with the same laws that  
25 apply to any candidate for public office; and

26 e. It is, therefore, reasonable for the State to promote these  
27 compelling interests by requiring an individual who acts like a  
28 candidate to comply with the current limitations, prohibitions and  
29 requirements on campaign contributions and the disclosure of the  
30 sources and amounts of contributions and expenditures.

31  
32 2. Section 3 of P.L.1973, c.83 (C.19:44A-3) is amended to read  
33 as follows:

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

36 a. (Deleted by amendment, P.L.1993, c.65.)

37 b. (Deleted by amendment, P.L.1993, c.65.)

38 c. The term "candidate" means: (1) an individual seeking election  
39 to a public office of the State or of a county, municipality or school  
40 district at an election; except that the term shall not include an  
41 individual seeking party office; **[and]** (2) an individual who shall have  
42 been elected or failed of election to an office, other than a party office,  
43 for which he sought election and who receives contributions and

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

**Matter underlined thus is new matter.**

1 makes expenditures for any of the purposes authorized by section 17  
2 of P.L.1993, c.65 (C.19:44A-11.2) during the period of his service in  
3 that office; and (3) an individual who has received funds or other  
4 benefits or has made payments solely for the purpose of determining  
5 whether the individual should become a candidate as defined in  
6 paragraph (1) and (2) of this subsection.

7 d. The terms "contributions" and "expenditures" include all loans  
8 and transfers of money or other thing of value to or by any candidate,  
9 candidate committee, joint candidates committee, political committee,  
10 continuing political committee, political party committee or legislative  
11 leadership committee and all pledges or other commitments or  
12 assumptions of liability to make any such transfer; and for purposes of  
13 reports required under the provisions of this act shall be deemed to  
14 have been made upon the date when such commitment is made or  
15 liability assumed.

16 e. The term "election" means any election described in section 4  
17 of this act.

18 f. The term "paid personal services" means personal, clerical,  
19 administrative or professional services of every kind and nature  
20 including, without limitation, public relations, research, legal,  
21 canvassing, telephone, speech writing or other such services,  
22 performed other than on a voluntary basis, the salary, cost or  
23 consideration for which is paid, borne or provided by someone other  
24 than the committee, candidate or organization for whom such services  
25 are rendered. In determining the value, for the purpose of reports  
26 required under this act, of contributions made in the form of paid  
27 personal services, the person contributing such services shall furnish  
28 to the treasurer through whom such contribution is made a statement  
29 setting forth the actual amount of compensation paid by said  
30 contributor to the individuals actually performing said services for the  
31 performance thereof. But if any individual or individuals actually  
32 performing such services also performed for the contributor other  
33 services during the same period, and the manner of payment was such  
34 that payment for the services contributed cannot readily be segregated  
35 from contemporary payment for the other services, the contributor  
36 shall in his statement to the treasurer so state and shall either (1) set  
37 forth his best estimate of the dollar amount of payment to each such  
38 individual which is attributable to the contribution of his paid personal  
39 services, and shall certify the substantial accuracy of the same, or (2)  
40 if unable to determine such amount with sufficient accuracy, set forth  
41 the total compensation paid by him to each such individual for the  
42 period of time during which the services contributed by him were  
43 performed. If any candidate is a holder of public office to whom there  
44 is attached or assigned, by virtue of said office, any aide or aides  
45 whose services are of a personal or confidential nature in assisting him  
46 to carry out the duties of said office, and whose salary or other

1 compensation is paid in whole or part out of public funds, the services  
2 of such aide or aides which are paid for out of public funds shall be for  
3 public purposes only; but they may contribute their personal services,  
4 on a voluntary basis, to such candidate for election campaign  
5 purposes.

6 g. (Deleted by amendment, P.L.1983, c.579.)

7 h. The term "political information" means any statement including,  
8 but not limited to, press releases, pamphlets, newsletters,  
9 advertisements, flyers, form letters, or radio or television programs or  
10 advertisements which reflects the opinion of the members of the  
11 organization on any candidate or candidates for public office, on any  
12 public question, or which contains facts on any such candidate, or  
13 public question whether or not such facts are within the personal  
14 knowledge of members of the organization.

15 i. The term "political committee" means any two or more persons  
16 acting jointly, or any corporation, partnership, or any other  
17 incorporated or unincorporated association which is organized to, or  
18 does, aid or promote the nomination, election or defeat of any  
19 candidate or candidates for public office, or which is organized to, or  
20 does, aid or promote the passage or defeat of a public question in any  
21 election, if the persons, corporation, partnership or incorporated or  
22 unincorporated association raises or expends \$1,000.00 or more to so  
23 aid or promote the nomination, election or defeat of a candidate or  
24 candidates or the passage or defeat of a public question; provided that  
25 for the purposes of this act, the term "political committee" shall not  
26 include a "continuing political committee," as defined by subsection n.  
27 of this section, a "political party committee," as defined by subsection  
28 p. of this section, a "candidate committee," as defined by subsection  
29 q. of this section, a "joint candidates committee," as defined by  
30 subsection r. of this section or a "legislative leadership committee," as  
31 defined by subsection s. of this section.

