

# 19:44A-19.2

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2004                    **CHAPTER:** 29

**NJSA:** 19:44A-19.2    (Registration of professional campaign fund raisers)

**BILL NO:** A6                    (Substituted for S6)

**SPONSOR(S):** Gusciora and others

**DATE INTRODUCED:** May 17, 2004

**COMMITTEE:**            **ASSEMBLY:** State Government

**SENATE:**                ---

**AMENDED DURING PASSAGE:** No

**DATE OF PASSAGE:**            **ASSEMBLY:** May 24, 2004

**SENATE:** June 10, 2004

**DATE OF APPROVAL:** June 16, 2004

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

[FINAL TEXT OF BILL](#) Original version of bill enacted

**A6**

**[SPONSOR'S STATEMENT:](#)** (Begins on page 4 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**                    **[ASSEMBLY:](#)** [Yes](#)

**SENATE:** No

**FLOOR AMENDMENT STATEMENT:** No

**[LEGISLATIVE FISCAL ESTIMATE:](#)** [Yes](#)

**S6**

**[SPONSOR'S STATEMENT:](#)** (Begins on page 4 of original bill) [Yes](#)

Bill and Sponsors Statement identical to A6

**COMMITTEE STATEMENT:**                    **ASSEMBLY:** No

**[SENATE:](#)** [Yes](#)

**FLOOR AMENDMENT STATEMENT:** No

**[LEGISLATIVE FISCAL ESTIMATE:](#)** [Yes](#)

Identical to fiscal estimate for A6

**VETO MESSAGE:** No

**[GOVERNOR'S PRESS RELEASE ON SIGNING:](#)** [Yes](#)

**FOLLOWING WERE PRINTED:**

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext. 103 or <mailto:refdesk@njstatelib.org>.

**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

Yes

For clippings see legislative history of 2004 c.19

P.L. 2004, CHAPTER 29, *approved June 16, 2004*

Assembly, No. 6

1 **AN ACT** concerning professional fund raisers for political  
2 contributions and supplementing P.L.1973, c.83 (C.19:44A-1 et  
3 seq.).

4

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

7

8 1. a. As used in this section:

9 "candidate" means a candidate for nomination for election or  
10 election to the office of Governor or the office of member of the  
11 Senate or General Assembly, and any candidate committee, joint  
12 candidates committee, or both, of such a candidate;

13 "committee" means a political committee, continuing political  
14 committee, political party committee, or legislative leadership  
15 committee;

16 "person" means an individual, partnership, committee, association,  
17 corporation, or any other organization or group of persons; and

18 "professional campaign fund raiser" or "fund raiser" means a person  
19 who is employed, retained or engaged for monetary compensation of  
20 at least \$5,000 per year in the aggregate to perform for any candidate  
21 or committee, or both, any service directly related to the solicitation  
22 of contributions for that candidate or committee. The terms  
23 "professional campaign fund raiser" and "fund raiser" do not include  
24 any person who is reimbursed only for incurred costs by a candidate  
25 or committee for performing any service directly related to the  
26 solicitation of contributions for that candidate or committee.

27 b. Whenever a professional campaign fund raiser plans or organizes  
28 or is involved in the planning or organizing of, or attends, at least  
29 three events within a three-month period at which contributions are  
30 raised by that person for a candidate or committee by whom he or she  
31 has been employed, retained or engaged, or that person raises money  
32 or other thing of value at least equivalent to the maximum amount of  
33 contributions permitted to be made by an individual to a candidate for  
34 public office pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3)  
35 in the aggregate in contributions for such a candidate or committee  
36 prior to a primary election or prior to a general election, that person  
37 shall register with the Election Law Enforcement Commission using  
38 a form prepared by the commission.

39 The form shall be filed within five business days after either  
40 threshold is reached and shall include the name, business mailing  
41 address, and regular occupation or business of the fund raiser, the  
42 resident mailing address of a State resident designated as the fund  
43 raiser's agent for the service of process, the general nature of the  
44 services to be offered, the dates and locations of each fund raising

1 event the person planned or organized or was involved in the planing  
2 or organizing of, or attended, the amount of money the person raised  
3 at each event and any other information the commission deems  
4 relevant. A professional campaign fund raiser who registers for the  
5 first time pursuant to this subsection shall re-register annually  
6 thereafter regardless of the number of events that person plans,  
7 organizes or attends, or the amount of contributions that person  
8 receives as long as the person remains employed, retained or engaged  
9 as a professional fund raiser. A fund raiser who chooses to terminate  
10 fund raising services in this State shall so notify the commission in  
11 writing within 30 days after such termination of services.

12 c. A fund raiser who has filed a registration form with the  
13 commission pursuant to subsection b. of this section shall file, not later  
14 than April 15, July 15, October 15 and January 15 of each calendar  
15 year, a report with the commission which includes, for the preceding  
16 quarter, the names of each candidate or committee for which fund  
17 raising services were provided, the services provided to each named  
18 candidate or committee, gross and net amounts raised for each named  
19 candidate or committee, the amount of compensation received from  
20 each candidate or committee, and an itemized list of expenditures  
21 made in connection with providing fund raising services.

22 d. A fund raiser who has not registered with the commission  
23 pursuant to subsection b. of this section but is required to be  
24 registered, shall not, for compensation, perform for any candidate or  
25 committee any service directly related to the solicitation of  
26 contributions for that candidate or committee. A candidate or  
27 committee shall not pay any compensation to any fund raiser who is  
28 not registered pursuant to subsection b. of this section but is required  
29 to be registered, for performing any service directly related to the  
30 solicitation of contributions for that candidate or committee.

