SENATE, No. 3413

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 4, 2021

Sponsored by:
Senator NICHOLAS P. SCUTARI
District 22 (Middlesex, Somerset and Union)

SYNOPSIS

Requires reporting of campaign contributions exceeding $200 within 72 hours and eliminates quarterly reports; removes campaign contribution limits.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning campaign contribution limits and reporting requirements and amending P.L.1973, c.83, P.L.1993, c.65, and P.L.2004, c.29 and repealing various parts of the statutory law.

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 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.1993, c.65, s.1)

2. Section 22 of P.L.1993, c.65 (C.19:44A-7.2) is amended to read as follows:

22. a. Not later than December 1 of each year preceding any year in which a general election is to be held to fill the offices of Governor and Lieutenant 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 (C.19:44A-1 et al.) to primary and general elections for any public office other than the offices of Governor and Lieutenant Governor at a percentage which shall be the same as the percentage of change that the commission applies to the amounts used for the primary election for the office of Governor and the general election for the offices of Governor and Lieutenant 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), and any amount so adjusted shall be rounded in the same manner as provided in that section.

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);

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.

(2) (Deleted by amendment, P.L.2004, c.28);

(3) [the minimum amount of a contribution to a political committee, continuing political committee, legislative leadership committee or a political party committee received during the period between the 13th day prior to the election and the date of the election, 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 election which triggers an obligation to report 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 received during the period between the 13th day prior to the election and the date of the election which triggers an obligation to report that contribution to the commission pursuant to section 16 of P.L.1973, c.83 (C.19:44A-16)] Deleted by amendment, P.L. , c. (pending before the Legislature as this bill);

(4) the maximum amount which may be expended by the campaign organizations of two or more 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 report all such expenditures and expenses to the commission pursuant to section 11 of P.L.1973, c.83 (C.19:44A-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 in 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);

(7) 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 al.) for a first offense or a second and subsequent offenses, pursuant to section 22 of P.L.1973, c.83 (C.19:44A-22);

(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.1993, c.65 (C.19:44A-20.1);

(9) (Deleted by amendment, P.L.2004, c.174);

(10) (Deleted by amendment, P.L.2004, c.174);

(11) (Deleted by amendment, P.L.2004, c.174);

(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.1983, c.579).

c. Not later than December 15 of each year preceding any year in which a general election is to be held to fill the offices of Governor and Lieutenant 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.

(cf: P.L.2009, c.66, s.9)

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 <u>in excess of $200</u> 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**]** <u>within 72 hours of the receipt of the contribution or the making of the expenditure</u>. 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 in excess of $200 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] $200 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] $200 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 <u>in excess of $200</u> 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**]** <u>within 72 hours of the receipt of the contribution</u>, and all expenditures made, incurred, or authorized by it during **[**the**]** <u>that</u> 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 <u>in excess of $200</u> 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**]** $200 during the period between the 13th day prior to and the date of 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,**]** during that period 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 in excess of $200 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**]** within 72 hours of the receipt of the contribution, and all expenditures made, incurred, or authorized by it during **[**the**]** that 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 in excess of $200 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, and of all expenditures in excess of $3,000 made, incurred, or authorized by it 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**]** within 72 hours of the receipt of the contribution or the making of the expenditure. The **[**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 [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, legislative leadership committee or independent expenditure committee receives a contribution from a single source of more than [$500 after the final day of a quarterly reporting period and on or before] $200 during the period between the 13th day prior to and the date of 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, legislative leadership committee, or an independent expenditure committee makes or authorizes an expenditure of money or other thing of value in excess of $800, 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 **[**, 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**]** during that period, 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**]** $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 aggregate, in combination with the contribution in respect of which such exclusion is made, more than **[**$300**]** $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 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**]** $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.

The **[**$300**]** $200 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).

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

4. 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, 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.