32 j. The term "public solicitation" means any activity by or on behalf  
33 of any candidate, political committee, continuing political committee,  
34 candidate committee, joint candidates committee, legislative leadership  
35 committee or political party committee whereby either (1) members of  
36 the general public are personally solicited for cash contributions not  
37 exceeding \$20.00 from each person so solicited and contributed on the  
38 spot by the person so solicited to a person soliciting or through a  
39 receptacle provided for the purpose of depositing contributions, or (2)  
40 members of the general public are personally solicited for the purchase  
41 of items having some tangible value as merchandise, at a price not  
42 exceeding \$20.00 per item, which price is paid on the spot in cash by  
43 the person so solicited to the person so soliciting, when the net  
44 proceeds of such solicitation are to be used by or on behalf of such  
45 candidate, political committee, continuing political committee,  
46 candidate committee, joint candidates committee, legislative leadership

1 committee or political party committee.

2 k. The term "testimonial affair" means an affair of any kind or  
3 nature including, without limitation, cocktail parties, breakfasts,  
4 luncheons, dinners, dances, picnics or similar affairs directly or  
5 indirectly intended to raise campaign funds in behalf of a person who  
6 holds, or who is or was a candidate for nomination or election to a  
7 public office in this State, or directly or indirectly intended to raise  
8 funds in behalf of any political party committee or in behalf of a  
9 political committee, continuing political committee, candidate  
10 committee, joint candidates committee or legislative leadership  
11 committee.

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

15 m. The term "qualified candidate" means:

16 (1) Any candidate for election to the office of Governor whose  
17 name appears on the general election ballot; who has deposited and  
18 expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26  
19 (C.19:44A-32); and who, not later than September 1 preceding a  
20 general election in which the office of Governor is to be filled, (a)  
21 notifies the Election Law Enforcement Commission in writing that the  
22 candidate intends that application will be made on the candidate's  
23 behalf for monies for general election campaign expenses under  
24 subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b)  
25 signs a statement of agreement, in a form to be prescribed by the  
26 commission, to participate in two interactive gubernatorial election  
27 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
28 (C.19:44A-45 through C.19:44A-47); or

29 (2) Any candidate for election to the office of Governor whose  
30 name does not appear on the general election ballot; who has  
31 deposited and expended \$150,000.00 pursuant to section 7 of  
32 P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1  
33 preceding a general election in which the office of Governor is to be  
34 filled, (a) notifies the Election Law Enforcement Commission in  
35 writing that the candidate intends that application will be made on the  
36 candidate's behalf for monies for general election campaign expenses  
37 under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
38 (b) signs a statement of agreement, in a form to be prescribed by the  
39 commission, to participate in two interactive gubernatorial election  
40 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
41 (C.19:44A-45 through C.19:44A-47); or

42 (3) Any candidate for nomination for election to the office of  
43 Governor whose name appears on the primary election ballot; who has  
44 deposited and expended \$150,000.00 pursuant to section 7 of  
45 P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for  
46 filing petitions to nominate candidates to be voted upon in a primary

1 election for a general election in which the office of Governor is to be  
2 filled, (a) notifies the Election Law Enforcement Commission in  
3 writing that the candidate intends that application will be made on the  
4 candidate's behalf for monies for primary election campaign expenses  
5 under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
6 (b) signs a statement of agreement, in a form to be prescribed by the  
7 commission, to participate in two interactive gubernatorial primary  
8 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
9 (C.19:44A-45 through C.19:44A-47); or

10 (4) Any candidate for nomination for election to the office of  
11 Governor whose name does not appear on the primary election ballot;  
12 who has deposited and expended \$150,000.00 pursuant to section 7  
13 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day  
14 for filing petitions to nominate candidates to be voted upon in a  
15 primary election for a general election in which the office of Governor  
16 is to be filled, (a) notifies the Election Law Enforcement Commission  
17 in writing that the candidate intends that application will be made on  
18 the candidate's behalf for monies for primary election campaign  
19 expenses under subsection a. of section 8 of P.L.1974, c.26  
20 (C.19:44A-33), and (b) signs a statement of agreement, in a form to  
21 be prescribed by the commission, to participate in two interactive  
22 gubernatorial primary debates under the provisions of sections 9  
23 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47).