31 e. Each fund raiser who registers with the commission shall pay,  
32 with the initial registration and annually thereafter, a fee to the  
33 commission which the commission shall establish by regulation to be  
34 not less than the fee paid by legislative agents pursuant to subsection  
35 j. of section 6 of P.L.1971, c.183 (C.52:13C-23), as well as reasonable  
36 fees for the filing of quarterly reports.

37 f. There is created a non-lapsing revolving fund to be known as the  
38 "Professional Campaign Fund Raiser Fund," to be held separate and  
39 apart from all other funds of the State. All fees collected pursuant to  
40 subsection e. of this section shall be deposited in that fund and  
41 appropriated exclusively for the purposes of the commission. All  
42 monies appropriated from the fund shall be dedicated to defray the  
43 expenses of the commission in administering this act.

44 g. (1) Any fund raiser who is determined by the commission to  
45 have purposely violated any provision of this section or to have filed  
46 or prepared or assisted in the preparation for filing or purposely

1 acquiesced in the preparation or filing of any report required under this  
2 section which the fund raiser knows is false, inaccurate or incomplete  
3 in any material particular, or who purposely fails or refuses to file any  
4 such report when required to do so pursuant to this section, or who  
5 purposely supplies any information the fund raiser knows to be false,  
6 inaccurate or incomplete to any person preparing or assisting in the  
7 preparation of any such report, with the knowledge that such  
8 information is intended for the purposes of such report, is guilty of a  
9 crime of the fourth degree.

10 (2) Any fund raiser responsible for the preparation, certification,  
11 filing or retention of any reports notices or other documents, who  
12 fails, neglects or omits to prepare, certify, file or retain any such  
13 report, record or notice or document by the time required by this  
14 section or who omits or incorrectly states or certifies any of the  
15 information required by this section to be included in such report,  
16 record, notice or document shall be liable to a penalty of not more  
17 than \$6,000 for the first offense and not more than \$12,000 for the  
18 second and each subsequent offense. Any penalty imposed pursuant  
19 to this subsection may be recovered by a summary proceeding  
20 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274  
21 (C.2A:58-10 et seq.).

22  
23 2. This act shall take effect on the 60th day after enactment.  
24  
25

#### 26 STATEMENT 27

28 The purpose of this bill is to increase public awareness of the role  
29 of paid professional campaign fund raisers in the political process.

30 Specifically, the bill defines a fund raiser as a person who is  
31 employed, retained or engaged for monetary compensation of at least  
32 \$5,000 per year in the aggregate to perform for any candidate or  
33 committee, or both, any service directly related to the solicitation of  
34 contributions for that candidate or committee. Whenever a fund raiser  
35 plans or organizes or is involved in the planning or organizing of, or  
36 attends, at least three events within a three-month period at which  
37 contributions are raised by that person for a candidate or committee  
38 by whom he or she has been employed, retained or engaged, or that  
39 person raises money or other thing of value at least equivalent to the  
40 maximum amount of contributions permitted to be made by an  
41 individual to a candidate for public office pursuant to N.J.S.A.19:44A-  
42 11.3 in the aggregate in contributions for such a candidate or  
43 committee prior to a primary election or prior to a general election,  
44 that person must register with the Election Law Enforcement  
45 Commission and file quarterly reports of fund raising activity with the  
46 commission.

1 A fund raiser would be required to report the candidates or  
2 committees receiving services, the services provided, gross and net  
3 amounts raised, and compensation received as long as the person  
4 remains employed, retained or engaged as a professional fund raiser.  
5 As used in the bill, the term "candidate" means a candidate for  
6 nomination for or election to the office of Governor or the office of  
7 member of the Senate or General Assembly, and any candidate  
8 committee, joint candidates committee, or both, of such a candidate.

9 Registration and reporting fees would be assessed and dedicated to  
10 the commission to defray the expenses of administering the bill. The  
11 annual registration fee would be established by the commission at not  
12 less than the fee paid by legislative agents (currently \$325).  
13 Reasonable quarterly reporting fees also would be established by the  
14 commission.

15 Any fund raiser who is determined by the commission to have  
16 purposely violated any provision of this bill or to have filed or  
17 prepared or assisted in the preparation for filing or purposely  
18 acquiesces in the preparation or filing of any report required under this  
19 section which the person knows is false, inaccurate or incomplete in  
20 any material particular is guilty of a crime of the fourth degree. Any  
21 fund raiser responsible for the preparation, certification, filing or  
22 retention of any reports, notices or other documents, who fails,  
23 neglects or omits to prepare, certify, file or retain any such report,  
24 record or notice or document by the time required by this bill is liable  
25 to a penalty of not more than \$6,000 for the first offense and not more  
26 than \$12,000 for the second and each subsequent offense.

