

ASSEMBLY, No. 2595

STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MAY 6, 2010

Sponsored by:

Assemblywoman LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Assemblyman WAYNE P. DEANGELO

District 14 (Mercer and Middlesex)

Assemblywoman ANNETTE QUIJANO

District 20 (Union)

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

Co-Sponsored by:

Assemblymen Coughlin, Chiappone, Assemblywoman Watson Coleman,

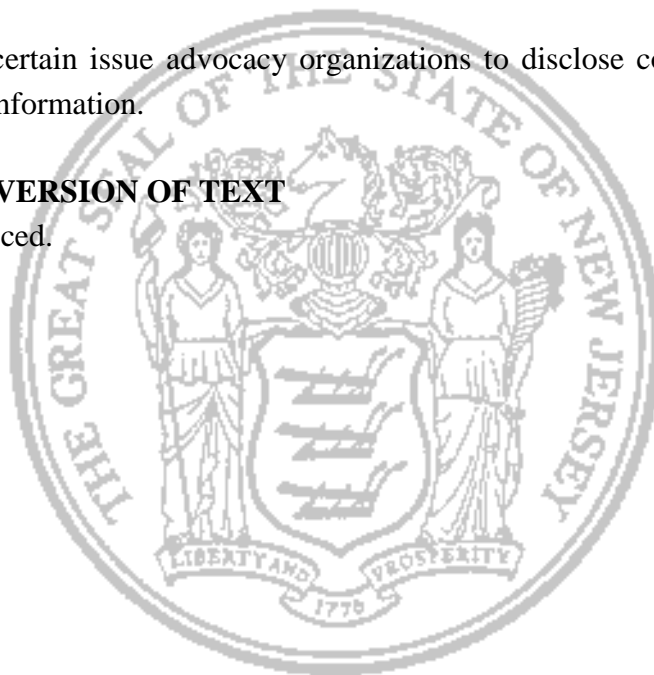
Assemblyman Gusciora and Assemblywoman Vainieri Huttie

SYNOPSIS

Requires certain issue advocacy organizations to disclose contribution and expenditure information.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/14/2010)

A2595 GREENSTEIN

2

1 AN ACT requiring certain issue advocacy groups to disclose
2 contribution and expenditure information and amending various
3 parts of the statutory law.

4

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

7

8 1. Section 3 of P.L.1973, c.83 (C.19:44A-3) is amended to read
9 as follows:

10 3. As used in this act, unless a different meaning clearly
11 appears from the context:

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

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

14 c. The term "candidate" means: (1) an individual seeking
15 election to a public office of the State or of a county, municipality
16 or school district at an election; except that the term shall not
17 include an individual seeking party office; (2) an individual who
18 shall have been elected or failed of election to an office, other than
19 a party office, for which he sought election and who receives
20 contributions and makes expenditures for any of the purposes
21 authorized by section 17 of P.L.1993, c.65 (C.19:44A-11.2) during
22 the period of his service in that office; and (3) an individual who
23 has received funds or other benefits or has made payments solely
24 for the purpose of determining whether the individual should
25 become a candidate as defined in paragraphs (1) and (2) of this
26 subsection.

27 d. The terms "contributions" and "expenditures" include all
28 loans and transfers of money or other thing of value to or by any
29 candidate, candidate committee, joint candidates committee,
30 political committee, continuing political committee, political party
31 committee or legislative leadership committee and all pledges or
32 other commitments or assumptions of liability to make any such
33 transfer; and for purposes of reports required under the provisions
34 of this act shall be deemed to have been made upon the date when
35 such commitment is made or liability assumed.

36 e. The term "election" means any election described in section
37 4 of this act.

38 f. The term "paid personal services" means personal, clerical,
39 administrative or professional services of every kind and nature
40 including, without limitation, public relations, research, legal,
41 canvassing, telephone, speech writing or other such services,
42 performed other than on a voluntary basis, the salary, cost or
43 consideration for which is paid, borne or provided by someone
44 other than the committee, candidate or organization for whom such
45 services are rendered. In determining the value, for the purpose of

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

Matter underlined thus is new matter.

1 reports required under this act, of contributions made in the form of
2 paid personal services, the person contributing such services shall
3 furnish to the treasurer through whom such contribution is made a
4 statement setting forth the actual amount of compensation paid by
5 said contributor to the individuals actually performing said services
6 for the performance thereof. But if any individual or individuals
7 actually performing such services also performed for the contributor
8 other services during the same period, and the manner of payment
9 was such that payment for the services contributed cannot readily
10 be segregated from contemporary payment for the other services,
11 the contributor shall in his statement to the treasurer so state and
12 shall either (1) set forth his best estimate of the dollar amount of
13 payment to each such individual which is attributable to the
14 contribution of his paid personal services, and shall certify the
15 substantial accuracy of the same, or (2) if unable to determine such
16 amount with sufficient accuracy, set forth the total compensation
17 paid by him to each such individual for the period of time during
18 which the services contributed by him were performed. If any
19 candidate is a holder of public office to whom there is attached or
20 assigned, by virtue of said office, any aide or aides whose services
21 are of a personal or confidential nature in assisting him to carry out
22 the duties of said office, and whose salary or other compensation is
23 paid in whole or part out of public funds, the services of such aide
24 or aides which are paid for out of public funds shall be for public
25 purposes only; but they may contribute their personal services, on a
26 voluntary basis, to such candidate for election campaign purposes.