24 n. The term "continuing political committee" means any group of  
25 two or more persons acting jointly, or any corporation, partnership, or  
26 any other incorporated or unincorporated association, including a  
27 political club, political action committee, civic association or other  
28 organization, which in any calendar year contributes or expects to  
29 contribute at least \$2,500.00 to the aid or promotion of the candidacy  
30 of an individual, or of the candidacies of individuals, for elective public  
31 office, or the passage or defeat of a public question or public  
32 questions, and which may be expected to make contributions toward  
33 such aid or promotion or passage or defeat during a subsequent  
34 election, provided that the group, corporation, partnership, association  
35 or other organization has been determined to be a continuing political  
36 committee under subsection b. of section 8 of P.L.1973, c.83  
37 (C.19:44A-8); provided that for the purposes of this act, the term  
38 "continuing political committee" shall not include a "political party  
39 committee," as defined by subsection p. of this section, or a  
40 "legislative leadership committee," as defined by subsection s. of this  
41 section.

42 o. The term "statement of agreement" means a written declaration,  
43 by a candidate for nomination for election or for election to the office  
44 of Governor who intends that application will be made on that  
45 candidate's behalf to receive monies for primary election or general  
46 election campaign expenses under subsection a. or subsection b.,

1 respectively, of section 8 of P.L.1974, c.26 (C.19:44A-33), that the  
2 candidate undertakes to abide by the terms of any rules established by  
3 any private organization sponsoring a gubernatorial primary or general  
4 election debate, as appropriate, to be held under the provisions of  
5 sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through  
6 C.19:44A-47) and in which the candidate is to participate. The  
7 statement of agreement shall include an acknowledgment of notice to  
8 the candidate who signs it that failure on that candidate's part to  
9 participate in any of the gubernatorial debates may be cause for the  
10 termination of the payment of such monies on the candidate's behalf  
11 and for the imposition of liability for the return to the commission of  
12 such monies as may previously have been so paid.

13 p. The term "political party committee" means the State committee  
14 of a political party, as organized pursuant to R.S.19:5-4, any county  
15 committee of a political party, as organized pursuant to R.S.19:5-3, or  
16 any municipal committee of a political party, as organized pursuant to  
17 R.S.19:5-2.

18 q. The term "candidate committee" means a committee established  
19 pursuant to subsection a. of section 9 of P.L.1973, c.83 (C.19:44A-9)  
20 for the purpose of receiving contributions and making expenditures.

21 r. The term "joint candidates committee" means a committee  
22 established pursuant to subsection a. of section 9 of P.L.1973, c.83  
23 (C.19:44A-9) by at least two candidates for the same elective public  
24 offices in the same election in a legislative district, county, municipality  
25 or school district, but not more candidates than the total number of the  
26 same elective public offices to be filled in that election, for the purpose  
27 of receiving contributions and making expenditures. For the purpose of  
28 this subsection: the offices of member of the Senate and members of the  
29 General Assembly shall be deemed to be the same elective public offices  
30 in a legislative district; the offices of member of the board of chosen  
31 freeholders and county executive shall be deemed to be the same elective  
32 public offices in a county; and the offices of mayor and member of the  
33 municipal governing body shall be deemed to be the same elective public  
34 offices in a municipality.

35 s. The term "legislative leadership committee" means a committee  
36 established, authorized to be established, or designated by the President  
37 of the Senate, the Minority Leader of the Senate, the Speaker of the  
38 General Assembly or the Minority Leader of the General Assembly  
39 pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose  
40 of receiving contributions and making expenditures.

41 (cf: P.L.1995, c.194, s.1)

42

43 3. Section 8 of P.L.1989, c.4 (C.19:44A-11.1) is repealed.

44

45 4. This act shall take effect on the quarterly reporting date next  
46 following enactment which is at least 30 days after enactment.

**SENATE, No. 1394**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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INTRODUCED SEPTEMBER 28, 1998

**Sponsored by:**

**Senator WILLIAM E. SCHLUTER**  
**District 23 (Warren, Hunterdon and Mercer)**  
**Senator EDWARD T. O'CONNOR**  
**District 31 (Hudson)**

**SYNOPSIS**

Requires compliance with campaign contribution and reporting requirements by certain individuals considering candidacies for public office.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning certain individuals considering candidacies for  
2 public office, amending and supplementing P.L.1973, c.83  
3 (C.19:44A-1 et seq.) and repealing section 8 of P.L.1989, c.4.  
4

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

7  
8 1. The Legislature finds and declares that:

9 a. Accessible public disclosure of money and other things of value  
10 given to a candidate for public office by an individual, another  
11 candidate or a political committee has proven to be the most effective  
12 means of fostering public awareness of, and reducing public skepticism  
13 about, the current system of financing elections for public office;

14 b. However, under the current disclosure system, certain individuals  
15 who collect and spend money and accept pledges of money and other  
16 thing of value while considering whether to become a candidate for  
17 public office at a future election do not have to disclose anything  
18 about the money they raise or expend until they become a candidate;

