19:44A-2

LEGISLATIVE HISTORY CHECKLIST

Compiled by the NJ State Law Library

LAWS OF: 1993 **CHAPTER:** 65

NJSA: 19:44A-2 (NJ Campaign Contributions and Expenditures Reporting Act)

BILL NO: A100

SPONSOR(S) Haytaian and others

DATE INTRODUCED: January 14, 1992

COMMITTEE: ASSEMBLY: State Government

SENATE: Judiciary

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: ASSEMBLY: February 18, 1993

SENATE: February 18, 1993

DATE OF APPROVAL: March 8, 1993

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL Assembly Committee Substitute (6R) enacted

A100/A195/A196/A646/A659/A869

SPONSOR'S STATEMENT (A100): (Begins on page 37 of original bill) Yes

SPONSOR'S STATEMENT (A195) (Begins on page 38 of original bill) Yes

SPONSOR'S STATEMENT (A196) (Begins on page 2 of original bill)
Yes

SPONSOR'S STATEMENT (A646) (Begins on page 2 of original bill)

Yes

SPONSOR'S STATEMENT (A659) (Begins on page 16 of original bill) Yes

SPONSOR'S STATEMENT (A869) (Begins on page 37 of original bill) Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes 1-12-93

2-1-93

FLOOR AMENDMENT STATEMENT: Yes 6-18-92

2-9-93

LEGISLATIVE FISCAL NOTE: Yes

ASSEMBLY AMENDMENT STATEMENT (ACS) Yes
- (includes statement on page 27)

(continued)

ASSEMBLY AMENDMENT STATEMENT (ACS 1R)
- (includes statement on page 2)

ASSEMBLY AMENDMENT STATEMENT (ACS 2R)
- (includes statement on page 21 & 22)

ASSEMBLY AMENDMENT STATEMENT (ACS 5R)
- (includes statement on page 8)

VETO MESSAGE:
No
MESSAGE 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: Yes

HEARINGS: No

NEWSPAPER ARTICLES: Yes

974.90 New Jersey. Legislature. Ad Hoc Commission on Legislative Ethics.

L514 Commission meetings held on legislative ethics and finance, held May 2, May 16, June 6,

1990 June 20, July 11, July 25, August 8, September 5, August 24 and September 12, 1990. Trenton 1990.

LAW/RWH

[&]quot;Contribution—limits law sets complex standards," 134 NJLJ 11 (5-3-93).

[&]quot;Campaign fund caps take effect this week," Star Ledger, (4-5-93).

\$15-C.19:44A-20.1 \$16-C.19:44A-10.1 \$\$17-20,23 C.19:44A-11.2 to 19:44A-11.6 \$21-C.19:44A-8.1 \$22-C.19:44A-7.2 \$24-C.19:44A-22.1 \$25-T & E and note to \$\$18-20 \$26-T & E & note to C.19:44A-6 \$27-Note to \$\$1-26

P.L.1993, CHAPTER 65, approved March 8, 1993
Assembly Committee Substitute (Sixth Reprint) for 1992 Assembly No. 100,195,196,646,659 and 869

AN ACT concerning campaign contributions and expenditures, 6[and]6 revising and supplementing P.L.1973, c.83 (C.19:44A-1 et seq.) 6[4, amending R.S.19:34-45 and repealing R.S.19:34-32⁴] and amending P.L.1974, c.26 and P.L.1989, c.4⁶.

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

- 1. Section 2 of P.L.1973, c.83 (C.19:44A-2) is amended to read as follows:
- 2. It is hereby declared to be in the public interest and to be the policy of the State to limit [the campaign expenditures by candidates for public office] political contributions and to require the reporting of all contributions received and expenditures made to aid or promote the nomination, election or defeat of any candidate for public office or to aid or promote the passage or defeat of a public question in any election and to require the reporting of all contributions received and expenditures made to provide political information on any candidate for public office, or on any public question.

(cf: P.L.1981, c.151, s.1)

1

2

3

4 5 6

7

8

9

10

11

12

13 14

15 16

17

18

19 20

21 22

23

24

25

27

28

29

30

31

32

33

34

35

- 2. Section 3 of P.L.1973, c.83 (C.19:44A-3) is amended to read as follows:
- 3. As used in this act, unless a different meaning clearly appears from the context:
- a. [The term "allied candidates" means candidates in any election who are (1) seeking nomination or election (A) to an office or offices in the same county or municipal government or school district or (B) to the Legislature representing in whole or part the same constituency, and who are (2) either (A) nominees of the same political party or (B) publicly declared in any manner, including the seeking or obtaining of any ballot position or common ballot slogan, to be aligned or mutually supportive.] (Deleted by amendment, P.L. , c. .)
- b. [The term "allied campaign organization" means any political committee, any State, county or municipal committee of

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.

Natter enclosed in superscript numerals has been adopted as follows:

Assembly floor amendments adopted Nay 28, 1992.

Assembly floor amendments adopted June 18, 1992.

Assembly floor amendments adopted December 14, 1992.

Senate 53U committee amendments adopted January 12, 1993.

Senate SJU committee amendments adopted February 1, 1993.