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**]** $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, 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 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)

5. 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, 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, 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, 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, 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)

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

16. a. The campaign treasurer of 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 <u>in excess of $200</u> 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 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**]** <u>within 72 hours of the receipt of the contribution or the making of the expenditure</u>. 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 <u>in excess of</u>

$200 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 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 committee or joint candidates committee may certify to the Election Law Enforcement Commission that the election fund of such candidate committee or joint candidates committee has wound up its business and been dissolved, or that business regarding the late election has been wound up 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.1993, c.65 (C.19:44A-11.2). Certification shall be accompanied by a final accounting of such election 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 the candidate committee or joint candidates committee is dissolved, each such treasurer shall continue to file 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, candidate committees and joint candidates committees. The requirements to file [quarterly] reports after the first post-election 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 political committee, 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 candidates 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 or candidates in control of the committee does or do not run for election or reelection and **[**January 15 of**]** each calendar year in which the candidate or candidates does or do run for election or reelection, a cumulative **[**quarterly**]** report of all moneys, loans, paid personal services or other things of value in excess of $200 contributed to it or to the candidate or candidates **[**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**]** within 72 hours of the receipt of the contribution, and all expenditures made, incurred, or authorized by it or the candidate or candidates during **[**the**]** that 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 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.**]**

The commission, on any form it shall prescribe for the reporting of expenditures by a candidate committee or joint candidates committee, shall provide for the grouping together of all expenditures under the category of "campaign expenses" under paragraph (1) of subsection a. of section 17 of P.L.1993, c.65, identified as such, and for the grouping together, separately, of all other expenditures under the categories prescribed by paragraphs (2) through (6) of that subsection. **[**The cumulative quarterly report due on April 15 in a year immediately after the year in which the candidate or candidates does or do run for election or reelection shall contain a report of all of the contributions received and expenditures made by the candidate or candidates 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 in excess of $200 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 and the candidate or candidates shall certify to the correctness of each cumulative **[**quarterly**]** report.

c. No candidate for elective public office shall be required to file a duplicate copy of the campaign treasurer's report with the county clerk of the county in which the candidate resides.

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 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 or more 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 any case the sworn 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 **[**$300**]** $200 he shall forthwith make 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 Election Law Enforcement Commission. The **[**$300**]** $200 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).

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 or the sworn statement referred to in subsection d. of this section, 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 or more candidates; provided, that if such candidate receives contributions from any one source aggregating more than **[**$300**]** $200, he shall forthwith make a report of the same, including the name and mailing address of the source, 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.

The **[**$300**]** $200 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).

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 **[**$300**]** $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 **[**$300**]** $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, continuing political committee, political party committee or legislative leadership committee.

The **[**$300**]** $200 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).

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 **[**$300**]** $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.

The ⟦$300⟧ $200 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. (Deleted by amendment, P.L.1993, c.65.)

i. Each campaign treasurer of a candidate committee or joint candidates committee shall file written notice with the commission of a contribution in excess of ⟦$500⟧ $200 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 $800 made, incurred or authorized by the candidate committee or joint candidates 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, provided that a candidate shall not be required to file written notice pursuant to this subsection of an expenditure made to support his or her own candidacy, or to support or defeat a candidate for the same office in an election. For the purposes of this subsection, the offices of member of the Senate and member of the General Assembly shall be deemed to be the same office in a legislative district; the offices of member of the board of chosen freeholders and county executive shall be deemed to be the same office in a county; and the offices of mayor and member of the municipal governing body shall be deemed to be the same office in a municipality.

The notice of a contribution 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, 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. The 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.

j. Each county shall provide on its Internet site a link to the Internet site for the Election Law Enforcement Commission for the purpose of providing public access to the reports that are required to be submitted to the commission pursuant to this section.

(cf: P.L.2014, c.58, s.1)

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] of 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, 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] $200, or conducting any testimonial affair or public solicitation of which the net proceeds exceed [$100.00] $200; and shall be made within [20 days] 72 hours 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] $200. 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 1 of P.L.2004, c.29 (C.19:44A-19.2) is amended to read as follows:

1. a. As used in this section:

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

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

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

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

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

The form shall be filed within five business days after either threshold is reached and shall include the name, business mailing address, and regular occupation or business of the fund raiser, the resident mailing address of a State resident designated as the fund raiser's agent for the service of process, the general nature of the services to be offered, the dates and locations of each fund raising event the person planned or organized or was involved in the planning or organizing of, or attended, the amount of money the person raised at each event and any other information the commission deems relevant. A professional campaign fund raiser who registers for the first time pursuant to this subsection shall re-register annually thereafter regardless of the number of events that person plans, organizes or attends, or the amount of contributions that person receives as long as the person remains employed, retained or engaged as a professional fund raiser. A fund raiser who chooses to terminate fund raising services in this State shall so notify the commission in writing within 30 days after such termination of services.