27

28

29

30

31 Requires professional campaign fund raisers to register and file  
32 quarterly reports with ELEC.

**ASSEMBLY, No. 6**

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**STATE OF NEW JERSEY**

**211th LEGISLATURE**

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INTRODUCED MAY 17, 2004

**Sponsored by:**

**Assemblyman REED GUSCIORA**

**District 15 (Mercer)**

**Assemblyman BRIAN P. STACK**

**District 33 (Hudson)**

**Assemblywoman BONNIE WATSON COLEMAN**

**District 15 (Mercer)**

**Assemblyman JOSEPH VAS**

**District 19 (Middlesex)**

**Co-Sponsored by:**

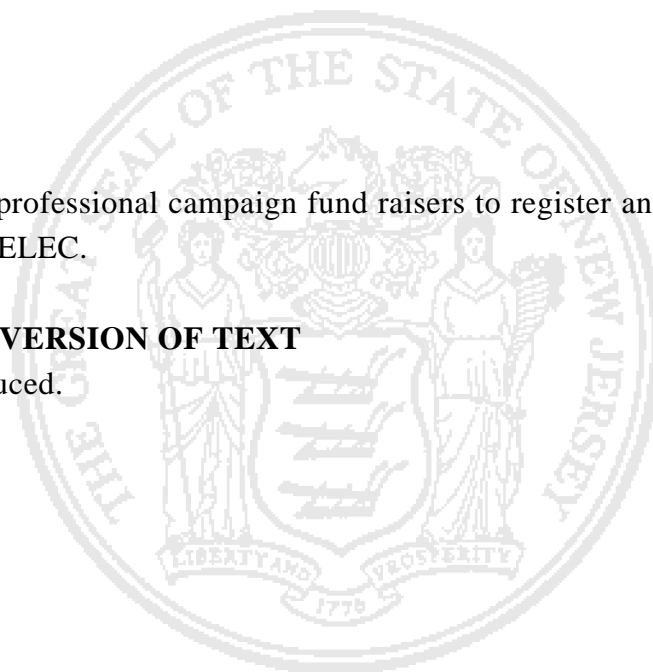
**Assemblywomen Previte, Weinberg, Assemblymen Scalera, Mayer, Van Drew, McKeon, Assemblywoman Cruz-Perez, Assemblymen Chiappone, R.Smith, Conners, Greenwald, Assemblywoman Quigley, Assemblymen Payne, Cryan, Assemblywoman Greenstein and Senator Scutari**

**SYNOPSIS**

Requires professional campaign fund raisers to register and file quarterly reports with ELEC.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/11/2004)**

1 AN ACT concerning professional fund raisers for political  
2 contributions and supplementing P.L.1973, c.83 (C.19:44A-1 et  
3 seq.).

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10 election to the office of Governor or the office of member of the  
11 Senate or General Assembly, and any candidate committee, joint  
12 candidates committee, or both, of such a candidate;

13 "committee" means a political committee, continuing political  
14 committee, political party committee, or legislative leadership  
15 committee;

16 "person" means an individual, partnership, committee, association,  
17 corporation, or any other organization or group of persons; and

18 "professional campaign fund raiser" or "fund raiser" means a person  
19 who is employed, retained or engaged for monetary compensation of  
20 at least \$5,000 per year in the aggregate to perform for any candidate  
21 or committee, or both, any service directly related to the solicitation  
22 of contributions for that candidate or committee. The terms  
23 "professional campaign fund raiser" and "fund raiser" do not include  
24 any person who is reimbursed only for incurred costs by a candidate  
25 or committee for performing any service directly related to the  
26 solicitation of contributions for that candidate or committee.

27 b. Whenever a professional campaign fund raiser plans or organizes  
28 or is involved in the planning or organizing of, or attends, at least  
29 three events within a three-month period at which contributions are  
30 raised by that person for a candidate or committee by whom he or she  
31 has been employed, retained or engaged, or that person raises money  
32 or other thing of value at least equivalent to the maximum amount of  
33 contributions permitted to be made by an individual to a candidate for  
34 public office pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3)  
35 in the aggregate in contributions for such a candidate or committee  
36 prior to a primary election or prior to a general election, that person  
37 shall register with the Election Law Enforcement Commission using  
38 a form prepared by the commission.

39 The form shall be filed within five business days after either  
40 threshold is reached and shall include the name, business mailing  
41 address, and regular occupation or business of the fund raiser, the  
42 resident mailing address of a State resident designated as the fund  
43 raiser's agent for the service of process, the general nature of the  
44 services to be offered, the dates and locations of each fund raising  
45 event the person planned or organized or was involved in the planing  
46 or organizing of, or attended, the amount of money the person raised



1 at each event and any other information the commission deems  
2 relevant. A professional campaign fund raiser who registers for the  
3 first time pursuant to this subsection shall re-register annually  
4 thereafter regardless of the number of events that person plans,  
5 organizes or attends, or the amount of contributions that person  
6 receives as long as the person remains employed, retained or engaged  
7 as a professional fund raiser. A fund raiser who chooses to terminate  
8 fund raising services in this State shall so notify the commission in  
9 writing within 30 days after such termination of services.

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35 f. There is created a non-lapsing revolving fund to be known as the  
36 "Professional Campaign Fund Raiser Fund," to be held separate and  
37 apart from all other funds of the State. All fees collected pursuant to  
38 subsection e. of this section shall be deposited in that fund and  
39 appropriated exclusively for the purposes of the commission. All  
40 monies appropriated from the fund shall be dedicated to defray the  
41 expenses of the commission in administering this act.

42 g. (1) Any fund raiser who is determined by the commission to  
43 have purposely violated any provision of this section or to have filed  
44 or prepared or assisted in the preparation for filing or purposely  
45 acquiesced in the preparation or filing of any report required under this  
46 section which the fund raiser knows is false, inaccurate or incomplete

1 in any material particular, or who purposely fails or refuses to file any  
2 such report when required to do so pursuant to this section, or who  
3 purposely supplies any information the fund raiser knows to be false,  
4 inaccurate or incomplete to any person preparing or assisting in the  
5 preparation of any such report, with the knowledge that such  
6 information is intended for the purposes of such report, is guilty of a  
7 crime of the fourth degree.

8 (2) Any fund raiser responsible for the preparation, certification,  
9 filing or retention of any reports notices or other documents, who  
10 fails, neglects or omits to prepare, certify, file or retain any such  
11 report, record or notice or document by the time required by this  
12 section or who omits or incorrectly states or certifies any of the  
13 information required by this section to be included in such report,  
14 record, notice or document shall be liable to a penalty of not more  
15 than \$6,000 for the first offense and not more than \$12,000 for the  
16 second and each subsequent offense. Any penalty imposed pursuant  
17 to this subsection may be recovered by a summary proceeding  
18 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274  
19 (C.2A:58-10 et seq.).