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

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

36 i. The term "political committee" means any two or more
37 persons acting jointly, or any corporation, partnership, or any other
38 incorporated or unincorporated association which is organized to, or
39 does, aid or promote the nomination, election or defeat of any
40 candidate or candidates for public office, or which is organized to,
41 or does, aid or promote the passage or defeat of a public question in
42 any election, if the persons, corporation, partnership or incorporated
43 or unincorporated association raises or expends \$1,000.00 or more
44 to so aid or promote the nomination, election or defeat of a
45 candidate or candidates or the passage or defeat of a public
46 question; provided that for the purposes of this act, the term
47 "political committee" shall not include a "continuing political
48 committee," as defined by subsection n. of this section, a "political

1 party committee," as defined by subsection p. of this section, a
2 "candidate committee," as defined by subsection q. of this section, a
3 "joint candidates committee," as defined by subsection r. of this
4 section or a "legislative leadership committee," as defined by
5 subsection s. of this section.

6 j. The term "public solicitation" means any activity by or on
7 behalf of any candidate, political committee, continuing political
8 committee, candidate committee, joint candidates committee,
9 legislative leadership committee or political party committee
10 whereby either (1) members of the general public are personally
11 solicited for cash contributions not exceeding \$20.00 from each
12 person so solicited and contributed on the spot by the person so
13 solicited to a person soliciting or through a receptacle provided for
14 the purpose of depositing contributions, or (2) members of the
15 general public are personally solicited for the purchase of items
16 having some tangible value as merchandise, at a price not exceeding
17 \$20.00 per item, which price is paid on the spot in cash by the
18 person so solicited to the person so soliciting, when the net
19 proceeds of such solicitation are to be used by or on behalf of such
20 candidate, political committee, continuing political committee,
21 candidate committee, joint candidates committee, legislative
22 leadership committee or political party committee.

23 k. The term "testimonial affair" means an affair of any kind or
24 nature including, without limitation, cocktail parties, breakfasts,
25 luncheons, dinners, dances, picnics or similar affairs directly or
26 indirectly intended to raise campaign funds in behalf of a person
27 who holds, or who is or was a candidate for nomination or election
28 to a public office in this State, or directly or indirectly intended to
29 raise funds in behalf of any political party committee or in behalf of
30 a political committee, continuing political committee, candidate
31 committee, joint candidates committee or legislative leadership
32 committee.

33 l. The term "other thing of value" means any item of real or
34 personal property, tangible or intangible, but shall not be deemed to
35 include personal services other than paid personal services.

36 m. The term "qualified candidate" means:

37 (1) Joint candidates for election to the offices of Governor and
38 Lieutenant Governor whose names appear on the general election
39 ballot; who have deposited and expended \$150,000.00 pursuant to
40 section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than
41 September 1 preceding a general election in which the offices of
42 Governor and Lieutenant Governor are to be filled, (a) notify the
43 Election Law Enforcement Commission in writing that the
44 candidates intend that application will be made on the candidates'
45 behalf for monies for general election campaign expenses under
46 subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b)
47 sign a statement of agreement, in a form to be prescribed by the
48 commission, to participate in interactive gubernatorial election

1 debates under the provisions of sections 9 through 11 of P.L.1989,
2 c.4 (C.19:44A-45 through C.19:44A-47); or

3 (2) Joint candidates for election to the offices of Governor and
4 Lieutenant Governor whose names do not appear on the general
5 election ballot; who have deposited and expended \$150,000.00
6 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who,
7 not later than September 1 preceding a general election in which the
8 offices of Governor and Lieutenant Governor are to be filled, (a)
9 notify the Election Law Enforcement Commission in writing that
10 the candidates intend that application will be made on the
11 candidates' behalf for monies for general election campaign
12 expenses under subsection b. of section 8 of P.L.1974, c.26
13 (C.19:44A-33), and (b) sign a statement of agreement, in a form to
14 be prescribed by the commission, to participate in interactive
15 gubernatorial election debates under the provisions of sections 9
16 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47);
17 or

18 (3) Any candidate for nomination for election to the office of
19 Governor whose name appears on the primary election ballot; who
20 has deposited and expended \$150,000.00 pursuant to section 7 of
21 P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day
22 for filing petitions to nominate candidates to be voted upon in a
23 primary election for a general election in which the office of
24 Governor is to be filled, (a) notifies the Election Law Enforcement
25 Commission in writing that the candidate intends that application
26 will be made on the candidate's behalf for monies for primary
27 election campaign expenses under subsection a. of section 8 of
28 P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of
29 agreement, in a form to be prescribed by the commission, to
30 participate in two interactive gubernatorial primary debates under
31 the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A-
32 45 through C.19:44A-47); or

33 (4) Any candidate for nomination for election to the office of
34 Governor whose name does not appear on the primary election
35 ballot; who has deposited and expended \$150,000.00 pursuant to
36 section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than
37 the last day for filing petitions to nominate candidates to be voted
38 upon in a primary election for a general election in which the office
39 of Governor is to be filled, (a) notifies the Election Law
40 Enforcement Commission in writing that the candidate intends that
41 application will be made on the candidate's behalf for monies for
42 primary election campaign expenses under subsection a. of section
43 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of
44 agreement, in a form to be prescribed by the commission, to
45 participate in two interactive gubernatorial primary debates under
46 the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A-
47 45 through C.19:44A-47).