Sanate floor amendments adopted February 9,1993.
```

a political party or any campaign organization of a candidate which is in support or furtherance of the same candidate or any one or more of the same group of allied candidates or the same public question as any other such committee or organization.]

(Deleted by amendment, P.L., c.)

- c. The term "candidate" means: (1) an individual seeking [or having sought] election to a public office of the State or of a county, municipality or school district at an election; except that the term shall not include an individual seeking party office; and (2) an individual who shall have been elected or failed of election to an office, other than a party office, for which he sought election and who receives contributions and makes expenditures for any of the purposes authorized by section 17 of P.L., c. (C.)(now pending before the Legislature as this bill) during the period of his service in that office.
- d. The terms "contributions" and "expenditures" include all loans and transfers of money or other thing of value to or by any candidate, candidate committee, joint candidates committee, political committee [or], continuing political committee, political party committee or legislative leadership committee and all pledges or other commitments or assumptions of liability to make any such transfer; and for purposes of reports required under the provisions of this act shall be deemed to have been made upon the date when such commitment is made or liability assumed.
- e. The term "election" means any election described in section 4 of this act.
- f. The term "paid personal services" means personal, clerical, administrative or professional services of every kind and nature including, without limitation, public relations, research, legal, canvassing, telephone, speech writing or other such services, performed other than on a voluntary basis, the salary, cost or consideration for which is paid, borne or provided by someone other than the committee, candidate or organization for whom such services are rendered. In determining the value, for the purpose of reports required under this act, of contributions made in the form of paid personal services, the person contributing such services shall furnish to the treasurer through whom such contribution is made a statement setting forth the actual amount of compensation paid by said contributor to the individuals actually performing said services for the performance thereof. But if any individual or individuals actually performing such services also performed for the contributor other services during the same period, and the manner of payment was such that payment for the services contributed cannot readily be segregated from contemporary payment for the other services, the contributor shall in his statement to the treasurer so state and shall either (1) set forth his best estimate of the dollar amount of payment to each such individual which is attributable to the contribution of his paid personal services, and shall certify the substantial accuracy of the same, or (2) if unable to determine such amount with sufficient accuracy, set forth the total compensation paid by him to each such individual for the period of time during which the services contributed by him were performed. If any candidate is a holder of public office to whom

there is attached or assigned, by virtue of said office, any aide or aides whose services are of a personal or confidential nature in assisting him to carry out the duties of said office, and whose salary or other compensation is paid in whole or part out of public funds, the services of such aide or aides which are paid for out of public funds shall be for public purposes only; but they may contribute their personal services, on a voluntary basis, to such candidate for election campaign purposes.

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

1 2

3

5

6

8

9 10

11

12

13

14 15

16

17

18

19 20

21

22

23

24

25

26

27

28

29

30 31

32 33

34

35

36

37

38

39

4Ω

41

42

43

44

45

46

47

48

49

50

51

52 53

54

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

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

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

committee.

- k. The term "testimonial affair" means an affair of any kind or nature including, without limitation, cocktail parties, breakfasts, luncheons, dinners, dances, picnics or similar affairs directly or indirectly intended to raise campaign funds in behalf of a person who holds, or who is or was a candidate for nomination or election to a public office in this State, or directly or indirectly intended to raise funds in behalf of any [State, county or municipal committee of al political party committee or in behalf of a political committee, continuing political committee, candidate committee, joint candidates committee or legislative leadership committee.
- l. The term "other thing of value" means any item of real or personal property, tangible or intangible, but shall not be deemed to include personal services other than paid personal services.
 - m. The term "qualified candidate" means:
- (1) Any candidate for election to the office of Governor whose name appears on the general election ballot; who has deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1 preceding a general election in which the office of Governor is to be filled, (a) notifies the Election Law Enforcement Commission in writing that the candidate intends that application will be made on the candidate's behalf for monies for general election campaign expenses under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of agreement, in a form to be prescribed by the commission, to participate in two interactive gubernatorial election debates under the provisions of sections 9 through 11 of [this 1988 amendatory and supplementary act] P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or
- (2) Any candidate for election to the office of Governor whose name does not appear on the general election ballot; who has deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1 preceding a general election in which the office of Governor is to be filled, (a) notifies the Election Law Enforcement Commission in writing that the candidate intends that application will be made on the candidate's behalf for monies for general election campaign expenses under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of agreement, in a form to be prescribed by the commission, to participate in two interactive gubernatorial election debates under the provisions of sections 9 through 11 of [this 1988 amendatory and supplementary act] P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or
- (3) Any candidate for nomination for election to the office of Governor whose name appears on the primary election ballot; who has deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for filing petitions to nominate candidates to be voted upon in a primary election for a general election in which the office of Governor is to be filled, (a) notifies the Election Law Enforcement Commission in writing that the candidate intends that application will be made on the candidate's behalf for

2

3

5

6

8

9

10

11

12

13 14

15

16

17

18 19

20 21

22

23

24

25

26

27

28 29

30

31

32 33

34

35 36

37

38

39

40

41

42 43

44 45

46

47

48

49

50

51

52

53

54

C

Ç,

monies for primary election campaign expenses under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of agreement, in a form to be prescribed by the commission, to participate in two interactive gubernatorial primary debates under the provisions of sections 9 through 11 of [this 1988 amendatory and supplementary act] P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or

- (4) Any candidate for nomination for election to the office of Governor whose name does not appear on the primary election ballot; who has deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for filing petitions to nominate candidates to be voted upon in a primary election for a general election in which the office of Governor is to be filled, (a) notifies the Election Law Enforcement Commission in writing that the candidate intends that application will be made on the candidate's behalf for monies for primary election campaign expenses under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of agreement, in a form to be prescribed by the commission, to participate in two interactive gubernatorial primary debates under the provisions of sections 9 through 11 of [this 1988 amendatory and supplementary act] P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47).
 - n. The term "continuing political committee" means[:
- (1) the State committee, or any county or municipal committee, of a political party; or
- (2)] any group of two or more persons acting jointly, or any corporation, partnership, or any other incorporated or unincorporated association, including a political club, political action committee, civic association or other organization, which in any calendar year contributes or expects to contribute at least \$2,500.00 to the aid or promotion of the candidacy of an individual, or of the candidacies of individuals, for elective public office, or the passage or defeat of a public question or public questions, and which may be expected to make contributions toward such aid or promotion or passage or defeat during a subsequent election, provided that the group, corporation, partnership, association or other organization has been determined to be a continuing political committee under subsection b. of section 8 of P.L.1973, c.83 (C.19:44A-8); provided that for the purposes of this act, the term "continuing political committee" shall not include a "political party committee," as defined by subsection p. of this section, or a "legislative leadership committee," as defined by subsection s. of this section.
- o. The term "statement of agreement" means a written declaration, by a candidate for nomination for election or for election to the office of Governor who intends that application will be made on that candidate's behalf to receive monies for primary election or general election campaign expenses under subsection a. or subsection b., respectively, of section 8 of P.L.1974, c.26 (C.19:44A-33), that the candidate undertakes to abide by the terms of any rules established by any private organization sponsoring a gubernatorial primary or general

election debate, as appropriate, to be held under the provisions of sections 9 through [12] 11 of [this 1988 amendatory and supplementary act] P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47) and in which the candidate is to participate. The statement of agreement shall include an acknowledgment of notice to the candidate who signs it that failure on that candidate's part to participate in any of the gubernatorial debates may be cause for the termination of the payment of such monies on the candidate's behalf and for the imposition of liability for the return to the commission of such monies as may previously have been so paid.

Я

- p. The term "political party committee" means the State committee of a political party, as organized pursuant to R.S.19:5-4, any county committee of a political party, as organized pursuant to R.S.19:5-3, or any municipal committee of a political party, as organized pursuant to R.S.19:5-2.
- q. The term "candidate committee" means a committee established pursuant to subsection a. of section 9 of P.L.1973, c.83 (C.19:44A-9) for the purpose of receiving contributions and making expenditures.
- r. The term "joint candidates committee" means a committee established pursuant to subsection a. of section 9 of P.L.1973, c.83 (C.19:44A-9) by at least two 4[but not more than three]4 candidates for 4[any elective public office] the same elective public offices4 in the same election in a legislative district, county 4[or],4 municipality 4or school district, but not more candidates than the total number of the same elective public offices to be filled in that election,4 for the purpose of receiving contributions and making expenditures. 4For the purpose of this subsection, the offices of member of the Senate and members of the General Assembly shall be deemed to be the same elective public offices in a legislative district.4
- s. The term "legislative leadership committee" means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L., c. (C.)(now pending before the Legislature as this bill) for the purpose of receiving contributions and making expenditures. (cf. P.L.1989, c.4, s.1)
- 3. Section 8 of P.L.1973, c.83 (C.19:44A-8) is amended to read as follows:
- 8. a. (1) Each political committee shall make a full cumulative report, upon a form prescribed by the Election Law Enforcement Commission, of all contributions in the form of moneys, loans, paid personal services, or other things of value made to it and all expenditures made, incurred, or authorized by it in furtherance of the nomination, election or defeat of any candidate, or in aid of the passage or defeat of any public question, or to provide political information on any candidate or public question, during the period ending 48 hours preceding the date of the report and beginning on the date on which the first of those contributions was received or the first of those expenditures was made, whichever occurred first. The

2

3

5

6

7

8

9

10

11 12

13 14

15

16

17

18 19

20

21 22

23 24

25

26

27

28

29

30

31

32

33

34 35

36

37

38

39 40

41

42

43 44

45

46

47

48

49

50

51 52

53

54

cumulative report, except as hereinafter provided, shall contain the name and mailing address of each person or group from whom moneys, loans, paid personal services or other things of value have been contributed since 48 hours preceding the date on which the previous such report was made and the amount contributed by each person or group, and where the contributor is an individual, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. In the case of any loan reported pursuant to this [section] subsection, the report shall contain the name and mailing address of each person who has cosigned such loan since 48 hours preceding the date on which the previous such report was made, and where an individual has cosigned such loans, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. The cumulative report shall also contain the name and address of each person, firm or organization to whom expenditures have been paid since 48 hours preceding the date on which the previous such report was made and the amount and purpose of each such expenditure. The cumulative report shall be filed with the Election Law Enforcement Commission on the dates designated in section 16 hereof.

The campaign treasurer of the political committee reporting shall certify to the correctness of each report.

Each campaign treasurer of a political committee shall file written notice with the commission of a contribution in excess of [\$250.00] \$500 received during the period between the 13th day prior to the election and the date of the election⁴, and of an expenditure of money or other thing of value in excess of \$500 made, incurred or authorized by the political committee to support or defeat a candidate in an election, or to aid the passage or defeat of any public question, during the period between the 13th day prior to the election and the date of the election⁴. The notice 4 of a contribution 4 shall be filed in writing or by telegram within 48 hours of the receipt of the contribution and shall set forth the amount and date of the contribution [and], the name and mailing address of the contributor, and where the contributor is an individual, the individual's occupation and the name and mailing address of the individual's employer. 4The notice of an expenditure shall be filed in writing or by telegram within 48 hours of the making, incurring or authorization of the expenditure and shall set forth the name and mailing address of the person, firm or organization to whom or which the expenditure was paid and the amount and purpose of the expenditure. 4

- (2) When a political committee or an individual seeking party office makes or authorizes an expenditure on behalf of a candidate, it shall provide immediate written notification to the candidate of the expenditure.
- b. (1) A group of two or more persons acting jointly, or any corporation, partnership, or any other incorporated or unincorporated association including a political club, political action committee, civic association or other organization, which in any calendar year contributes or expects to contribute at least \$2,500.00 to the aid or promotion of the candidacy of an

individual, or of the candidacies of individuals, for elective public office or the passage or defeat of a public question or public questions and which expects to make contributions toward such aid or promotion, or toward such passage or defeat, during a subsequent election shall certify that fact to the commission, and the commission, upon receiving that certification and on the basis of any information as it may require of the group, corporation, partnership, association or other organization, shall determine whether the group, corporation, partnership, association or other organization is a continuing political committee for the purposes of this act. If the commission determines that the group, corporation, partnership, association or other organization is a continuing political committee, it shall so notify that continuing political committee.

³No person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the chairman of a continuing political committee.³

(2) A continuing political committee shall file with the Election Law Enforcement Commission, not later than April 15, July 15, October 15 and January 15 of each calendar year, a cumulative quarterly report of all moneys, loans, paid personal services or other things of value contributed to it during the period ending on the 15th day preceding that date and commencing on January 1 of that calendar year or, in the case of the cumulative quarterly report to be filed not later than January 15, of the previous calendar year, and all expenditures made, incurred, or authorized by it during the period, whether or not such expenditures were made, incurred or authorized in furtherance of the election or defeat of any candidate, or in aid of the passage or defeat of any public question or to provide information on any candidate or public question.

The cumulative quarterly report shall contain the name and mailing address of each person or group from whom moneys, loans, paid personal services or other things of value have been contributed and the amount contributed by each person or group, and where an individual has made such contributions, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. In the case of any loan reported pursuant to this [section] subsection, the report shall contain the name and address of each person who cosigns such loan, and where an individual has cosigned such loans, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. The report shall also contain the name and address of each person, firm or organization to whom expenditures have been paid and the amount and purpose of each such expenditure. The treasurer of the continuing political committee reporting shall certify to the correctness of each cumulative quarterly report.

Each continuing political committee shall provide immediate written notification to each candidate of all expenditures made or authorized on behalf of the candidate.

If any continuing political committee submitting cumulative quarterly reports as provided under this subsection receives a

contribution from a single source of more than [\$250.00] \$500 after the final day of a quarterly reporting period and on or before a primary, general, municipal, school or special election which occurs after that final day but prior to the final day of the next reporting period it shall, in writing or by telegram, report that contribution to the commission within 48 hours of the receipt thereof, including in that report the amount and date of contribution; the name and mailing address of contributor; and where the contributor is an individual, the individual's occupation and the name and mailing address of the individual's employer. 4If any continuing political committee makes or authorizes an expenditure of money or other thing of value in excess of \$500, or incurs any obligation therefor, to support or defeat a candidate in an election, or to aid the passage or defeat of any public question, after March 31 and on or before the day of the primary election, or after September 30 and on or before the day of the general election, it shall, in writing or by telegram, report that expenditure to the commission within 48 hours of the making, authorizing or incurring thereof.4

A continuing political committee which [at any point expects to cease] ceases making contributions toward the aiding or promoting of the candidacy of an individual, or of the candidacies of individuals, for elective public office in this State or the passage or defeat of a public question or public questions in this State shall certify that fact in writing to the commission, and that certification shall be accompanied by a final accounting of any fund relating to such aiding or promoting including the final disposition of any balance in such fund at the time of dissolution. Until that certification has been filed, the committee shall continue to file the quarterly reports as provided under this subsection.

c. Each political party committee and each legislative leadership committee shall file with the Election Law Enforcement Commission, not later than April 15, July 15, October 15 and January 15 of each calendar year, a cumulative quarterly report of all moneys, loans, paid personal services or other things of value contributed to it during the period ending on the 15th day preceding that date and commencing on January 1 of that calendar year or, in the case of the cumulative quarterly report to be filed not later than January 15, of the previous calendar year, and all expenditures made, incurred, or authorized by it during the period, whether or not such expenditures were made, incurred or authorized in furtherance of the election or defeat of any candidate, or in aid of the passage or defeat of any public question or to provide information on any candidate or public question.

The cumulative quarterly report shall contain the name and mailing address of each person or group from whom moneys, loans, paid personal services or other things of value have been contributed and the amount contributed by each person or group, and where an individual has made such contributions, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. In the case of any loan reported pursuant to this subsection, the report shall contain

the name and address of each person who cosigns such loan, and where an individual has cosigned such loans, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. The report shall also contain the name and address of each person, firm or organization to whom expenditures have been paid and the amount and purpose of each such expenditure. The treasurer of the political party committee or legislative leadership committee reporting shall certify to the correctness of each cumulative quarterly report.

If a political party committee or a legislative leadership committee submitting cumulative quarterly reports as provided under this subsection receives a contribution from a single source of more than \$500 after the final day of a quarterly reporting period and on or before a primary, general, municipal, school or special election which occurs after that final day but prior to the final day of the next reporting period it shall, in writing or by telegram, report that contribution to the commission within 48 hours of the receipt thereof, including in that report the amount and date of the contribution; the name and mailing address of the individual's occupation and the name and mailing address of the individual's employer.

d. In any report filed pursuant to the provisions of this section the organization or committee reporting may exclude from the report the [names and addresses] name of [contributors] and other information relating to any contributor whose contributions during the period covered by the report did not exceed [\$100.00] \$200, provided, however, that (1) such exclusion is unlawful if any person responsible for the preparation or filing of the report knew that it was made with respect to any person whose contributions relating to the same election or issue and made to the reporting organization or committee [or to an allied campaign organization or organizations] aggregate, in combination with the contribution in respect of which such exclusion is made, more than [\$100.00] \$200 and (2) any person who knowingly prepares, assists in preparing, files or acquiesces in the filing of any report from which the identification of a contributor has been excluded contrary to the provisions of this section is subject to the provisions of section 21 of this act, but (3) nothing in this proviso shall be construed as requiring any committee or organization reporting pursuant to this act to report the amounts, dates or other circumstantial data regarding contributions made to any other organization or political committee, [committee of a] political party committee or campaign organization of a candidate.

Any report filed pursuant to the provisions of this section shall include an itemized accounting of all receipts and expenditures relative to any testimonial affairs held since the date of the most recent report filed, which accounting shall include the name and mailing address of each contributor in excess of [\$100.00] \$200 to such testimonial affair and the amount contributed by each[,]; in the case of an individual contributor, the occupation of the individual and the name and mailing address of the individual's

employer; the expenses incurred[,]; and the disposition of the
 proceeds of such testimonial affair.

A political committee shall be exempt from any requirement to file reports pursuant to this section of contributions received or expinditures made in behalf of two or more joint candidates in any election is the committee files with the Election Law Enforcement Commission a sworn statement to the effect that the total amount to be expended on behalf of their candidacies shall not exceed \$4,000.00; provided, that if a committee which has filed such a sworn statement receives contributions from any one source aggregating more than [\$100.00] \$200.00, it shall forthwith report that fact, including the [identity] name and mailing address of the source; where the source is an individual, the occupation of the individual and the name and mailing address of the individual's employer; and the aggregate total of contributions [therefrom] from the source to the commission. Any sworn statement under this subsection may be filed with the notice of designation by a political committee of a campaign treasurer and campaign depository under section 10 of P.L.1973, c.83 (C.19:44A-10), if that committee knows or has reason to believe, at the time when the notice of designation is given, that the total amount to be so expended shall not exceed \$4,000.00.

(cf: P.L.1983, c.579, s.11)

g

- 4. Section 9 of P.L.1973, c.83 (C.19:44A-9) is amended to read as follows:
- 9. [Each candidate in an election shall appoint one campaign treasurer and shall designate one campaign depository. Any bank authorized by law to transact business in the State may be designated as the campaign depository. Notification of the designation of the campaign treasurer and the campaign depository shall be made by the candidate's filing the name and address of such campaign treasurer and such depository with the Election Law Enforcement Commission no later than the tenth day after receipt by the candidate, or by any political committee or continuing political committee which he has authorized to act in his behalf, of any contribution on behalf of his candidacy, or after the making or incurring by the candidate, or by a political committee or continuing political committee, of any expenditure on behalf of that candidacy, whichever comes first.

A campaign treasurer of the candidate may appoint deputy campaign treasurers as required and may designate additional campaign depositories in each county in which the campaign is conducted. The candidate shall file the names and addresses of deputy campaign treasurers and additional campaign depositories with the Election Law Enforcement Commission.

A candidate may remove a campaign treasurer or deputy campaign treasurer. In the case of the death, resignation or removal of a campaign treasurer, the candidate shall appoint a successor as soon as practicable and shall file his name and address with the Election Law Enforcement Commission within 3 days. A candidate may serve as his own campaign treasurer.]

a. Unless already established, each candidate, as defined in paragraph (1) of subsection c. of section 3 of P.L.1973, c.83

C

3

8

10

11 12

13

14 15

16 17

18

19

20 21

22

23 24

25

26 27

28 29

30

31

32 33

34

35

36

37

38 39

40

41

42

43

44 45

47

48

49 50

51

52

53 54

€.

(C.19:44A-3), shall, no later than the date on which that candidate first receives any contribution or makes or incurs any expenditures in connection with an election, establish 5[either]5 (1) a candidate committee ⁵[or], ⁵ (2) a joint candidates committee⁵, or (3) both,⁵ for the purpose of receiving contributions and making expenditures. 3No person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the chairman of a candidate committee or joint candidates committee, other than a candidate committee or joint candidates committee established to further the nomination for election or the election of that person as a candidate for public office.3 Subsequent to an election, a candidate, whether or not successful in that election, shall maintain a candidate committee or a joint candidates committee so long as contributions are received or expenditures made by that former candidate. An elected officeholder who receives contributions and who has not maintained a candidate committee or a joint candidates committee shall establish a candidate committee 5[or], 5 a joint candidates committee⁵, or both, in a timely manner for the purpose of receiving contributions and making expenditures.

¹[Within 30 days of the establishment of a candidate committee or a joint candidates committee, the] The 1 candidate or candidates, as the case may be, shall file with the Election Law Enforcement Commission a certificate of organization on a form prescribed by the commission. The certificate shall provide for 1the initial appointment by the candidate, or candidates, of a campaign treasurer and for the designation by the candidate, or candidates, of ¹[the] that treasurer of the ¹[campaign] candidate 1 committee, or joint candidates committee, as the campaign treasurer of the candidate, or candidates, for the purposes of subsection a. of section 8 of P.L.1973, c.83 (C.19:44A-8) and shall generally identify and be signed by the candidate, or candidates, and the chairman and the treasurer of the candidate committee or joint candidates committee, as the case may be. 3No person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the treasurer of a candidate committee or joint candidates committee, other than a candidate committee or joint candidates committee established to further the nomination for election or the election of that person as a candidate for public office.3 1The certificate shall be filed prior to or simultaneously with the filing of a notification of the designation of a campaign depository as provided under subsection c. of this section. 1 Upon the filing of such a certificate of organization and until the termination of the committee, the candidate committee or joint candidates committee shall file the reports which the campaign treasurer or treasurers of the candidate or candidates would otherwise be required to file under subsection a. of section 16 of P.L.1973, c.83 (C.19:44A-16).

c. Each candidate, or the candidates comprising a joint candidates committee, ¹[shall appoint a campaign treasurer and]¹ shall designate a campaign depository. Any bank authorized by

law to transact business in the State may be designated as the campaign depository. Notification of the designation of the ¹[campaign treasurer and the]¹ campaign depository shall be made by the candidate's¹, candidates'¹ or committee's filing the name and address of ¹[such campaign treasurer and]¹ such depository with the Election Law Enforcement Commission no later than the tenth day after receipt by the candidate or the committee of any contribution on behalf of the candidate or candidates or after the making or incurring by the candidate or candidates of any expenditure on behalf of that candidacy, whichever comes first.