19 c. The continuation of this practice undermines public confidence  
20 in the current system of requiring public disclosure of and monitoring  
21 the financing of elections for public office;

22 d. The State has a compelling interest in preventing the actuality or  
23 appearance of corruption and in protecting public confidence in  
24 democratic institutions by requiring an individual who is considering  
25 whether to be a candidate for office to comply with the same laws that  
26 apply to a candidate for public office; and

27 e. It is, therefore, reasonable for the State to promote these  
28 compelling interests by requiring an individual who acts like a  
29 candidate but has not yet declared the individual's candidacy for a  
30 public office to comply with the current limitations, prohibitions and  
31 requirements on campaign contributions and the disclosure of the  
32 sources and amounts of contributions and expenditures before  
33 becoming a candidate.  
34

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

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

39 a. (Deleted by amendment, P.L.1993, c.65.)

40 b. (Deleted by amendment, P.L.1993, c.65.)

41 c. The term "candidate" means: (1) an individual seeking election  
42 to a public office of the State or of a county, municipality or school  
43 district at an election; except that the term shall not include an

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

**Matter underlined thus is new matter.**



1 individual seeking party office; and (2) an individual who shall have  
2 been elected or failed of election to an office, other than a party office,  
3 for which he sought election and who receives contributions and  
4 makes expenditures for any of the purposes authorized by section 17  
5 of P.L.1993, c.65 (C.19:44A-11.2) during the period of his service in  
6 that office.

7 d. The terms "contributions" and "expenditures" include all loans  
8 and transfers of money or other thing of value to or by any candidate,  
9 candidate committee, joint candidates committee, political committee,  
10 continuing political committee, political party committee or legislative  
11 leadership committee and all pledges or other commitments or  
12 assumptions of liability to make any such transfer; and for purposes of  
13 reports required under the provisions of this act shall be deemed to  
14 have been made upon the date when such commitment is made or  
15 liability assumed.

16 e. The term "election" means any election described in section 4  
17 of this act.

18 f. The term "paid personal services" means personal, clerical,  
19 administrative or professional services of every kind and nature  
20 including, without limitation, public relations, research, legal,  
21 canvassing, telephone, speech writing or other such services,  
22 performed other than on a voluntary basis, the salary, cost or  
23 consideration for which is paid, borne or provided by someone other  
24 than the committee, candidate or organization for whom such services  
25 are rendered. In determining the value, for the purpose of reports  
26 required under this act, of contributions made in the form of paid  
27 personal services, the person contributing such services shall furnish  
28 to the treasurer through whom such contribution is made a statement  
29 setting forth the actual amount of compensation paid by said  
30 contributor to the individuals actually performing said services for the  
31 performance thereof. But if any individual or individuals actually  
32 performing such services also performed for the contributor other  
33 services during the same period, and the manner of payment was such  
34 that payment for the services contributed cannot readily be segregated  
35 from contemporary payment for the other services, the contributor  
36 shall in his statement to the treasurer so state and shall either (1) set  
37 forth his best estimate of the dollar amount of payment to each such  
38 individual which is attributable to the contribution of his paid personal  
39 services, and shall certify the substantial accuracy of the same, or (2)  
40 if unable to determine such amount with sufficient accuracy, set forth  
41 the total compensation paid by him to each such individual for the  
42 period of time during which the services contributed by him were  
43 performed. If any candidate is a holder of public office to whom there  
44 is attached or assigned, by virtue of said office, any aide or aides  
45 whose services are of a personal or confidential nature in assisting him  
46 to carry out the duties of said office, and whose salary or other

1 compensation is paid in whole or part out of public funds, the services  
2 of such aide or aides which are paid for out of public funds shall be for  
3 public purposes only; but they may contribute their personal services,  
4 on a voluntary basis, to such candidate for election campaign  
5 purposes.

6 g. (Deleted by amendment, P.L.1983, c.579.)

7 h. The term "political information" means any statement including,  
8 but not limited to, press releases, pamphlets, newsletters,  
9 advertisements, flyers, form letters, or radio or television programs or  
10 advertisements which reflects the opinion of the members of the  
11 organization on any candidate or candidates for public office, on any  
12 public question, or which contains facts on any such candidate, or  
13 public question whether or not such facts are within the personal  
14 knowledge of members of the organization.

15 i. The term "political committee" means any two or more persons  
16 acting jointly, or any corporation, partnership, or any other  
17 incorporated or unincorporated association which is organized to, or  
18 does, aid or promote the nomination, election or defeat of any  
19 candidate or candidates for public office, or which is organized to, or  
20 does, aid or promote the passage or defeat of a public question in any  
21 election, if the persons, corporation, partnership or incorporated or  
22 unincorporated association raises or expends \$1,000.00 or more to so  
23 aid or promote the nomination, election or defeat of a candidate or  
24 candidates or the passage or defeat of a public question; provided that  
25 for the purposes of this act, the term "political committee" shall not  
26 include a "continuing political committee," as defined by subsection n.  
27 of this section, a "political party committee," as defined by subsection  
28 p. of this section, a "candidate committee," as defined by subsection  
29 q. of this section, a "joint candidates committee," as defined by  
30 subsection r. of this section or a "legislative leadership committee," as  
31 defined by subsection s. of this section.