1 n. The term "continuing political committee" means any group
2 of two or more persons acting jointly, or any corporation,
3 partnership, or any other incorporated or unincorporated
4 association, including a political club, political action committee,
5 civic association or other organization, which in any calendar year
6 contributes or expects to contribute at least \$2,500.00 to the aid or
7 promotion of the candidacy of an individual, or of the candidacies
8 of individuals, for elective public office, or the passage or defeat of
9 a public question or public questions, and which may be expected to
10 make contributions toward such aid or promotion or passage or
11 defeat during a subsequent election, provided that the group,
12 corporation, partnership, association or other organization has been
13 determined to be a continuing political committee under subsection
14 b. of section 8 of P.L.1973, c.83 (C.19:44A-8); provided that for the
15 purposes of this act, the term "continuing political committee" shall
16 not include a "political party committee," as defined by subsection
17 p. of this section, or a "legislative leadership committee," as defined
18 by subsection s. of this section.

19 o. The term "statement of agreement" means a written
20 declaration, by a candidate for nomination for election to the office
21 of Governor, or by joint candidates for election to the offices of
22 Governor and Lieutenant Governor who intend that application will
23 be made on behalf of the candidate for the office of Governor to
24 receive monies for the primary election or on behalf of the
25 candidates for the office of Governor and the office of Lieutenant
26 Governor for general election campaign expenses under subsection
27 a. or subsection b., respectively, of section 8 of P.L.1974, c.26
28 (C.19:44A-33), that the candidates undertake to abide by the terms
29 of any rules established by any private organization sponsoring a
30 gubernatorial primary or general election debate, as appropriate, to
31 be held under the provisions of sections 9 through 11 of P.L.1989,
32 c.4 (C.19:44A-45 through C.19:44A-47) and in which the
33 candidates are to participate. The statement of agreement shall
34 include an acknowledgment of notice to the candidates who sign it
35 that failure on the candidates' part to participate in any of the
36 gubernatorial debates may be cause for the termination of the
37 payment of such monies on the candidates' behalf and for the
38 imposition of liability for the return to the commission of such
39 monies as may previously have been so paid.

40 p. The term "political party committee" means the State
41 committee of a political party, as organized pursuant to R.S.19:5-4,
42 any county committee of a political party, as organized pursuant to
43 R.S.19:5-3, or any municipal committee of a political party, as
44 organized pursuant to R.S.19:5-2.

45 q. The term "candidate committee" means a committee
46 established pursuant to subsection a. of section 9 of P.L.1973, c.83
47 (C.19:44A-9) for the purpose of receiving contributions and making
48 expenditures.

1 r. The term "joint candidates committee" means a committee
2 established pursuant to subsection a. of section 9 of P.L.1973, c.83
3 (C.19:44A-9) by at least two candidates for the same elective public
4 offices in the same election in a legislative district, county,
5 municipality or school district, but not more candidates than the
6 total number of the same elective public offices to be filled in that
7 election, for the purpose of receiving contributions and making
8 expenditures. For the purpose of this subsection: the offices of
9 member of the Senate and members of the General Assembly shall
10 be deemed to be the same elective public offices in a legislative
11 district; the offices of member of the board of chosen freeholders
12 and county executive shall be deemed to be the same elective public
13 offices in a county; and the offices of mayor and member of the
14 municipal governing body shall be deemed to be the same elective
15 public offices in a municipality.

16 s. The term "legislative leadership committee" means a
17 committee established, authorized to be established, or designated
18 by the President of the Senate, the Minority Leader of the Senate,
19 the Speaker of the General Assembly or the Minority Leader of the
20 General Assembly pursuant to section 16 of P.L.1993, c.65
21 (C.19:44A-10.1) for the purpose of receiving contributions and
22 making expenditures.

23 t. The term "issue advocacy organization" means an
24 organization organized under section 527 of the federal Internal
25 Revenue Code (26 U.S.C. s.527) or under paragraphs (3) or (4) of
26 subsection c. of section 501 of the federal Internal Revenue Code
27 (26 U.S.C. s.501), that does not fall within the definition of any
28 other committee subject to the provisions of P.L.1973, c.83
29 (C.19:44A-1 et seq.), that engages in influencing or attempting to
30 influence the outcome of any election or the selection, nomination,
31 or election of any person to any State or local elective public office,
32 or the passage or defeat of any public question, or in providing
33 political information on any candidate or public question, and raises
34 or expends \$2,100. or more for any such purpose, but does not
35 coordinate its activities with any candidate or political party.

36 (cf: P.L.2009, c.66, s.5)

37

38 2. Section 8 of P.L.1973, c.83 (C.19:44A-8) is amended to read
39 as follows:

40 8. a. (1) Each political committee shall make a full cumulative
41 report, upon a form prescribed by the Election Law Enforcement
42 Commission, of all contributions in the form of moneys, loans, paid
43 personal services, or other things of value made to it and all
44 expenditures made, incurred, or authorized by it in furtherance of
45 the nomination, election or defeat of any candidate, or in aid of the
46 passage or defeat of any public question, or to provide political
47 information on any candidate or public question, during the period
48 ending 48 hours preceding the date of the report and beginning on

1 the date on which the first of those contributions was received or
2 the first of those expenditures was made, whichever occurred first.
3 The cumulative report, except as hereinafter provided, shall contain
4 the name and mailing address of each person or group from whom
5 moneys, loans, paid personal services or other things of value have
6 been contributed since 48 hours preceding the date on which the
7 previous such report was made and the amount contributed by each
8 person or group, and where the contributor is an individual, the
9 report shall indicate the occupation of the individual and the name
10 and mailing address of the individual's employer. In the case of any
11 loan reported pursuant to this subsection, the report shall contain
12 the name and mailing address of each person who has cosigned such
13 loan since 48 hours preceding the date on which the previous such
14 report was made, and where an individual has cosigned such loans,
15 the report shall indicate the occupation of the individual and the
16 name and mailing address of the individual's employer. The
17 cumulative report shall also contain the name and address of each
18 person, firm or organization to whom expenditures have been paid
19 since 48 hours preceding the date on which the previous such report
20 was made and the amount and purpose of each such expenditure.
21 The cumulative report shall be filed with the Election Law
22 Enforcement Commission on the dates designated in section 16
23 hereof.