20  
21 2. This act shall take effect on the 60th day after enactment.  
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24 STATEMENT  
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26 The purpose of this bill is to increase public awareness of the role  
27 of paid professional campaign fund raisers in the political process.

28 Specifically, the bill defines a fund raiser as a person who is  
29 employed, retained or engaged for monetary compensation of at least  
30 \$5,000 per year in the aggregate to perform for any candidate or  
31 committee, or both, any service directly related to the solicitation of  
32 contributions for that candidate or committee. Whenever a fund raiser  
33 plans or organizes or is involved in the planning or organizing of, or  
34 attends, at least three events within a three-month period at which  
35 contributions are raised by that person for a candidate or committee  
36 by whom he or she has been employed, retained or engaged, or that  
37 person raises money or other thing of value at least equivalent to the  
38 maximum amount of contributions permitted to be made by an  
39 individual to a candidate for public office pursuant to N.J.S.A.19:44A-  
40 11.3 in the aggregate in contributions for such a candidate or  
41 committee prior to a primary election or prior to a general election,  
42 that person must register with the Election Law Enforcement  
43 Commission and file quarterly reports of fund raising activity with the  
44 commission.

45 A fund raiser would be required to report the candidates or  
46 committees receiving services, the services provided, gross and net

1 amounts raised, and compensation received as long as the person  
2 remains employed, retained or engaged as a professional fund raiser.  
3 As used in the bill, the term "candidate" means a candidate for  
4 nomination for or election to the office of Governor or the office of  
5 member of the Senate or General Assembly, and any candidate  
6 committee, joint candidates committee, or both, of such a candidate.

7 Registration and reporting fees would be assessed and dedicated to  
8 the commission to defray the expenses of administering the bill. The  
9 annual registration fee would be established by the commission at not  
10 less than the fee paid by legislative agents (currently \$325).  
11 Reasonable quarterly reporting fees also would be established by the  
12 commission.

13 Any fund raiser who is determined by the commission to have  
14 purposely violated any provision of this bill or to have filed or  
15 prepared or assisted in the preparation for filing or purposely  
16 acquiesces in the preparation or filing of any report required under this  
17 section which the person knows is false, inaccurate or incomplete in  
18 any material particular is guilty of a crime of the fourth degree. Any  
19 fund raiser responsible for the preparation, certification, filing or  
20 retention of any reports, notices or other documents, who fails,  
21 neglects or omits to prepare, certify, file or retain any such report,  
22 record or notice or document by the time required by this bill is liable  
23 to a penalty of not more than \$6,000 for the first offense and not more  
24 than \$12,000 for the second and each subsequent offense.

# ASSEMBLY STATE GOVERNMENT COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 6

# STATE OF NEW JERSEY

DATED: MAY 20, 2004

The Assembly State Government Committee reports favorably Assembly, No. 6.

This bill requires fund raisers to register with the Election Law Enforcement Commission (ELEC). The bill defines a fund raiser as a person who is employed, retained or engaged for monetary compensation of at least \$5,000 per year in the aggregate to perform for any candidate or committee, or both, any service directly related to the solicitation of contributions for that candidate or committee.

Under the bill, whenever a fund raiser plans or organizes or is involved in the planning or organizing of, or attends, at least three events within a three-month period at which contributions are raised by that person for a candidate or committee by whom he or she has been employed, retained or engaged, or that person raises money or other thing of value at least equivalent to the maximum amount of contributions permitted to be made by an individual to a candidate for public office pursuant to N.J.S.A. 19:44A-11.3 in the aggregate in contributions for such a candidate or committee prior to a primary election or prior to a general election, that person must register and file quarterly reports of fund raising activity with ELEC.

A fund raiser will be required to report the candidates or committees receiving services, the services provided, gross and net amounts raised, and compensation received as long as the person remains employed, retained or engaged as a professional fund raiser. As used in the bill, the term "candidate" means a candidate for nomination for or election to the office of Governor or the office of member of the Senate or General Assembly, and any candidate committee, joint candidates committee, or both, of such a candidate.

The bill provides that registration and reporting fees will be assessed and dedicated to ELEC to defray the expenses of administering the bill. ELEC will establish an annual registration fee, at not less than the fee paid by legislative agents (currently \$325), as well as reasonable quarterly reporting fees.

Any fund raiser whom ELEC determines to have purposely violated any provision of the bill or to have filed or prepared or assisted in the preparation for filing or purposely acquiesces in the preparation or filing of any report which the person knows is false, inaccurate or incomplete in any material particular will be guilty of a

crime of the fourth degree. Any fund raiser responsible for the preparation, certification, filing or retention of any reports, notices or other documents, who fails, neglects or omits to prepare, certify, file or retain any such report, record or notice or document by the time required by this bill will be liable to a penalty of not more than \$6,000 for the first offense and not more than \$12,000 for the second and each subsequent offense.

#### MINORITY STATEMENT

Submitted by Assemblyman Michael Patrick Carroll

This bill does nothing to address the issue of political fundraisers who are not directly compensated for their efforts, but instead act with the apparent intent to ingratiate themselves with elected officials or political party leaders. Such activity has been the subject of recent news reports regarding an individual whose efforts to raise funds have resulted in allegations of unethical and possibly illegal conduct. By contrast, supporters of this bill have been unable to cite any examples of similar problems with regard to paid professional fundraisers. Therefore, it seems obvious that this bill must at least apply to uncompensated political fundraisers as well in order to have sufficient salutary effect.