32 j. The term "public solicitation" means any activity by or on  
33 behalf of any candidate, political committee, continuing political  
34 committee, candidate committee, joint candidates committee,  
35 legislative leadership committee or political party committee whereby  
36 either (1) members of the general public are personally solicited for  
37 cash contributions not exceeding \$20.00 from each person so solicited  
38 and contributed on the spot by the person so solicited to a person  
39 soliciting or through a receptacle provided for the purpose of  
40 depositing contributions, or (2) members of the general public are  
41 personally solicited for the purchase of items having some tangible  
42 value as merchandise, at a price not exceeding \$20.00 per item, which  
43 price is paid on the spot in cash by the person so solicited to the  
44 person so soliciting, when the net proceeds of such solicitation are to  
45 be used by or on behalf of such candidate, political committee,  
46 continuing political committee, candidate committee, joint candidates

1 committee, legislative leadership committee or political party  
2 committee.

3 k. The term "testimonial affair" means an affair of any kind or  
4 nature including, without limitation, cocktail parties, breakfasts,  
5 luncheons, dinners, dances, picnics or similar affairs directly or  
6 indirectly intended to raise campaign funds in behalf of a person who  
7 holds, or who is or was a candidate for nomination or election to a  
8 public office in this State, or directly or indirectly intended to raise  
9 funds in behalf of any political party committee or in behalf of a  
10 political committee, continuing political committee, candidate  
11 committee, joint candidates committee or legislative leadership  
12 committee.

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

16 m. The term "qualified candidate" means:

17 (1) Any candidate for election to the office of Governor whose  
18 name appears on the general election ballot; who has deposited and  
19 expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26  
20 (C.19:44A-32); and who, not later than September 1 preceding a  
21 general election in which the office of Governor is to be filled, (a)  
22 notifies the Election Law Enforcement Commission in writing that the  
23 candidate intends that application will be made on the candidate's  
24 behalf for monies for general election campaign expenses under  
25 subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b)  
26 signs a statement of agreement, in a form to be prescribed by the  
27 commission, to participate in two interactive gubernatorial election  
28 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
29 (C.19:44A-45 through C.19:44A-47); or

30 (2) Any candidate for election to the office of Governor whose  
31 name does not appear on the general election ballot; who has  
32 deposited and expended \$150,000.00 pursuant to section 7 of  
33 P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1  
34 preceding a general election in which the office of Governor is to be  
35 filled, (a) notifies the Election Law Enforcement Commission in  
36 writing that the candidate intends that application will be made on the  
37 candidate's behalf for monies for general election campaign expenses  
38 under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
39 (b) signs a statement of agreement, in a form to be prescribed by the  
40 commission, to participate in two interactive gubernatorial election  
41 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
42 (C.19:44A-45 through C.19:44A-47); or

43 (3) Any candidate for nomination for election to the office of  
44 Governor whose name appears on the primary election ballot; who has  
45 deposited and expended \$150,000.00 pursuant to section 7 of  
46 P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for

1 filing petitions to nominate candidates to be voted upon in a primary  
2 election for a general election in which the office of Governor is to be  
3 filled, (a) notifies the Election Law Enforcement Commission in  
4 writing that the candidate intends that application will be made on the  
5 candidate's behalf for monies for primary election campaign expenses  
6 under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and  
7 (b) signs a statement of agreement, in a form to be prescribed by the  
8 commission, to participate in two interactive gubernatorial primary  
9 debates under the provisions of sections 9 through 11 of P.L.1989, c.4  
10 (C.19:44A-45 through C.19:44A-47); or

11 (4) Any candidate for nomination for election to the office of  
12 Governor whose name does not appear on the primary election ballot;  
13 who has deposited and expended \$150,000.00 pursuant to section 7  
14 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day  
15 for filing petitions to nominate candidates to be voted upon in a  
16 primary election for a general election in which the office of Governor  
17 is to be filled, (a) notifies the Election Law Enforcement Commission  
18 in writing that the candidate intends that application will be made on  
19 the candidate's behalf for monies for primary election campaign  
20 expenses under subsection a. of section 8 of P.L.1974, c.26  
21 (C.19:44A-33), and (b) signs a statement of agreement, in a form to  
22 be prescribed by the commission, to participate in two interactive  
23 gubernatorial primary debates under the provisions of sections 9  
24 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47).