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

26 Each campaign treasurer of a political committee shall file
27 written notice with the commission of a contribution in excess of
28 \$500 received during the period between the 13th day prior to the
29 election and the date of the election, and of an expenditure of
30 money or other thing of value in excess of \$500 made, incurred or
31 authorized by the political committee to support or defeat a
32 candidate in an election, or to aid the passage or defeat of any
33 public question, during the period between the 13th day prior to the
34 election and the date of the election. The notice of a contribution
35 shall be filed in writing or by telegram within 48 hours of the
36 receipt of the contribution and shall set forth the amount and date of
37 the contribution, the name and mailing address of the contributor,
38 and where the contributor is an individual, the individual's
39 occupation and the name and mailing address of the individual's
40 employer. The notice of an expenditure shall be filed in writing or
41 by telegram within 48 hours of the making, incurring or
42 authorization of the expenditure and shall set forth the name and
43 mailing address of the person, firm or organization to whom or
44 which the expenditure was paid and the amount and purpose of the
45 expenditure.

46 (2) When a political committee or an individual seeking party
47 office makes or authorizes an expenditure on behalf of a candidate,

1 it shall provide immediate written notification to the candidate of
2 the expenditure.

3 b. (1) A group of two or more persons acting jointly, or any
4 corporation, partnership, or any other incorporated or
5 unincorporated association including a political club, political
6 action committee, civic association or other organization, which in
7 any calendar year contributes or expects to contribute at least
8 \$2,500.00 to the aid or promotion of the candidacy of an individual,
9 or of the candidacies of individuals, for elective public office or the
10 passage or defeat of a public question or public questions and which
11 expects to make contributions toward such aid or promotion, or
12 toward such passage or defeat, during a subsequent election shall
13 certify that fact to the commission, and the commission, upon
14 receiving that certification and on the basis of any information as it
15 may require of the group, corporation, partnership, association or
16 other organization, shall determine whether the group, corporation,
17 partnership, association or other organization is a continuing
18 political committee for the purposes of this act. If the commission
19 determines that the group, corporation, partnership, association or
20 other organization is a continuing political committee, it shall so
21 notify that continuing political committee.

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

26 (2) A continuing political committee shall file with the Election
27 Law Enforcement Commission, not later than April 15, July 15,
28 October 15 and January 15 of each calendar year, a cumulative
29 quarterly report of all moneys, loans, paid personal services or other
30 things of value contributed to it during the period ending on the
31 15th day preceding that date and commencing on January 1 of that
32 calendar year or, in the case of the cumulative quarterly report to be
33 filed not later than January 15, of the previous calendar year, and all
34 expenditures made, incurred, or authorized by it during the period,
35 whether or not such expenditures were made, incurred or authorized
36 in furtherance of the election or defeat of any candidate, or in aid of
37 the passage or defeat of any public question or to provide
38 information on any candidate or public question.

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

1 indicate the occupation of the individual and the name and mailing
2 address of the individual's employer. The report shall also contain
3 the name and address of each person, firm or organization to whom
4 expenditures have been paid and the amount and purpose of each
5 such expenditure. The treasurer of the continuing political
6 committee reporting shall certify to the correctness of each
7 cumulative quarterly report.

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

11 If any continuing political committee submitting cumulative
12 quarterly reports as provided under this subsection receives a
13 contribution from a single source of more than \$500 after the final
14 day of a quarterly reporting period and on or before a primary,
15 general, municipal, school or special election which occurs after
16 that final day but prior to the final day of the next reporting period
17 it shall, in writing or by telegram, report that contribution to the
18 commission within 48 hours of the receipt thereof, including in that
19 report the amount and date of the contribution; the name and
20 mailing address of the contributor; and where the contributor is an
21 individual, the individual's occupation and the name and mailing
22 address of the individual's employer. If any continuing political
23 committee makes or authorizes an expenditure of money or other
24 thing of value in excess of \$500, or incurs any obligation therefor,
25 to support or defeat a candidate in an election, or to aid the passage
26 or defeat of any public question, after March 31 and on or before
27 the day of the primary election, or after September 30 and on or
28 before the day of the general election, it shall, in writing or by
29 telegram, report that expenditure to the commission within 48 hours
30 of the making, authorizing or incurring thereof.

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

42 c. Each political party committee and each legislative
43 leadership committee shall file with the Election Law Enforcement
44 Commission, not later than April 15, July 15, October 15 and
45 January 15 of each calendar year, a cumulative quarterly report of
46 all moneys, loans, paid personal services or other things of value
47 contributed to it during the period ending on the 15th day preceding
48 that date and commencing on January 1 of that calendar year or, in

1 the case of the cumulative quarterly report to be filed not later than
2 January 15, of the previous calendar year, and all expenditures
3 made, incurred, or authorized by it during the period, whether or not
4 such expenditures were made, incurred or authorized in furtherance
5 of the election or defeat of any candidate, or in aid of the passage or
6 defeat of any public question or to provide information on any
7 candidate or public question.