- d. Each candidate and campaign treasurer shall certify the correctness of each report filed by the candidate committee or joint candidates committee with the commission and that each report conforms with the limitations on contributions and expenditures provided for in sections 18, 19 and 20 of P.L., c. (C.)(now pending before the Legislature as this bill).
- e. A campaign treasurer of a candidate or candidates may appoint deputy campaign treasurers as required and may designate additional campaign depositories in each county in which the campaign is conducted. The candidate or candidates shall file the names and addresses of deputy campaign treasurers and additional campaign depositories with the Election Law Enforcement Commission.
- f. A candidate or candidates may remove a campaign treasurer or deputy campaign treasurer. In the case of the death, resignation or removal of a campaign treasurer, the candidate or candidates shall appoint a successor as soon as practicable and shall file the name and address of that person with the Election Law Enforcement Commission within three days. A candidate may serve as his or her own campaign treasurer. One of the candidates in a joint candidates committee may serve as the campaign treasurer of the entire committee.
- g. An individual who is a candidate for two or more public offices in an election or in separate elections shall establish separate candidate committees or separate joint candidates committees or both for each office contested.

- h. (1) On and after the 366th day following the effective date , c. (now pending before the Legislature as this bill), no candidate shall establish, authorize the establishment of, maintain, or participate directly or indirectly in the management or control of, any political committee or any continuing political committee. Within one year after the enactment of this act, every candidate who maintains, or who participates either directly or indirectly in the management or control of, one or more political committees or one or more continuing political committees, or both, shall wind up or cause to be wound up the affairs of those committees in accordance with the provisions of section 8 of P.L.1973, c.83 (C.19:44A-8) and transfer all of the funds therein into a candidate committee or a joint candidates committee. All funds thus transferred shall be subject to the provisions of section 17 of P.L. <u>, c. (C.)(now pending</u> before the Legislature as this bill).
- (2) The person or persons having control over a legislative

leadership committee shall not be required to wind up the affairs of that committee but shall be required to conform to the 3 requirements of paragraph (1) of this subsection with regard to any other political committees or continuing political committees under the control of the person or persons and used by that person for the purpose of receiving contributions and making expenditures.

(cf: P.L.1983, c.579, s.12)

1

2

5

6

8

9

10 11

12

13

14 15

16

17

18

19

20

21

22

23 24

25

26

27

28

29

30

31

32

33

34

35 36

37

38

39

40 41

42

43

44

45

46

47

48

49

50

51

52 53

54

5. Section 10 of P.L.1973, c.83 (C.19:44A-10) is amended to read as follows:

10. Each [State, county and municipal committee of a] political party committee shall, on or before July 1 in each year, designate a single organizational treasurer and an organizational depository and shall, not later than the tenth day after the designation of the organizational depository file the name and address of that depository, and of the organizational treasurer, with the Election Law Enforcement Commission.

Every political committee [and every continuing political committee] 3 may designate a chairman of the committee, but no person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the chairman of a political committee. Every political committee³ shall, not later than the date on which it first receives any contribution or makes or incurs any expenditure in the furtherance or aid of the election or defeat of any candidate or [to aid] the passage or defeat of any public question, appoint [, in the case of a political committee,] a single campaign treasurer [, or, in the case of a continuing political committee, a single organizational treasurer,] and designate [, in the case of a political committee,] a campaign depository [or, in the case of a continuing political committee, an organizational depository] 3, but no person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the campaign treasurer of a political committee3. Not later than the tenth day after the initial designation of the campaign [or organizational] depository, the committee shall file the name and address of the depository, and of the campaign [or organizational] treasurer, with the Election Law Enforcement Commission.

D

Every continuing political committee shall, not later than the date on which it first receives any contribution or makes or incurs any expenditure in the furtherance or aid of the election or defeat of any candidate or the passage or defeat of any public question, appoint a single organizational treasurer and designate an organizational depository³, provided that no person who is the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the organizational treasurer of a continuing political committee³. Not later than the tenth day after the initial designation of the organizational depository, the committee shall file the name and address of the depository, and of the organizational treasurer, with the Election Law Enforcement Commission.

Every legislative leadership committee shall, not later than the

date on which it first receives any contribution or makes or incurs any expenditure in the furtherance or aid of the election or defeat of any candidate or the passage or defeat of any public question, appoint a single organizational treasurer and designate an organizational depository. Not later than the tenth day after the initial designation of the organizational depository, the committee shall file the name and address of the depository, and of the organizational treasurer, with the Election Law Enforcement Commission.

An organizational treasurer of a [State, county or municipal committee of a] political party committee, [or other] a continuing political committee, or a legislative leadership committee and a campaign treasurer of a political committee may appoint deputy organizational or campaign treasurers as may be required and may designate additional organizational or campaign depositories. Such committees shall file the names and addresses of such deputy treasurers and additional depositories with the Election Law Enforcement Commission not later than the fifth day after their appointment or designation, respectively.

Any [State, county or municipal committee of a] political party committee, any political committee, [and] any continuing political committee and any legislative leadership committee may remove its organizational or campaign treasurer or deputy treasurer. In the case of the death, resignation or removal of its organizational or campaign treasurer, the committee shall appoint a successor as soon as practicable and shall file his name and address with the Election Law Enforcement Commission within three days.

(cf: P.L.1983, c.579, s.13)

Я

- 6. Section 11 of P.L.1973, c.83 (C.19:44A-11) is amended to read as follows:
- 11. No contribution of money or other thing of value, nor obligation therefor, including but not limited to contributions, loans or obligations of a candidate himself or of his family, shall be made or received, and no expenditure of money or other thing of value, nor obligations of a candidate himself or of his family, shall be made or incurred, directly or indirectly, to support or defeat a candidate in any election, or to aid the passage or defeat of any public question, except through:
- a. The duly appointed campaign treasurer or deputy campaign treasurers of the candidate <u>committee</u> or <u>joint candidates</u> committee;
- b. The duly appointed organizational treasurer or deputy organizational treasurers of a political party committee or [other] a continuing political committee;
- c. The duly appointed campaign treasurer or deputy campaign treasurers of a political committee; or
- d. The duly appointed organizational treasurer or deputy organizational treasurer of a legislative leadership committee.
- It shall be lawful, however, for any person, not acting in concert with any other person or group, to expend personally from his own funds a sum which is not to be repaid to him for any purpose not prohibited by law, or to contribute his own personal

services and personal traveling expenses, to support or defeat a candidate or to aid the passage or defeat of a public question; provided, however, that any person making such expenditure shall be required to report his or her name and mailing address and the amount of all such expenditures and expenses, except personal traveling expenses, if the total of the money so expended, exclusive of such traveling expenses, exceeds [\$100.00] \$200, and also, where the person is an individual, to report the individual's occupation and the name and mailing address of the individual's employer, [either:

- a. To the campaign treasurer of the candidate, political party committee or political committee on whose behalf such expenditure or contribution was made, or to his deputy, who shall cause the same to be included in his report to the Election Law Enforcement Commission subject to the provisions of sections 8 and 9 of this act; or
- b. Directly] to the Election Law Enforcement Commission at the same time and in the same manner as a political committee subject to the provisions of section 8 of this act.

No contribution of money shall be made in currency, except contributions in response to a public solicitation, provided that cumulative currency contributions of up to [\$100.00] \$200 ¹[in any calendar year] ¹ may be made to a candidate committee or joint ¹[candidate] candidates ¹ committee, a political committee [or], a continuing political committee, a legislative leadership committee or a political party committee if the contributor submits with the currency contribution a written statement of a form as prescribed by the commission, indicating [his name and] the contributor's name, mailing address and occupation and the amount of [his] the contribution, [and] including [his] the contributor's signature and the name and mailing address of the contributor's employer.

Any anonymous contribution received by a campaign treasurer or deputy campaign treasurer shall not be used or expended, but shall be returned to the donor, if his identity is known, and if no donor is found, the contribution shall escheat to the State.

No person, partnership or association, either directly or through an agent, shall make any loan or advance, the proceeds of which that person, partnership or association knows or has reason to know or believe are intended to be used by the recipient thereof to make a contribution or expenditure, except by check or money order identifying the name, mailing address and occupation or business of the maker of the loan, and, if the maker is an individual, the name and mailing address of that individual's employer; provided, however, that such loans or advances to a single individual, up to a cumulative amount of \$50 in any calendar year, may be made in currency.

¹[Any [State, county or municipal committee of any] political party <u>committee</u>, after a <u>primary</u> election, but not prior thereto, may receive and expend funds to be spent in furtherance and in aid of the candidacy of all the candidates of such party, or of any one or more of such candidates, in accordance with the provisions of this act.]¹

(cf: P.L.1983, c.579, s.14)

- 7. Section 8 of P.L.1989, c.4 (C.19:44A-11.1) is amended to read as follows:
 - 8. a. Funds or other benefits received and payments made solely for the purpose of determining whether an individual should become a candidate are not contributions or expenditures. Activities contemplated under this exemption include, but are not limited to, conducting a poll, telephone calls and travel to determine whether an individual should become a candidate.

The individual shall keep records of all such funds received and payments made.

- b. If the individual subsequently becomes a candidate, the funds received and payments made are contributions and expenditures subject to the limitations, prohibitions and requirements of P.L.1973, c.83 (C.19:44A-1 et seq.). Such contributions and expenditures shall be reported with the first report filed by the [candidate or the campaign committee of the candidate] candidate committee or joint candidates committee of the candidate, regardless of the date the funds were received or the payments made.
- c. This exemption does not apply to funds received or payments made for general public political advertising; nor does this exemption apply to funds received or payments made for activities designed to amass campaign funds that would be spent after the individual becomes a candidate.
- d. In no instance shall permissible activities conducted solely for the purpose of determining whether an individual will become a candidate be confined or limited on the basis of total funds received or payments made for such purpose.

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

(cf: P.L.1989, c.4, s.8)

- 8. Section 12 of P.L.1973, c.83 (C.19:44A-12) is amended to read as follows:
- 12. An organizational or campaign treasurer or deputy organizational or campaign treasurer of a candidate committee or joint candidates committee, [of] a political committee, [or of] a continuing political committee¹, a political party committee¹ or a legislative leadership committee shall make a written record of all funds which he receives as contributions to the candidate committee, joint candidates committee, political committee (or), continuing political committee¹, political party committee¹ or legislative leadership committee, including in that record the name and mailing address of the contributor [and], the amount and date of the contribution, and where the contributor is an individual, the occupation of the individual and the name and mailing address of the individual's employer. ¹organizational or ¹ campaign treasurer shall retain that record for a period of not less than four years. All funds so received shall be deposited by the campaign or organizational treasurer or deputy campaign or organizational treasurer in a campaign depository of the candidate <u>committee or joint candidates</u> committee, the continuing political committee [or], political

committee¹, political party committee¹ or legislative leadership committee, in an account designated "[Campaign] Election Fund of (name of candidate, candidates or committee)" no later than the tenth calendar day following receipt of such funds; except that any such treasurer or deputy treasurer may, when authorized by the candidate, candidates or committee of which he is the campaign or organizational treasurer or deputy campaign or organizational treasurer, transfer any such funds to the duly designated campaign or organizational treasurer or deputy campaign or organizational treasurer of another candidate or committee, for inclusion in the 1[campaign] election1 fund thereof, without first so depositing them; provided, however, that the amount so transferred shall not be in excess of the amount that may be contributed by one candidate to another candidate in an election pursuant to section 18 of P.L., c. (C.)(now pending before the Legislature as this bill) [and a], but this proviso shall not be construed to prohibit a county or municipal committee of a political party from making a contribution or contributions, or from transferring funds as hereinabove authorized, to any candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee. A1 record of all nondeposited funds so transferred shall be attached to the statement required under this section, identifying them as to source and amount in the same manner as deposited funds.

(cf: P.L.1983, c.579, s.15)

1

2

3

R

8

10

11 12

13

14

15

16 17

18

19

20

21 22

23 24

25

26 27

28 29

30

31

32 33

34 35

36

37 38

39

40

41 42

43

44

45 46

47 48

49

50

51 52

53

54

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

16. a. [Except as provided by subsection h. of this section, each] The campaign treasurer of [a] each candidate committee and joint candidates committee shall make a full cumulative report, upon a form prescribed by the Election Law Enforcement Commission, of all contributions in the form of moneys, loans, paid personal services or other things of value, made to him or to the deputy campaign treasurers of the candidate committee or joint candidates committee, and all expenditures paid out of the [campaign] election fund of the candidate or candidates, during the period ending with the second day preceding the date of the cumulative report and beginning on the date of the first of those contributions, the date of the first of those expenditures, or the date of the appointment of the campaign treasurer, whichever occurred first. The report shall also contain the name and mailing address of each person or group from whom moneys, loans, paid personal services or other things of value were contributed after the second day preceding the date of the previous cumulative report and the amount contributed by each person or group, and where an individual has made such contributions, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. In the case of any loan reported pursuant to this section, the report shall further contain the name and mailing address of each person who cosigns such loan, the occupation of the person and the name and mailing address of the person's

3

6

8

10

11

12 13

14

15

16 17

18

19

20

21

22 23

24

25 26

27

28 29

30 31

32

33

34 35

36

37

38

39 40

41

42 43

44 45

46

47

48

49 50

51 52

53

54

employer. If no moneys, loans, paid personal services or other things of value were contributed, the report shall so indicate, and if no expenditures were paid or incurred, the report shall likewise so indicate. The campaign treasurer and the candidate or several candidates shall certify the correctness of the report.

b. During the period between the appointment of the campaign treasurer and the election with respect to which contributions are accepted or expenditures made by him, the campaign treasurer shall file his cumulative campaign report (1) on the 29th day preceding the election, and (2) on the 11th day preceding the election; and after the election he shall file his report on the 20th day following such election. Concurrent with the report filed on the 20th day following an election, or at any time thereafter, the campaign treasurer of a candidate [or political convmittee] committee or joint candidates committee may certify to the Election Law Enforcement Commission that the [campaign] ¹election ¹ fund of such candidate [or political committee, having been instituted for the purposes of the late election,] committee or joint candidates committee has wound up its business and been dissolved, or [, in the case of a political committee which continues its activities beyond the election that its] that business regarding the late election has been wound up [; and said certification] but the candidate committee or joint candidates committee will continue for the deposit and use of contributions in accordance with section 17 of P.L. , c. (C. pending before the Legislature as this bill). Certification shall be accompanied by a final accounting of such [campaign] lelection 1 fund, or of the transactions relating to such election, including the final disposition of any balance remaining in such fund at the time of dissolution or the arrangements which have been made for the discharge of any obligations remaining unpaid at the time of dissolution. Until [such certification has been filed] the candidate committee or joint candidates committee is dissolved, each such treasurer shall continue to file [at the conclusion of each 60-day interval from the 20th day following such election.] reports in the form and manner herein prescribed.

The Election Law Enforcement Commission shall promulgate regulations providing for the termination of post-election campaign reporting requirements applicable to [political committees] 1political committees, 1 candidate committees and joint candidates committees. The requirements to file 1quarterly reports after the first post-election [reports] report may be waived by the commission, notwithstanding that the certification has not been filed, if the commission determines under any regulations so promulgated that the outstanding obligations of the ¹political committee, ¹ [political committeel candidate committee or joint candidates committee do not exceed 10% of the expenditures of the campaign fund with respect to the election or \$1,000.00, whichever is less, or are likely to be discharged or forgiven.

A candidate committee or joint ¹[candidate] candidates¹ committee shall file with the Election Law Enforcement Commission, not later than April 15, July 15, October 15 of each calendar year in which the candidate ¹or candidates¹ in control

3

5

6

7 8

9

10

11 12

13 14

15

16

17 18

19

20

21

22

23

24

25

26 27

28 29

30

31 32

33

34

35 36

37 38

39

40

41

42

43 44

45 46

47

48

49 50

51

52

53

54

of the committee does 1 or do1 not run for election or reelection and January 15 of each calendar year in which the candidate 1 or candidates 1 does 1 or do 1 run for election or reelection, a cumulative quarterly report of all moneys, loans, paid personal services or other things of value contributed to it or to the candidate 1 or candidates 1 during the period ending on the 15th day preceding that date and commencing on January 1 of that calendar year or, in the case of the cumulative quarterly report to be filed not later than January 15, of the previous calendar year, and all expenditures made, incurred, or authorized by it or the candidate or candidates during the period, whether or not such expenditures were made, incurred or authorized in furtherance of the election or defeat of any candidate, or in aid of the passage or defeat of any public question or to provide information on any candidate or public question. commission may by regulation require any such candidate committee or joint candidates committee to file during any calendar year one or more additional cumulative reports of such contributions received and expenditures made as may be necessary to ensure that no more than five months shall elapse between the last day of a period covered by one such report and the last day of the period covered by the next such report. 1

The commission, on any form it shall prescribe for the reporting of expenditures by a candidate committee or joint ¹shall provide¹ for the grouping candidates committee, togetherof all expenditures under the category of 1["ordinary and necessary expenses of holding public office"] "campaign expenses" 1 under paragraph 1[6] (1)1 of subsection a. of section 17 of P.L., c. (now pending before the Legislature as this bill), identified as such, and for the grouping together, separately, of all other expenditures under the categories prescribed by paragraphs ¹[(1) through (5)] (2) through (6)¹ of that subsection. The cumulative quarterly report due on April 15 in a year immediately after the year in which the candidate lor candidates 1 does 1 or do 1 run for election or reelection shall contain a report of all of the contributions received and expenditures made by the candidate 1 or candidates 1 since the 18th day after that election.

The cumulative quarterly report shall contain the name and mailing address of each person or group from whom moneys, loans, paid personal services or other things of value have been contributed and the amount contributed by each person or group, and where an individual has made such contributions, the report shall indicate the occupation of the individual and the name and mailing address of the individual's employer. In the case of any loan reported pursuant to this section, the report shall contain the name and address of each person who cosigns such loan, and where an individual has cosigned such loans, the report shall indicate the occupation of the individual and the name and mailing address of his employer. The report shall also contain the name and address of each person, firm or organization to whom expenditures have been paid and the amount and purpose of each such expenditure. The treasurer of the candidate committee or joint candidates committee 1 and the candidate or candidates 1

shall certify to the correctness of each cumulative quarterly
 report.

3

5

6

8

9 10

11 12

13 14

15

16

17

18

19 20

21

22

23 24

25 26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46 47

48

49

50 51

52

53 54 c. In the case of an election of a candidate for an office elected by a municipal or countywide constituency or a school district a duplicate copy of the campaign treasurer's report, duly certified, shall be filed at the same time with the county clerk of the county in which the candidate resides and the county clerk shall retain a written record of that filing for a period of not less than four years following the date of the election.

[If a political committee or a continuing political committee, with the exception of political party committees for primary elections, assumes for the purposes of reporting, the obligations of a candidate, the campaign treasurer or candidate shall not, upon notice to the commission by such committee of that assumption of obligation, be required to report further.]

d. There shall be no obligation to file the reports required by this section on behalf of a candidate if such candidate files with the Election Law Enforcement Commission a sworn statement to the effect that the total amount to be expended in behalf of his candidacy by the candidate committee, by any [State, county or municipal committee of a) political party committee, by any political committee, or by any person shall not in the aggregate exceed \$2,000.00 or \$4,000 for any joint candidates committee containing two candidates or \$6,000 for any joint candidates committee containing three 4or more 4 candidates. The sworn statement may be submitted at the time when the name and address of the campaign treasurer and depository is filed with the Election Law Enforcement Commission, provided that in [no] any case the swom statement is filed no later than the 29th day before an election. If a candidate who has filed such a sworn statement receives contributions from any one source aggregating more than [\$100.00] \$200 he shall forthwith make report of the same, including the [identity] name and mailing address of the source and the aggregate total of contributions therefrom, and where the source is an individual, the occupation of the individual and the name and mailing address of the individual's employer, to the Election Law Enforcement Commission.

e. There shall be no obligation imposed upon a candidate seeking election to a public office of a school district to file either the reports required under subsection b. of this section [16b.] or the sworn statement referred to in subsection d. of this section [or to comply with the requirements of section 9, 11 or 12 of this act], if the total amount expended and to be expended in behalf of his candidacy by the candidate committee, any political committee, any continuing political committee, or a political party committee or by any person, does not in the aggregate exceed \$2,000.00 per election or \$4,000 for any joint candidates committee containing two candidates or \$6,000 for any joint candidates committee containing three 4or more candidates; provided, that if such candidate receives contributions from any one source aggregating more than [\$100.00] \$200, he shall forthwith make a report of the same, including the name and mailing address of the source [and], the aggregate total of

contributions therefrom, and where the source is an individual, the occupation of the individual and the name and mailing address of the individual's employer, to the commission.

1

3

4 5

6 7

8

10

11

12

13 14

15 16

17

18 19

20

21

22

23 24

25

26

27

28

29

30 31

32

33

34

35 36

37

38

39

40

41 42

43 44

45 46

47

48 49

50 51

52

53

f. In any report filed pursuant to the provisions of this section, the names and addresses of contributors whose contributions during the period covered by the report did not exceed [\$100.00] \$200 may be excluded; provided, however, that (1) such exclusion is unlawful if any person responsible for the preparation or filing of the report knew that such exclusion was made with respect to any person whose total contributions relating to the same election and made to the reporting candidate or to an allied campaign organization or organizations aggregate, in combination with the total contributions in respect of which such exclusion is made, more than [\$100.00] \$200, and (2) any person who knowingly prepares, assists in preparing, files or acquiesces in the filing of any report from which the identity of any contributor has been excluded contrary to the provisions of this section is subject to the provisions of section 21 of this act, but (3) nothing in this proviso shall be construed as requiring any candidate committee or joint candidates committee reporting pursuant to this act to report the amounts, dates or other circumstantial data regarding contributions made to any other candidate committee, joint candidates committee, political committee [or committee of al, continuing political committee, political party committee or legislative leadership committee.

g. Any report filed pursuant to the provisions of this section shall include an itemized accounting of all receipts and expenditures relative to any testimonial affair held since the date of the most recent report filed, which accounting shall include the name and mailing address of each contributor in excess of [\$100.00] \$200 to such testimonial affair and the amount contributed by each [,]; in the case of any individual contributor, the occupation of the individual and the name and mailing address of the individual's employer; the expenses incurred [,]; and the disposition of the proceeds of such testimonial affair.

h. [If all expenditures and all receipts of contributions on behalf of a candidate which are required to be reported under subsection c. of this section are conducted by and through a political committee which is required to file financial reports under section 8 of P.L.1973, c.83 (C.19:44A-8), the candidate may authorize that political committee to be his agent with respect to the reporting of those expenditures and receipts by filing with the Election Law Enforcement Commission a certificate of that authorization on a form prescribed by the commission. The certificate shall provide for designation by the candidate of the treasurer of the political committee as the campaign treasurer of the candidate for the purposes of subsection a. thereof and shall generally identify and be signed by the candidate and the chairman and the treasurer of the political committee. Upon the filing of such a certificate of authorization and until the authorization is revoked in writing by the candidate, the political committee shall file the reports which the campaign treasurer of the candidate would otherwise be required to file under subsection a. of this section.] (Deleted by amendment,

P.L. , c. .

R

i. Each campaign treasurer of a candidate ¹committee or joint candidates committee ¹ shall file written notice with the commission of a contribution in excess of [\$250.00] \$500 received during the period between the 13th day prior to the election and the date of the election. The notice shall be filed in writing or by telegram within 48 hours of the receipt of the contribution and shall set forth the amount and date of the contribution [and], the name and mailing address of the contributor, and where the contributor is an individual, the occupation of the individual and the name and mailing address of the individual's employer.

(cf: P.L.1983, c.579, s.16)

- 10. Section 19 of P.L.1973, c.83 (C.19:44A-19) is amended to read as follows:
