ASSEMBLY, No. 1206

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
Assemblyman ANDREW ZWICKER
District 16 (Hunterdon, Mercer, Middlesex and Somerset)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

SYNOPSIS

Makes various changes to reporting requirements for independent expenditure committees; establishes reporting requirements for policy impact committees.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

(Sponsorship Updated As Of: 3/16/2020)

AN ACT concerning certain disclosures by independent expenditure committees and policy impact committees and amending P.L.1973, c.83, P.L.1993, c.65, and P.L.2019, c.124.

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

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

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

c. The term "candidate" means: (1) an individual seeking 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; (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.1993, c.65 (C.19:44A-11.2) during the period of his service in that office; and (3) an individual who has received funds or other benefits or has made payments solely for the purpose of determining whether the individual should become a candidate as defined in paragraphs (1) and (2) of this subsection.

d. The terms "contributions" and "expenditures" include all expenditure 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

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 <u>thus</u> is new matter.

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.)

h. The term "political information" means any statement including, but not limited to, press releases, pamphlets, newsletters, advertisements, flyers, form letters, Internet or digital advertisements, 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 $2,400 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 by subsection r. of this section, a "legislative leadership committee," as defined by subsection s. of this section, or an “independent expenditure committee,” as defined by subsection t. of this section.

j. The term "public solicitation" means any activity by or on behalf of any candidate, political committee, continuing political committee, candidate committee, joint candidates committee, legislative leadership committee, independent expenditure committee, policy impact 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, continuing political committee, candidate committee, joint candidates committee, legislative leadership committee, independent expenditure committee, policy impact 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 political party committee or in behalf of a political committee, continuing political committee, candidate committee, joint candidates committee, independent expenditure committee, policy impact 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) Joint candidates for election to the offices of Governor and Lieutenant Governor whose names appear on the general election ballot; who have 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 offices of Governor and Lieutenant Governor are to be filled, (a) notify the Election Law Enforcement Commission in writing that the candidates intend that application will be made on the candidates' 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) sign a statement of agreement, in a form to be prescribed by the commission, to participate in interactive gubernatorial election debates under the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or

(2) Joint candidates for election to the offices of Governor and Lieutenant Governor whose names do not appear on the general election ballot; who have 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 offices of Governor and Lieutenant Governor are to be filled, (a) notify the Election Law Enforcement Commission in writing that the candidates intend that application will be made on the candidates' 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) sign a statement of agreement, in a form to be prescribed by the commission, to participate in interactive gubernatorial election debates under the provisions of sections 9 through 11 of 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 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 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 P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47).

n. The term "continuing political committee" means 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 ⟦$5,500⟧ $2,500 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, a "legislative leadership committee," as defined by subsection s. of this section, or an "independent expenditure committee," as defined by subsection t. of this section.

o. The term "statement of agreement" means a written declaration, by a candidate for nomination for election to the office of Governor, or by joint candidates for election to the offices of Governor and Lieutenant Governor who intend that application will be made on behalf of the candidate for the office of Governor to receive monies for the primary election or on behalf of the candidates for the office of Governor and the office of Lieutenant Governor for 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 candidates undertake 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 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47) and in which the candidates are to participate. The statement of agreement shall include an acknowledgment of notice to the candidates who sign it that failure on the candidates' part to participate in any of the gubernatorial debates may be cause for the termination of the payment of such monies on the candidates' behalf and for the imposition of liability for the return to the commission of such monies as may previously have been so paid.

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 candidates for the same elective public offices in the same election in a legislative district, county, municipality or school district, but not more candidates than the total number of the same elective public offices to be filled in that election, for the purpose of receiving contributions and making expenditures. For 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; the offices of member of the board of chosen freeholders and county executive shall be deemed to be the same elective public offices in a county; and the offices of mayor and member of the municipal governing body shall be deemed to be the same elective public offices in a municipality.