25 n. The term "continuing political committee" means any group of  
26 two or more persons acting jointly, or any corporation, partnership, or  
27 any other incorporated or unincorporated association, including a  
28 political club, political action committee, civic association or other  
29 organization, which in any calendar year contributes or expects to  
30 contribute at least \$2,500.00 to the aid or promotion of the candidacy  
31 of an individual, or of the candidacies of individuals, for elective public  
32 office, or the passage or defeat of a public question or public  
33 questions, and which may be expected to make contributions toward  
34 such aid or promotion or passage or defeat during a subsequent  
35 election, provided that the group, corporation, partnership, association  
36 or other organization has been determined to be a continuing political  
37 committee under subsection b. of section 8 of P.L.1973, c.83  
38 (C.19:44A-8); provided that for the purposes of this act, the term  
39 "continuing political committee" shall not include a "political party  
40 committee," as defined by subsection p. of this section, or a  
41 "legislative leadership committee," as defined by subsection s. of this  
42 section.

43 o. The term "statement of agreement" means a written  
44 declaration, by a candidate for nomination for election or for election  
45 to the office of Governor who intends that application will be made on  
46 that candidate's behalf to receive monies for primary election or

1 general election campaign expenses under subsection a. or subsection  
2 b., respectively, of section 8 of P.L.1974, c.26 (C.19:44A-33), that the  
3 candidate undertakes to abide by the terms of any rules established by  
4 any private organization sponsoring a gubernatorial primary or general  
5 election debate, as appropriate, to be held under the provisions of  
6 sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through  
7 C.19:44A-47) and in which the candidate is to participate. The  
8 statement of agreement shall include an acknowledgment of notice to  
9 the candidate who signs it that failure on that candidate's part to  
10 participate in any of the gubernatorial debates may be cause for the  
11 termination of the payment of such monies on the candidate's behalf  
12 and for the imposition of liability for the return to the commission of  
13 such monies as may previously have been so paid.

14 p. The term "political party committee" means the State  
15 committee of a political party, as organized pursuant to R.S.19:5-4,  
16 any county committee of a political party, as organized pursuant to  
17 R.S.19:5-3, or any municipal committee of a political party, as  
18 organized pursuant to R.S.19:5-2.

19 q. The term "candidate committee" means a committee established  
20 pursuant to subsection a. of section 9 of P.L.1973, c.83 (C.19:44A-9)  
21 for the purpose of receiving contributions and making expenditures.

22 r. The term "joint candidates committee" means a committee  
23 established pursuant to subsection a. of section 9 of P.L.1973, c.83  
24 (C.19:44A-9) by at least two candidates for the same elective public  
25 offices in the same election in a legislative district, county,  
26 municipality or school district, but not more candidates than the total  
27 number of the same elective public offices to be filled in that election,  
28 for the purpose of receiving contributions and making expenditures.  
29 For the purpose of this subsection: the offices of member of the  
30 Senate and members of the General Assembly shall be deemed to be  
31 the same elective public offices in a legislative district; the offices of  
32 member of the board of chosen freeholders and county executive shall  
33 be deemed to be the same elective public offices in a county; and the  
34 offices of mayor and member of the municipal governing body shall be  
35 deemed to be the same elective public offices in a municipality.

36 s. The term "legislative leadership committee" means a committee  
37 established, authorized to be established, or designated by the  
38 President of the Senate, the Minority Leader of the Senate, the  
39 Speaker of the General Assembly or the Minority Leader of the  
40 General Assembly pursuant to section 16 of P.L.1993, c.65  
41 (C.19:44A-10.1) for the purpose of receiving contributions and  
42 making expenditures.

43 t. The term "testing candidate" means an individual who, for the  
44 purpose of determining whether that individual should become a  
45 candidate as defined in paragraph (1) of subsection c. of this section,  
46 has accepted: (1) contributions in excess of \$2,400 in the aggregate or

1 who has made any expenditures in excess of \$2,400 in the aggregate;  
2 (2) any individual contribution or made any individual expenditure in  
3 excess of \$300; (3) pledges of money or other thing of value in excess  
4 of \$2,400 in the aggregate; or (4) any individual pledge of money or  
5 other thing of value in excess of \$300.

6 (cf: P.L.1995, c.194, s.1)

7

8 3. (New section) a. Not later than the 10th day after an individual  
9 becomes a testing candidate as defined in subsection t. of section 3 of  
10 P.L.1973, c.83 (C.19:44A-3), the individual shall:

11 (1) establish a testing candidate's committee, designate a treasurer  
12 and establish a depository account in any bank authorized by law to  
13 transact business in this State; and

14 (2) file with the Election Law Enforcement Commission a  
15 certificate of organization, on a form prescribed by the commission,  
16 identifying (a) the name of the depository account and the mailing  
17 address of the bank at which it is located, (b) the name and mailing  
18 address of the testing candidate, (c) the name and mailing address of  
19 the committee, (d) the names and mailing addresses of the treasurer,  
20 and, if any, the other principal members of the committee, and (e) the  
21 election year and type of election for which the testing candidate is  
22 considering whether to become a candidate.