As the committee majority has defeated an attempt to correct the bill in this regard, the bill remains inadequate and unready for a vote by the General Assembly.

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 6**  
**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

DATED: JUNE 9, 2004

**SUMMARY**

**Synopsis:** Requires professional campaign fund raisers to register and file quarterly reports with ELEC.

**Type of Impact:** Indeterminate Expenditure. General Fund.

**Agencies Affected:** Department of Law and Public Safety, Election Law Enforcement Commission

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2005</u></b>	<b><u>FY 2006</u></b>	<b><u>FY 2007</u></b>
<b>State Cost</b>		Indeterminate	
<b>State Revenue</b>		Indeterminate	

- ! Requires professional campaign fund raisers to register and file quarterly reports with the Election Law Enforcement Commission (ELEC).
- ! Requires each fund raiser who registers with the commission to pay an initial registration fee and an annual registration fee as determined by the ELEC.
- ! Establishes the "Professional Campaign Fund Raiser Fund" to be used to defray the expenses of the commission.
- ! Establishes violation of this bill as a crime of the fourth degree.
- ! Establishes penalties for individuals who violate provisions of this bill of not more than \$6,000, for the first offense, and not more than \$6,000, for the second and each subsequent offense.

**BILL DESCRIPTION**

Assembly Bill No. 6 of 2004 requires professional campaign fund raisers to register and file quarterly reports with the Election Law Enforcement Commission (ELEC). The purpose of the bill is to increase awareness of the role of paid professional campaign fund raisers in the political process.

The bill defines a professional fund raiser as a person who is employed, retained or engaged for compensation of at least \$5,000 annually for a candidate or a committee or attends or

organizes more than three fund raisers in a three month period. Additionally, this bill limits the definition of campaigns to fund raisers assisting candidates for nomination for election or election to the office of Governor, the office as a member of the Senate or General Assembly and any candidate committee.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The Office of Legislative Services (OLS) estimates the cost to administer this bill to be minimal. It is unknown how many individuals would register as fund raisers. The fee to be charged to register as a fund raiser is noted to be not less than \$100, yet it should cover the expenses of the commission in administering this bill.

Section: *Law and Public Safety*

Analyst: *Kristin A. Brunner*  
*Associate Fiscal Analyst*

Approved: *David J. Rosen*  
*Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

# SENATE, No. 6

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED MAY 20, 2004

**Sponsored by:**

**Senator NICHOLAS SCUTARI**

**District 22 (Middlesex, Somerset and Union)**

**SYNOPSIS**

Requires professional campaign fund raisers to register and file quarterly reports with ELEC.

**CURRENT VERSION OF TEXT**

As introduced.





S6 SCUTARI

2

1 AN ACT concerning professional fund raisers for political  
2 contributions and supplementing P.L.1973, c.83 (C.19:44A-1 et  
3 seq.).

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13 "committee" means a political committee, continuing political  
14 committee, political party committee, or legislative leadership  
15 committee;

16 "person" means an individual, partnership, committee, association,  
17 corporation, or any other organization or group of persons; and

18 "professional campaign fund raiser" or "fund raiser" means a person  
19 who is employed, retained or engaged for monetary compensation of  
20 at least \$5,000 per year in the aggregate to perform for any candidate  
21 or committee, or both, any service directly related to the solicitation  
22 of contributions for that candidate or committee. The terms  
23 "professional campaign fund raiser" and "fund raiser" do not include  
24 any person who is reimbursed only for incurred costs by a candidate  
25 or committee for performing any service directly related to the  
26 solicitation of contributions for that candidate or committee.

27 b. Whenever a professional campaign fund raiser plans or organizes  
28 or is involved in the planning or organizing of, or attends, at least  
29 three events within a three-month period at which contributions are  
30 raised by that person for a candidate or committee by whom he or she  
31 has been employed, retained or engaged, or that person raises money  
32 or other thing of value at least equivalent to the maximum amount of  
33 contributions permitted to be made by an individual to a candidate for  
34 public office pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3)  
35 in the aggregate in contributions for such a candidate or committee  
36 prior to a primary election or prior to a general election, that person  
37 shall register with the Election Law Enforcement Commission using  
38 a form prepared by the commission.

39 The form shall be filed within five business days after either  
40 threshold is reached and shall include the name, business mailing  
41 address, and regular occupation or business of the fund raiser, the  
42 resident mailing address of a State resident designated as the fund  
43 raiser's agent for the service of process, the general nature of the  
44 services to be offered, the dates and locations of each fund raising  
45 event the person planned or organized or was involved in the planing  
46 or organizing of, or attended, the amount of money the person raised

## S6 SCUTARI

3

1 at each event and any other information the commission deems  
2 relevant. A professional campaign fund raiser who registers for the  
3 first time pursuant to this subsection shall re-register annually  
4 thereafter regardless of the number of events that person plans,  
5 organizes or attends, or the amount of contributions that person  
6 receives as long as the person remains employed, retained or engaged  
7 as a professional fund raiser. A fund raiser who chooses to terminate  
8 fund raising services in this State shall so notify the commission in  
9 writing within 30 days after such termination of services.

10 c. A fund raiser who has filed a registration form with the  
11 commission pursuant to subsection b. of this section shall file, not later  
12 than April 15, July 15, October 15 and January 15 of each calendar  
13 year, a report with the commission which includes, for the preceding  
14 quarter, the names of each candidate or committee for which fund  
15 raising services were provided, the services provided to each named  
16 candidate or committee, gross and net amounts raised for each named  
17 candidate or committee, the amount of compensation received from  
18 each candidate or committee, and an itemized list of expenditures  
19 made in connection with providing fund raising services.