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.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.

t. The term “independent expenditure committee” means a person organized under section 527 of the federal Internal Revenue Code (26 U.S.C. s.527) or under paragraph (4) of subsection (c) of section 501 of the federal Internal Revenue Code (26 U.S.C. s.501) that does not fall within the definition of any other organization, other than a policy impact committee as defined under subsection w. of this section, subject to the provisions of P.L.1973, c.83 (C.19:44A-1 et seq.), that engages in influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to any State or local elective public office, or the passage or defeat of any public question, [legislation, or regulation, or in] and excluding providing political information on any candidate or public question, [legislation, or regulation,] and that raises or expends $3,000 or more in the aggregate for any such purpose annually, but does not coordinate its activities with any candidate or political party, as determined by the Election Law Enforcement Commission, or is restricted or limited by any law or regulation with regard to the coordination of its activities with any candidate or political party.

The Election Law Enforcement Commission shall determine whether a person, candidate committee, joint candidates committee, continuing political committee, or independent expenditure

committee has coordinated its activities with any candidate or political party pursuant to the provisions of section 11 of P.L.2019, c.124 (C.).

u. ⟦The term "electioneering communication" means any communication made within the period beginning on January 1 of an election year and the date of the election and refers to: (1) a clearly identified candidate for office and promotes or supports a candidate for that office or opposes a candidate for that office, regardless of whether the communication expressly advocates a vote for or against a candidate; or (2) a public question and promotes or supports the passage or defeat of that question, regardless of whether the communication expressly advocates a vote for or against the passage of the question. The term includes communications published in any newspaper or periodical; broadcast on radio, television, or the Internet or digital media , or any public address system; placed on any billboard, outdoor facility, button, motor vehicle, window display, poster, card, pamphlet, leaflet, flyer, or other circular; or contained in any direct mailing, robotic phone calls, or mass e-mails.⟧ (Deleted by amendment, P.L. , c.) (pending before the Legislature as this bill)

v. The term "independent expenditure" means an expenditure by a person ⟦expressly advocating, or the functional equivalent thereof, the election or defeat of⟧ that: (1) refers to a clearly identified candidate for office and promotes or supports a candidate for that office or opposes a candidate for that office, regardless of whether it expressly advocates a vote for or against a candidate, and that is not made in concert or cooperation with or at the request or suggestion of the candidate, the candidate's committee, a political party committee, or an agent thereof; or (2) refers to a public question ⟦, legislation, or regulation,⟧ , and promotes or supports the passage or defeat of that question, regardless of whether the communication expressly advocates a vote for or against the passage of the question, and that is not made in concert or cooperation with or at the request or suggestion of the sponsors, organizers, or committee supporting or opposing the question, ⟦legislation, or regulation,⟧ a political party, or agents thereof. ⟦The "functional equivalent" of expressly advocating means specific advocacy that can be interpreted by a reasonable person as advocating the election or defeat of a candidate, or the passage or defeat of a public question, legislation, or regulation, taking into account whether the communication involved mentions a candidate, a political party, or a challenger to a candidate, or takes a position on a candidate's character, qualifications, or fitness for office, or that can be interpreted by a reasonable person as taking a position on the merits of a public question, legislation, or regulation, or

taking a position in favor or against the passage or defeat of a public question, legislation, or regulation.**]**

w. The term "policy impact committee" means a person organized under section 527 of the federal Internal Revenue Code (26 U.S.C. s.527) or under paragraph (4) of subsection (c) of section 501 of the federal Internal Revenue Code (26 U.S.C. s.501), regardless of whether it is required to be registered pursuant to the "Legislative and Governmental Process Activities Disclosure Act," P.L.1971, c.183 (C.52:13C-18 et al.), that seeks to influence the passage or defeat of legislation or regulation through direct, express, and intentional communications with any candidate or candidates or elected official or officials, undertaken on a substantial basis, and that expends $3,000 or more in the aggregate annually for the purposes of making any public communication or communications promoting or supporting the passage or defeat of any legislation or regulation.