23 b. The treasurer of a testing candidate's committee shall file with  
24 the commission, not later than January 15, April 15, July 15 and  
25 October 15 of each calendar year, a cumulative quarterly report, on a  
26 form prescribed by the commission, of all moneys, loans, paid personal  
27 services and other thing of value contributed to, all expenditures by,  
28 and all pledges of money and other thing of value accepted by, the  
29 testing candidate or the committee or the treasurer of the testing  
30 candidate during the period ending on the 15th day preceding that  
31 filing date and beginning on the date the individual became a testing  
32 candidate. The form and content of the report prescribed by the  
33 commission shall conform closely to that prescribed for reports  
34 pursuant to section 16 of P.L.1973, c.83 (C.19:44A-16). The  
35 treasurer shall certify to the correctness of each cumulative report  
36 required to be filed under this subsection.

37 c. The treasurer of a testing candidate's committee shall keep a full  
38 record of all funds and pledges received and expenditures made by the  
39 testing candidate, or the committee or treasurer of the testing  
40 candidate.

41 d. Nothing in this section shall be construed to prescribe a  
42 minimum number of members for a testing candidate's committee.

43 e. Notwithstanding any provision of this section to the contrary,  
44 any committee formed by a testing candidate shall not be considered  
45 or treated as a candidate committee as defined in subsection q. of  
46 section 3 of P.L.1973, c.83 (C.19:44A-3), or considered or treated as

1 a joint candidates committee as defined in subsection r. of section 3 of  
2 P.L.1973, c.83 (C.19:44A-3), or as either term is used in P.L.1973,  
3 c.83 (C.19:44A-1 et seq.) and any amendments and supplements  
4 thereto.

5 f. All contributions accepted, and all expenditures made, by a  
6 testing candidate or the testing candidate's committee or treasurer shall  
7 be accepted and made, except as otherwise may be provided by this  
8 section, in accordance with the limitations, prohibitions and  
9 requirements imposed on candidates set forth in P.L.1973, c.83  
10 (C.19:44A-1 et seq.), P.L.1974, c.26 (C.19:44A-27 et seq.),  
11 R.S.19:34-34 and R.S.19:34-45, and any amendments and supplements  
12 thereto, as determined by the commission pursuant to such rules and  
13 regulations as it shall promulgate.

14 g. A testing candidate, and the committee and treasurer of such a  
15 candidate, shall be subject to the penalties for any of the offenses  
16 prescribed in sections 21 and 22 of P.L.1973, c.83 (C.19:44A-21 and  
17 22) or sections 15 and 16 of P.L.1974, c.26 (C.19:44A-40 and 41), as  
18 may be applicable given the provisions of this section.

19 h. (1)Whenever a testing candidate becomes a candidate as defined  
20 in paragraph (1) of section c. of P.L.1973, c.83 (C.19:44A-3), that  
21 individual shall file the reports of all contributions received and  
22 expenditures made thereby with the commission on the schedule  
23 prescribed for candidates by section 16 of P.L.1973, c.83 (C.19:44A-  
24 16), exclusive of those reports already filed as a testing candidate, and  
25 shall comply with all of the other provisions of P.L.1973, c.83  
26 (C.19:44A-1 et seq.), P.L.1974, c.26 (C.19:44A-27 et seq.),  
27 R.S.19:34-34 and R.S.19:34-45.

28 (2) Whenever an individual does not become a candidate, as  
29 defined in paragraph (1) of section c. of P.L.1973, c.83(C.19:44A-3),  
30 and ceases to receive contributions and pledges and make expenditures  
31 as a testing candidate, the treasurer shall continue to file the quarterly  
32 reports required under subsection b. of this section until the depository  
33 account established by the testing candidate has been closed and the  
34 funds therein distributed in accordance with the provisions of section  
35 17 of P.L.1993, c.65 (C.19:44A-11.2). The treasurer shall certify the  
36 correctness of a final accounting, and provide a description of the  
37 disposition of the funds remaining in the account at the time of its  
38 closing.

39 i. The provisions of this section shall not apply to any candidate  
40 who has established and is maintaining a candidate committee or a  
41 joint candidates committee pursuant to section 9 of P.L.1973, c.83  
42 (C.19:44A-9).

43

44 4. Section 8 of P.L.1989 c.4 (C.19:44A-11.1) is repealed.

45

46 5. This act shall take effect on January 1 following enactment.

STATEMENT

1  
2  
3 The purpose of this bill is to require certain individuals who are  
4 contemplating becoming a candidate for public office to file reports  
5 with the Election Law Enforcement Commission (ELEC) and comply  
6 with the laws regarding contribution limitations currently applicable to  
7 candidates for public office.