8 The cumulative quarterly report shall contain the name and
9 mailing address of each person or group from whom moneys, loans,
10 paid personal services or other things of value have been
11 contributed and the amount contributed by each person or group,
12 and where an individual has made such contributions, the report
13 shall indicate the occupation of the individual and the name and
14 mailing address of the individual's employer. In the case of any
15 loan reported pursuant to this subsection, the report shall contain
16 the name and address of each person who cosigns such loan, and
17 where an individual has cosigned such loans, the report shall
18 indicate the occupation of the individual and the name and mailing
19 address of the individual's employer. The report shall also contain
20 the name and address of each person, firm or organization to whom
21 expenditures have been paid and the amount and purpose of each
22 such expenditure. The treasurer of the political party committee or
23 legislative leadership committee reporting shall certify to the
24 correctness of each cumulative quarterly report.

25 If a political party committee or a legislative leadership
26 committee submitting cumulative quarterly reports as provided
27 under this subsection receives a contribution from a single source of
28 more than \$500 after the final day of a quarterly reporting period
29 and on or before a primary, general, municipal, school or special
30 election which occurs after that final day but prior to the final day
31 of the next reporting period it shall, in writing or by telegram,
32 report that contribution to the commission within 48 hours of the
33 receipt thereof, including in that report the amount and date of the
34 contribution; the name and mailing address of the contributor; and
35 where the contributor is an individual, the individual's occupation
36 and the name and mailing address of the individual's employer. If a
37 political party committee or a legislative leadership committee
38 submitting cumulative quarterly reports as provided under this
39 subsection makes or authorizes an expenditure of money or other
40 thing of value in excess of \$800, or incurs any obligation therefor,
41 to support or defeat a candidate in an election, or to aid the passage
42 or defeat of any public question, after March 31 and on or before
43 the day of the primary election, or after September 30 and on or
44 before the day of the general election, it shall, in writing or by
45 telegram, report that expenditure to the commission within 48 hours
46 of the making, authorizing or incurring thereof.

47 d. Each issue advocacy organization shall make a full
48 cumulative report, upon a form prescribed by the Election Law

1 Enforcement Commission, of all contributions in the form of
2 moneys, loans, paid personal services, or other things of value made
3 to it, and of all expenditures made, incurred, or authorized by it in
4 influencing or attempting to influence the outcome of any election
5 or the selection, nomination, or election of any person to State or
6 local elective public office or the passage or defeat of any public
7 question or providing political information on any candidate or
8 public question, during the period ending 48 hours preceding the
9 date of the report and beginning on the date on which the first of
10 those contributions was received or the first of those expenditures
11 was made, whichever occurred first. The cumulative report, except
12 as hereinafter provided, shall contain the name and mailing address
13 of each person or group from whom moneys, loans, paid personal
14 services or other things of value have been contributed since 48
15 hours preceding the date on which the previous such report was
16 made and the amount contributed by each person or group, and
17 where the contributor is an individual, the report shall indicate the
18 occupation of the individual and the name and mailing address of
19 the individual's employer. In the case of any loan reported pursuant
20 to this subsection, the report shall contain the name and mailing
21 address of each person who has cosigned such loan since 48 hours
22 preceding the date on which the previous such report was made, and
23 where an individual has cosigned such loans, the report shall
24 indicate the occupation of the individual and the name and mailing
25 address of the individual's employer. The cumulative report shall
26 also contain the name and address of each person, firm or
27 organization to whom expenditures have been paid since 48 hours
28 preceding the date on which the previous such report was made and
29 the amount and purpose of each such expenditure. The cumulative
30 report shall be filed with the Election Law Enforcement
31 Commission on the dates designated in section 16 of P.L.1973, c.83
32 (C.19:44A-16).

33 The treasurer of the issue advocacy organization reporting shall
34 certify to the correctness of each report and shall maintain all
35 records of contributions and expenditures for a period of not less
36 than four years.

37 Each treasurer of an issue advocacy organization shall file
38 written notice with the commission of a contribution in excess of
39 \$1,200 received during the period between the 13th day prior to the
40 election and the date of the election, and of an expenditure of
41 money or other thing of value in excess of \$1,200 made, incurred or
42 authorized by the issue advocacy organization for the purpose of
43 influencing or attempting to influence the outcome of any election
44 or the nomination, or election of any person to State or local
45 elective public office or the passage or defeat of any public question
46 or providing political information on any candidate or public
47 question, during the period between the 13th day prior to the
48 election and the date of the election. The notice shall be filed in

1 writing or by telegram within 48 hours of the receipt of the
2 contribution and shall set forth the amount and date of the
3 contribution, the name and mailing address of the contributor, and
4 where the contributor is an individual, the individual's occupation
5 and the name and mailing address of the individual's employer. The
6 notice of an expenditure shall be filed in writing or by telegram
7 within 48 hours of the making, incurring or authorization of the
8 expenditure and shall set forth the name and mailing address of the
9 person, firm or organization to whom or which the expenditure was
10 paid and the amount and purpose of the expenditure.

11 e. In any report filed pursuant to the provisions of this section
12 the organization or committee reporting may exclude from the
13 report the name of and other information relating to any contributor
14 whose contributions during the period covered by the report did not
15 exceed \$300, provided, however, that (1) such exclusion is unlawful
16 if any person responsible for the preparation or filing of the report
17 knew that it was made with respect to any person whose
18 contributions relating to the same election or issue and made to the
19 reporting organization or committee aggregate, in combination with
20 the contribution in respect of which such exclusion is made, more
21 than \$300 and (2) any person who knowingly prepares, assists in
22 preparing, files or acquiesces in the filing of any report from which
23 the identification of a contributor has been excluded contrary to the
24 provisions of this section is subject to the provisions of section 21
25 of this act, but (3) nothing in this proviso shall be construed as
26 requiring any committee or organization reporting pursuant to this
27 act to report the amounts, dates or other circumstantial data
28 regarding contributions made to any other organization or political
29 committee, political party committee or campaign organization of a
30 candidate.