For the purposes of this subsection, "public communication" means a communication that is published in any newspaper or periodical, broadcast on radio, television, or the Internet or digital media, or any public address system, placed on any billboard, outdoor facility, button, motor vehicle, window display, poster, card, pamphlet, leaflet, flyer, or other circular, or contained in any direct mailing, robotic phone calls, or mass e-mails. The term "public communication" shall not include a communication presented in a candidate debate or forum conducted pursuant to regulations adopted by the Election Law Enforcement Commission, or which solely promotes the debate or forum and made by or on behalf of a sponsor of the debate or forum, a communication by an organization exclusively to its members, stockholders, or executive or administrative personnel, or a communication appearing in a news story, commentary, or editorial, provided that the medium of communication is not owned or controlled by a political party, political committee, candidate, or elected official.

(cf: P.L.2019, c.124, s.1)

2. 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 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 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 $500 received during the period between the 13th day prior to the election and the date of the election, 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 election. The notice of a contribution shall be filed in writing or by electronic transmission within 48 hours of the receipt of the contribution and shall set forth the amount and date of the contribution, 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. The notice of an expenditure shall be filed in writing or by electronic transmission 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.

(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.

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 continuing political committee.

(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 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 $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 electronic transmission, 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 contributor; and where the contributor is an individual, the individual's occupation and the name and mailing address of the individual's employer. If 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 electronic transmission, report that expenditure to the commission within 48 hours of the making, authorizing or incurring thereof.

A continuing political committee which 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.

d. **[**(1)**]** Each independent expenditure 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, upon a form prescribed by the Election Law Enforcement Commission, of all contributions received in excess of $10,000 in the form of moneys, loans, paid personal services, or other things of value made to it <u>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</u>, and of all <u>independent</u> expenditures in excess of $3,000 made, incurred, or authorized by it <u>during the period, and all expenditures in excess of $3,000 made, incurred, or authorized by it</u> in influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to State or local elective public office or the passage or defeat of any public question, **[**legislation, or regulation, or in providing political information on any candidate or public question, legislation, or regulation, 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**]** <u>including, but not limited to, for voter registration, get-out-the-vote efforts, polling, research, and any communication published in any newspaper or periodical; broadcast on radio, television, the Internet, digital media, or any</u>

public address system; placed on any billboard, outdoor facility, button, motor vehicle, window display, poster, card, pamphlet, leaflet, flyer, or other circular; or contained in any direct mailing, robotic phone calls, or mass e-mails; and excluding a communication appearing in a news story, commentary, or editorial, provided that the medium of communication is not owned or controlled by a political party, political committee, or candidate, a communication presented in a candidate debate or forum conducted pursuant to regulations adopted by the Election Law Enforcement Commission, a communication that solely promotes the debate or forum and made by or on behalf of a sponsor of the debate or forum, and a communication by an organization exclusively to its members, stockholders, or executive or administrative personnel.

The cumulative quarterly 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 such previous report was made**]** and the amount contributed by each person or group in excess of $10,000, and when 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 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 when 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 quarterly 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.

[(2) An independent expenditure committee shall disclose all expenditures made by it in excess of $3,000, including, but not limited to, for electioneering communications, voter registration, get-out-the-vote efforts, polling, and research. The disclosures required by this paragraph shall be reported to the Election Law Enforcement Commission on the same schedule as required for continuing political committees pursuant to this section.**]**

The treasurer of the reporting independent expenditure committee shall certify the correctness of each report and shall maintain all records of contributions and expenditures for a period of not less than four years.