8 Specifically, the bill defines as a "testing candidate" any individual  
9 who, for the purpose of determining whether that individual should  
10 become a candidate, has accepted: 1) contributions in excess of \$2,400  
11 in the aggregate or who has made any expenditures in excess of  
12 \$2,400 in the aggregate; 2) any individual contribution or made any  
13 individual expenditure in excess of \$300; 3) pledges of money or other  
14 thing of value in excess of \$2,400 in the aggregate; or 4) any  
15 individual pledge of money or other thing of value in excess of \$300.  
16 Such an individual shall, not later than the 10th day after becoming a  
17 testing candidate,:

18 1) establish a testing candidate's committee, designate a treasurer  
19 and establish a depository account; and

20 2) file a certificate of organization with ELEC.

21 The treasurer of a testing candidate's committee will be required to  
22 file with ELEC, not later than January 15, April 15, July 15 and  
23 October 15 of each calendar year, a cumulative quarterly report of all  
24 moneys, loans, paid personal services and other thing of value  
25 contributed to, expenditures by, and pledges of money and other thing  
26 of value accepted by the testing candidate, or the committee or  
27 treasurer of the testing candidate. In addition, The treasurer of the  
28 testing candidate's committee must keep a full record of all funds and  
29 pledges accepted and expenditures made by the testing candidate, or  
30 the committee or treasurer of the testing candidate.

31 Notwithstanding these provisions, any committee formed by a  
32 testing candidate would not be considered or treated as a candidate  
33 committee or as a joint candidates committee, as either term is used in  
34 "The New Jersey Campaign Contributions and Expenditures Reporting  
35 Act," P.L.1973, c.83 (C.19:44A-1 et seq.).

36 All contributions accepted and all expenditures made by a testing  
37 candidate or the committee or treasurer of such a candidate must  
38 comply with the limitations, prohibitions and restrictions imposed on  
39 candidates by P.L.1973, c.83, P.L.1974, c.26 (C.19:44A-27 et seq.),  
40 R.S.19:34-34 and R.S.19:34-45.

41 Under the bill, a testing candidate, and the committee and treasurer  
42 of such a candidate, shall be subject to the penalties for any of the  
43 offenses prescribed in P.L.1973, c.83 and P.L.1974, c.26.

44 The bill provides that whenever a testing candidate becomes a  
45 candidate, as defined pursuant to P.L.1973, c.83, that individual will  
46 file reports of all contributions received and expenditures made with



1 ELEC on the schedule prescribed for candidates by statute, exclusive  
2 of those reports already filed as a testing candidate, and comply with  
3 all of the other provisions of P.L.1973, c.83 and P.L.1974, c.26.  
4 Whenever an individual does not becomes a candidate and ceases to  
5 receive contributions and pledges and make expenditures as a testing  
6 candidate, the treasurer shall continue to file the quarterly reports  
7 required under the bill until the depository account established by the  
8 testing candidate has been closed and the funds therein distributed in  
9 accordance with the provisions of section 17 of P.L.1993, c.65  
10 (C.19:44A-11.2).

11 However the bill, would not apply to any candidate who has  
12 established and is maintaining a candidate committee or a joint  
13 candidates committee pursuant to section 9 of P.L.1973, c.83  
14 (C.19:44A-9).

15 Finally, the bill repeals section 8 of P.L.1989, c.4 (C.19:44A-11.1)  
16 which currently addresses the situation of individuals seeking to  
17 determine whether they should become candidates.

*Office of the Governor*  
**NEWS RELEASE**

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RELEASE: April 13, 1999

Gov. Christie Whitman today signed the following pieces of legislation:

**A-2370**, sponsored by Assembly Members George F. Geist (R- Camden/Gloucester) and Leonard Lance (R-Warren/Hunterdon/Mercer) and Senators William E. Schluter (R-Warren/ Hunterdon /Mercer) and Edward T. O'Connor, Jr. (D-Hudson), expands the definition of a candidate under the New Jersey Campaign Contributions and Expenditures Reporting Act to include an individual considering whether to be a candidate for public office. The bill requires persons who are "testing the waters" for candidacy for public office to file reports with the ELEC???like officially declared candidates. The bill eliminates exploratory committees typically used by candidates for governor or other offices to examine their prospects before formally opening a campaign. Under previous law, candidates were not required to reveal the amount or source of contributions to an exploratory committee.

**S-175**, sponsored by Senator John O. Bennett (R-Monmouth), authorizes the director of the Division of Motor Vehicles to issue special license plates to recipients of the Navy Cross, a decoration awarded by the United States Navy for exceptional heroism in action. The special license plants will bear the word "Navy Cross" and depict the Navy Cross emblem. In addition to fees otherwise prescribed by law for the registration of motor vehicles, there will be a \$15 fee for the cost of producing and issuing the special license plates.