20 d. A fund raiser who has not registered with the commission  
21 pursuant to subsection b. of this section but is required to be  
22 registered, shall not, for compensation, perform for any candidate or  
23 committee any service directly related to the solicitation of  
24 contributions for that candidate or committee. A candidate or  
25 committee shall not pay any compensation to any fund raiser who is  
26 not registered pursuant to subsection b. of this section but is required  
27 to be registered, for performing any service directly related to the  
28 solicitation of contributions for that candidate or committee.

29 e. Each fund raiser who registers with the commission shall pay,  
30 with the initial registration and annually thereafter, a fee to the  
31 commission which the commission shall establish by regulation to be  
32 not less than the fee paid by legislative agents pursuant to subsection  
33 j. of section 6 of P.L.1971, c.183 (C.52:13C-23), as well as reasonable  
34 fees for the filing of quarterly reports.

35 f. There is created a non-lapsing revolving fund to be known as the  
36 "Professional Campaign Fund Raiser Fund," to be held separate and  
37 apart from all other funds of the State. All fees collected pursuant to  
38 subsection e. of this section shall be deposited in that fund and  
39 appropriated exclusively for the purposes of the commission. All  
40 monies appropriated from the fund shall be dedicated to defray the  
41 expenses of the commission in administering this act.

42 g. (1) Any fund raiser who is determined by the commission to  
43 have purposely violated any provision of this section or to have filed  
44 or prepared or assisted in the preparation for filing or purposely  
45 acquiesced in the preparation or filing of any report required under this  
46 section which the fund raiser knows is false, inaccurate or incomplete

S6 SCUTARI

1 in any material particular, or who purposely fails or refuses to file any  
2 such report when required to do so pursuant to this section, or who  
3 purposely supplies any information the fund raiser knows to be false,  
4 inaccurate or incomplete to any person preparing or assisting in the  
5 preparation of any such report, with the knowledge that such  
6 information is intended for the purposes of such report, is guilty of a  
7 crime of the fourth degree.

8 (2) Any fund raiser responsible for the preparation, certification,  
9 filing or retention of any reports notices or other documents, who  
10 fails, neglects or omits to prepare, certify, file or retain any such  
11 report, record or notice or document by the time required by this  
12 section or who omits or incorrectly states or certifies any of the  
13 information required by this section to be included in such report,  
14 record, notice or document shall be liable to a penalty of not more  
15 than \$6,000 for the first offense and not more than \$12,000 for the  
16 second and each subsequent offense. Any penalty imposed pursuant  
17 to this subsection may be recovered by a summary proceeding  
18 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274  
19 (C.2A:58-10 et seq.).

20

21 2. This act shall take effect on the 60th day after enactment.

22

23

24

STATEMENT

25

26 The purpose of this bill is to increase public awareness of the role  
27 of paid professional campaign fund raisers in the political process.

28 Specifically, the bill defines a fund raiser as a person who is  
29 employed, retained or engaged for monetary compensation of at least  
30 \$5,000 per year in the aggregate to perform for any candidate or  
31 committee, or both, any service directly related to the solicitation of  
32 contributions for that candidate or committee. Whenever a fund raiser  
33 plans or organizes or is involved in the planning or organizing of, or  
34 attends, at least three events within a three-month period at which  
35 contributions are raised by that person for a candidate or committee  
36 by whom he or she has been employed, retained or engaged, or that  
37 person raises money or other thing of value at least equivalent to the  
38 maximum amount of contributions permitted to be made by an  
39 individual to a candidate for public office pursuant to N.J.S.A.19:44A-  
40 11.3 in the aggregate in contributions for such a candidate or  
41 committee prior to a primary election or prior to a general election,  
42 that person must register with the Election Law Enforcement  
43 Commission and file quarterly reports of fund raising activity with the  
44 commission.

45 A fund raiser would be required to report the candidates or  
46 committees receiving services, the services provided, gross and net

**S6 SCUTARI**

1 amounts raised, and compensation received as long as the person  
2 remains employed, retained or engaged as a professional fund raiser.  
3 As used in the bill, the term "candidate" means a candidate for  
4 nomination for or election to the office of Governor or the office of  
5 member of the Senate or General Assembly, and any candidate  
6 committee, joint candidates committee, or both, of such a candidate.

7 Registration and reporting fees would be assessed and dedicated to  
8 the commission to defray the expenses of administering the bill. The  
9 annual registration fee would be established by the commission at not  
10 less than the fee paid by legislative agents (currently \$325).  
11 Reasonable quarterly reporting fees also would be established by the  
12 commission.

13 Any fund raiser who is determined by the commission to have  
14 purposely violated any provision of this bill or to have filed or  
15 prepared or assisted in the preparation for filing or purposely  
16 acquiesces in the preparation or filing of any report required under this  
17 section which the person knows is false, inaccurate or incomplete in  
18 any material particular is guilty of a crime of the fourth degree. Any  
19 fund raiser responsible for the preparation, certification, filing or  
20 retention of any reports, notices or other documents, who fails,  
21 neglects or omits to prepare, certify, file or retain any such report,  
22 record or notice or document by the time required by this bill is liable  
23 to a penalty of not more than \$6,000 for the first offense and not more  
24 than \$12,000 for the second and each subsequent offense.

# SENATE STATE GOVERNMENT COMMITTEE

## STATEMENT TO

### SENATE, No. 6

# STATE OF NEW JERSEY

DATED: JUNE 3, 2004

The Senate State Government Committee reports favorably Senate, No. 6.

The purpose of this bill is to increase public awareness of the role of paid professional campaign fund raisers in the political process.