The $10,000 contribution amount and the $3,000 expenditure amount established in this subsection shall remain as stated in this subsection without further adjustment by the commission pursuant to section 22 of P.L.1993, c.65 (C.19:44A-7.2).

e. When a political party committee, a legislative leadership committee, a policy impact committee, or an independent expenditure committee receives a contribution from a single source of more than $500 in the case of a political party committee or legislative leadership committee, and more than $10,000 in the case of an independent expenditure committee or a policy impact committee, provided that, in the case of a policy impact committee, such contribution to the policy impact committee is required to be reported pursuant to subsection h. of this section, 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 electronic transmission, 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 contributor; and where the contributor is an individual, the individual's occupation and the name and mailing address of the individual's employer.

When a political party committee, a legislative leadership committee, a policy impact committee, or an independent expenditure committee makes or authorizes an expenditure of money or other thing of value in excess of $800 in the case of a political party committee or legislative leadership committee, and in excess of $3,000 in the case of an independent expenditure committee or a policy impact committee, provided that such expenditure by an independent expenditure committee or policy impact committee is required to be reported pursuant to subsections d. and h. of this section, respectively, 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, **[**or to aid the passage or defeat of legislation or regulation in the case of an independent expenditure committee,**]** or to promote or support the passage or defeat of any legislation or regulation in the case of a policy impact committee, 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 electronic transmission, report that expenditure to the commission within 48 hours of the making, authorizing or incurring thereof.

f. In any report filed pursuant to the provisions of this section the organization or committee reporting may exclude from the report the name of and other information relating to any contributor whose contributions during the period covered by the report did not exceed $300, or in excess of $10,000 in the case of an independent expenditure committee or a policy impact committee; 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 aggregate, in combination with the contribution in respect of which such exclusion is made, more than $300 , or in excess of $10,000 in the case of an independent expenditure committee or a policy impact committee, 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 P.L.1973, c.83 (C.19:44A-21), 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, political party committee or campaign organization of a candidate.

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 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 $300 to such testimonial affair, or in the case of an independent expenditure committee in excess of $10,000, 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.

The $300 limit and $10,000 limit established in this subsection shall remain as stated in this subsection without further adjustment by the commission in the manner prescribed by section 22 of P.L.1993, c.65 (C.19:44A-7.2).

h. Each policy impact committee that makes a coordinated expenditure for any public communication, as that term is defined in subsection w. of section 3 of P.L.1973, c.83 (C.19:44A-3), with any candidate, candidate committee, elected official, or any staff member or agent of the foregoing, 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, upon a form prescribed by the Election Law Enforcement Commission, of all contributions received in excess of $10,000 in the form of moneys, loans, paid personal services, or other things of value made 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 of all expenditures in excess of $3,000 made, incurred, or authorized by it during the period on a public communication promoting or supporting the passage or defeat of any legislation or regulation. The Election Law Enforcement Commission shall have the authority to finally determine whether a policy impact committee has coordinated its activities with any candidate, candidate committee, elected official,

or any staff member or agent of the foregoing pursuant to section 11 of P.L.2019, c.124 (C.).

The cumulative quarterly 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 and the amount contributed by each person or group in excess of $10,000, and when 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 subsection, the report shall contain the name and mailing address of each person who has cosigned such loan, and when 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 quarterly report shall also contain the name and address of each person, firm, or organization to whom such reportable expenditures have been paid and the amount and purpose of each such expenditure.

The treasurer of the reporting policy impact committee shall certify the correctness of each report and shall maintain all records of contributions and expenditures for a period of not less than four years.

The $10,000 contribution amount and the $3,000 expenditure amount established in this subsection shall remain as stated in this subsection without further adjustment by the commission pursuant to section 22 of P.L.1993, c.65 (C.19:44A-7.2).