- 19. a. No person shall conduct any public solicitation as defined in this act except (1) upon written authorization of the campaign or organizational treasurer of the candidate committee or joint candidates committee, political committee [or], continuing political committee, political party committee or legislative leadership committee on whose behalf such solicitation is conducted, or (2) in accordance with the provisions of subsection c. of this section. A person with such written authorization may employ and accept the services of others as solicitors, and shall be responsible for reporting to the treasurer the information required under subsection b. of this section and for delivery to the treasurer the net proceeds of such solicitation in compliance with [sections] section 11 [and 14] of this act. A contribution made through donation or purchase in response to a public solicitation conducted pursuant to written authorization of a treasurer shall be deemed to have been made through such treasurer.
- b. Whenever a public solicitation has been authorized by a transurer during a period covered by a report required to be filed under sections 8 and 16 of this act, there shall be filed with such report and as a part thereof an itemized report on any such solicitation of which the net proceeds exceed [\$100.00] \$200, in such form and detail as required by the rules of the Election Law Enforcement Commission, which report shall include:
- (1) The name and mailing address of the person authorized to conduct such solicitation, [and] the method of solicitation and, where the person is an individual, the occupation of the individual and the name and mailing address of the individual's employer;
- (2) The gross receipts and expenses involved in the solicitation including the actual amount paid for any items purchased for resale in connection with the solicitation, or, if such items or any portion of the cost thereof was donated, the estimated actual value thereof and the actual amount paid therefor, and the names and addresses of any such donors. If it is not practicable for such itemized report to be completed in time to be included with the report due under sections 8 and 16 of this act for the period during which such solicitation was held, then such itemized report may be omitted from said report and if so omitted shall be included in the report for the next succeeding period.
 - c. Notwithstanding the provisions of subsection b. of this

section, it shall be lawful for any natural person, not acting in concert with any other person or group, to make personally a public solicitation the entire proceeds of which, without deduction for the expenses of solicitation, are to be expended by him personally or under his personal direction to finance any lawful activity in support of or opposition to any candidate or public question or to provide political information on any candidate or public question or to seek to influence the content, introduction, passage or defeat of legislation; provided, however, that any individual making such solicitation who receives gross ¹[contribution] contributions exceeding [\$100.00] \$200 in respect to activities relating to any one election shall be required to make a report stating (1) the amount so collected, (2) the method of solicitation [and], (3) the purpose or purposes for which the funds so collected were expended and the amount expended for each such purpose and (4) the individual's name and mailing address, the individual's occupation and the name and mailing address of the individual's employer.

Such report shall be made [either:

- (1) To the treasurer of the candidate, political committee or continuing political committee on whose behalf such funds were collected and expenditures made, or to his deputy, who shall cause the same to be included in his report to the Election Law Enforcement Commission subject to the provisions of sections 8 and 16 of this act; or
- (2) Directly to the Election Law Enforcement Commission at the same time and in the same manner as a political committee [or], continuing political committee, political party committee or a legislative leadership committee subject to the provisions of section 8 of this act.
- d. Contributions or purchases made in response to a public solicitation conducted in conformity with the requirements and conditions of this act shall not be deemed anonymous within the meaning of sections 11[, 14] and 20 of this act.
- e. No person contributing in good faith to a public solicitation not duly authorized in compliance with the provisions of this act shall be liable to any penalty under this act by reason of having made such contribution.

(cf: P.L.1983, c.579, s.18)

- 11. Section 20 of P.L.1973, c.83 (C.19:44A-20) is amended to read as follows:
- 20. No contribution of money or other thing of value, nor obligation therefor, shall be made, and no expenditure of money or other thing of value, nor obligation therefor, shall be made or incurred whether anonymously, in a fictitious name, or by one person or group in the name of another, to support or defeat a candidate in an election or to aid the passage or defeat of any public question or to provide political information on any candidate or public question or to seek to influence the content, introduction, passage or defeat of legislation.

³[No individual, either alone or jointly with one or more other individuals, and no corporation, partnership, membership organization or other incorporated or unincorporated association shall loan or advance to any individual, group of individuals,

partnership, membership organization or other incorporated or unincorporated association any money or other thing of value expressly for the purpose of inducing the recipient thereof, or any other individual, group, corporation, partnership, organization or association, to make a contribution, either directly or indirectly, of money or other thing of value to a candidate or the candidate committee or joint candidates committee of a candidate.] 3 4No individual, either alone or jointly with one or more other individuals, and no corporation, partnership, membership organization or other incorporated or unincorporated association shall loan or advance to any individual, group of individuals, corporation, partnership, membership organization or other incorporated or unincorporated association any money or other thing of value expressly for the purpose of inducing the recipient thereof, or any other individual, group, corporation, partnership, organization or association, to make a contribution, either directly or indirectly, of money or other thing of value to a candidate or the candidate committee or joint candidates committee of a candidate.4

No person shall contribute, or purport to contribute, to any [political] candidate, candidate committee or joint candidates committee, political committee [or], continuing political committee, political party committee or legislative leadership committee funds or property which does not actually [belonging] belong to him and is not in his full custody and control[, or]; which has been given or furnished to him by any other person or group for the purpose of making a contribution thereof, except in the case of group contributions by persons who are members of the contributing group ³[; or which has been loaned or advanced expressly for the purpose of inducing the making of a contribution to a candidate, candidate committee or joint candidates committee] ³ or which has been loaned or advanced expressly for the purpose of inducing the making of a contribution to a candidate, candidate committee or joint candidates committee.

No treasurer, candidate or member of a <u>candidate committee</u>, <u>joint candidates committee</u>, political committee [or], continuing political committee, <u>political party committee</u> or <u>legislative leadership committee</u> shall solicit or knowingly accept, agree to accept or concur in or abet the solicitation or acceptance of any contribution contrary to the provisions of this section.

(cf: P.L.1983, c.579, s.19)

 12. Section 21 of P.L.1973, c.83 (C.19:44A-21) is amended to read as follows:

21. a. ³[(1)]³ Any person who ⁴[willfully and knowingly] purposely⁴ and with intent to conceal or misrepresent contributions given or received or expenditures made or incurred to aid or promote the nomination, election or defeat of any candidate for public office or party position, or to aid or promote the passage or defeat of a public question in any election, or to aid the dissemination of political information in connection with any election makes or accepts any contribution or makes or incurs any expenditure in violation of sections 7, 11[, 14] or 20 of this act¹[, and any person who willfully and knowingly agrees with another person to make a contribution to a candidate, candidate

committee, joint candidate committee, political committee, continuing political committee, political party committee, or legislative leadership committee with the intent, or upon the condition, understanding or belief, that the recipient candidate or committee shall make or have made a contribution to another such candidate or committee, l' is guilty of 3[: (a) if the cumulative total amount of those contributions or those expenditures, or both, is less than or equal to \$5,000, l' a [misdemeanor] crime of the fourth degree 3[; (b) if the cumulative total amount of those contributions or those expenditures, or both, is more than \$5,000 but less than \$75,000, a crime of the third degree; and (c) if the cumulative total amount of those contributions or those expenditures, or both, is equal to or more than \$75,000, a crime of the second degree]3.

³[(2) Any person who establishes, or who serves as the campaign or organizational treasurer or deputy treasurer of ¹, ¹ a political committee, continuing political committee, political party committee, ¹[or] ¹ legislative leadership committee ¹or other group ¹ with the intent of enabling a contributor to that committee to effectuate the transfer to a candidate committee or joint candidates committee of amounts of money or other thing of value in excess of the amount which that contributor could ¹legally ¹ contribute directly to that candidate committee or joint candidates committee is guilty of a crime of the fourth degree. ¹3

b. Any person who ⁴(willfully and knowingly] <u>purposely</u>⁴ files or prepares or assists in the preparation for filing or ⁴<u>purposely</u>⁴ acquiesces in the preparation or filing of any report required under this act which ⁴<u>the person knows</u>⁴ is false, inaccurate or incomplete in any material particular; or who ⁴[willfully and knowingly] <u>purposely</u>⁴ fails or refuses to file any such report when required to do so pursuant to the provisions of this act; or who ⁴[willfully] <u>purposely</u>⁴ supplies any information which he knows to be false, inaccurate or incomplete to any person preparing or assisting in the preparation of any such report, with the knowledge that such information is intended for the purposes of such report, is guilty of a [misdemeanor] <u>crime of the fourth degree</u>.

c. The nomination for or election to any office of any candidate who is guilty of any violation within the description of subsection a. or b. of this section shall be void, and the 'fice shall be filled as required by law in the case of a vacancy; provided, however, that nothing herein contained shall be construed in derogation of the constitutional authority of either House of the Legislature to be the judge of the election and qualification of its own members.

³[d. Any individual, partnership, membership organization or other association who or which, directly or through an agent, willfully and knowingly makes a loan or advance of money or other thing of value in violation of section 11 or section 20 of P.L.1973, c.83 (C.19:44A-11, C.19:44A-20) is guilty of: (1) if the cumulative total amount of those loans or advances, or both, is less than or equal to \$5,000, a crime of the fourth degree; (2) if the cumulative total amount of those loans or advances, or both,

is more than \$5,000 but less than \$75,000, a crime of the third degree; and (3) if the cumulative total amount of those loans or advances, or both, is equal to or more than \$75,000, a crime of the second degree.

- e. Any individual, partnership, membership organization or other association who or which willfully and knowingly makes a contribution as a result of having been induced to do so through the receipt, promise or offer of a loan or advance of money or other thing of value, the making of which loan or advance would constitute a violation of section 11 or section 20 of P.L.1973, c.83 (C.19:44A-11, C.19:44A-20), is guilty of a crime of the fourth degree.
- f. Any person who knowingly refuses to file a statement of registration pursuant to section 21 of P.L., c. (C.) (now pending before the Legislature as this bill) or who willfully and knowingly files or prepares or assists in the preparation for filing or acquiesces in the preparation or filing of a statement which is false, inaccurate or incomplete in any material particular is guilty of a crime of the fourth degree. 13
- ⁴d. Any individual, partnership, membership organization or other association who or which, directly or through an agent, purposely makes a loan or advance of money or other thing of value in violation of section 11 or section 20 of P.L. 1973, c. 83 (C. 19:44A-11, C. 19:44A-20) is guilty of a crime of the fourth degree.
- e. Any individual, partnership, membership organization or other association who or which purposely makes a contribution as a result of having been induced to do so through the recipt, promise or offer of a loan or advance of money or other thing of value, the making of which loan or advance would constitute a violation of section 11 or section 20 P.L. 1973, c. 83 (C. 19:44A-11, C. 19:44A-20), is guilty of a crime of the fourth degree.⁴
- (cf: P.L.1973, c.83, s.21)

- 13. Section 22 of P.L.1973, c.83 (C.19:44A-22) is amended to read as follows:
- 22. a. ¹(1)¹ ⁴[Any] Except as provided in subsection e. or f., any4 person, including any candidate, treasurer, candidate committee or joint candidates committee, political committee [or], continuing political committee, political party committee or legislative leadership committee, charged with responsibility under the terms of this act[, including any responsibility arising from an authorization of agency under subsection h. of section 16 of the act (C. 19:44A-16),] for the preparation, certification, filing or retention of any reports, records, notices or other documents, who fails, neglects or omits to prepare, certify, file or retain any such report, record, notice or document at the time or during the time period, as the case may be, and in the manner prescribed by law, or who omits or inco. rectly states or certifies any of the information required by law to be included in such report, record, notice or document, any person who proposes to undertake or undertakes a public solicitation, testimonial affair or other activity relating to contributions or expenditures in any way regulated by the

provisions of this act who fails to comply with those regulatory provisions, and any other person who in any way violates any of the provisions of this act shall, in addition to any other penalty provided by law, be liable to a penalty of not more than 4[\$1,000.00] \$3,000.00⁴ for the first offense and not more than 4[\$2,000.00] \$6,000.00⁴ for the second and each subsequent offense.

¹(2) No person shall willfully and ⁴[knowingly] intentionally ⁴ agree with another person to make a contribution to a candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee with the intent, or upon the condition, understanding or belief, that the recipient candidate or committee shall make or have made a contribution to another such candidate or committee, but this paragraph shall not be construed to prohibit a county or municipal committee of a political party from making a contribution or contributions to any candidate, candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee. A finding of a violation of this paragraph shall be made only upon clear and convincing evidence. A person who violates the provisions of this paragraph shall be liable to a penalty equal to three times the amount of the contribution which that person agreed to make to the recipient candidate or committee.1

- b. Upon receiving evidence of any violation of this section, the Election Law Enforcement Commission shall have power to hold, or to cause to be held under the provisions of subsection d. of this section, hearings upon such violation and, upon finding any person to have committed such a violation, to assess such penalty, within the limits prescribed in subsection a. of this section, as it deems proper under the circumstances, which penalty shall be paid forthwith into the State Treasury for the general purposes of the State. ⁴[Such penalty shall be enforceable in a summary proceeding under ¹[the "Penalty Enforcement Law"] "the penalty enforcement law" (N. J.S.2A:58-1 et seq.).]⁴
- c. In assessing any penalty under this section, the Election Law Enforcement Commission may provide for the remission of all or any part of such penalty conditioned upon the prompt correction of any failure, neglect, error or omission constituting the violation for which said penalty was assessed.
- d. The commission may designate a hearing officer to hear complaints of violations of this act. Such hearing officer shall take testimony, compile a record and make factual findings, and shall submit the same to the commission, which shall have power to assess penalties within the limits and under the conditions prescribed in subsections b. and c. of this section. The commission shall review the record and findings of the hearing officer, but it may also seek such additional testimony as it deems necessary. The commission's determination shall be by majority vote of the entire authorized membership thereof.
- 4e. Any person who willfully and intentionally makes or accepts any contribution in violation of section 4 of P.L.1974, c.28 (C.19:44A-29) or sections 18, 19 or 20 of P.L. , c.

- 1 (C.)(now pending before the Legislature as this bill), shall be
 2 liable to a penalty of:
 - (1) Not more than \$5,000.00 if the cumulative total amount of those contributions is less than or equal to \$5,000.00;
 - (2) Not more than \$75,000.00 if the cumulative total amount of those contributions was more than \$5,000.00 but less than \$75,000; and
 - (3) Not more than \$100,000.00 if the cumulative total amount of those contributions is equal to or more than \$75,000.00.
 - f. In addition to any penalty imposed pursuant to subsection e. of this section, a person holding any elective public office shall forfeit that public office if the Election Law Enforcement Commission determines that the cumulative total amount of the illegal contributions was more than \$50,000.00 and that the violation had a significant impact on the outcome of the election.
 - g. Any penalty prescribed in this section shall be enforced in a summary proceeding under "the penalty enforcement law" (N.J.S. 2A:58-1 et seq.).4
- 19 (cf: P.L.1983, c.579, s.20)

5

6 7

8

9

10

11

12 13

14 15

16

17

18

20 21

22

23

24

25

26 27

28

29

30

31

32

33

34

35 36

37 38

39

40

41 42

43 44

45

46

47

48 49

50 51

52

- 14. Section 4 of P.L.1974, c.26 (C.19:44A-29) is amended to read as follows:
 - 4. a. Except in the case of a candidate, as provided in subsection g. of this section, no person, candidate committee or joint 1[candidates] 4[candidate1] candidates4 committee, political committee [or], continuing political committee or legislative leadership committee, otherwise eligible to make [political] contributions, shall make any contribution or contributions to a candidate, his campaign treasurer or deputy campaign treasurer. candidate committee, a [State committee, county committee or municipal committee of anyl political party committee, or to any other person or committee, in aid of the candidacy of or in behalf of a candidate for nomination for election or for election to the office of Governor in any primary or general election in the aggregate in excess of \$1,500.004, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, in excess of \$1,500.00 per candidate in the joint candidates committee 4 5, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$1,500.00 from that candidate⁵. No candidate for nomination for election or for election to the office of Governor in any primary or general election and no campaign treasurer deputy campaign or treasurer of such candidate shall knowingly accept from any person, candidate, candidate committee, joint candidates committee, political committee [or], continuing political committee or legislative leadership committee any contribution contributions in aid of the candidacy of or in behalf of such candidate in the aggregate in excess of \$1,500.00 4, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, in excess of \$1,500.00 per candidate in the joint candidates committee, 4 5 or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$1,500.00 from that candidate, 5 in any primary or general election. No provision of

3

5

6

8

9 10

11 12

13

14

15 16

17 18

19

20

21

22 23

24

25 26

27

28

29

30

31

32

33

34 35

36

37

38 39

> 40 41

42

43 44

45

46

47

48

49 50

51

52

53 54

this act shall be construed to prohibit a contribution or contributions in the aggregate in aid of the candidacy of or in behalf of any candidate for nomination for election to the office of Governor in a primary election not in excess of \$1,500.00 4, or in the case of a contribution or contributions by a joint candidates committee 5when that is the only committee established by the candidates in excess of \$1,500.00 per candidate in the joint candidates committee, 4 5 or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$1,500.00 from that candidate,5 and another contribution or contributions in the aggregate in the aid of the candidacy of or in behalf of any candidate for election to the office of Covernor in a general election not in excess of \$1,500.00 4, or in the case of a contribution or contributions by a joint candidates committee 5when that is the only committee established by the candidates⁵, in excess of \$1,500.00 per candidate in the joint candidates committee4 5, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$1,500.00 from that candidate. For the purpose of determining the amount of a contribution to be attributed as given by each candidate in a joint candidates committee, the amount of the contribution by such a committee shall be divided equally among all the candidates in the committee⁵.

- b. (Deleted by amendment. P.L.1980, c.74.)
- c. The spouse of any contributor may make a contribution or contributions in the aggregate in aid of the candidacy of or in behalf of a candidate for nomination for election or for election to the office of Governor of up to \$1,500.00.
- d. No State committee of any political party shall knowingly accept from any person, candidate committee, joint candidates committee, political committee [or], continuing political committee or legislative leadership committee, any contribution or contributions in the aggregate in aid of the candidacy of or in behalf of a candidate for election to the office of Governor in a general election in excess of \$1,500.00 4, or in the case of a contribution or contributions by a joint candidates committee ⁵when that is the only committee established by the candidates⁵, in excess of \$1,500.00 per candidate in the joint candidates committee 4 5, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$1,500.00 from that candidate⁵. A State committee may allocate a contribution of up to \$1,500.00, and up to \$1,500.00 of a contribution in excess of \$1,500.00 in aid of the candidacy of or in behalf of such candidate 4, except that in the case of a contribution from a joint candidates committee bwhen that is the only committee established by the candidates⁵, the amounts which may be so allocated shall be \$1,500.00 per candidate in the joint candidates committee 4 5, and in the case of a candidate committee and a joint candidates committee when both are established by a candidate, the amount which may be so allocated shall be \$1,500.00 from that candidate. For the purpose of determining the amount of a contribution to be attributed as given by each candidate in a joint candidates committee, the

3

6

8

9

10

11 12

13 14

15

16 17

18

19

20

21 22

23

24

25

26

27

28

29 30

31

32 33

34

35

36 37

38

39

40

41 42

43

44

45

46

47

48

49 50

51

52

54

amount of the contribution by such a committee shall be divided equally among all the candidates in the committee⁵. A State committee shall create an account in a National or State bank in behalf of any candidate the committee intends to or does assist for election to the office of Governor in a general election, shall deposit in such account and report to the Election Law Enforcement Commission the name of the contributor of all moneys accepted or allocated in aid of the candidacy of or in behalf of such candidate, and may make a contribution or contributions from such account in any amount in aid of the candidacy of or in behalf of such candidate. No State committee may make any contribution or contributions in aid of the candidacy of or in behalf of such candidate of moneys not deposited in a bank account pursuant to this subsection, and no State committee may make a contribution or contributions in aid of the candidacy of or in behalf of such candidate of moneys or other thing of value pledged or received in a calendar year in which no gubernatorial election was held.

- e. The county committee of a political party in a county and the municipal committees of that political party in the same county may make an expenditure or expenditures in the aggregate of \$10,000.00 in aid of the candidacy of or in behalf of any candidate for election to the office of Governor in a general election. No county committee or municipal committee may transfer or contribute any funds to any such candidate or to such candidate's campaign treasurer or deputy campaign treasurer, or to any political committee supporting such candidate. A candidate or his campaign treasurer or deputy campaign treasurer shall determine the exact amount that individual county committees or municipal committees may contribute in aid of the candidacy of or in behalf of such candidate, and shall file a report of such determination with the Election Law Enforcement Commission no later than the seventh day prior to the general election being funded.
- f. Communications on any subject by a corporation to its stockholders and their families, or by a labor organization to its members and their families, and nonpartisan registration and get-out-the-vote campaigns by a corporation aimed at its stockholders and their families, or by a labor organization aimed at its members and their families, shall not be construed to be in aid of the candidacy of or in behalf of a candidate for election to the office of Governor in any primary or general election.
- g. No candidate receiving public funds may make expenditures from his own funds, including any contributions from his own funds, in aid of his candidacy for nomination or election to the office of Governor in excess of \$25,000.00 for the primary election and \$25,000.00 for the general election.

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

53 (cf: P.L.1989, c.4, s.5)

³[15. (New section) a. No corporation or labor organization

of any kind shall provide to any of its officers, directors, attorneys, agents or other employees any additional increment of salary, bonus or monetary remuneration of any kind which, in whole or in part, is intended by that corporation or labor organization to be used for the express purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to any candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee.

Any corporation or labor organization of any kind found to be in violation of this subsection shall, in addition to any other penalty provided by law, be liable to a penalty of not more than \$1,000 for the first offense and not more than \$2,000 for the second and each subsequent offense. Any officer, director, attorney, agent or other employee of a corporation or labor organization that provides to another employee of that corporation or labor organization any additional increment of salary, bonus or monetary remuneration or any kind for the purpose described in this subsection is guilty of a crime of the fourth degree.

b. No officer, director, attorney, agent or other employee of a corporation or labor organization of any kind shall use any part of any additional increment of salary, bonus or monetary remuneration of any kind which, in whole or in part, is intended by that corporation or labor organization to be used for the express and intentional purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to a candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee by a corporation or labor organization of any kind, for the purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to a candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee.

Any officer, director, attorney, agent or other employee of a corporation or labor organization of any kind found to be in violation of this subsection of this section is guilty of a crime of the fourth degree. 1^3

⁴15. (New section) a. No corporation or labor organization of any kind shall provide to any of its officers, directors, attorneys, agents or other employees any additional increment of salary, bonus or monetary remuneration of any kind which, in whole or in part, is intended by that corporation or labor organization to be used for the express purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to any candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee.

Any corporation or labor organization of any kind found to be in violation of this subsection shall, in addition to any other penalty provided by law, be liable to a penalty of not more than

2

3

7 8

9

10 11

12 13

14 15

16

17

18

19

20

21

22

23 24

25

26

27

28

29

30 31

32

33

34

35

36

37

38 39

40

41

42 43

44

45

46

47

48

49

50

51

52 53

54

\$3,000 for the first offense and not more than \$6,000 for the second and each subsequent offense. Any officer, director, attorney, agent or other employee of a corporation or labor organization that provides to another employee of that corporation or labor organization any additional increment of salary, bonus or monetary remuneration of any kind for the purpose described in this subsection is guilty of a crime of the fourth degree.

b. No officer, director, attorney, agent or other employee of a corporation or labor organization of any kind shall use any part of any additional increment of salary, bonus or monetary remuneration of any kind which, in whole or in part, is intended by that corporation or labor organization to be used for the express and intentional purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to a candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee by a corporation or labor organization of any kind, for the purpose of paying or making a contribution, either directly or indirectly, of money or other thing of value to a candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee.

Any officer, director, attorney, agent or other employee of a corporation or labor organization of any kind found to be in violation of this subsection of this section is guilty of a crime of the fourth degree.

3[16.] 4[15.3] 16.4 (New section) a. The President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly and the Minority Leader of the General Assembly may each establish, authorize the establishment of, or designate one legislative leadership committee for the purpose of receiving contributions and making expenditures to aid or promote the candidacy of any individual, or the candidacy of individuals, for elective office in any election or the passage or defeat of a public question or public questions in any election. The President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly and the Minority Leader of the General Assembly, or the person authorized to establish a legislative leadership committee therefor, shall appoint such members and adopt such bylaws for the maintenance of the committee as is deemed appropriate. In the event that the State committee of a political party is designated hereunder to serve as a legislative leadership committee, any receipts and expenditures of that State committee which relate to its activity as a legislative leadership committee shall be accounted for separately from receipts and expenditures relating to the State committee's other activities, and all activity by that State committee in its capacity as a legislative leadership committee shall, for all purposes of this act, be considered as having been conducted as the activities of a separate legislative leadership committee. 1

b. Within 30 days after such a committee is established, the