31 Any report filed pursuant to the provisions of this section shall
32 include an itemized accounting of all receipts and expenditures
33 relative to any testimonial affairs held since the date of the most
34 recent report filed, which accounting shall include the name and
35 mailing address of each contributor in excess of \$300 to such
36 testimonial affair and the amount contributed by each; in the case of
37 an individual contributor, the occupation of the individual and the
38 name and mailing address of the individual's employer; the
39 expenses incurred; and the disposition of the proceeds of such
40 testimonial affair.

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

45 (cf: P.L.2004, c.33, s.1)

46

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

1 21. a. Each political committee, as defined in subsection i. of
2 section 3 of P.L.1973, c.83 (C.19:44A-3), which aids or promotes
3 the nomination for election or the election of a candidate or the
4 passage or defeat of a public question, each issue advocacy
5 organization, as defined in subsection t. of section 3 of P.L.1973,
6 c.83 (C.19:44A-3), that engages in influencing or attempting to
7 influence the outcome of any election or the selection, nomination,
8 or election of any person to State or local elective public office or
9 the passage or defeat of any public question or providing political
10 information on any candidate or public question, each continuing
11 political committee as defined in subsection n. of section 3 of
12 P.L.1973, c.83, and each legislative leadership committee as
13 defined in subsection s. of section 3 of P.L.1973, c.83, shall submit
14 to the commission a statement of registration which includes:

15 (1) the complete name or identifying title of the committee or
16 organization and the general category of entity or entities, including
17 but not limited to business organizations, labor organizations,
18 professional or trade associations, candidate for or holder of public
19 office, political party, ideological grouping or civic association, the
20 interests of which are shared by the leadership, members, or
21 financial supporters of the committee or organization;

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

26 (3) a descriptive statement prepared by the organizers or officers
27 of the committee or organization that identifies (a) the names and
28 mailing addresses of the persons having control over the affairs of
29 the committee or organization, including but not limited to persons
30 in whose name or at whose direction or suggestion the committee or
31 organization solicits funds, and persons participating in any
32 decision to make a contribution of such funds to any candidate,
33 political committee or continuing political committee or, in the case
34 of an issue advocacy organization, any decision to expend funds for
35 the purpose of influencing or attempting to influence the outcome
36 of any election or the selection, nomination, or election of any
37 person to State or local elective public office or the passage or
38 defeat of any public question or providing political information on
39 any candidate or public question; (b) the name and mailing address
40 of any person not included among the persons identified under
41 subparagraph (a) of this paragraph who, directly or through an
42 agent, participated in the initial organization of the committee or
43 organization; (c) in the case of any person identified under
44 subparagraph (a) or subparagraph (b) who is an individual, the
45 occupation of that individual, the individual's home address, and the
46 name and mailing address of the individual's employer, or, in the
47 case of any such person which is a corporation, partnership,
48 unincorporated association, or other organization, the name and

1 mailing address of the organization; and (d) any other information
2 which the Election Law Enforcement Commission may, under such
3 regulations as it shall adopt pursuant to the provisions of the
4 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
5 seq.), require as being material to the fullest possible disclosure of
6 the economic, political and other particular interests and objectives
7 which the committee has been organized to or does advance. The
8 commission shall be informed, in writing, of any change in the
9 information required by this paragraph within three days of the
10 occurrence of the change. Legislative leadership committees shall
11 be exempt from the requirements of subparagraphs (a), (b) and (c)
12 of this paragraph.

13 b. After submission of a statement of registration to the
14 commission pursuant to this section, the committee or organization
15 shall use the complete name or identifying title on all documents
16 submitted to the commission, in all solicitations for contributions,
17 in all paid media advertisements purchased or paid for by the
18 committee in support of or in opposition to any candidate or public
19 question, and in all contributions made by the committee to
20 candidates or other committees or, in the case an issue advocacy
21 organization, any decision to expend funds for the purpose of
22 influencing or attempting to influence the outcome of any election
23 or the selection, nomination, or election of any person to State or
24 local elective public office or the passage or defeat of any public
25 question or providing political information on any candidate or
26 public question.

27 c. Each report of contributions under section 8 of P.L.1973,
28 c.83 (C.19:44A-8) by a political committee, issue advocacy
29 organization, continuing political committee or legislative
30 leadership committee required under subsection a. of this section to
31 submit a statement of registration shall include, in the case of each
32 contributor who is an individual, the home address of the individual
33 if different from the individual's mailing address, or, in the case of
34 any contributor which is an organization, any information, in
35 addition to that otherwise required, which the Election Law
36 Enforcement Commission may, under such regulations as it shall
37 adopt pursuant to the provisions of the "Administrative Procedure
38 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), require as being
39 material to the fullest possible disclosure of the economic, political
40 and other particular interests and objectives which the contributing
41 organization has been organized to or does advance.