(cf: P.L.2019, c.124, s.2)

3. Section 21 of P.L.1993, c.65 (C.19:44A-8.1) is amended to read as follows:

21. 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 independent expenditure committee, as defined in subsection t. of section 3 of P.L.1973, c.83 (C.19:44A-3), each continuing political committee as defined in subsection n. of section 3 of P.L.1973, c.83, each policy impact committee, as defined in subsection w. of section 3 of P.L.1973, c.83 (C.19:44A-3), 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 committee 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 committee;

(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 and, in the case of an independent expenditure committee, any decision to expend funds for the purpose of influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to State or local elective public office or the passage or defeat of any public question, **[**legislation, or regulation, or in providing political information on any candidate or public question, legislation, or regulation**]** and in the case of a policy impact committee, any decision to make a reportable expenditure; (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 information required by this paragraph within three days of the occurrence 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 to 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 and, in the case of an independent expenditure committee, any decision to expend funds for the purpose of influencing or attempting to influence the outcome of any election or the selection, nomination, election, or defeat of any person to State or local elective public office or the passage or defeat of any public question **[**, legislation, or regulation, or in providing political information on any candidate or public question, legislation, or regulation**]**.

c. Each report of contributions under section 8 of P.L.1973, c.83 (C.19:44A-8) by a political committee, a continuing political committee, an independent expenditure committee, a policy impact committee or a 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.

d. Any political committee, continuing political committee, independent expenditure committee, policy impact 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. Upon verification that the abbreviation or acronym has not been approved for such use by any other political committee, continuing political committee, independent expenditure committee, policy impact 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 al.), 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.

e. No foreign national, government, instrumentality, or agent may register as an independent expenditure committee for the purpose of making [independent] expenditures in any State or local election.

(cf: P.L.2019, c.124, s.3)

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

10. Each 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 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 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 campaign treasurer and designate a campaign depository, 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 committee. Not later than the tenth day after the initial designation of the campaign depository, the committee shall file the name and address of the depository, and of the campaign treasurer, with the Election Law Enforcement Commission.

Every independent expenditure committee 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 an independent expenditure committee. No candidate or holder of public office, directly or indirectly, shall establish, authorize the establishment of, maintain, or participate in the management or control of any independent expenditure committee. Every independent expenditure committee, not later than the date on which it first receives any contribution or makes or incurs any expenditure for the purpose of influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to State or local elective public office or the passage or defeat of any public question [, legislation, or regulation, or providing political information on any candidate or public question, legislation, or regulation,] shall appoint a single organizational treasurer and designate an organizational depository, 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 organizational treasurer of an independent expenditure committee. Not later than the 10th 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 policy impact committee 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 policy impact committee. No candidate or holder of public office, directly or indirectly, shall establish, authorize the establishment of, maintain, or participate in the management or control of any policy impact committee. Every policy impact committee, not later than the date on which it first receives any contribution or makes or incurs any expenditure for the purpose of making any public communication promoting or supporting the passage or defeat of any legislation or regulation shall appoint a single organizational treasurer and designate an organizational depository, 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 organizational treasurer of a policy impact committee. Not later than the 10th 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 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 depository, 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 committee. 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.

Each organizational treasurer of a State political party committee or a legislative leadership committee shall be a trained treasurer, pursuant to subsection g. of section 6 of P.L.1973, c.83 (C.19:44A-6), or shall acquire such training within 90 days of appointment as an organizational treasurer. An organizational treasurer of any other political party committee or a continuing political committee or an independent expenditure committee and a campaign treasurer of a political committee may be a trained treasurer.

An organizational treasurer of a political party committee, a continuing political committee, an independent expenditure committee, a policy impact 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 political party committee, any political committee, any independent expenditure committee, any continuing political committee, any policy impact 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.2019, c.124, s.4)