Election Law Enforcement Commission shall be informed, in writing, of the names and addresses of the chairperson, vice-chairperson, and all other members of the committee. The commission shall be similarly informed of any change in the membership of the committee within three days of the occurrence of the change.

³[17.] ⁴[16.³] 17.⁴ (New section) a. All contributions received by a candidate, candidate committee, a joint candidates committee or a legislative leadership committee shall be used only for the following purposes:

(1) the payment of ¹[political] campaign ¹ expenses;

- (2) contributions to any charitable organization described in section 170(c) of the Internal Revenue Code of 1954, as amended or modified, or nonprofit organization which is exempt from taxation under section 501(c) of the Internal Revenue Code of 1954;
- (3) transmittal to another candidate, candidate committee, or joint candidates committee, or to a political committee, continuing political committee, legislative leadership committee or political party committee, for the lawful use by such other candidate or committee;
- (4) the payment of the overhead and administrative expenses related to the operation of the candidate committee or joint candidates committee of a candidate or a legislative leadership committee; 1[or]1
 - (5) the pro-rata repayment of contributors 1; or
- (6) the payment of ordinary and necessary expenses of holding public office¹.

As used in this subsection, "1[political] campaign1 expenses" means any expense incurred or expenditure made by a candidate, candidate committee, joint candidates committee or legislative leadership committee for the purpose of paying for or leasing items or services used in connection with an election campaign, other than those items or services which may reasonably be considered to be for the personal use of the candidate, any person associated with the candidate or any of the members of a legislative leadership committee.

- b. No contribution received by a candidate or by the candidate committee or joint candidates committee of a candidate may be used for the payment of the expenses arising from the furnishing, staffing or operation of an office used in connection with that person's official duties as an elected public official.
- c. Any funds remaining in the campaign depository of a candidate's candidate committee or joint candidates committee upon the death of the candidate shall be used only for one or more of the purposes established in subsection a. of this section by the committee's organizational treasurer or deputy treasurer or whoever has control of the depository upon the death of the candidate.

³[18.] ⁴[17.³] 18.⁴ (New section) a. No individual, other than an individual who is a candidate, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the

3

5

6

8

9

10

11 12

13

14

15 16

17

18

19

20

21

22 23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39 40

41

42

43

44

45

46 47 48

49 50

51 52

53

54

purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, or any group shall⁵: (1)⁵ pay or make any contribution of money or other thing of value to a candidate 4who has established 5only5 a candidate committee4, his campaign treasurer, deputy campaign treasurer4[,] or4 candidate committee 4[or joint candidates committee,]4 which in the aggregate exceeds \$1,500 per 6[year4] election6, or 5(2)5 pay or make any contribution of money or other thing of value to candidates who have established 5 only 5 a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, which in the aggregate exceeds \$1,500 per ⁶[year] election⁶ per candidate⁴ ⁵, or (3) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, which in the aggregate exceeds \$1,500 per 6[year5] elaction⁶. No candidate ⁵who has established only a candidate committee⁵, his campaign treasurer ⁴[or] , ⁴ deputy campaign treasurer4[,] or4 candidate committee 4[or joint candidates committee]4 shall knowingly accept from an individual, other than an individual who is a candidate, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States 1[and doing business in this State]1, a labor organization of any kind which exists or is constituted for the purpose 1[of]1, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, or any group any contribution of money or other thing of value which in the aggregate exceeds \$1,500 per 4[election] 6[year] election⁶, and no candidates who have established ⁵only⁵ a joint candidates committee, or their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$1,500 per ⁶[year] election⁶ per candidate^{4 5}, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$1,500 per 6[year.⁵] election.6

b. 6[1]6 No political committee or continuing political committee shall5: 6[(1)5] (a)6 pay or make any contribution of money or other thing of value to a candidate 4who has established 5only5 a candidate committee 4, his campaign treasurer, deputy campaign treasurer 4[,] or 4 candidate committee 4[or joint candidates committee]4, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds \$5,000 per 4[election] 6[year] election 6 or 6[5(2)5] (b)6 pay or make any contribution of money or other thing

3

5

6

8

9

10

11

12

13 14

15 16

17

18

19 20

21

22

23

24 25

26

27

28

29

30

31 32

33

34

35

36

37

38

39

40

41

42

43 44

45

46

47

48 49

50 51

52 53 of value to candidates who have established 5only5 a joint candidates committee, their campaign treasurer or deputy campaign treasurer, or the joint candidates committee, which in the aggregate exceeds \$5,000 per 6[year] election6 per candidate 4 5, or 6[(3)] (c)6 pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, which in the aggregate exceeds \$5,000 per 6[year5] election6. No candidate 4who has established 5 only a candidate committee 4, his campaign or4 candidate treasurer, deputy campaign treasurer⁴[,] committee 4[or joint candidates committee]4, other than a candidate for nomination for election or for election for the office of Governor, shall knowingly accept from any political committee or continuing political committee any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 4[election] 6[year] election6, and no candidates who have established 5 only 5 a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 6[year] election6 per candidate 4 5, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per ⁶[year.⁵] election.6

6(2)6 4The limitation upon the knowing acceptance by a candidate, campaign treasurer, deputy campaign treasurer, candidate committee or joint candidates committee of any contribution of money or other thing of value from a political committee or continuing political committee under the ⁶[foregoing]⁶ provisions ⁶of paragraph (1)⁶ of this subsection shall also be applicable to the knowing acceptance of any such contribution from the county committee of a political party by a candidate or the campaign treasurer, deputy campaign treasurer, candidate committee or joint candidates committee of a candidate⁵[, other than a candidate for nomination for election or for election for the office of Governor, 15 for any elective public office in another county or, in the case of a candidate for nomination for election or for election to the office of member of the Legislature, in a legislative district in which, according to the federal decennial census upon the basis of which legislative districts shall have been established, less than 5[25%] 20%5 of the population 5[of the legislative district in which the person is a candidate 15 resides within the county 5 of that county committee⁵. In addition, all contributor reporting requirements and other restrictions and regulations applicable to a contribution of money or other thing of value by a political committee or continuing political committee under the provisions of P.L. 1973, c.83 (C.19:44A-1 et seq.) shall likewise be applicable to the

making or payment of such a contribution by such a county committee.4

⁵The limitation upon the knowing acceptance by a candidate, campaign treasurer, deputy campaign treasurer, candidate committee or joint candidates committee of any contribution of money or other thing of value from a political committee or continuing political committee under the 6[foregoing]6 provisions ⁶of paragraph (1)⁶ of this subsection, except that the amount of any contribution of money or other thing of value shall be in an amount which in the aggregate does not exceed \$25,000, shall also be applicable to the knowing acceptance of any such contribution from the county committee of a political party by a candidate, or the campaign treasurer, deputy campaign treasurer, candidate committee or joint candidates committee of a candidate, for nomination for election or for election to the office of member of the Legislature in a legislative district in which, according to the federal decennial census upon the basis of which legislative districts shall have been established, at least 20% but less than 40% of the population resides within the county of that county committee. In addition, all contributor reporting requirements and other restrictions and regulations applicable to a contribution of money or other thing of value by a political committee or continuing political committee under the provisions of P.L.1973, c.83 (C.19:44A-1 et seq.) shall likewise be applicable to the making or payment of such a contribution by such a county committee.5

6With respect to the limitations in this paragraph, the Legislature finds and declares that:

- (a) Persons making contributions to the county committee of a political party have a right to expect that their money will be used, for the most part, to support candidates for elective office who will most directly represent the interest of that county;
- (b) The practice of allowing a county committee to use funds raised with this expectation to make unlimited contributions to candidates for the Legislature who may have a limited, or even nonexistent, connection with that county serves to undermine public confidence in the integrity of the electoral process;
- (c) Furthermore, the risk of actual or perceived corruption is raised by the potential for contributors to circumvent limits on contributions to candidates by funnelling money to candidates through county committees;
- (d) The State has a compelling interest in preventing the actuality or appearance of corruption and in protecting public confidence in democratic institutions by limiting amounts which a county committee may contribute to legislative candidates whose districts are not located in close proximity to that county; and
- (e) It is, therefore, reasonable for the State to promote this compelling interest by limiting the amount a county committee may give to a legislative candidate based upon the degree to which the population of the legislative district overlaps with the population of that county.6
- c. $^4(1)^4$ No candidate 4 who has established 5 only 5 a candidate committee 4 , his campaign treasurer, deputy treasurer 4 [,] \underline{or}^4 candidate committee 4 [or joint candidates committee,] 4 shall

3

4 5

6

8 9

10

11

12

13 14

15

16

17

18

19

20

21

22

23

24

25

26

27 28

29 30

31

32

33

34

35 36

37

38 39

40

41

42

43 44

45

46

47

48 49

50

51 52

53

54

4(a)4 pay or make any contribution of money or other thing of value to another candidate⁴[,] who has established 5 only 5 a candidate committee4, his campaign treasurer, deputy campaign treasurer4[,] or4 candidate committee 4[or joint candidates committee]4, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds \$5,000 per 4[election] 6[year] election6, or (b) pay or make any contribution of money or other thing of value to <u>candidates who have established ⁵only⁵ a joint candidates</u> committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, which in the aggregate exceeds \$5,000 per ⁶[year] election⁶ per candidate in the recipient committee⁴ 5, or (c) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, which in the aggregate exceeds \$5,000 per 6[year5] election6. No candidate 4who has established 5only5 a candidate committee4, his campaign treasurer, deputy campaign treasurer⁴[,] <u>or</u>⁴ candidate committee 4[or joint candidates committee]4, other than a candidate for nomination for election or for election to the office of the Governor, shall knowingly accept from another candidate ⁵who has established only a candidate committee⁵, his campaign campaign treasurer4[,] <u>or</u>4 candidate treasurer, deputy committee 4[or joint candidates committee]4, any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per ⁴[election. ³Expenditures by a candidate for nomination for election or for election to the office of member of the Legislature or to an office of a political subdivision of the State, or by the campaign treasurer, deputy treasurer, candidate committee or joint candidates committee of such a candidate, which are made in furtherance of the nomination or election, respectively, of another candidate for the same office in the same legislative district or the same political subdivision shall not be deemed to be "contributions" to that other candidate for the purposes of this subsection; for the purposes of this sentence, the offices of member of the State Senate and member of the General Assembly shall be deemed to be the same office.3] ⁶[year] election⁶, and no candidates who have established ⁵only⁵ a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 6[year] election6 per candidate in the recipient committee5, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 6[year5] election6. [2] No candidates who have established 5 only a joint

candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee shall (a) pay

8

9 10

11

12 13

14

15

16

17

18 19

20

21

22 23

24

25

26

27

28 29

30

31

32 33

34

35

36

37

38

39 40

41 42

43

44

45

46 47

48 49

50

51 52

53 54

or make any contribution of money or other thing of value to another candidate who has established 5 only 5 a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$5,000 per 6[year] election⁶, or (b) pay or make any contribution of money or other thing of value to candidates who have established 5only a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee, which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$5,000 per 6[year] election⁶ per candidate in the recipient joint candidates committee⁵, or (c) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers or candidate committee or joint candidates committee, which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$5,000 per ⁶[year⁵] election⁶. candidate who has established 5 only a candidate committee, his campaign treasurer, deputy campaign treasurer, or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, shall knowingly accept from other candidates who have established 5 only a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee, any contribution of money or other thing of value which in the aggregate exceeds, on the basis of each candidate in the contributing committee, \$5,000 per 6[year] election6, and no candidates who have established 5 only 5 a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$5,000 per 6[year] election⁶ per candidate in the recipient joint candidates committee⁵, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds, on the basis of each candidate in the contributing joint candidates committee, \$5,000 per 6[year5] election6.

0

(3) 5No candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall (a) pay or make any contribution of money or other thing of value to another candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer or candidate committee, other than a candidate for nomination for election or

3

6

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23 24

25

26

27 28

29

30

31

32

33

34

35

36

37

38

39 40

41

42

43 44

45

46 47

48

49

50 51

52

53 54

for election for the office of Governor, which in the aggregate exceeds \$5,000 per 6[year] election6, or (b) pay or make any contribution of money or other thing of value to candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee, which in the aggregate exceeds \$5,000 per ⁶[year] election⁶ per candidate in the recipient joint candidates committee, or (c) pay or make any contribution of money or other thing of value to a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, which in the aggregate exceeds \$5,000 per 6[year] election6. No candidate who has established only a candidate committee, his campaign treasurer, deputy campaign treasurer, or candidate committee, other than a candidate for nomination for election or for election for the office of Governor, shall knowingly accept from a candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee, any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 6[year] election6, and no candidates who have established only a joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 6[year] election6 per candidate in the recipient joint candidates committee, and no candidate who has established both a candidate committee and a joint candidates committee, the campaign treasurers, deputy campaign treasurers, or candidate committee or joint candidates committee shall knowingly accept from any such source any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per 6[year] election6.

[4]⁵ Expenditures by a candidate for nomination for election or for election to the office of member of the Legislature or to an office of a political subdivision of the State, or by the campaign treasurer, deputy treasurer, candidate committee or joint candidates committee of such a candidate, which are made in furtherance of the nomination or election, respectively, of another candidate for the same office in the same legislative district or the same political subdivision shall not be construed to be subject to any limitation under this subsection; for the purposes of this sentence, the offices of member of the State Senate and member of the General Assembly shall be deemed to be the same office.⁴

d. 4[During any calendar year in which a political party committee or legislative leadership committee makes contributions to a candidate committee, joint candidates committee, political committee, continuing political committee, political party committee, or legislative leadership committee, the total amount of all contributions to any particular recipient committee from the contributing political party committee or legislative leadership committee as of any date in that calendar

year which may be made from the cumulative total of contributions received by the contributing political party committee or legislative leadership committee up to that date from all individuals, committees or other groups shall not exceed the total amount of contributions actually received as of that date from each individual, committee or group by the contributing political party committee or legislative leadership committee, up to the amount which that individual, committee or group is allowed by law to give directly to the particular recipient committee. In determining whether all or any portion of a contribution by the political party committee ¹or legislative leadership committee ¹ is permitted by or violative of this subsection, no account shall be taken of that committee's assets on hand as of the close of business of the preceding calendar year.

This subsection shall not be construed to require or authorize, with respect to any contributions which have been made by a contributor to a particular political party committee ¹or legislative leadership committee ¹, the attribution of those contributions to that contributor for the purposes of determining the amount which the contributor is allowed by law to contribute to any other entity.] Nothing contained in this section shall be construed to impose any limitation on contributions by a candidate, or by a corporation, 100% of the stock in which is owned by a candidate or the candidate's spouse, child, parent or sibling residing in the same household, to that candidate's campaign. ⁴

⁵e. For the purpose of determining the amount of a contribution to be attributed as given to or by each candidate in a joint candidates committee, the amount of the contribution to or by such a committee shall be divided equally among all the candidates in the committee.⁵

 $^{3}[19.]$ $^{4}[18.^{3}]$ $\underline{^{19.4}}$ (New section) a. $^{5}[No]$ (1) Except as otherwise provided in paragraph (2) of this subsection, no individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, no labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, no political committee, continuing political committee, candidate committee or joint candidates committee or any other group, shall pay or make any contribution of money or other thing of value to the campaign treasurer, deputy treasurer or other representative of the State committee of a political party or the campaign treasurer, deputy campaign treasurer or other representative of any legislative leadership committee, which in the aggregate exceeds \$25,000 per year 4, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, \$25,000 per year per candidate in the joint candidates committee⁴ 5, or in the case of a candidate committee and a joint candidates committee when both are by a candidate, \$25,000 per year from that candidate⁵. No campaign treasurer, deputy campaign treasurer

5

6

8

9

10 11

12 13

14

15

16

17 18

19

20

21

22

23

24

25

26

27

28

29

30

31 32

33

34

35

36 37

38 39

40

41

42

43

44

45 46

47 48

49

50

51

52

53

or other representative of the State committee of a political party or campaign treasurer, deputy campaign treasurer or other representative of any legislative leadership committee shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States ¹[and doing business in the State]1, a labor organization of any kind which exists or is constituted for the purpose ¹[of]¹, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, a political committee, a continuing political committee, a candidate committee or a joint candidates committee or any other group, any contribution of money or other thing of value which in the aggregate exceeds \$25,000 per year 4, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, \$25,000 per year per candidate in the joint candidates committee 4 5, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$25,000 per year from that candidate.5

5(2) No national committee of a political party shall pay or make any contribution of money or other thing of value to the campaign treasurer, deputy treasurer or other representative of the State committee of a political party which in the aggregate exceeds \$50,000 per year, and no campaign treasurer, deputy campaign treasurer or other representative of the State committee of a political party shall knowingly accept from the national committee of a political party any contribution of money or other thing of value which in the aggregate exceeds \$50,000 per year.⁵

b. No individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States 1 and doing business in this State]1, no labor organization of any kind which exists or is constituted for the purpose 1[of]1, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, no political committee, continuing political committee, candidate committee or joint candidates committee or any other group, shall pay or make any contribution of money or other thing of value to any county committee of a political party, which in the aggregate exceeds 3[\$10,000] \$25,0003 per year 4, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, \$25,000 per year per candidate in the joint candidates committee4 5, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$25,000 per year from that candidate⁵. No campaign treasurer, deputy campaign treasurer or other representative of a county committee of a political party shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States, a

2

6

8

9

10 11

12

13

14 15

16

17

18

19 20

21

22

23

24

25 26

27

28 29

30

31

32

33

34

35

36

37

38 39

40

41

42

43

44

45 46

47

48 49

50

51 52

53

labor organization of any kind which exists or is constituted for the purpose, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, a political committee, a continuing political committee, a candidate committee or a joint candidates committee or any other group, any contribution of money or other thing of value which in the aggregate exceeds 3[\$10,000] \$25,000³ per year ⁴, or in the case of a joint candidates committee ⁵when that is the only committee established by the candidates ⁵, \$25,000 per year per candidate in the joint candidates committee and a joint candidates committee when both are established by a candidate, \$25,000 per year from that candidate⁵.

c. No individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States 1[and doing business in this State]1, no labor organization of any kind which exists or is constituted for the purpose 1[of]1, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, no political committee, continuing political committee, candidate committee or joint candidates committee or any other group shall pay or make any contribution of money or other thing of value to any municipal committee of a political party, which in the aggregate exceeds \$5,000 per year 4, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, \$5,000 per year per candidate in the joint candidates committee 45, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$5,000 per year from that candidate⁵. No campaign treasurer, deputy campaign treasurer or other representative of a municipal committee of a political party shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States ¹[and doing business in this State]¹, a labor organization of any kind which exists or is constituted for the purpose [of] , in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, a political committee, a continuing political committee, a candidate committee or a joint candidates committee or any other group, any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per year 4, or in the case of a joint candidates committee 5when that is the only committee established by the candidates⁵, \$5,000 per year per candidate in the joint candidates committee 4 5, or in the case of a candidate committee and a joint candidates committee when both are established by a candidate, \$5,000 per year from that candidate⁵.

⁴No county committee of a political party in any county shall pay or make any contribution of money or other thing of value to

1 a municipal committee of a political party in a municipality not 2 located in that county which in the aggregate exceeds the amount 3 of aggregate contributions which, under this subsection, a continuing political committee is permitted to pay or make to a 4 No campaign 5 municipal committee of a political party. 6 treasurer, deputy campaign treasurer or other representative of a 7 municipal committee of a political party in any municipality shall 8 knowingly accept from any county committee of a political party 9 in any county other than the county in which the municipality is located any contribution of money or other thing of value which 10 in the aggregate exceeds the amount of contributions permitted 11 12 to be so paid or made under that subsection.

5d. For the purpose of determining the amount of a contribution to be attributed as given by each candidate in a joint candidates committee, the amount of the contribution by such a committee shall be divided equally among all the candidates in the committee.⁵

13 14

15

16

17

18 19

20

21

22

23 24

25

26

27

28

29

30 31

32 33

34 35

36

37

38 39

40

41

42

43

44 45

46

47 48

49 50

51

52

53

3[20.] 4[19.3] 20.4 (New section) a. 4[No individual, nocorporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States 1[and doing business in this State]1, and no labor organization of any kind which exists or is constituted for the purpose 1[of]1, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, 1 or any other group, 1 shall pay or make any contribution of money or other thing of value to a continuing political committee which in the aggregate exceeds ²[\$1,500] \$3,000² per year. No continuing political committee shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States 1[and doing business in this State]1, or a labor organization of any kind which exists or is constituted for the purpose ${}^{1}[of]^{1}$, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, ¹or any other group, ¹ any contribution of money or other thing of value which in the aggregate exceeds 2[\$1,500] \$3,000² per year.

b. No individual, no corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States ¹[and doing business in this State]¹, and no labor organization of any kind which exists or is constituted for the purpose ¹[of]¹, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, ¹or any other group, ¹ shall pay or make any contribution of money or other thing of value to a political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, which in the aggregate exceeds \$1,500 per election. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a

8

9 10

11

12 13

14

15 16

17

18 19

20

21

22 23

24

25

26

27

28

29

30 31

32

33

34

35

36

37

38 39

40 41

42 43

44

45

46 47

48

49

50

51

52

53

public question in any election, shall knowingly accept from an individual, a corporation of any kind organized and incorporated under the laws of this State or any other state or any country other than the United States ¹[and doing business in this State]¹, or a labor organization of any kind which exists or is constituted for the purpose of ¹[of]¹, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, ¹or any other group, ¹ any contribution of money or other thing of value which in the aggregate exceeds \$1,500 per election.

c.]4 No candidate 4who has established 5only5 a candidate committee⁴, his campaign treasurer, deputy treasurer⁴[,] or⁴ candidate committee 4[or joint candidates committee,]4 shall pay or make any contribution of money or other thing of value to a political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or a continuing political committee, which in the aggregate exceeds, 1 in the case of such a political committee, \$5,000 per election, or in the case of a continuing political committee, 1 \$5,000 per year 4, and no candidates who have established 5 only 5 a joint candidates committee, their campaign treasurer, deputy campaign treasurer or joint candidates committee shall pay or make any contribution of money or other thing of value to such a political committee or continuing political committee which in the aggregate exceeds, in the case of such a political committee, \$5,000 per election per candidate in the joint candidates committee, or in the case of a continuing political committee, \$5,000 per year per candidate in the joint candidates committee⁴ 5, and no candidate who has established both a candidate committee and a joint candidates committee shall pay or make any contribution of money or other thing of value which in the aggregate exceeds, in the case of such a political committee, \$5,000 per election from that candidate, or in the case of a continuing political committee, \$5,000 per year from that candidate⁵. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or a continuing political committee, shall knowingly accept from a candidate 4who has established 5only5 a candidate committee⁴, his campaign treasurer, deputy treasurer⁴[,] or⁴ candidate committee 4[or joint candidates committee]4, any contribution of money or other thing of value which in the aggregate exceeds, 1 in the case of such a political committee, \$5,000 per election, or in the case of a continuing political committee, \$5,000 per year 1 4, and no such political committee or continuing political committee shall knowingly accept from candidates who have established a 5 only 5 joint candidates committee, their campaign treasurer, deputy campaign treasurer, or joint candidates committee, any contribution of money or other thing of value which in the aggregate exceeds, in the case of such a political committee, \$5,000 per election per candidate in the joint candidates committee, or in the case of a continuing

political committee, \$5,000 per year per candidate in the joint

Я

 candidates committee ⁴ ⁵, and no such political committee or continuing political committee shall knowingly accept from a candidate who has established both a candidate committee and a joint candidates committee any contribution of money or other thing of value which in the aggregate exceeds, in the case of such a political committee, \$5,000 per election from that candidate, or in the case of a continuing political committee, \$5,000 per year from that candidate. For the purpose of determining the amount of a contribution to be attributed as given by each candidate in a joint candidates committee, the amount of the contribution by such a committee shall be divided equally among all the candidates in the committee.

