

SENATE, No. 3628

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED APRIL 19, 2021

Sponsored by:

Senator HOLLY T. SCHEPISI

District 39 (Bergen and Passaic)

SYNOPSIS

Requires business entity that was issued or applied for certain permit or license to file annual disclosure statement with ELEC; requires annual disclosure statement for certain businesses that make contributions to independent expenditure committees.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning the filing of annual disclosure statements and
2 amending P.L.2005, c.271 (C.19:44A-20.27).

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 3 of P.L.2005, c.271 (C.19:44A-20.27) is amended
8 to read as follows:

9 3. a. Any business entity making a contribution of money or
10 any other thing of value, including an in-kind contribution, or
11 pledge to make a contribution of any kind to a candidate for or the
12 holder of any public office having ultimate responsibility for the
13 awarding of public contracts, or to a political party committee,
14 legislative leadership committee, political committee **【or】**,
15 continuing political committee, **【which】** or independent
16 expenditure committee, that has received in any calendar year
17 \$50,000 or more in the aggregate through agreements or contracts
18 with a public entity, or that in this State has been issued or has
19 applied for a permit or license to operate as such a business entity
20 that is issued to no greater than 40 applicants therefor, as limited to
21 that number by statute, State regulation, gubernatorial executive
22 order, or decision of the issuing agency, shall file an annual
23 disclosure statement with the New Jersey Election Law
24 Enforcement Commission, established pursuant to section 5 of
25 P.L.1973, c.83 (C.19:44A-5), setting forth all such contributions
26 made by the business entity during the 12 months prior to the
27 reporting deadline.

28 b. The commission shall prescribe forms and procedures for the
29 reporting required in subsection a. of this section which shall
30 include, but not be limited to:

31 (1) the name and mailing address of the business entity making
32 the contribution, and the amount contributed during the 12 months
33 prior to the reporting deadline;

34 (2) the name of the candidate for or the holder of any public
35 office having ultimate responsibility for the awarding of public
36 contracts, candidate committee, joint candidates committee,
37 political party committee, legislative leadership committee, political
38 committee or continuing political committee receiving the
39 contribution; **【and】**

40 (3) if applicable, the amount of money the business entity
41 received from the public entity through contract or agreement, the
42 dates, and information identifying each contract or agreement and
43 describing the goods, services or equipment provided or property
44 sold ; and

45 (4) if applicable, the permit or license that has been issued to the
46 business entity or for which the business entity has applied.

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

Matter underlined thus is new matter.

1 c. The commission shall maintain a list of such reports for
2 public inspection both at its office and through its Internet site.

3 d. When a business entity is a natural person, a contribution by
4 that person's spouse or child, residing therewith, shall be deemed to
5 be a contribution by the business entity. When a business entity is
6 other than a natural person, a contribution by any person or other
7 business entity having an interest therein shall be deemed to be a
8 contribution by the business entity. When a business entity is other
9 than a natural person, a contribution by: all principals, partners,
10 officers, or directors of the business entity, or their spouses; any
11 subsidiaries directly or indirectly controlled by the business entity;
12 or any political organization organized under section 527 of the
13 Internal Revenue Code that is directly or indirectly controlled by
14 the business entity, other than a candidate committee, election fund,
15 or political party committee, shall be deemed to be a contribution
16 by the business entity.

17 As used in this section:

18 **["business"]** "Business entity" means a for-profit entity that is a
19 natural or legal person, business corporation, professional services
20 corporation, limited liability company, partnership, limited
21 partnership, business trust, association or any other legal
22 commercial entity organized under the laws of this State or of any
23 other state or foreign jurisdiction [; and] .

24 "Decision of the issuing agency" means final agency action
25 consistent with the "Administrative Procedure Act," P.L.1968,
26 c.410 (C.52:14B-1 et seq.), or instance in which the issuing agency
27 has not issued, for a period of greater than three years, any permits
28 or licenses which would result in greater than 40 total permits or
29 licenses to operate as a particular business entity.

30 **["interest"]** Interest means the ownership or control of more
31 than 10% of the profits or assets of a business entity or 10% of the
32 stock in the case of a business entity that is a corporation for profit,
33 as appropriate.

34 "Issuing agency" means the State agency issuing a permit or
35 license to operate as a particular business entity.

36 "State agency" means any of the principal departments in the
37 Executive Branch of the State Government, and any division, board,
38 bureau, office, commission or other instrumentality within or
39 created by such department, the Legislature of the State and any
40 office, board, bureau or commission within or created by the
41 Legislative Branch, and any independent State authority,
42 commission, instrumentality or agency.

43 e. Any business entity that fails to comply with the provisions
44 of this section shall be subject to a fine imposed by the New Jersey
45 Election Law Enforcement Commission in an amount to be
46 determined by the commission which may be based upon the
47 amount that the business entity failed to report.

48 (cf: P.L.2007, c.304, s.2)

2. The New Jersey Election Law Enforcement Commission shall, within 90 days of enactment, adopt, immediately upon filing with the Office of Administrative Law, the rules and regulations necessary for the implementation of this act, P.L. , c. (pending before the Legislature as this bill), which rules and regulations shall be effective for a period not to exceed 360 days following the date of enactment of this act and may thereafter be amended, adopted, or readopted by the department in accordance with the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.).

11 3. This act shall take effect January 1 of the year next following
12 enactment that occurs more than 90 days following such enactment.

15 STATEMENT

17 This bill requires any business entity that was issued or applied
18 for a permit or license to operate as such a business to file an annual
19 disclosure statement if the permit or license is issued to no greater
20 than 40 applicants for that permit or license, consistent with a law,
21 regulation, executive order, or decision of the issuing agency
22 establishing that limit.

Under current law, a business entity that has received in any calendar year \$50,000 or more in the aggregate through agreements or contracts with a public entity and that has made a contribution to a candidate for or holder of any public office having ultimate responsibility for the awarding of public contracts, or to a political party committee, legislative leadership committee, political committee or continuing political committee, must file an annual disclosure statement specifying its contributions with the New Jersey Election Law Enforcement Commission (ELEC). The bill requires those business entities to also file an annual disclosure statement if the business entity has made a contribution to an independent expenditure committee in the preceding 12 months before the deadline for filing the statement.

The bill requires that if a business entity has received or applied for a permit or license to operate as that business entity, the issuance of which permit or license is capped at 40 by any law, regulation, executive order, or decision of the issuing agency, the business entity must also file an annual disclosure statement with ELEC. The bill defines “decision of the issuing agency” to mean final agency action consistent with the “Administrative Procedure Act,” or an instance in which the issuing agency has not issued, for a period of greater than three years, any permits or licenses which would result in greater than 40 total permits or licenses to operate as a particular business entity. Under the bill, an “issuing agency” means the State agency issuing a permit or license to operate as a particular business entity.