5. 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 obligation therefor, including expenditures, loans or 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, **[**or to aid the passage or defeat of legislation or regulation in the case of an independent expenditure committee,**]** or to make any public communication promoting or supporting the passage or defeat of any legislation or regulation in the case of a policy impact committee, except through:

a. The duly appointed campaign treasurer or deputy campaign treasurers of the candidate committee or joint candidates committee;

b. The duly appointed organizational treasurer or deputy organizational treasurers of a political party committee or a continuing political committee;

c. The duly appointed campaign treasurer or deputy campaign treasurers of a political committee;

d. The duly appointed organizational treasurer or deputy organizational treasurer of a legislative leadership committee; **[**or**]**

e. The duly appointed organizational treasurer or deputy organizational treasurer of an independent expenditure committee; or

f. The duly appointed organizational treasurer or deputy organizational treasurer of a policy impact 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 $500, 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, 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 P.L.1973, c.83 (C.19:44A-8). Such expenditure made during the period between the 13th day prior to the election and the date of the election 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.

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 $200 may be made to a candidate committee or joint candidates committee, a political committee, a continuing political committee, an independent expenditure committee, a policy impact 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 the contributor's name, mailing address and occupation and the amount of the contribution, including the contributor's signature and the

name and mailing address of the contributor's employer. Adjustments to the $200 limit established in this paragraph which have been made by the Election Law Enforcement Commission, pursuant to section 22 of P.L.1993, c.65 (C.19:44A-7.2), prior to the effective date of P.L.2004, c.28 are rescinded. The $200 limit established in this paragraph shall remain as stated in this paragraph without further adjustment by the commission in the manner prescribed by section 22 of P.L.1993, c.65 (C.19:44A-7.2).

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.

(cf: P.L.2019, c.124, s.5)

6. 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, a political committee, a continuing political committee, an independent expenditure committee, <u>a policy impact committee,</u> a political party committee 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, continuing political committee, independent expenditure committee, <u>policy impact committee,</u> political party committee or legislative leadership committee, including in that record the name and mailing address of the contributor, 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. The organizational or 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 committee or joint candidates committee, the continuing political committee, political committee, independent expenditure committee, <u>policy</u>

impact committee, political party committee or legislative leadership 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 campaign depository 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.1993, c.65 (C.19:44A-11.3), 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, independent expenditure committee, policy impact committee, political party committee, or legislative leadership committee. A 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.2019, c.124, s.6)

7. Section 18 of P.L.1973, c.83 (C.19:44A-18) is amended to read as follows:

18. If any former candidate or any political committee or any person or association of persons in behalf of such political committee or former candidate shall receive any contributions or make any expenditures with relation to any election after the date set in section 16 of P.L.1973, c.83 (C.19:44A-16) for the final report subsequent to such election, or shall conduct any testimonial affair or public solicitation for the purpose of raising funds to cover any part of the expenses of a candidate, political committee, independent expenditure committee, policy impact committee, or other organization in such election, all such contributions, expenditures, testimonial affairs or public solicitations shall be reported to the Election Law Enforcement Commission by the person or persons receiving such contributions or making such expenditures or conducting such testimonial affairs or public solicitations.

Such report shall be made by any person receiving any such contribution or contributions, or making any such expenditure or expenditures, which in the aggregate total more than $100.00, or conducting any testimonial affair or public solicitation of which the net proceeds exceed $100.00; and shall be made within 20 days from the date upon which the aggregate of such contributions,

expenditures or proceeds exceed $100.00 for the period commencing with the 19th day following such election or with the date upon which any previous report was made pursuant to this section, whichever is sooner. Such report shall be made in the same form and shall contain the same detail prescribed for any other report made pursuant to section 8 or 16 of P.L.1973, c.83 (C.19:44A-8 or C.19:44A-16).
(cf: P.L.2019, c.124, s.7)

8. 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.

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, 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.