4(d.) <u>b.</u>4 No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, and no continuing political committee shall pay or make any contribution of money or other thing of value to another political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or another continuing political committee which in the aggregate exceeds 1, in the case of a recipient continuing political committee, \$5,000 per year, or in the case of a recipient political committee, 1 \$5,000 per election. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, and no continuing political committee shall knowingly accept from another political committee, other than a political committee which 1 is 1 organized to, or does, aid or promote the passage or defeat of a public question in any election, or another continuing political committee any contribution of money or other thing of value which in the aggregate exceeds 1, in the case of a recipient continuing political committee, \$5,000 per year, or in the case of a recipient political committee, 1 \$5,000 per election.

³[21.] ⁴[20.³] 21.⁴ (New section) a. Each political committee, as defined in subsection i. of section 3 of P.L.1973, c.83 (C.19:44A-3), which aids or promotes the nomination for election or the election of a candidate or the passage or defeat of a public question, each continuing political ⁴[committees] committee⁴ as defined in subsection n. of section 3 of P.L.1973, c.83, and each legislative leadership committee as defined in subsection s. of section 3 of P.L.1973, c.83, shall submit to the commission a statement of registration which includes:

(1) the complete name or identifying title of the committee³[, which name or title shall accurately reflect the political interests, objectives and composition of the committee and shall not distort, misrepresent or be misleading as to the true nature of the committee's composition, interests, objectives, or financial supporters] and the general category of entity or entities, including but not limited to business organizations, labor organizations, professional or trade associations, candidate for or holder of public office, political party, ideological grouping or civic association, the interests of which are shared by the leadership, members, or financial supporters of the committee³;

(2) the mailing address of the committee and the name and resident address of a resident of this State who shall have been designated by the committee as its agent to accept service of process; and

(3) a descriptive statement prepared by the organizers or officers of the committee that identifies (a) the names and mailing addresses of the persons having control over the affairs of the committee, including but not limited to persons in whose name or at whose direction or suggestion the committee solicits funds and persons participating in any decision to make a contribution of such funds to any candidate, political committee or continuing political committee; (b) the name and mailing address of any person not included among the persons identified under subparagraph (a) of this paragraph who, directly or through an agent, participated in the initial organization of the committee; (c) in the case of any person identified under subparagraph (a) or subparagraph (b) who is an individual, the occupation of that individual, the individual's home address, and the name and mailing address of the individual's employer, or, in the case of any such person which is a corporation, partnership. unincorporated association, or other organization, the name and mailing address of the organization; and (d) any other information which the Election Law Enforcement Commission may, under such regulations as it shall adopt pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), require as being material to the fullest possible disclosure of the economic, political and other particular interests and objectives which the committee has been organized to or does advance. The commission shall be informed, in writing, of any change in the 4[membership of the committee] information required by this paragraph4 within three days of the ⁴[occurance] occurrence⁴ of the change. Legislative leadership committees shall be exempt from the requirements of subparagraphs (a), (b) and (c) of this paragraph.

b. After submission of a statement of registration ¹[by] to ¹ the commission pursuant to this section, the committee shall use the complete name or identifying title on all documents submitted to the commission, in all solicitations for contributions, in all paid media advertisements purchased or paid for by the committee in support of or in opposition to any candidate or public question, and in all contributions made by the committee to candidates or other committees.

c. Each report of contributions under section 8 of P.L.1973, c.83 (C.19:44A-8) by a political committee, continuing political committee or legislative leadership committee required under subsection a. of this section to submit a statement of registration shall include, in the case of each contributor who is an individual, the home address of the individual if different from the individual's mailing address, or, in the case of any contributor which is an organization, any information, in addition to that otherwise required, which the Election Law Enforcement Commission may, under such regulations as it shall adopt pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), require as being

material to the fullest possible disclosure of the economic, political and other particular interests and objectives which the contributing organization has been organized to or does advance.

2

3

5

6

7 8

9

10 11

12 13

14

15 16

17

18 19

20

21

22

23

24

25

26 27

28 29

30

31

32

33

34

35

36 37

38 39

> 40 41

42

43

44 45

46 47

48

19

50 51

52

53

54

d. Any political committee, continuing political committee or legislative leadership committee may at any time apply to the commission for approval of an abbreviation or acronym of its complete, official name or title for its exclusive use on documents which it shall submit to the commission. verification that the abbreviation or acronym has not been approved for such use by any other political committee, continuing political committee or legislative leadership committee, the commission shall approve the abbreviation or acronym for such use by the applicant committee, and the committee, and any individual, corporation, partnership, membership organization or incorporated or unincorporated association which, under the provisions of P.L.1973, c.83 (C.19:44A-1 et seq.), submits any documents to the commission containing a reference to that committee, shall thereafter use that approved abbreviation or acronym in documents submitted to the commission. The commission shall, during its regular office hours, maintain for public inspection in its offices a current alphabetically arranged list of all such approved abbreviations and acronyms, indicating for each the name of the committee for which it stands, and shall make copies of the list available upon request.

 $^{3}[22.]$ $^{4}[21.]$ 3 $^{22.}$ (New section) a. Not later than December 1 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the Election Law Enforcement Commission shall adjust the amounts, set forth in subsection b. of this section, which shall be applicable under P.L.1973, c.83 (19:44A-1 et seq.) to primary and general elections for any public office other than the office of Governor, to limitations on contributions to and from political committees, continuing political committees, candidate committees, joint committees, political party committees candidates legislative leadership committees and to other amounts, at a percentage which 1[is] shall be1 the same as the percentage of change that the commission 1[will adjust] applies to 1 the amounts ¹[to be]¹ used for the primary and general elections for the office of Governor held in the third year preceding the year in which that December 1 occurs, pursuant to section 19 of P.L.1980, c.74 (C.19:44A-7.1)¹, and any amount so adjusted shall be rounded in the same manner as provided in that section 1.

- b. The amounts subject to adjustment as provided under this section shall be:
- (1) the minimum amount raised or expended by any two or more persons acting jointly who qualify as a political committee and the minimum amount contributed or expected to be contributed in any calendar year by any group of two or more persons acting jointly who qualify as a continuing political committee as defined in section 3 of P.L.1973, c.83 (C.19:44A-3);
- (2) the minimum amount of a contribution to a political committee, continuing political committee, legislative leadership committee or political party committee which triggers

¹[reporting of] an obligation to report¹ that contribution to the commission pursuant to section 8 of P.L.1973, c.83 (C.19:44A-8), and the minimum amount of a contribution to a candidate, candidate committee or joint candidates committee which triggers ¹[reporting of] an obligation to report¹ that contribution to the commission pursuant to section 16 of P.L.1973, c.83 (C.19:44A-16);

- (3) the minimum amount of a contribution to a political committee, continuing political committee, legislative leadership committee or a political party committee ¹[in excess of \$500]¹ received during the period between the 13th day prior to the election and the date of the election 4, the minimum amount of an expenditure by a political committee during that period, and the minimum amount of an expenditure by a continuing political committee during the period beginning after March 31 and ending on the date of the primary election and the period beginning after September 30 and ending on the date of the general election⁴ 1 which triggers an obligation to report that contribution to the commission¹ pursuant to section 8 of P.L.1973, c.83 (C.19.44A-8), and the minimum amount of a contribution to a candidate, candidate committee or joint candidates committee ¹[in excess of \$500]¹ received during the period between the 13th day prior to the election and the date of the election 1 which triggers an obligation to report that contribution to the commission¹ pursuant to section 16 of P.L.1973, c.83 (C.19:44A-16);
- (4) the maximum amount which may be ¹[raised] expended ¹ by the campaign organizations of ⁴[at least] ⁴ two ⁴[but not] or ⁴ more ⁴[than three] ⁴ candidates forming a joint candidates committee without being required to file contribution reports, pursuant to section 8 of P.L.1973, c.83 (C.19:44A-8);
- (5) the maximum amount that a person, not acting in concert with any other person or group, may spend to support or defeat a candidate or to aid the passage or defeat of a public question without being required to ¹report¹ all such expenditures and expenses to the commission pursuant to section 11 of P.L.1973, c.83 (¹C.¹19:44A-11) and the maximum amount that a person, not acting in concert with any other person or group, may raise through a public solicitation and expend to finance any lawful activity ¹in¹ support of or in opposition to any candidate or public question or to seek to influence the content, introduction, passage or defeat of legislation pursuant to section 19 of P.L.1973, c.83 (C.19:44A-19);
- (6) the maximum amount that may be expended, in the aggregate, on behalf of a candidate without requiring that candidate to file contribution reports with the commission and the maximum amount that may be expended, in the aggregate, on behalf of a candidate seeking election to a public office of a school district, without requiring that candidate to file contribution reports with the commission pursuant to section 16 of P.L.1973, c.83 (C.19:44A-16);
- ⁴[(7) the minimum total amounts of the contributions and expenditures, the concealment or misrepresentation of which, shall constitute a crime of the fourth ³[, third or second degree

and the minimum total amounts of loans or advances of money made, directly or through an agent, willfully and knowingly, which shall constitute a crime of the fourth, third or second]³ degree pursuant to section 21 of P.L.1973, c.83 (${}^{1}C.{}^{1}$ 19:44A-21);

(8)] (7)⁴ the maximum amount of penalty which may be imposed by the commission on any person who fails to comply with the regulatory provisions of P.L.1973, c.83 (C.19:44A-1 et seq.) for a first offense or a second and subsequent offenses, pursuant to section 22 of P.L.1973, c.83 (C.19:44A-22);

⁴(8) the maximum amount of penalty which may be imposed by the commission on any corporation or labor organization which provides any of its employees any additional increment of salary for the express purpose of making a contribution to a candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee for a first or a second and subsequent offenses, pursuant to section 15 of P.L. , c. (C.)(now pending before the Legislature as this bill);⁴

(9) ³[the maximum amount of penalty which may be imposed by the commission on any corporation or labor organization which provides any of its employees any additional increment of salary for the express purpose of making a contribution to a candidate, candidate committee, joint candidates committee, political party committee, legislative leadership committee, political committee or continuing political committee for a first or a second and subsequent offenses, pursuant to section 15 of P.L., c. (C.)(now pending before the Legislature as this bill);

(10)]³ the maximum amount of contributions permitted to be made by an individual, a corporation or labor organization to a candidate, candidate committee or joint candidates committee, the maximum amount of contributions permitted to be made by a political committee or a continuing political committee to a candidate, candidate committee or joint candidates committee other than the committee of a candidate for nomination or election to the office of Governor and the maximum amount of contributions permitted to be made by one candidate, candidate committee or joint candidates committee, other than the committee of a candidate for nomination or election to the office of Governor, to another candidate, candidate committee or joint candidates committee other than the committee of a candidate for nomination or election to the office of Governor pursuant to section ³[18] ⁴[17³] 18⁴ of P.L. , c. (C.) (now pending before the Legislature as this bill);

³[(11)] (10)³ the maximum amount of contributions permitted to be made by an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group to any political party committee or any legislative leadership committee pursuant to section ³[19] ⁴[18³] 19⁴ of P.L. , c. (C.) (now pending before the Legislature as this bill);

³[(12)] (11)³ the maximum amount of contributions permitted to be made by ⁴[an individual, corporation ³[or],³ labor organization³,] a⁴ candidate, candidate committee or joint candidates committee³ to a political committee or a continuing

C

.

political committee and the maximum amount of contributions permitted to be made by one political committee or continuing political committee to another political committee or continuing political committee pursuant to section ³[20] ⁴[19³] 20⁴ of P.L., c. (C.)(now pending before the Legislature as this bill).

4(12) the amount of filing fees which may be collected from a candidate committee, a joint candidates committee, a continuing political committee, a political party committee, a legislative leadership committee, or any other person pursuant to section 6 of P.L.1973, c.83 (C.19:44A-6) (as that section shall have been amended by P.L., c., now pending before the Legislature as Senate Committee Substitute for Senate, No. 70 (1R))⁴.

c. Not later than December 15 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the commission shall report to the Legislature and make public its adjustment of limits in accordance with the provisions of this section. Whenever, following the transmittal of that report, the commission shall have notice that a person has declared as a candidate for nomination for election or for election to any public office in a forthcoming primary or general election, it shall promptly notify that candidate of the amounts of those adjusted limits.

3[23.] 4[22.3] 23.4 (New section) Any person, partnership, association, political committee or continuing political committee may make a loan or loans to any person, partnership, association, political committee or continuing political committee with knowledge or reason to know that the prospective recipient of the loan intends to use the proceeds thereof to make a contribution in aid of any candidate or the candidate committee or joint candidates committee of any candidate, provided that, at any time, the aggregate total of the unrepaid portion of all such loans by that lender shall not exceed an amount equal to twice the maximum amount of contributions in the aggregate which, under subsection a. of section 18 of , C. (C.)(now pending before the Legislature as this bill), the lender is permitted to make to such a candidate. The provisions of this subsection shall not apply to any bank, savings bank, savings and loan association or credit union, whether chartered by the United States, this State, or any other state or territory of the United States, or by a foreign country.

424. (New section) If a political committee or continuing political committee, having been established or consisting of members or having received contributions in violation of this act, shall have made any contribution or expenditure in opposition to, or in furtherance of the defeat of, a candidate, that candidate may, in a summary action in the Superior Court, apply for an order directing that political committee or continuing political committee to show cause why the court should not grant such injunctive relief as the candidate may seek. The court shall decide the application within 48 hours of the filing thereof and, upon a proper demonstration of the candidate's entitlement thereto, shall grant appropriate injunctive relief against that political committee or continuing political committee.

In addition, the court may order that contributions previously received by the committee shall be deemed to be contributions to the candidate committee or joint candidates committee, as appropriate, of the candidate's opponent in the election for all purposes of section 18 of P.L. , c. (C.) (now pending before the Legislature as this bill), and shall so advise the Election Law Enforcement Commission. The court may also order that, to the extent that the amounts of such contributions so attributed are, together with other amounts contributed by the same contributors directly to the candidate committee or joint candidates committee, in excess of the amounts of contributions which that candidate committee or joint candidates committee could legally have received directly from those contributors under that section 18, the candidate committee or joint candidates committee of the aggrieved candidate may receive contributions in excess of the amounts of contributions which that candidate committee or joint candidates committee could legally receive under section 18 of that P.L. , c. (C.).

If the court determines that an application for injunctive relief under this section is frivolous, the court may award costs, including any attorney's fees, to the political committee or continuing committee against which such relief was sought. 4

425. (New section) If any candidate or the campaign treasurer or deputy campaign treasurer of a candidate shall, prior to the effective date of this act, have filed with the Election Law Enforcement Commission a report under P.L.1973, c.83 (C.19:44A-1 et seq.) which indicates that the outstanding liabilities of the campaign fund of the candidate are in excss of all assets of that campaign fund available to pay those liabilities, the campaign fund may accept amounts of contributions in addition to the amounts permitted under sections 18, 19 and 20 of P.L., c. (C.) (now pending before the Legislature as this bill), provided that the aggregate total of those additional amounts shall not be greater than the amount of the excess so indicated.

⁵[⁴26. R.S. 19:34-45 is amended to read as follows:

19:34-45. [No corporation carrying on the business of a bank, savings bank, co-operative bank, trust, trustee, savings indemnity, safe deposit, insurance, railroad, street railway, telephone, telegraph, gas, electric light, heat or power, canal or aqueduct company, or having the right to condemn land, or to exercise franchises in public ways granted by the state or any county or municipality, and no corporation, person, trustee or trustees, owning or holding the majority of stock in any such corporation, shall pay or contribute money or thing of value in order to aid or promote the nomination or election of any person, or in order to aid or promote the interests, success or defeat of any political party.] a. If a utility subject to regulation by the Board of Public Utilities is required to file a report with the Election Law Enforcement Commission, a copy of that report shall also be filed by the utility with the Board of Public Utilities.

b. Monies collected from ratepayers may not be the source of contributions made by a regulated utility and may not be used by a regulated utility to pay the administrative costs of a continuing

political committee.⁴
(cf: R.S.19:34-45)]⁵

5[427. (New section) Notwithstanding any other law, rule, regulation, or directive to the contrary, the Election Law Enforcement Commission may review its personnel requirements for the implementation of P.L., c. (C.) (now pending before the Legislature as Senate, No. 1017 (2R) or Assembly Committee Substitute (4R) for Assembly, Nos. 100, 195, 196, 646, 659 and 869) and may employ such personnel as are necessary to implement that statute. 4]5

5[428.] 26.5 (New section) Notwithstanding any other law to the contrary, the Election Law Enforcement Commission is hereby empowered and directed to publish any rule and to take any administrative action whatsoever, necessary to insure that the provisions of this 1993 amendatory and supplementary act shall be applicable to the June, 1993 primary election. adoption and publication of rules shall, to the extent feasible, be subject to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), provided that the commission shall be excused from strict compliance with any requirement under that act if and to the extent that it determines, in the reasonable exercise of its discretion, that the public interest in the timely implementation of the provisions of this 1993 amendatory and supplementary act so requires. Any rule adopted by this provision shall take effect on the 45th day following enactment of this amendatory and supplementary act.4

5[429. R.S.19:34-32 is repealed.4]5

4[3[24. This] 23. If enacted on or before January 1, 1993, this act shall take effect on 3[the January 1st following enactment] January 1, 1993. If enacted after January 1, 1993 and on or before March 1, 1993, this act shall take effect immediately, but amounts of contributions paid or made, or accepted, prior to such date of enactment by any person to whom the provisions of sections 17, 18, or 19 apply shall not be considered in determining the application of those sections on and after that date of enactment. If enacted after March 1, 1993, this act shall take effect on January 1, 1994³.]

⁵[30.] 27.⁵ This act shall take effect on the 30th day following enactment, but amounts of contributions paid or made, or accepted, on or after January 1 of the year in which such enactment occurs and prior to that effective date by any person to whom the provisions of sections 18, 19, or 20 apply shall not be considered in determining the application of those sections on and after that effective date.⁴

Amends "The New Jersey Campaign Contributions and Expenditures Reporting Act;" restricts contributions by individuals, corporations, unions, political committees and continuing political committees.

- (11) the maximum amount of contributions permitted to be made by an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group to any political party committee or any legislative leadership committee pursuant to section 19 of P.L., c. (C.)(now pending before the Legislature as this bill);
- (12) the maximum amount of contributions permitted to be made by an individual, corporation or labor organization to a political committee or a continuing political committee and the maximum amount of contributions permitted to be made by one political committee or continuing political committee to another political committee or continuing political committee pursuant to section 20 of P.L. , c. (C.)(now pending before the Legislature as this bill).
- c. Not later than December 15 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the commission shall report to the Legislature and make public its adjustment of limits in accordance with the provisions of this section. Whenever, following the transmittal of that report, the commission shall have notice that a person has declared as a candidate for nomination for election or for election to any public office in a forthcoming primary or general election, it shall promptly notify that candidate of the amounts of those adjusted limits.
- 23. (New section) Any person, partnership, association, political committee or continuing political committee may make a loan or loans to any person, partnership, association, political committee or continuing political committee with knowledge or reason to know that the prospective recipient of the loan intends to use the proceeds thereof to make a contribution in aid of any candidate or the candidate committee or joint candidates committee of any candidate, provided that, at any time, the aggregate total of the unrepaid portion of all such loans by that lender shall not exceed an amount equal to twice the maximum amount of contributions in the aggregate which, under subsection a. of section 18 of)(now pending before the Legislature as P.L. , C. (C. this bill), the lender is permitted to make to such a candidate. The provisions of this subsection shall not apply to any bank, savings bank, savings and loan association or credit union, whether chartered by the United States, this State, or any other state or territory of the United States, or by a foreign country.
- 24. This act shall take effect on the January 1st following enactment.

STATEMENT

1 2

This bill amends "The New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, corporations, unions, political committees and continuing political committees (popularly known as Political Action Committees or PACs) may contribute to other candidates,

political committees and continuing political committees. The bill implements most of the changes in the Reporting Act recommended by the Ad Hoc Commission on Legislative Ethics and Campaign Finance in its final report.

The bill includes the following provisions.

- 1. A limit of \$1,500 per election is imposed on the amount that may be contributed to a candidate or a candidate committee by an individual or group and a limit of \$5,000 per election is imposed on the amount that may be contributed per election to a candidate or a candidate committee, other than a candidate for nomination or election to the office of Governor, by a political committee or a continuing political committee.
- 2. A candidate is limited to only one campaign committee (to be known as a candidate committee) for the purpose of raising funds for and paying the expenses of the political activities of that candidate. At least two but no more than three candidates in an election in the same legislative district, county or municipality would also be permitted to form a joint candidates committee.
- 3. A limit of \$25,000 per year is imposed on the amount that an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to the State committee of each political party or to each legislative leadership committee. (Only four such committees would be permitted: one for the majority leadership and one for the minority leadership in each House of the Legislature.)
- 4. A limit of \$10,000 per year is imposed on the amount that an individual, corporation, labor organization, political committee. continuing political committee, candidate committee or joint candidates committee or any other group can contribute to each county committee of each political party, and limit of \$5,000 per year is imposed on the amount these groups can contribute to each municipal committee of each political party.
- 5. No limit is imposed on the amount of money that can be contributed to a candidate committee or a joint candidates committee by a political party committee, a legislative leadership committee, or a national party or congressional party political committee.
- 6. A limit of \$1,500 per election is imposed on the amount that one candidate committee or joint candidates committee can contribute to another candidate committee (other than the committee of a candidate for nomination or election to the office of Governor) or a joint candidates committee.
- 7. A limit of \$1,500 per year is imposed on the amount that an individual, corporation or labor organization may contribute to a continuing political committee (other than a legislative leadership committee or a political party committee).
- 8. A limit of \$1,500 per election is imposed on the amount that an individual, corporation or labor organization may contribute to a political committee and a limit of \$5,000 per election is imposed on the amount that a political committee or continuing political committee may contribute to another political committee or continuing political party.

- 9. Contributions to a candidate, a candidate committee, a joint candidates committee or a legislative leadership committee are restricted to only the following uses: a) the payment of all political expenses; b) contributions to charities; c) the payment of overhead and administrative expenses related to the operation of the candidate's campaign committee or joint candidates committee or a legislative leadership committee; d) transmittals to another candidate, candidate committee, joint candidates committees, political committees, continuing political committee, legislative leadership committee or political party committee; e) pro-rata repayment of contributors.
- 10. Any funds remaining in the campaign depository of a candidate committee or joint candidate committee of a candidate at the death of the candidate shall be used only in one or more of the acceptable ways described above by the committee's treasurer or whoever has control of the committee's funds after the death of the candidate.
- 11. Individual contributors to a candidate or a committee (including political committees, continuing political committees, political party committees and legislative leadership committees) are required to disclose to that candidate or committee their occupation and employer, so that this information may be provided to the Election Law Enforcement Commission (ELEC).
- 12. Each political committee, continuing political committee and legislative leadership committee is required to register with ELEC, carry a title that clearly reflects the political interests, objectives and composition of the committee and provide the names, mailing addresses, occupations and employers of the officers of the committee.
- 13. The current threshold amount which triggers the disclosure of contributions made to a candidate, a candidate committee or a joint candidates committee is raised from \$100 to \$200 and the threshold amount triggering the 48-hour notice requirement for contributions is raised from over \$250 to contributions over \$500.
- 14. All dollar amounts provided for in the Reporting Act, including all new contribution limits, would be adjusted quadriennially.
- 15. Existing civil fines and penalties that may be imposed by ELEC on violators of the Reporting Act are increased in order to promote compliance with disclosure.
- 16. A person is prohibited from making loans to any other person for the purpose of inducing that person to make a campaign contribution.

Amends "The New Jersey Campaign Contributions and Expenditures Reporting Act;" restricts contributions by individuals, corporations, unions, political committees and continuing political committees.

STATEMENT

This bill makes significant changes in "The New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, corporations, unions, political committees and continuing political committees (popularly known as Political Action Committees or PACs) may contribute to other candidates, political committees and continuing political committees. The bill implements the many of the changes in the Reporting Act recommended by the Ad Hoc Commission on Legislative Ethics and Campaign Finance in its final report.

The bill includes the following provisions.