42 d. Any political committee, issue advocacy organization,
43 continuing political committee or legislative leadership committee
44 may at any time apply to the commission for approval of an
45 abbreviation or acronym of its complete, official name or title for
46 its exclusive use on documents which it shall submit to the
47 commission. Upon verification that the abbreviation or acronym has
48 not been approved for such use by any other political committee,

1 issue advocacy organization, continuing political committee or
2 legislative leadership committee, the commission shall approve the
3 abbreviation or acronym for such use by the applicant committee or
4 organization, and the committee, and any individual, corporation,
5 partnership, membership organization or incorporated or
6 unincorporated association which, under the provisions of P.L.1973,
7 c.83 (C.19:44A-1 et al.), submits any documents to the commission
8 containing a reference to that committee or organization, shall
9 thereafter use that approved abbreviation or acronym in documents
10 submitted to the commission. The commission shall, during its
11 regular office hours, maintain for public inspection in its offices a
12 current alphabetically arranged list of all such approved
13 abbreviations and acronyms, indicating for each the name of the
14 committee or organization for which it stands, and shall make
15 copies of the list available upon request.

16 (cf: P.L.1993, c.65, s.21)

17

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

20 10. Each political party committee shall, on or before July 1 in
21 each year, designate a single organizational treasurer and an
22 organizational depository and shall, not later than the tenth day after
23 the designation of the organizational depository file the name and
24 address of that depository, and of the organizational treasurer, with
25 the Election Law Enforcement Commission.

26 Every political committee may designate a chairman of the
27 committee, but no person serving as the chairman of a political
28 party committee or a legislative leadership committee shall be
29 eligible to be appointed or to serve as the chairman of a political
30 committee. Every political committee shall, not later than the date
31 on which it first receives any contribution or makes or incurs any
32 expenditure in the furtherance or aid of the election or defeat of any
33 candidate or the passage or defeat of any public question, appoint a
34 single campaign treasurer and designate a campaign depository, but
35 no person serving as the chairman of a political party committee or
36 a legislative leadership committee shall be eligible to be appointed
37 or to serve as the campaign treasurer of a political committee. Not
38 later than the tenth day after the initial designation of the campaign
39 depository, the committee shall file the name and address of the
40 depository, and of the campaign treasurer, with the Election Law
41 Enforcement Commission.

42 Every issue advocacy organization may designate a chairman of
43 the committee, but no person serving as the chairman of a political
44 party committee or a legislative leadership committee shall be
45 eligible to be appointed or to serve as the chairman of an issue
46 advocacy organization. No candidate shall establish, authorize the
47 establishment of, maintain, or participate directly or indirectly in
48 the management or control of, any issue advocacy organization.

1 Every issue advocacy organization shall, not later than the date on
2 which it first receives any contribution or makes or incurs any
3 expenditure for the purpose of influencing or attempting to
4 influence the outcome of any election or the selection, nomination,
5 or election of any person to State or local elective public office or
6 the passage or defeat of any public question or providing political
7 information on any candidate or public question, appoint a single
8 campaign treasurer and designate a campaign depository, but no
9 person serving as the chairman of a political party committee or a
10 legislative leadership committee shall be eligible to be appointed or
11 to serve as the campaign treasurer of an issue advocacy
12 organization. Not later than the tenth day after the initial
13 designation of the campaign depository, the organization shall file
14 the name and address of the depository, and of the campaign
15 treasurer, with the Election Law Enforcement Commission.

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

29 Every legislative leadership committee shall, not later than the
30 date on which it first receives any contribution or makes or incurs
31 any expenditure in the furtherance or aid of the election or defeat of
32 any candidate or the passage or defeat of any public question,
33 appoint a single organizational treasurer and designate an
34 organizational depository. Not later than the tenth day after the
35 initial designation of the organizational depository, the committee
36 shall file the name and address of the depository, and of the
37 organizational treasurer, with the Election Law Enforcement
38 Commission.

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

47 An organizational treasurer of a political party committee, a
48 continuing political committee, or a legislative leadership

1 committee and a campaign treasurer of a political committee may
2 appoint deputy organizational or campaign treasurers as may be
3 required and may designate additional organizational or campaign
4 depositories. Such committees shall file the names and addresses of
5 such deputy treasurers and additional depositories with the Election
6 Law Enforcement Commission not later than the fifth day after their
7 appointment or designation, respectively.

8 Any political party committee, any political committee, any issue
9 advocacy organization, any continuing political committee and any
10 legislative leadership committee may remove its organizational or
11 campaign treasurer or deputy treasurer. In the case of the death,
12 resignation or removal of its organizational or campaign treasurer,
13 the committee or organization shall appoint a successor as soon as
14 practicable and shall file his name and address with the Election
15 Law Enforcement Commission within three days.

16 (cf: P.L.2004, c.22, s.3)

17

18 5. Section 2 of P.L.1995, c.391 (C.19:44A-22.3) is amended to
19 read as follows:

20 2. a. Whenever a candidate committee, joint candidates
21 committee, political committee, continuing political committee,
22 political party committee or legislative leadership committee, or
23 any group other than such a committee, or any person makes, incurs
24 or authorizes an expenditure for the purpose of financing a
25 communication aiding or promoting the nomination, election or
26 defeat of any candidate or providing political information on any
27 candidate, or whenever an issue advocacy organization makes,
28 incurs or authorizes an expenditure for the purpose of influencing or
29 attempting to influence the outcome of any election or the selection,
30 nomination, or election of any person to State or local elective
31 public office or the passage or defeat of any public question, or of
32 providing political information on any candidate or public question,
33 which is an expenditure that the committee, organization, group or
34 person is required to report to the Election Law Enforcement
35 Commission pursuant to P.L.1973, c.83 (C.19:44A-1 et seq.), the
36 communication shall clearly state the name and business or
37 residence address of the committee, organization, group or person,
38 as that information appears on reports filed with the commission,
39 and that the communication has been financed by that committee,
40 organization, group or person.