Specifically, the bill defines a fund raiser as a person who is employed, retained or engaged for monetary compensation of at least \$5,000 per year in the aggregate to perform for any candidate or committee, or both, any service directly related to the solicitation of contributions for that candidate or committee. Whenever a fund raiser plans or organizes or is involved in the planning or organizing of, or attends, at least three events within a three-month period at which contributions are raised by that person for a candidate or committee by whom he or she has been employed, retained or engaged, or that person raises money or other thing of value at least equivalent to the maximum amount of contributions permitted to be made by an individual to a candidate for public office pursuant to N.J.S.A.19:44A-11.3 in the aggregate in contributions for such a candidate or committee prior to a primary election or prior to a general election, that person must register with the Election Law Enforcement Commission and file quarterly reports of fund raising activity with the commission.

A fund raiser would be required to report the candidates or committees receiving services, the services provided, gross and net amounts raised, and compensation received as long as the person remains employed, retained or engaged as a professional fund raiser. As used in the bill, the term "candidate" means a candidate for nomination for or election to the office of Governor or the office of member of the Senate or General Assembly, and any candidate committee, joint candidates committee, or both, of such a candidate.

Registration and reporting fees would be assessed and dedicated to the commission to defray the expenses of administering the bill. The annual registration fee would be established by the commission at not less than the fee paid by legislative agents (currently \$325). Reasonable quarterly reporting fees also would be established by the commission.

Any fund raiser who is determined by the commission to have purposely violated any provision of this bill or to have filed or

prepared or assisted in the preparation for filing or purposely acquiesces in the preparation or filing of any report required under this section which the person knows is false, inaccurate or incomplete in any material particular is guilty of a crime of the fourth degree. Any fund raiser responsible for the preparation, certification, filing or retention of any reports, notices or other documents, who fails, neglects or omits to prepare, certify, file or retain any such report, record or notice or document by the time required by this bill is liable to a penalty of not more than \$6,000 for the first offense and not more than \$12,000 for the second and each subsequent offense.

This bill is identical to Assembly, No. 6 of 2004.

**LEGISLATIVE FISCAL ESTIMATE**  
**SENATE, No. 6**  
**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

DATED: JUNE 23, 2004

**SUMMARY**

**Synopsis:** Requires professional campaign fund raisers to register and file quarterly reports with ELEC.

**Type of Impact:** Indeterminate Expenditure. General Fund.

**Agencies Affected:** Department of Law and Public Safety; Election Law Enforcement Commission.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>FY 2005</u></b>	<b><u>FY 2006</u></b>	<b><u>FY 2007</u></b>
<b>State Cost</b>		Indeterminate	
<b>State Revenue</b>		Indeterminate	

- ! Requires professional campaign fund raisers to register and file quarterly reports Election Law Enforcement Commission (ELEC).
- ! Requires each fund raiser who registers with the commission to pay an initial registration fee and an annual registration fee as determined by the commission.
- ! Establishes the "Professional Campaign Fund Raiser Fund" to be used to defray the expenses of the commission.
- ! Establishes violation of this bill as a crime of the fourth degree.
- ! Establishes penalties for individuals who violate provisions of this bill of not more than \$6,000, for the first offense, and not more than \$6,000, for the second and each subsequent offense.

**BILL DESCRIPTION**

Senate Bill No. 6 of 2004 requires professional campaign fund raisers to register and file quarterly reports with the Election Law Enforcement Commission (ELEC). The purpose of the bill is to increase awareness of the role of paid professional campaign fund raisers in the political process.

The bill defines a professional fund raiser as a person who is employed, retained or engaged for compensation of at least \$5,000 annually for a candidate or a committee or attends or

organizes more than three fund raisers in a three month period. Additionally, this bill limits the definition of campaigns to fund raisers assisting candidates for nomination for election or election to the office of Governor, the office as a member of the Senate or General Assembly and any candidate committee.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The Office of Legislative Services (OLS) estimates the cost to administer this bill to be minimal. It is unknown how many individuals would register as fund raisers. The fee to be charged to register as a fund raiser is noted to be not less than \$100, yet it should cover the expenses of the commission in administering this bill.

Section: *Law and Public Safety*

Analyst: *Kristin A. Brunner*  
*Associate Fiscal Analyst*

Approved: *David J. Rosen*  
*Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.



## Office of the Governor

### News Releases

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PO BOX 004  
TRENTON, NJ 08625

Contact: Micah Rasmussen  
609-777-2600

RELEASE: June 16, 2004

### **McGreevey Signs Landmark Ethics Reform Legislation**

#### *Bills Provide A More Accountable and Transparent Government*

(TRENTON) – Governor James E. McGreevey today signed into law the strongest ethics and campaign finance reform package in the history of New Jersey – and one of the strongest in the nation.

“Today is a good day for government and a victory for our citizens,” said Governor McGreevey. “From the stronger penalties, to the increased disclosure, to the end of the influence of campaign contributions on no-bid contracts, this reform package provides a more accountable and more transparent government for all. I want to congratulate the citizens, the State Legislature, and the numerous advocacy groups who helped make these reforms a reality.”

The legislation is the most comprehensive ethics and campaign finance reform initiative the State has embarked upon in more than 30 years and makes New Jersey only the fourth state in the entire country to enact a “pay-to-play” ban.

"The numerous positive achievements in this legislation clearly demonstrate how Democrats have seized the initiative on ethics reform," said Senate Majority Leader Bernard F. Kenny Jr. (D-Hudson). "As the Majority Party, Democrats have acted to put us in the right direction after years of inaction by the Republicans. The reforms enacted today are long overdue, but they mark the beginning - not the end - of our commitment to eliminate any perception that those who give the most to political campaigns get favored treatment in the form of lucrative State contracts."