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

d. A fund raiser who has not registered with the commission pursuant to subsection b. of this section but is required to be registered, shall not, for compensation, perform for any candidate or committee any service directly related to the solicitation of contributions for that candidate or committee. A candidate or

committee shall not pay any compensation to any fund raiser who is not registered pursuant to subsection b. of this section but is required to be registered, for performing any service directly related to the solicitation of contributions for that candidate or committee.

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

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

g. (1) Any fund raiser who is determined by the commission to have purposely violated any provision of this section or to have filed or prepared or assisted in the preparation for filing or purposely acquiesced in the preparation or filing of any report required under this section which the fund raiser knows is false, inaccurate or incomplete in any material particular, or who purposely fails or refuses to file any such report when required to do so pursuant to this section, or who purposely supplies any information the fund raiser 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 crime of the fourth degree.

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

(cf: P.L.2004, c.29, s.1)

9. Section 22 of P.L.1973, c.83 (C.19:44A-22) is amended to read as follows:

22. a. (1) Except as provided in subsection e. or f., any person, including any candidate, treasurer, candidate committee or joint candidates committee, political committee, continuing political committee, political party committee or legislative leadership committee, charged with the responsibility under the terms of this act 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 incorrectly 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 $6,000 for the first offense and not more than $12,000 for the second and each subsequent offense.

(2) No person shall willfully and intentionally 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 four times the amount of the contribution which that person agreed to make to the recipient candidate or committee.

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.

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.

e. Any person who willfully and intentionally makes or accepts any contribution in violation of section 4 of P.L.1974, c.26 (C.19:44A-29) **[**or section 18, 19 or 20 of P.L.1993, c.65 (C.19:44A-11.3, C.19:44A-11.4 or C.19:44A-11.5)**]**, shall be liable to a penalty of:

(1) Not more than $10,000 if the cumulative total amount of those contributions is less than or equal to $5,000.00;

(2) Not more than $150,000 if the cumulative total amount of those contributions was more than $5,000.00 but less than $75,000; and

(3) Not more than $200,000 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 of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

(cf: P.L.2004, c.32, s.1)

10. Section 24 of P.L.1993, c.65 (C.19:44A-22.1) is amended to read as follows:

24. 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.1993, c.65 (C.19:44A-11.3)**]**, 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.1993, c.65 (C.19:44A-11.3).**]**

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.

(cf: P.L.1993, c.65, s.24)

11. The following sections are repealed:

Section 2 of P.L.2004, c.174 (C.19:44A-7.3);

Sections 18, 19, 20 and 23 of P.L.1993, c.65 (C.19:44A-11.3, C.19:44A-11.4, C.19:44A-11.5, and C.19:44A-11.6); and

Section 13 of P.L.2004, c.19 (C.19:44A-11.3a).

12. This act shall take effect immediately.

STATEMENT

This bill requires candidates and various campaign committees to report to the Election Law Enforcement Commission (ELEC) all campaign contributions in excess of $200 within 72 hours of receiving the contribution, and eliminates the quarterly contribution and expenditure reports. Expenditures would also be reported in the cumulative 72-hour report required under the bill. This bill also removes campaign contribution limits.

Under current law, candidate committees, joint candidate committees, political committees, continuing political committees, political party committees, and legislative leadership committees

are required to file with ELEC a cumulative quarterly report (on the 15th of April, July, October, and January each year) 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. This bill eliminates the quarterly reports of all contributions and requires, instead, the reporting of all contributions in excess of $200 within 72 hours of receiving the contribution. The expenditures made would also be included in the 72-hour reports. The same 72-hour reporting requirements would apply to independent expenditure committees, but the contributions and expenditure thresholds applicable to such committees remain as stated under current law.

This bill retains and uniformly applies a requirement for contributions received, and expenditures made, within 13 days preceding an election to be reported to ELEC within 48 hours.

This bill also eliminates the contribution limits established under current law by repealing those statutes.