No person shall contribute, or purport to contribute, to any candidate, candidate committee or joint candidates committee, political committee, continuing political committee, independent expenditure committee, <u>policy impact committee,</u> political party committee or legislative leadership committee funds or property which does not actually belong to him and is not in his full custody and control; 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; 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 candidate committee, joint candidates committee, political committee, continuing political committee, independent expenditure committee, <u>policy impact committee,</u> political party committee or legislative leadership

committee 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.2019, c.124, s.9)

9. Section 11 of P.L.2019, c.124 (C.) is amended to read as follows:

11. To determine whether a person, candidate committee, joint candidates committee, continuing political committee, policy impact committee, or independent expenditure committee has made a coordinated expenditure with any candidate, elected official, or political party, the Election Law Enforcement Commission shall consider whether the candidate or political party, the candidate committee, or any staff member or agent thereof:

a. cooperated with, consented to, authorized, or exercised control over the production or circulation of the communication expenditure;

b. requested or suggested that the communication expenditure be made;

c. provided information to the person or entity making the communication expenditure with regard to the content, timing, location, mode, intended audience, distribution, or placement of the television, radio, direct mail, or other form of communication;

d. discussed or negotiated with the purchaser, creator, producer, or distributor of the communication concerning the content, timing, location, mode, intended audience, distribution, or placement of the communication;

e. shared information or held discussions on campaign or media strategy with the person or entity making the communication expenditure or with the purchaser, creator, producer, or distributor of the communication;

f. shared its polling or other research with the person or entity making the communication expenditure or whether or not the person or entity making the communication expenditure shared its polling or other research with the candidate, candidate committee, or with any agent of the candidate or candidate committee; or

g. engaged in any other activity the Election Law Enforcement Commission determines, by regulation, constitutes a coordinated expenditure.
(cf: P.L.2019, c.124, s.11)

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

4. The provisions of this act shall apply:

a. (Deleted by amendment; P.L.1981, c. 151.)

b. (Deleted by amendment; P.L. [1983], c. [579].)

c. In any election at which a public question is to be voted upon by the voters of the State or any political subdivision thereof;

d. In any election for any public office of the State or any political subdivision thereof; provided, however, that this act shall not, except for paragraph (2) of subsection a. of section 8 of the act (C. 19:44A-8), apply to elections for party office;

e. As otherwise specified in this act, P.L.1973, c.83 (C.19:44A-1 et al.).

(cf: P.L.1983, c.579, s.8)

11. (New section) If any provision of this act, P.L. , c. (pending before the Legislature as this bill), or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications which can be given effect without the invalid provisions or applications, and to this end the provisions of this act are declared to be severable.

12. This act shall take effect on the first date, following enactment, that occurs after July 16, 2019 by which a quarterly report would be required to be filed pursuant to subsection d. of section 8 of P.L.1973, c.83 (C.19:44A-8), but the first reports filed pursuant to subsections d. and h. of that section shall not be required to be filed until the next quarterly report filing deadline thereafter as specified in those subsections and shall include only those reportable items which occur after the effective date of this act.

STATEMENT

This bill makes various changes to reporting requirements for independent expenditure committees and establishes policy impact committees as groups that would be required to disclose contributions and expenditures in certain circumstances.

The bill clarifies that independent expenditure committees will report on the same schedule as continuing political committees. The bill also modifies how expenditures will be reported.

The definition of an independent expenditures is modified to mean an expenditure that refers to (1) a clearly identified candidate for office and promotes or supports a candidate for that office or opposes a candidate for that office, regardless of whether it expressly advocates a vote for or against a candidate, and is not made in concert or cooperation with or at the request or suggestion of the candidate, the candidate's committee, a political party committee, or an agent thereof; or (2) a public question, and promotes or supports the passage or defeat of that question, regardless of whether the communication expressly advocates a vote for or against the passage of the question, and that is not made in concert or cooperation with or at the request or suggestion of the sponsors, organizers, or committee supporting or opposing the

question, a political party, or agents thereof. Under the bill, independent expenditures over $3,000 and all expenditures over $3,000 made for the purpose of influencing the outcome of any election or public question will be reported. The bill removes providing political information as activity for which a group would qualify as an independent expenditure committee or for which the group would be required to report.