41 b. Whenever a candidate committee, joint candidates
42 committee, political committee, issue advocacy organization,
43 continuing political committee, political party committee or
44 legislative leadership committee, or any group other than such a
45 committee, or any person makes, incurs or authorizes an
46 expenditure for the purpose of financing a communication aiding
47 the passage or defeat of any public question or providing political
48 information on any public question which is an expenditure that the

1 committee, group or person is required to report to the Election Law
2 Enforcement Commission pursuant to P.L.1973, c.83 (C.19:44A-1
3 et seq.), the communication shall clearly state the name and
4 business or residence address of the committee, organization, group
5 or person, as that information appears on reports filed with the
6 commission, and that the communication has been financed by that
7 committee, organization, group or person.

8 c. A communication that is financed by any person or issue
9 advocacy organization, not acting in concert with a candidate or any
10 person or committee acting on behalf of a candidate, shall contain a
11 clear and conspicuous statement that the expenditure was not made
12 with the cooperation or prior consent of, or in consultation with or
13 at the request or suggestion of, any such candidate, person or
14 committee.

15 d. Any person who accepts compensation from a committee,
16 organization, group or individual described in subsection a. or b. of
17 this section for the purpose of printing, broadcasting, or otherwise
18 disseminating to the electorate a communication shall maintain a
19 record of the transaction which shall include an exact copy of the
20 communication and a statement of the number of copies made or the
21 dates and times that the communication was broadcast or otherwise
22 transmitted, and the name and address of the committee,
23 organization, group or individual paying for the communication.
24 The record shall be maintained on file at the principal office of the
25 person accepting the communication for at least two years and shall
26 be available for public inspection during normal business hours.

27 e. As used in this section, "communication" means a press
28 release, pamphlet, flyer, form letter, sign, billboard, paid
29 advertisement printed in any newspaper or other publication or
30 broadcast on radio or television, or telephone call featuring a
31 recorded message, or any other form of advertising directed to the
32 electorate.

33 f. The provisions of this section shall not be construed to apply
34 to any bona fide news item or editorial contained in any publication
35 of bona fide general circulation.

36 g. (1) A person who violates a provision of this section shall be
37 subject to the civil penalties provided in section 22 of P.L.1973,
38 c.83 (C.19:44A-22).

39 (2) A person who, with intent to injure anyone or to conceal
40 wrongdoing, purposely falsifies, conceals or misrepresents
41 information required by this section to be disclosed or maintained
42 on file is guilty of a crime of the fourth degree.

43 h. The Election Law Enforcement Commission shall
44 promulgate rules and regulations pursuant to the "Administrative
45 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate
46 the purpose of this section. The commission may, by regulation,
47 exempt from the provisions of this section small, tangible items of
48 de minimis value which are commonly used in campaigns to convey

1 a political message, including, but not limited to, buttons, combs,
2 and nail files. The commission may also, by regulation, exempt
3 from the provisions of this section advertising space purchased by a
4 candidate committee, joint candidates committee, political
5 committee, issue advocacy organization, continuing political
6 committee, political party committee, legislative leadership
7 committee or other person, in a political program book distributed
8 at a fund-raising event if the financial transaction is otherwise
9 subject to disclosure. An exemption granted by the commission
10 with respect to any item shall not relieve the committee,
11 organization, group or individual making an expenditure therefor
12 from any applicable campaign finance reporting requirements.

13 In addition, the commission shall have the authority to provide,
14 by regulation, that a communication need not include the address of
15 the committee, organization, group or person financing the
16 communication in circumstances where the name of a committee,
17 organization, group or person would be sufficient to identify it from
18 the commission's records.

19 (cf: P.L.2004, c.30, s.1)

20

21 6. This act shall take effect 120 days after enactment, but the
22 Election Law Enforcement Commission may take such anticipatory
23 administrative action in advance as may be necessary for the
24 implementation of the act.

25

26

27

STATEMENT

28

29 This bill would impose disclosure and disclaimer requirements
30 on issue advocacy organizations that raise funds or make
31 expenditures to influence the electoral process in this State. These
32 organizations have been called “stealth PACs” because they are
33 often formed by wealthy individuals or trade groups in an effort to
34 influence the outcome of elections while masking their funding
35 sources.

36 The bill would apply to any organization organized under section
37 527, or under paragraphs (3) or (4) of subsection c. of section 501,
38 of the federal Internal Revenue Code that engages in influencing or
39 attempting to influence the outcome of any election or the selection,
40 nomination, or election of any person to any State or local elective
41 public office or the passage or defeat of any public question, or in
42 providing political information on any candidate or public question,
43 and raises or expends \$2,100. or more for any such purpose. It
44 would require these organizations to report contribution and
45 expenditure information to the Election Law Enforcement
46 Commission (ELEC) and to include certain information that
47 identifies the organization on any communication paid for by the
48 organization which attempts to influence a candidate election or the

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1 adoption or defeat of a public question, or which provides political
2 information. The bill would prohibit a candidate from establishing,
3 authorizing the establishment of, maintaining, or participating
4 directly or indirectly in the management or control of, any issue
5 advocacy organization.

6 The bill would take effect 120 days after enactment but the
7 Election Law Enforcement Commission is authorized to take such
8 anticipatory administrative action in advance as may be necessary
9 for the bill's implementation.