- 1. A limit of \$1,000 is imposed on the amount that may be contributed per election to a candidate or a candidate committee by an individual or group (other than a political committee or a continuing political committee) in those years in which any election is held for the office that the candidate seeks and a limit of \$1,500 is imposed on the amount that may be contributed per election to a candidate or a candidate committee, other than a candidate for nomination or election to the office of Governor, by a political committee or a continuing political committee per calendar year in those years in which no election is held for that office.
- 2. A candidate is limited to only one campaign committee (to be known as a candidate committee) for the purpose of raising funds for and paying the expenses of the political activities of that candidate. At least two but no more than three candidates in an election in the same legislative district, county or municipality would also be permitted to form a joint candidates committee.
- 3. A limit of \$25,000 per year is imposed on the amount that an individual, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to the State committee of each political party or to each legislative party committee. (Only four such committees would be permitted: one for the majority leadership and one for the minority leadership in each House of the Legislature.)
- 4. A limit to \$10,000 per year is imposed on the amount that an individual, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to each county committee of each political party, and limit of \$5,000 per year is imposed on the amount these groups can contribute to each municipal committee of each political party.
- 5. No limit is imposed on the amount of money that can be contributed to a candidate committee or a joint candidates committee by a political party committee, a legislative party committee, or a national party or congressional party political committee.
- 6. A limit of \$1.500 per election is imposed on the amount that one candidate committee or joint candidates committee can contribute to another candidate committee (other than the

committee of a candidate for nomination or election to the office of Governor) or a joint candidates committee.

R

g

- 7. A limit of \$1,500 per year is imposed on the amount that an individual may contribute to a continuing political committee (other than a legislative leadership committee or a political party committee).
- 8. A limit of \$1,500 per election is imposed on the amount that an individual may contribute to a political committee and a limit of \$5,000 per year is imposed on the amount that a political committee or continuing political committee may contribute to another political committee or continuing political party.
- 9. Current prohibitions which apply exclusively to contributions from certain regulated corporations are repealed and replaced by the same restrictions on all corporations and labor organizations that are in effect under federal law. These provide that no corporation or labor organization may make campaign contributions. However, the officers or employees of a corporation and their families and the officers and members of a labor organization and their families may make a contribution through a political committee or continuing political committee that is composed of the officers or employees of a corporation and their families and the officers and members of a labor organization and their families and that derives its funds solely from voluntary contributions solicited from those persons.
- 10. Individual contributors to a candidate or a committee (including political committees, continuing political committees, political party committees and legislative leadership committees) are required to disclose to that candidate or committee their occupation and employer, so that this information may be provided to the Election Law Enforcement Commission (ELEC).
- 11. Each political committee, continuing political committee and legislative leadership committee is required to register with ELEC, carry a title that clearly reflects the political interests, objectives and composition of the committee and provide the names, mailing addresses, occupations and employers of the officers of the committee.
- 12. Candidates and elected officials who organize, conduct, or serve as chairpersons of charitable solicitations and who receive donations made out to them or in their name must first deposit those funds in their campaign depositories before remitting them to the charity and must report to ELEC the amount and remittance of those funds.
- 13. All dollar amounts provided for in the Reporting Act, including all new contribution limits, would be adjusted biennially.
- 14. Existing civil fines and penalties that may be imposed by ELEC on violators of the Reporting Act are increased in order to promote compliance with disclosure.
- 15. A person is prohibited from making loans to any other person for the purpose of inducing that person to make a campaign contribution.
- 16. An appropriation of \$1,500,000 is provided to ELEC in order to strengthen its administrative capacity and carry out the provisions of this bill.

Revises "The New Jersey Campaign Contributions and Expenditures Reporting Act;" restricts contributions by individuals, corporations, unions, political committees and continuing political committees; appropriates \$1.5 million.

À.

1

G

committee or joint candidates committee of a candidate may be used for the payment of the expenses arising from the furnishing, staffing or operation of an office used in connection with that person's official duties as an elected public official.

- c. Any funds remaining in the campaign depository of a candidate's candidate committee or joint candidates committee upon the death of the candidate shall be used only for one or more of the purposes established in subsection a. of this section by the committee's organizational treasurer or deputy treasurer or whoever has control of the depository upon the death of the candidate.
 - 2. This act shall take effect on January 1 following enactment.

STATEMENT

This bill establishes five permissible uses for contributions received by a candidate, the candidate committee or joint candidates committee of a candidate or a legislative party committee.

The uses include:

- a) the payment of political expenses;
- b) contributions to any charitable organization or nonprofit organization;
- c) transmittal to another candidate, candidate committee or joint candidates committee, to a political committee, continuing political committee, legislative party committee or a political party committee;
- d) the payment of the overhead and administrative expenses related to the operation of a candidate committee, joint candidates committee or a legislative party committee; or
 - e) the pro rata repayment of contributors.

The bill specifically prohibits the use of contributions received by a candidate or by the candidate committee or joint candidates committee of a candidate for the payment of the expenses arising from the furnishing, staffing or operation of an office used in connection with that person's official duties as an elected public official.

The bill provides that any funds remaining in the campaign depository of a candidate's candidate committee or joint campaign committee upon the death of the candidate shall be used only for one or more of the permissible purposes by the committee's organizational treasurer or deputy treasurer or whoever has control of the depository upon the death of the candidate.

The bill is based on recommendations contained in the "Findings and Recommendations of the Ad Hoc Commission on Legislative Ethics and Campaign Finance" issued in October, 1990.

Establishes five permissible uses for campaign contributions.

candidate seeks or exceeds \$1,000 per calendar year in those years in which no election is held for that office. No candidate, his campaign treasurer or deputy campaign treasurer or a political committee or continuing political committee serving as the campaign committee of such a candidate, with the exception of a candidate for the office of Governor, the campaign treasurer or deputy campaign treasurer of such a candidate or a political committee or continuing political committee serving as the campaign committee of such a candidate, shall knowingly accept from any person any contribution of money or other thing of value which in the aggregate exceeds \$1,000 per election in those years in which any election is held for the office that the candidate seeks or exceeds \$1,000 per calendar year in those years in which no election is held for that office.

- 3. a. No person shall pay or make any contribution of money or other thing of value to any municipal committee of a political party which in the aggregate exceeds \$2,000 per calendar year. No municipal committee of a political party shall knowingly accept from any person any contribution of money or other thing of value which in the aggregate exceeds \$2,000 per calendar year.
- b. No person shall pay or make any contribution of money or other thing of value to any county committee of a political party which in the aggregate exceeds \$5,000 per calendar year. No county committee of a political party shall knowingly accept from any person any contribution of money or other thing of value which in the aggregate exceeds \$5,000 per calendar year.
- c. No person shall pay or make any contribution of money or other thing of value to any State committee of a political party which in the aggregate exceeds \$10,000 per calendar year. No State committee of a political party shall knowingly accept from any person any contribution of money or other thing of value which in the aggregate exceeds \$10,000 per calendar year.
- 4. This act shall take effect on the January 1st following enactment.

STATEMENT

This bill limits the amount of money and other things of value that continuing political committees, popularly known as Political Action Committees or PACs, and individuals can contribute to candidates. It also limits the contributions that a person may make to the State, county or municipal committees of a political party per calendar year.

Specifically, the bill:

- a) Prohibits PACs other than the State, county or municipal committees of a political party from contributing more than \$2,500 to an individual candidate, other a candidate for the office of Governor, per election in those years in which any election is held for the office that the candidate seeks or more than \$2,500 per calendar year in those years in which no election is held for that office:
- b) Prohibits persons from contributing more than \$1,000 to an individual candidate, other than a candidate for the office of

Governor, per election in those years in which any election is held for the office that the candidate seeks or more than \$1,000 per calendar year in those years in which no election is held for that office; and

c) Prohibits persons from contributing more than \$2,000 to any municipal committee or more than \$6,000 to any county committee or more than \$10,000 to any State committee of a political committee per calendar year.

Places certain limitations on the contributions that continuing political committees and persons may make.

- b. After submission of a statement of registration by the commission pursuant to this section, the committee shall use the complete name or identifying title on all documents submitted to the commission, in all solicitations for contributions, in all paid media advertisements purchased or paid for by the committee in support of or in opposition to any candidate or public question, and in all contributions made by the committee to candidates or other committees.
- c. Each report of contributions under section 8 of P.L.1973, c.83 (C.19:44A-8) by a political committee or continuing political committee required under subsection a. of this section to submit a statement of registration shall include, in the case of each contributor who is an individual, the home address of the individual if different from the individual's mailing address, or, in the case of any contributor which is an organization, any information, in addition to that otherwise required, which the Election Law Enforcement Commission may, under such regulations as it shall adopt pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), require as being material to the fullest possible disclosure of the economic, political and other particular interests and objectives which the contributing organization has been organized to or does advance.
- d. Any political committee or continuing political committee may at any time apply to the commission for approval of an abbreviation or acronym of its complete, official name or title for its exclusive use on documents which it shall submit to the commission. Upon verification that the abbreviation or acronym has not been approved for such use by any other political committee or continuing political committee, the commission shall approve the abbreviation or acronym for such use by the applicant committee, and the committee, and any individual, corporation. partnership, membership organization incorporated or unincorporated association which, under the provisions of P.L.1973, c.83 (C.19:44A-1 et seq.), submits any documents to the commission containing a reference to that committee, shall thereafter use that approved abbreviation or acronym in documents submitted to the commission. The commission shall, during its regular office hours, maintain for public inspection in its offices a current alphabetically arranged list of all such approved abbreviations and acronyms, indicating for each the name of the committee for which it stands, and shall make copies of the list available upon request.

10. This act shall take effect immediately.

STATEMENT

ß

This bill makes various changes in "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L. 1973, c.83 (C.19:44A-1 et seq.). Under the bill:

(1) Any loan transaction which the lender undertakes with the intent to induce the borrower or any other party to make a campaign contribution, and the contribution of any proceeds of

such a loan, is prohibited. A loan or contribution made in violation of this provision is to be a criminal offense;

- (2) The aggregate total of loans which a non-bank lender may make to borrowers who, to that lender's knowledge or belief, intend to use the proceeds to fund contributions to gubernatorial candidates is limited to an amount equal to twice the amount of the statutory limit on such contributions. All such loans, whether the candidate to whom the borrower intends to make a contribution is seeking the office of Governor or instead is seeking some other office, which are in excess of \$50 are required to be by check or money order. Any violation of these provisions is to be a criminal offense;
- (3) Certain political committees and continuing political committees are to be required to register their names, together with an identification of the general category of interest shared by the leadership, members, or financial supporters of such committee, with the Election Law Enforcement Commission, and also may apply to the commission for its approval of an acronym or abbreviation for the committee, which shall be used in all filings with the commission;
- (4) Violations of the Reporting Act, now uniformly established as fourth degree offenses, are to be graded as fourth, third or second degree offenses in accordance with the seriousness of the violation; and
- (5) Campaign contribution reports required to be filed under current provisions of the Reporting Act are to include, in addition to the name and address of each contributor, the occupation of any contributor who is an individual, the name and mailing address of that person's employer and any other information to the extent such information may be material to the fullest possible disclosure of the economic, political and other particular interests which the committee has been organized to or does advance.

The first four of the changes indicated above provide for implementation of certain of the recommendations of a presentment issued on October 6, 1988 by a grand jury impanelled to investigate alleged violations of the Act.

1 2

Regulates certain loans made in connection with campaign contributions; requires PACs to register with ELEC.

- (11) the maximum amount of contributions permitted to be made by an individual, corporation, labor organization to a continuing political committee, other than a legislative leadership committee or a political party committee, and the maximum amount of contributions permitted to be made by one political committee or continuing political committee to another political committee or continuing political committee pursuant to section 20 of P.L., c. (C.)(now pending before the Legislature as this bill).
- c. Not later than December 15 of each year preceding any year in which a general election is to be held to fill the office of Governor for a four-year term, the commission shall report to the Legislature and make public its adjustment of limits in accordance with the provisions of this section. Whenever, following the transmittal of that report, the commission shall have notice that a person has declared as a candidate for nomination for election or for election to any public office in a forthcoming primary or general election, it shall promptly notify that candidate of the amounts of those adjusted limits.
- 25. This act shall take effect on the January 1st following enactment.

STATEMENT

 This bill makes significant changes in "The New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, corporations, unions, political committees and continuing political committees (popularly known as Political Action Committees or PACs) may contribute to other candidates, political committees and continuing political committees. The bill implements many of the changes in the Reporting Act contained in the final report of the Ad Hoc Commission on Legislative Ethics and Campaign Finance.

The bill includes the following provisions:

- 1. A limit of \$1,500 is imposed on the amount that may be contributed per election to a candidate or the joint candidates committee of a candidate by an individual, corporation, union or other group (other than a political committee or a continuing political committee) and a limit of \$5,000 is imposed on the amount that may be contributed per election to a candidate or the joint candidates committee of a candidate, other than a candidate for nomination or election to the office of Governor, by a political committee or a continuing political committee.
- 2. A candidate for any elective public office is limited to one political committee, for the purpose of raising funds for and paying the expenses of the political activities of that candidate, and one continuing political committee for the purpose of raising funds and paying expenses. Candidates are also permitted to form joint candidates committee of no more than three candidates for any elective offices in the same election in a legislative district, county or municipality.

- 3. A limit of \$25,000 per year is imposed on the amount that an individual, corporation, union, political committee, continuing political committee or other group can contribute to the State committee of each political party or to each legislative leadership committee. (Only four such committees would be permitted: one for the majority leadership and one for the minority leadership in each House of the Legislature.)
- 4. A limit of \$10,000 per year is imposed on the amount that an individual, corporation, union, political committee, continuing political committee or other group can contribute to each county committee of each political party, and a limit of \$5,000 per year is imposed on the amount these groups can contribute to each municipal committee of each political party.
- 5. No limit is imposed on the amount of money that can be contributed to a candidate or a joint candidates committee by a political party committee, a legislative leadership committee, or a national party or congressional party political committee.
- 6. A limit of \$5,000 per election is imposed on the amount that one candidate can contribute to another candidate, other than a candidate for nomination or election to the office of Governor.
- 7. A limit of \$1,500 per year is imposed on the amount that an individual may contribute to a continuing political committee (other than a legislative leadership committee, or a political party committee).
- 8. A limit of \$1,500 per election is imposed on the amount that an individual may contribute to a political committee and a limit of \$5,000 per year is imposed on the amount that a political committee or continuing political committee may contribute to another political committee or continuing political party.
- 9. Contributions are restricted to only the following uses: a) the payment of all campaign-related expenses; b) contributions to charities; c) the payment of overhead and administrative expenses related to the operation of the candidate's political committee or continuing political committee; d) contributions to other candidates or to political committees or continuing political committees; e) pro rata refunds to contributors.
- 10. Any funds remaining in the political committee, continuing political committee or joint candidate committee of a candidate or an elected public official at the death of that person shall be used only in one or more of the acceptable ways described above by the committee's treasurer or whoever has control of the committee's funds after the death of the candidate or elected public official.
- 11. Individual contributors to a candidate or a committee (including political committees, continuing political committees, political party committees and legislative leadership committees) are required to disclose to that candidate or committee their occupation and employer, so that this information and all other information already required by law is provided to the Election Law Enforcement Commission (ELEC).
- 12. Each political committee, continuing political committee and legislative leadership committee is required to provide to ELEC a brief statement of purpose, as well as the names, home addresses, occupations and employers of the officers of the

committee, and require each candidate committee and joint campaign committee to disclose the name of the candidate or candidates for which it is raising funds and paying campaign expenses.

- 13. The current threshold amount which triggers the disclosure of contributions made to a candidate or joint candidates committee is raised from \$100 to \$200 and the threshold amount triggering the 48-hour notice requirement for contributions is raised from over \$250 to contributions over \$500.
- 14. Candidates and elected officials are prohibited from raising funds in their own name for charitable or any other non-campaign purposes via checks made out in their own name.
- 15. Limits are placed on the amount of money or other thing of value that a county committee can contribute to a legislative candidate based upon the total number of county committees of the party in that person's legislative district and limits are placed on the amount of money or other thing of value that a municipal committee can contribute to a legislative candidate based upon the population of that municipality.
- 16. All dollar amounts provided for in the Reporting Act, including all new limits and thresholds, would be adjusted quadrennially.
- 17. Existing civil fines and penalties that may be imposed by ELEC on violators of the Reporting Act are increased in order to promote compliance with disclosure.
- 18. A person is prohibited from making loans to any other person for the purpose of inducing that person to make a campaign contribution.

Revises and supplements "The New Jersey Campaign Contributions and Expenditures Reporting Act;" restricts contributions by individuals, corporations, unions, political committees and continuing political committees.

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, Nos. 100, 195, 196, 646, 659 and 869

STATE OF NEW JERSEY

DATED: MAY 11, 1992

The Assembly State Government Committee reports favorably an Assembly Committee Substitute for Assembly Bill Nos. 100, 195, 196, 646, 659 and 869.

This bill amends "The New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, corporations, unions, political committees and continuing political committees (popularly known as Political Action Committees or PACs) may contribute to other candidates, political committees and continuing political committees. The bill implements most of the changes in the Reporting Act recommended by the Ad Hoc Commission on Legislative Ethics and Campaign Finance in its final report.

The bill includes the following provisions.

- 1. A limit of \$1,500 per election is imposed on the amount that may be contributed to a candidate or a candidate committee by an individual or group and a limit of \$5,000 per election is imposed on the amount that may be contributed per election to a candidate or a candidate committee, other than a candidate for nomination or election to the office of Governor, by a political committee or a continuing political committee.
- 2. A candidate is limited to only one campaign committee (to be known as a candidate committee) for the purpose of raising funds for and paying the expenses of the political activities of that candidate. Alternatively, at least two but no more than three candidates in an election in the same legislative district, county or municipality would be permitted to form a joint candidates committee. No candidate would be allowed to maintain any political committee or continuing committee.
- 3. A limit of \$25,000 per year is imposed on the amount that an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to the State committee of each political party or to each legislative leadership committee. (Only four such committees would be permitted: one for the majority leadership and one for the minority leadership in each House of the Legislature.)
- 4. A limit of \$10,000 per year is imposed on the amount that an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to each county committee of each political party, and limit of \$5.000 per year is imposed on the amount these groups can contribute to each municipal committee of each political party.
- 5. No limit is imposed on the amount of money that can be contributed to a candidate committee or a joint candidates

committee by a political party committee, a legislative leadership committee, or a national party or congressional party political committee. However, a political party committees or legislative leadership committee could not, from the contributions it receives from contributors, annually give to any recipient any more than those contributors severally could legally give to the recipient.

- 6. A limit of \$1,500 per election is imposed on the amount that one candidate committee or joint candidates committee can contribute to another candidate committee (other than the committee of a candidate for nomination or election to the office of Governor) or a joint candidates committee.
- 7. A limit of \$1,500 per year is imposed on the amount that an individual, corporation or labor organization may contribute to a continuing political committee (other than a legislative leadership committee or a political party committee).
- 8. A limit of \$1,500 per election is imposed on the amount that an individual, corporation or labor organization may contribute to a political committee and a limit of \$5,000 per election is imposed on the amount that a political committee or continuing political committee may contribute to another political committee or continuing political party.
- 9. Contributions to a candidate, a candidate committee, a joint candidates committee or a legislative leadership committee are restricted to only the following uses: a) the payment of all political expenses; b) contributions to charities; c) the payment of overhead and administrative expenses related to the operation of the candidate's campaign committee or joint candidates committee or a legislative leadership committee; d) transmittals to another candidate, candidate committee, joint candidates committees, political committees, continuing political committee, legislative leadership committee or political party committee; e) pro-rata repayment of contributors; and f) the payment of ordinary and necessary expenses of holding public office.
- 10. Any funds remaining in the campaign depository of a candidate committee or joint candidate committee of a candidate at the death of the candidate shall be used only in one or more of the acceptable ways described above by the committee's treasurer or whoever has control of the committee's funds after the death of the candidate.
- 11. Individual contributors to a candidate or a committee (including political committees, continuing political committees, political party committees and legislative leadership committees) are required to disclose to that candidate or committee their occupation and employer, so that this information may be provided to the Election Law Enforcement Commission (ELEC).
- 12. Each political committee, continuing political committee and legislative leadership committee is required to register with ELEC, carry a title that clearly reflects the political interests, objectives and composition of the committee and provide the names, mailing addresses, occupations and employers of the officers of the committee.
- 13. The current threshold amount which triggers the disclosure of contributions made to a candidate, a candidate committee or a joint candidates committee is raised from \$100 to \$200 and the

threshold amount triggering the 48-hour notice requirement for contributions is raised from over \$250 to contributions over \$500.

- 14. All dollar amounts provided for in the Reporting Act, including all new contribution limits, would be adjusted quadriennially.
- 15. Existing criminal fines and penalties that may be imposed by ELEC on violators of the Reporting Act are increased in order to promote compliance with disclosure.
- 16. A person is prohibited from making loans to any other person for the purpose of inducing that person to make a campaign contribution.

STATEMENT

These amendments to this bill, which revises "The New Jersey Campaign Contributions and Expenditures Reporting Act," would accomplish the following:

- (1) Conform terminology (e.g., from "campaign committee" to "candidate committee", from "joint candidate committee" to "joint candidates committee", etc.) and correct or amplify references:
- (2) Ensure that, as at present, the currency contribution limit is not to apply to campaign committees on a per-year basis, but on a per-election basis;
- (3) Eliminate the existing prohibition, apparently unconstitutional under Eu v. San Francisco County Democratic Central Committee, 109 S.Ct. 1013, 57 U.S.L.W. 4251 (1989), on pre-primary spending by party committees to aid candidates of the party:
- (4) Clarify that the obligations to make written records of contributions received and to deposit those contributions will continue to apply to political party committees;
- (5) Authorize the Election Law Enforcement Commission to require additional reports by candidate committees and joint candidates committees if necessary to prevent extended periods (more than 5 months) of non-disclosure during periods of transition between campaign-cycle and quarterly-cycle reporting;
- (6) Require candidates, as well as their campaign treasurers, to certify the correctness of quarterly reports by their campaign committees, just as they must in the case of their election-cycle reports;
- (7) Correct misstated reference to expenditures (viz., "campaign expenses") which are to be reported separately from other expenditures on a candidate's expenditure reporting form;
- (8) Provide, with respect to the prohibition against any agreement between two parties that one will make a political contribution if the other will do likewise, that violation of the provision shall be a civil rather than a criminal offense, and shall be subject to a fine equal to three times the amount of the illicit contribution:
- (9) Clarify that "groups", as well as defined contributors, are subject to all contribution limits;
- (10) Supply a missing reference, inadvertently omitted, to the payment of ordinary and necessary expenses of holding public office as a proper purpose for which contributions received by a candidate, candidate committee, joint candidates committee, or legislative leadership committee may be used; and
- (11) Provide that all corporations, and not only those doing business in New Jersey, are subject to the legislation's limits on the amounts which may be contributed to candidates, candidate committees, legislative leadership committees, party committees, continuing political committees, and political committees.