Among the reforms the package are: prohibiting anyone who receives a no-bid contract from making certain political contributions; strengthening legislative ethics; enhancing reporting of legislators' financial disclosure requirements, hidden financial interests, and

conflicts of interests; increasing penalties for ethics and campaign finance violations and for illegally soliciting campaign contributions; and expanding the definition of lobbyist and legislative agent, ensuring that all parties who seeks to influence government are properly disclosed.

One of the main components of the ethics reform package is S-2/A-2, which prohibits state, county or local government officials from awarding no-bid contracts to their campaign contributors and prohibits no-bid contract holders from contributing to officials holding office at the government level in which the contract is in effect.

“This has been a long and winding journey, but today New Jersey sets an unprecedented standard for disclosure and transparency, and takes significant steps to reduce the influence of money in politics,” said Governor McGreevey. “We should be proud of the example New Jersey has set for the rest of the nation, but we must also continue to work together to uphold the highest standards of ethical conduct.”

The ethics reform package signed into law today includes:

- **S-2** -- Prohibits campaign contributions by certain business entities performing State, county and local contracts, as well as prohibits certain contributions by county committee of political party.
- **S-4** -- Extends certain financial disclosure requirements to lobbying conducted through advertisements and direct mail to general public.
- **A-5** -- Change the minimum contribution that needs to be reported to the Election Law Enforcement Commission (ELEC) from \$400 to \$300 and requires the reporting of all cash campaign contributions.
- **A-6** -- Requires professional campaign fundraisers to register and file quarterly reports with ELEC.
- **A-7** -- Expands campaign communications require identification to include telephone calls featuring recorded messages made in regard to candidates and public questions. The message or call would clearly state the name of business or address of the committee, group or person that financed the communication.

"Just as voters have a right to know who is sending them campaign literature, New Jerseyans should see who is behind commercials or advertisements calling for action on a specific bill or regulation under consideration," said Assemblywoman Linda Greenstein (D-Mercer/Middlesex). "Issue ads are nothing more than thinly-veiled political campaign commercials, and all money spent on them should be publicly disclosed."

- **S-8** -- Prohibits the solicitation or making of political contributions on state property by state officeholders or their representatives.

- **A-9** -- Requires Election Law Enforcement Commission (ELEC) to assess its Internet site and recommend improvements for the site's format and content. ELEC) would evaluate the presentation, accessibility, convenience, and usefulness of its Web site and recommend upgrades.
- **S-10** -- Requires certain campaign and organizational treasurers to be trained by ELEC. It also requires ELEC to make the training program available over its Internet site within one year of the bill's enactment.
- **A-11** -- Increases the maximum fines for violating campaign contribution and expenditure limit, reporting requirements and payment restrictions. The bill doubles the maximum fines that may be imposed for a variety of violations.
- **A-12** -- Requires certain election committees/ joint candidates committees to file a report with ELEC within 48 hours of making certain expenditures in excess of \$800 during certain periods of an election cycle.
- **A-14** -- Blocks legislators, Governor and department heads from lobbying activities for one year after leaving office.

"The strong link between government service and private lobbying creates - at a minimum - an appearance of impropriety in the eyes of the public," said Assemblyman Michael J. Panter (D-Monmouth/Mercer). "It also creates the very real possibility that the judgment of an elected or appointed official could be affected by their own financial concerns rather than the public's best interest. The signing of this bill today represents a new era in New Jersey politics, and a step in the right direction toward good government."

- **A-15** – Prohibits employment or assignment of relatives of certain employees of the Executive Branch, independent authorities, and interstate agencies to specific positions. Expands upon last year's nepotism ban by extending the definition of immediate family and including certain Executive Branch departments and commissions.
- **S-16** – Bans any member of the Legislature from acting on legislation in which they or their family member has a personal interest. The bill eliminates the option of filing a personal interest statement and instead prohibits the member from acting on legislation that they have a personal interest.
- **S-17**-- Changes memberships of Executive Commission on Ethical Standards and Joint Legislative Committee on Ethical Standards. The changes equalize the number of public and governmental official members.
- **S-18** -- Increases monetary penalties for violations of "New Jersey Conflicts of Interest Law." The bill increases the fine for civil violations of the conflict of interest laws to between \$500 and \$10,000 for State officers and employees or

members of the Legislature.

- **S-19**-- Requires candidates seeking office of Governor or legislator to disclose prior conviction for criminal offense. Candidates would be required to file a form setting out whether they have been convicted of an indictable crime.

"As legislators, we often consider measures that would require members of the public to undergo criminal background checks or disclose criminal histories prior to consideration for employment," said Assemblyman Jeff Van Drew (D-Cape May). "However, current state law fails to require state elected officials to disclose similar backgrounds. This is more than a statutory anomaly. It is an error in need of immediate correction."

- **S-22** -- Expands the definition of lobbyist and legislative agent to include those who influence the governmental process and actions in the Executive Branch, agency, or instrumentality.
- **A-23** -- Requires ELEC to conduct random audits of records kept by legislative agents. Currently, ELEC has the authority to conduct such audits, but this bill would require them to do so.
- **A-24** -- Directs ELEC to collect \$100 annual fee from legislative agents. The fee would be deposited in the general fund to be appropriated to ELEC. The fee would offset the costs of ELEC's new responsibilities.
- **A-25** -- Prohibits legislative agents from accepting contingency fees to influence legislation or regulations. This bill amends the existing law by eliminating the ability of a legislative agent to enter into a contingency fee agreement with a client. The legislative agent's reimbursement could not be dependent upon the whether or not he or she was successful in trying to influence legislation or regulation.

State of New Jersey Governor's Office

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