Under current law, an independent expenditure means an expenditure expressly advocating the election or defeat of a clearly identified candidate or a public question, legislation, or regulation. The bill removes attempting to influence legislation and regulations as activity for which contributions and expenditures would have to be reported by an independent expenditure committee. The bill also modifies the definition of independent expenditure committee to reflect committees that are restricted or limited by law or regulation with regard to the coordination of its activities with any candidate or political party. The bill excludes certain communications in news stories or editorials, communications in a candidate debate, and communications by an organization exclusively to its members, stockholders, or executive or administrative personnel. The bill also eliminates the definition of electioneering communication.

The bill raises the threshold for reporting certain contributions to the Election Law Enforcement Commission (ELEC) within 48 hours of receipt when those contributions are received on or before a primary, general, municipal, school, or special election that occurs between the last day of a quarterly reporting period and the last day of the next reporting period. Currently, while contributions to independent expenditure committees are reportable when they exceed $10,000, contributions during this time period are reportable when they exceed $500. The bill would change this amount to match the current contribution threshold of over $10,000, requiring that such contributions be reported to ELEC within 48 hours when received during that time. The bill makes the same change with respect to expenditures, changing the $800 threshold to the $3,000 threshold to which independent expenditure committees are otherwise subject for purposes of reporting.

The bill broadens the activity for which a foreign national, government, or agent is prohibited from registering as an independent expenditure committee to include making any expenditure in any State or local election, rather than only an independent expenditure.

The bill lowers, from $5,500 to $2,500, the contributions threshold for a group to qualify as a continuing political committee to match the threshold for requiring that group to certify to ELEC that the committee expects to contribute that amount concerning election related activity. The bill also revises, in subsections f. and g. in section 2 of the bill, a provision of law that permits the exclusion of contributions below a reportable amount to match the

threshold currently applicable to independent expenditure committees for those groups.

Finally, the bill requires policy impact committees to report certain activity to the Election Law Enforcement Commission. A policy impact committee is defined in the bill as a person organized under sections 527 or 501(c)(4) of the federal Internal Revenue Code, regardless of whether it is required to be registered pursuant to the New Jersey "Legislative and Governmental Process Activities Disclosure Act," that seeks to influence the passage or defeat of legislation or regulation through direct, express, and intentional communications with any candidate or candidates or elected official or officials, undertaken on a substantial basis, and that expends $3,000 or more in the aggregate annually for the purposes of making any public communication or communications promoting or supporting the passage or defeat of any legislation or regulation. The sponsor believes this definition comports with the strictures for requiring disclosure by these groups as discussed by the New Jersey Supreme Court in New Jersey State Chamber of Commerce v. New Jersey Election Law Enforcement Commission, 82 N.J. 57 (1980).

The bill defines public communication to mean a communication that is published in any newspaper or periodical, broadcast on radio, television, or the Internet or digital media, or any public address system, placed on any billboard, outdoor facility, button, motor vehicle, window display, poster, card, pamphlet, leaflet, flyer, or other circular, or contained in any direct mailing, robotic phone calls, or mass e-mails. The term public communication would not include a communication presented in a candidate debate or forum conducted pursuant to regulations adopted by the Election Law Enforcement Commission, or which solely promotes the debate or forum and made by or on behalf of a sponsor of the debate or forum, a communication by an organization exclusively to its members, stockholders, or executive or administrative personnel, or a communication appearing in a news story, commentary, or editorial, provided that the medium of communication is not owned or controlled by a political party, political committee, candidate, or elected official.

The bill requires a policy impact committee that makes a coordinated expenditure for any public communication with any candidate or elected official to file a cumulative quarterly report with the Election Law Enforcement Commission, on the same schedule as independent expenditure committees, of all contributions received in excess of $10,000 and of all expenditures in excess of $3,000 made, incurred, or authorized by it on a public communication promoting or supporting the passage or defeat of any legislation or regulation.