FISCAL NOTE TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, Nos. 100, 195, 196, 646, 659 and 869

STATE OF NEW JERSEY

DATED: June 4, 1992

The Assembly Committee Substitute for Assembly Bill Nos. 100, 195, 196, 646, 659 and 869 amends "The New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, corporations, unions, political committees and continuing political committees (popularly known as Political Action Committees or PACs) may contribute to other candidates, political committees and continuing political committees. The bill implements most of the changes in the Reporting Act recommended by the Ad Hoc Commission on Legislative Ethics and Campaign Finance in its final report.

The bill includes the following provisions:

- 1. A limit of \$1,500 per election is imposed on the amount that may be contributed to a candidate or a candidate committee by an individual or group and a limit of \$5,000 per election is imposed on the amount that may be contributed per election to a candidate or a candidate committee, other than a candidate for nomination or election to the office of Governor, by a political committee or a continuing political committee.
- 2. A candidate is limited to only one campaign committee (to be known as a candidate committee) for the purpose of raising funds for and paying the expenses of the political activities of that candidate. Alternatively, at least two but no more than three candidates in an election in the same legislative district, county or municipality would be permitted to form a joint candidates committee. No candidate would be allowed to maintain any political committee or continuing committee.
- 3. A limit of \$25,000 per year is imposed on the amount that an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to the State committee of each political party or to each legislative leadership committee. (Only four such committees would be permitted: one for the majority leadership and one for the minority leadership in each House of the Legislature.)
- 4. A limit of \$10,000 per year is imposed on the amount that an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to each county committee of each political party, and a limit of \$5,000 per year is imposed on the amount these groups can contribute to each municipal committee of each political party.

- 5. No limit is imposed on the amount of money that can be contributed to a candidate committee or a joint candidates committee by a political party committee, a legislative leadership committee, or a national party or congressional party political committee. However, a political party committee or legislative leadership committee could not, from the contributions it receives from contributors, annually give to any recipient any more than those contributors severally could legally give to the recipient.
- 6. A limit of \$1,500 per election is imposed on the amount that one candidate committee or joint candidates committee can contribute to another candidate committee (other than the committee of a candidate for nomination or election to the office of Governor) or a joint candidates committee.
- 7. A limit of \$1,500 per year is imposed on the amount that an individual, corporation or labor organization may contribute to a continuing political committee (other than a legislative leadership committee or a political party committee).
- 8. A limit of \$1,500 per election is imposed on the amount that an individual, corporation or labor organization may contribute to a political committee and a limit of \$5,000 per election is imposed on the amount that a political committee or continuing political committee may contribute to another political committee or continuing political committee.
- 9. Contributions to a candidate, a candidate committee, a joint candidates committee or a legislative leadership committee are restricted to only the following uses: a) the payment of all political expenses; b) contributions to charities; c) the payment of overhead and administrative expenses related to the operation of the candidate's campaign committee or joint candidates committee or a legislative leadership committee; d) transmittals to another candidate, candidate committee, joint candidates committees, political committees, continuing political committee, legislative leadership committee or political party committee; e) pro-rata repayment of contributors; and f) the payment of ordinary and necessary expenses of holding public office.
- 10. Any funds remaining in the campaign depository of a candidate committee or joint candidate committee of a candidate at the death of the candidate shall be used only in one or more of the acceptable ways described above by the committee's treasurer or whoever has control of the committee's funds after the death of the candidate.
- 11. Individual contributors to a candidate or a committee (including political committees, continuing political committees, political party committees and legislative leadership committees) are required to disclose to that candidate or committee their occupation and employer, so that this information may be provided to the Election Law Enforcement Commission (ELEC).
- 12. Each political committee, continuing political committee and legislative leadership committee is required to register with ELEC, carry a title that clearly reflects the political interests, objectives and composition of the committee and provide the names, mailing addresses, occupations and employers of the officers of the committee.

- 13. The current threshold amount which triggers the disclosure of contributions made to a candidate, a candidate committee or a joint candidates committee is raised from \$100 to \$200 and the threshold amount triggering the 48-hour notice requirement for contributions is raised from over \$250 to contributions over \$500.
- 14. All dollar amounts provided for in the Reporting Act, including all new contribution limits, would be adjusted quadrennially.
- 15. Existing criminal fines and penalties that may be imposed by ELEC on violators of the Reporting Act are increased in order to promote compliance with disclosure.
- 16. A person is prohibited from making loans to any other person for the purpose of inducing that person to make a campaign contribution.

The Election Law Enforcement Commission (ELEC) estimates that in order to implement the provisions of this bill, an additional 33 staff members (12 compliance officers, 1 clerk, 2 field investigators, 2 attorneys, 7 data entry operators, 6 secretaries, 1 assistant systems administrator, 1 research specialist and 1 fiscal analyst) would be required, for a total first-year personnel cost of additional \$533,000 in first-year operating \$750,250. An expenditures would be necessary, for a total first-year cost of \$1,283,250. This first-year cost includes \$473,000 in one-time equipment and data processing expenditures. After adding a 10 percent inflation factor and eliminating the first-year startup costs, ELEC estimates that the second and third-year expenses would be \$891,275 and \$980,403 respectively.

The Office of Legislative Services (OLS) notes that although the Ad Hoc Commission on Legislative Ethics and Campaign Finance recommends various new responsibilities for the Election Law Enforcement Commission, several of the recommendations entail increased contribution thresholds rather than an increased work load and should not require additional resources to implement. However, other recommendations concerning the increased contributor and lobbyist reporting requirements would justify increased staff, computer capability and facilities. In addition, increased printing costs would be incurred during the initial phase of implementation as a result of the need for ELEC to update all of its forms and manuals.

The OLS does not have sufficient information available to it to determine the number of additional personnel required to implement these recommendations. For example, ELEC does not address the manner in which the Ad Hoc Commission's recommendations will interface with its current activities. It may be possible to use present staff to perform some of the new duties. Since the new procedures will supercede many current activities, it would probably be necessary to eliminate some of these current activities and retrain personnel on the new procedures. The OLS further notes that ELEC has consistently claimed that it is understaffed to perform its present responsibilities, and additional personnel are required. Therefore, it is difficult to determine which of the requested new positions are required for the new responsibilities, and which may be needed merely to continue its current operations.

or a labor organization of any kind which exists or is constituted for the purpose ¹[of]¹, in whole or in part, of collective bargaining, or of dealing with employers concerning the grievances, terms or conditions of employment, or of other mutual aid or protection in connection with employment, ¹or any other group, ¹ any contribution of money or other thing of value which in the aggregate exceeds \$1,500 per election.

c. No candidate, his campaign treasurer, deputy treasurer, candidate committee or joint candidates committee, shall pay or make any contribution of money or other thing of value to a political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or a continuing political committee, which in the aggregate exceeds¹, in the case of such a political committee, \$5,000 per election, or in the case of a continuing political committee, 1 \$5,000 per year. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or a continuing political committee, shall knowingly accept from a candidate, his campaign treasurer, deputy treasurer, candidate committee or joint candidates committee, any contribution of money or other thing of value which in the aggregate exceeds¹, in the case of such a political committee, \$5,000 per election, or in the case of a continuing political committee, 1 \$5,000 per year.

d. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, and no continuing political committee shall pay or make any contribution of money or other thing of value to another political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, or another continuing political committee which in the aggregate exceeds1, in the case of a recipient continuing political committee, \$5,000 per year, or in the case of a recipient political committee, 1 \$5,000 per election. No political committee, other than a political committee which is organized to, or does, aid or promote the passage or defeat of a public question in any election, and no continuing political committee shall knowingly accept from another political committee, other than a political committee which organized to, or does, aid or promote the passage or defeat of a public question in any election, or another continuing political committee any contribution of money or other thing of value which in the aggregate exceeds1, in the case of a recipient continuing political committee, \$5,000 per year, or in the case of a recipient political committee, 1 \$5,000 per election.

STATEMENT

This amendment would raise the limit imposed by this legislation on the amount of aggregate annual contributions which an individual, corporation, or labor union could give to a continuing political committee (i.e., a political action committee, or "PAC") from \$1.500 to \$3,000.

STATEMENT TO

[FIRST REPRINT]

ASSEMBLY, Nos. 100, 195, 196, 646, 659 and 869

with Assembly Floor Amendments (Sponsored by Assemblymen MARTIN and DORIA)

ADOPTED JUNE 18, 1992

This amendment would raise the limit imposed by this legislation on the amount of aggregate annual contributions which an individual, corporation, or labor union could give to a continuing political committee (i.e., a political action committee, or "PAC") from \$1,500 to \$3,000.

ASSEMBLY Amendments to
ASSEMBLY COMMITTEE SUBSTITUTE for
ASSEMBLY, Nos. 100, 195, 196, 646, 659 and 869 (2R)
Page 21

amounts of contributions paid or made, or accepted, prior to such date of enactment by any person to whom the provisions of sections 17, 18, or 19 apply shall not be considered in determining the application of those sections on and after that date of enactment. If enacted after March 1, 1993, this act shall take effect on January 1, 1994.

STATEMENT

These Assembly amendments to this legislation, which imposes new restrictions on political contributions and makes various other changes in "The New Jersey Campaign Contributions and Expenditures Reporting Act", would effect the following changes in the bill:

- (1) Prohibit the chairman of a political party committee or a legislative leadership committee from serving as the chairman or treasurer of a continuing political committee (i.e., a political action committee, or "PAC"), a political committee, or a candidate committee or joint candidates committee. An exception from the prohibition would allow a party or leadership committee chairman who is also a candidate to chair or serve as treasurer of his or her own candidate organization;
- (2) Delete provisions, proposed under the legislation and not in existing law, which would (a) prohibit certain acts involving the making or handling of campaign contributions or the disclosure of those contributions or other information, and (b) establish a grading of existing criminal sanctions in accordance with the severity of the offense;
- (3) Clarify that a candidate's expenditures on behalf of a fellow candidate for the same office of the same political subdivision or legislative district are exempt from the bill's limit on amounts which one candidate can contribute to another;
- (4) Increase the amount which individuals, corporations, labor organizations, and other entities may give to a county political party committee from \$10,000 to \$25,000 per year;
- (5) Delete from the bill's provisions for public registration by political committees, continuing political committees, and legislative leadership committees a requirement that the committee's name "accurately reflect the political interests, objectives and composition of the committee," and require instead that the statement of registration identify "the general category of entity or entities, . . . the interests of which are shared by the leadership, members, or financial supporters of the committee":
- (6) Make technical changes in the provisions for quadrennial indexation adjustments of various monetary reporting thresholds, contribution limits, etc. to reflect the foregoing revisions; and
- (7) Change the date upon which the bill is to take effect as law from "January 1st following enactment" so that (a) if the bill is enacted on or before January 1, 1993, it will take effect on

ASSEMBLY Amendments to
ASSEMBLY COMMITTEE SUBSTITUTE for
ASSEMBLY, Nos. 100, 195, 196, 646, 659 and 869 (2R)
Page 22

A SHEET SHEET

January 1, 1993, (b) if enacted after January 1, 1993 and on or before March 1, 1993, the bill will take effect immediately, but contributions made prior to such enactment shall not be considered in determining the application of the legislation's limits on amounts of those contributions, and (c) if enacted after March 1, 1993, the bill will take effect on January 1, 1994.

[THIRD REPRINT]

ASSEMBLY, Nos. 100, 195, 196, 646, 659, and 869

Art No

with Senate committee amendments

STATE OF NEW JERSEY

DATED: JANUARY 12, 1993

The Senate Judiciary Committee reports favorably and with committee amendments ACS for Assembly, Nos. 100, 195, 196, 646, 659, and 869 (3R).

This bill proposes a series of amendments to the "New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, political committees and political action committees (PACs) may contribute to candidates, political committees and PACs. The following is a summary of the major provisions of the bill and the amendments to the bill adopted by the committee:

- 1. The bill would have imposed a limit of \$1,500 per election limit on the amount that may be contributed by an individual and a \$5,000 per election limit on contributions by political committees or continuing political committees. The committee adopted an amendment providing that these limitation would be on a per year basis. There would be no limitation on what an individual could contribute to his own campaign. By amendment, the committee clarified that there is also no limitation on the amount that a corporation 100% controlled by a candidate or members of the candidate's immediate family may contribute to the candidate's campaign.
- 2. As passed by the Assembly, the bill would have limited participation in a joint candidate committee to no more than three candidates. The committee amended the bill to provide that participation in a joint candidate committee would be dependent on the number of the same offices to be filled at that election.
- 3. The bill would impose a limit of \$25,000 per year on the amount that an individual, corporation, labor organization, political committee, candidate committee or joint candidates committee or any other group can contribute to the State committee of each political party or to each legislative leadership committee. Only four leadership committees would be permitted: one for the majority leadership and one for the minority leadership in both the Senate and Assembly.
- 4. The bill would impose a limit of \$25,000 per year on the amount that an individual, corporation, labor organization, political committee, continuing political committee, candidate committee or joint candidates committee or any other group can contribute to the county committee of each political party, and a limit of \$5,000 per year is imposed on the amount these groups can contribute to the municipal committee of each political party.

さいないにおいているのであるとのできるというできないのできない。

- 5. The bill would impose no limitation on the amount of money that can be contributed to a candidate committee or a joint candidates committee by a political party committee or by a legislative leadership committee.
- 6. The bill would set a limit of \$5,000 per election on the amount that one candidate committee or joint candidates committee can contribute to another candidate committee or a joint candidates committee. Under an amendment adopted by the committee, there would, however, be no limitation on the amount a candidate committee may contribute to the campaign of a running mate with Senate and Assembly candidates being considered running mates.
- 7. The committee adopted amendments deleting provisions which would have imposed a \$3,000 a year limit on the amount that an individual, corporation or labor organization may contribute to a continuing political committee and a limit of \$1,500 per election on the amount that an individual, corporation or labor organization may contribute to a political committee.
- 8. This bill would establish a \$5,000 per year limit on the amount contributed to a PAC by another PAC or political committee and a \$5,000 per election limit on a contribution to a political committee by a PAC or other political committee.
- 9. The bill would provide that contributions to a candidate, a candidate committee, a joint candidates committee or a legislative leadership committee can only be used for the following: a) the payment of all campaign expenses; b) contributions to charities; c) the payment of overhead and administrative expenses related to the operation of the candidate's campaign committee or joint candidates committee or a legislative leadership committee; d) transmittals to another candidate. candidate committee, joint candidates committees, political committees, continuing political committee, legislative leadership committee or political party committee; e) pro-rata repayment of contributors; and f) the payment of ordinary and necessary expenses of holding public office.
- 10. The bill provides that individual contributors to a candidate or a committee (including political committees, continuing political committees, political party committees and legislative leadership committees) must disclose to that candidate or committee their occupation and employer so that this information may be provided to the Election Law Enforcement Commission (ELEC).

The bill would require that the filing for a committee identify the general category of entity or entities the interests of which are shared by the committee's leadership, members or financial supporters.

11. The bill would raise the current threshold amount which triggers the disclosure of contributions made to a candidate, a candidate committee or a joint candidates committee from \$100 to \$200 and the threshold amount triggering the 48-hour notice requirement for contributions from over \$250 to contributions over \$500.

- 12. The bill provides that all dollar amounts provided for in the Reporting Act, including all new contribution limits, would be adjusted quadrennially.
- 13. The amendments restore a section to the bill prohibiting corporations and labor organizations from giving employees additional remuneration for the express purpose of making a contribution.
- 14. The amendments would restore two criminal offenses covering the making of a loan as an inducement for the making of a contribution and the making of a contribution after being induced by a loan. These offenses would be classified as crimes of the fourth degree.

The amendments would also add additional monetary penalties for violations of the provisions setting limits on campaign contributions. These penalties would be based on the amount of the illegal contributions with a top penalty of up to \$100,000.00 for illegal contributions of more than \$75,000.00. The amendments also provide for forfeiture of office if an elected official is determined by ELEC to have committed a violation involving illegal contributions of \$50,000.00 or more and that the violation had a significant impact on the election. An additional amendment raises the general penalties for violation of the campaign financing statute from \$1,000.00 to \$3,000.00 for a first offense and from \$2,000.00 to \$6,000.00 for repeat offenses.

- 15. The amendments add a provision providing that if a PAC or political committee is illegally organized or makes illegal contributions in an effort to defeat a candidate, the aggrieved candidate may apply to Superior Court for injunctive relief. Relief granted under this provision could include an increase in the amount of contributions that the aggrieved candidate may legally raise.
- 16. The amendments add a provision limiting to \$5.000 per year the amount that a candidate may accept from a county committee of a political party if less than 25% of the district is within that county.
- 17. The amendments add a provision requiring political committees and PACs to report within 48 hours expenditures of more than \$500.00 made between the last ELEC report filed by the political committee or PAC and the date of the election.
- 18. The amendments clarify that campaign contribution limits applicable to individual candidate may be aggregated in the case of a joint campaign committee.
- 19. The amendments add a provision permitting ELEC to employ additional personnel to implement the bill's provisions.
- 20. The amendments add a provision clarifying that the bill's contribution limitations would not apply to campaign debts incurred prior to the bill's enactment.
- 21. The amendments add a provision empowering ELEC to adopt whatever emergency rules and regulations are necessary to insure that the bill's provisions apply to the June 1993 primary election.
- 22. By amendment, the committee repealed provisions which barred financial institutions, insurance companies and utilities from making campaign contributions.

SENATE JUDICIARY COMMITTEE STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

[FOURTH REPRINT]
ASSEMBLY, Nos. 100, 195, 196, 646, 659 and 869

with committee amendments

STATE OF NEW JERSEY

DATED: FRBRUARY 1, 1993

The Senate Judiciary Committee reports favorably Assembly Committee Substitute for Assembly Bill Nos. 100, 195, 196, 646, 659 and 869 [4R] with committee amendments.

ACS for A100 et al and S1017 both proposed a series of amendments to the "New Jersey Campaign Contributions and Expenditures Reporting Act" concerning the amount of money and other things of value that individuals, candidates, political committees and political action committees (PACs) may contribute to candidates, political committees and PACs. Both bills were released with committee amendments by the Judiciary Committee on January 12. On January 25, S1017 was merged by floor vote with ACS for A100 and ACS for A100 was recommitted to the Judiciary Committee for further consideration.

Upon reconsideration, the following amendments were adopted by the committee:

- 1. The amendments would permit a candidate to establish both a candidate and a joint candidates committee. In order to insure that contribution limits cannot be exceeded by the creation of both committees, the total amounts of contributions that can be made to or by a candidate who has established both committees is limited to the amounts that can be given to or by a candidate committee. As previously released, the bill would have permitted a candidate to establish either a candidate committee or a joint candidate committee but not both.
- 2. The amendments would also clarify that for the purpose of determining the amount of a contribution to be attributed as given to or by each candidate in a joint candidates committee, the amount of the contribution to or by such a committee shall be divided equally among all the candidates in the committee.
- 3. As previously released, the bill would have limited to \$5,000.00 the amount that a county committee of a political party could have contributed to a legislative candidate if that county constituted less than 25% of the legislative district. The amendments would provide that if a county constitutes less than 20% of a district, the limitation on a county committee would be \$5,000 and if the county constitutes at least 20% but less than 40% of the district, the limitation on a county committee from that county would be \$25,000.00.
- 4. The amendments deleted sections from the bill which would have eliminated the existing restrictions on campaign contributions by regulated industries and insurance companies.

- 5. The amendments would delete the provisions permitting the Election Law Enforcement Commission to employ such personnel as its deems necessary to implement the bill, notwithstanding the present hiring freeze.
- 6. The amendments would permit a national committee of a political party to contribute up to \$50,000 per year to the State committee of a political party.

Amendments to ACS (5R) to ASSEMBLY, Nos. 100 et al Page 8

committee ¹or legislative leadership committee¹ is permitted by or violative of this subsection, no account shall be taken of that committee's assets on hand as of the close of business of the preceding calendar year.

This subsection shall not be construed to require or authorize, with respect to any contributions which have been made by a contributor to a particular political party committee ¹or legislative leadership committee¹, the attribution of those contributions to that contributor for the purposes of determining the amount which the contributor is allowed by law to contribute to any other entity.] Nothing contained in this section shall be construed to impose any limitation on contributions by a candidate, or by a corporation, 100% of the stock in which is owned by a candidate or the candidate's spouse, child, parent or sibling residing in the same household, to that candidate's campaign. ⁴

5e. For the purpose of determining the amount of a contribution to be attributed as given to or by each candidate in a joint candidates committee, the amount of the contribution to or by such a committee shall be divided equally among all the candidates in the committee. 5

REPLACE TITLE TO READ:

AN ACT concerning campaign contributions and expenditures, 6[and]6 revising and supplementing P.L.1973, c.83 (C.19:44A-1 et seq.) 6[4], amending R.S.19:34-45 and repealing R.S.19:34-32⁴] and amending P.L.1974, c.26⁶.

STATEMENT

and BL. 1989, c. 4

These amendments (1) change the basis of the limits on contributions to candidates from a per year to a per election basis; (2) with respect to the provisions placing limits on the contributions from a county committee to legislative candidates when only a certain portion of the legislative district is within a county, add a statement of legislative findings and declarations to make clear the basis for placing such limits in those circumstances; and (3) make a technical correction in the title.



OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001 Contact: Jon Shure

Jon Shure Jo Astrid Glading 609-777-2600 TRENTON, N.J. 08625 Release:

Monday March 8, 1993

GOVERNOR SIGNS CAMPAIGN FINANCE REFORM BILLS

For the first time, contributors to candidates for legislative and local offices this year will be subject to limits on how much they may give and to tough disclosure requirements under a bill signed by Governor Jim Florio today.

"Reforming our system of financing legislative elections is crucial if we want people to see that government works for them, and not the special interests," Gov. Florio said. "The reform bill the Legislature has sent me is a significant step forward in our common effort to make government more responsive."

"There is more we should do, but this represents a good first step by imposing limits on contributions and by requiring much greater disclosure and accountability," Gov. Florio said. "I had hoped to see other reforms included in this legislation. For instance, I believe we should require corporations and unions which make significant contributions to report those contributions to ELEC, so the public can more easily track campaign funding."

"While this legislation does not contain every reform that could be made, and while it deviates in some ways from the recommendations of the Rosenthal Commission, I am signing the legislation because the reforms it does contain are long overdue," Gov. Florio said. "However, I hope the Legislature continues to heed the call of the public to reform the governmental process, particularly with the passage of the comprehensive ethics reform bill that I called for in my annual address and which the people of this state deserve."

Candidates for governor already are subject to individual contribution limits of \$1,800 if they accept partial public financing under a 1974 law. New Jersey is one of the few states in the country to have public financing of gubernatorial elections.

The campaign finance reform is the latest in a number of reforms the Governor has enacted during his term. On his first day in office, the Governor signed an executive order requiring complete disclosure of the financial interests of public officials and their families. He also signed into law lobbying reforms that require full disclosure of all lobbying expenditures connected with activites intended to influence executive branch and legislative decisions.

Governor Florio signed laws requiring local public officials and public school officials to comply with a strict code of ethical standards. In January, 1993, the Governor signed executive orders banning state agency leases with legislators and their families and reforming the process for awarding no-bid contracts. He also has proposed an ethics reform law that would strengthen the ethical standards applicable to state officers and employees, as well as members of the Legislature.

"I urge the Legislature to adopt the same kind of tough ethics standards for its own members that I have imposed on my administration," Gov. Florio said.

The bill signed today will:

CONTRIBUTIONS

- * Limit contributions to candidates by individuals, corporations, and unions to \$1,500 per election.
- * Limit contributions by candidates to another candidate to \$5,000 per election.
- * Limit contributions by Political Action Committees (PACs) to $$5,000 \ \text{per election}.$
- * Limit contributions by other PACS or by candidates to single-election PACs.
- * Limit individuals or entities to contributing no more than \$25,000 per year to a state or county political committee or \$5,000 per year to a municipal political committee.
- * Limit contributions by county committees to candidates for county or local office in other counties, and to candidates in certain districts, based upon the county committee's share of population in the legislative districts.
- * Contributions to candidates or legislative leadership committees could only be used for specified purposes.

DISCLOSURE

- * Individual contributors to a candidate or a committee are required to disclose their occupation and employer, and that information would have to be reported to ELEC.
- * Every PAC and leadership committee is required to register with ELEC, state the interests of the PAC, and provide the names, addresses, occupations and employers of the officers of the PAC.