# SENATE, No. 150

# STATE OF NEW JERSEY

# 218th LEGISLATURE

INTRODUCED JUNE 10, 2019

**Sponsored by:** 

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**District 7 (Burlington)** 

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

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**District 14 (Mercer and Middlesex)** 

Assemblywoman SHAVONDA E. SUMTER

**District 35 (Bergen and Passaic)** 

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**Assemblyman Bramnick** 

# **SYNOPSIS**

Concerns disclosure requirements by independent expenditure committees.

# **CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 6/11/2019)

1 AN ACT concerning campaign finance disclosures and limits and amending various parts of the statutory law.

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

- 1. Section 3 of P.L.1973, c.83 (C.19:44A-3) is amended to read as follows:
- 9 3. As used in this act, unless a different meaning clearly 10 appears from the context:
  - a. (Deleted by amendment, P.L.1993, c.65.)
- b. (Deleted by amendment, P.L.1993, c.65.)
  - c. The term "candidate" means: (1) an individual seeking election to a public office of the State or of a county, municipality or school district at an election; except that the term shall not include an individual seeking party office; (2) an individual who shall have been elected or failed of election to an office, other than a party office, for which he sought election and who receives contributions and makes expenditures for any of the purposes authorized by section 17 of P.L.1993, c.65 (C.19:44A-11.2) during the period of his service in that office; and (3) an individual who has received funds or other benefits or has made payments solely for the purpose of determining whether the individual should become a candidate as defined in paragraphs (1) and (2) of this subsection.
    - d. The terms "contributions" and "expenditures" include all loans and transfers of money or other thing of value to or by any candidate, candidate committee, joint candidates committee, political committee, continuing political committee, independent expenditure committee, political party committee or legislative leadership committee, and all pledges or other commitments or assumptions of liability to make any such transfer; and for purposes of reports required under the provisions of this act shall be deemed to have been made upon the date when such commitment is made or liability assumed.
    - e. The term "election" means any election described in section 4 of this act.
  - f. The term "paid personal services" means personal, clerical, administrative or professional services of every kind and nature including, without limitation, public relations, research, legal, canvassing, telephone, speech writing or other such services, performed other than on a voluntary basis, the salary, cost or consideration for which is paid, borne or provided by someone other than the committee, candidate or organization for whom such services are rendered. In determining the value, for the purpose of

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

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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 said contributor to the individuals actually performing said services for the performance thereof. But if any individual or individuals 7 actually performing such services also performed for the contributor 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 payment to each such individual which is attributable to the 13 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. 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.

- g. (Deleted by amendment, P.L.1983, c.579.)
- The term "political information" means any statement including, but not limited to, press releases, pamphlets, newsletters, flyers, advertisements, form letters, Internet or digital advertisements, or radio or television programs or advertisements which reflects the opinion of the members of the organization on any candidate or candidates for public office, on any public question, or which contains facts on any such candidate, or public question whether or not such facts are within the personal knowledge of members of the organization.
- The term "political committee" means any two or more persons acting jointly, or any corporation, partnership, or any other incorporated or unincorporated association which is organized to, or does, aid or promote the nomination, election or defeat of any candidate or candidates for public office, or which is organized to, or does, aid or promote the passage or defeat of a public question in any election, if the persons, corporation, partnership or incorporated or unincorporated association raises or expends [\$1,000.00] \$2,400 or more to so aid or promote the nomination, election or defeat of a candidate or candidates or the passage or defeat of a public question; provided that for the purposes of this act, the term "political committee" shall not include a "continuing political

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committee," as defined by subsection n. of this section, a "political party committee," as defined by subsection p. of this section, a "candidate committee," as defined by subsection q. of this section, a "joint candidates committee," as defined by subsection r. of this section [or], a "legislative leadership committee," as defined by subsection s. of this section, or an "independent expenditure committee," as defined by subsection t. of this section.

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- The term "public solicitation" means any activity by or on behalf of any candidate, political committee, continuing political committee, candidate committee, joint candidates committee, legislative leadership committee, independent expenditure committee, or political party committee whereby either (1) members of the general public are personally solicited for cash contributions not exceeding \$20.00 from each person so solicited and contributed on the spot by the person so solicited to a person soliciting or through a receptacle provided for the purpose of depositing contributions, or (2) members of the general public are personally solicited for the purchase of items having some tangible value as merchandise, at a price not exceeding \$20.00 per item, which price is paid on the spot in cash by the person so solicited to the person so soliciting, when the net proceeds of such solicitation are to be used by or on behalf of such candidate, political committee, continuing political committee, candidate committee, joint candidates committee, legislative leadership committee, independent expenditure committee, or political party committee.
- k. The term "testimonial affair" means an affair of any kind or nature including, without limitation, cocktail parties, breakfasts, luncheons, dinners, dances, picnics or similar affairs directly or indirectly intended to raise campaign funds in behalf of a person who holds, or who is or was a candidate for nomination or election to a public office in this State, or directly or indirectly intended to raise funds in behalf of any political party committee or in behalf of a political committee, continuing political committee, candidate committee, joint candidates committee, independent expenditure committee, or legislative leadership committee.
- l. The term "other thing of value" means any item of real or personal property, tangible or intangible, but shall not be deemed to include personal services other than paid personal services.
  - m. The term "qualified candidate" means:
- (1) Joint candidates for election to the offices of Governor and Lieutenant Governor whose names appear on the general election ballot; who have deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1 preceding a general election in which the offices of Governor and Lieutenant Governor are to be filled, (a) notify the Election Law Enforcement Commission in writing that the candidates intend that application will be made on the candidates' behalf for monies for general election campaign expenses under

subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) sign a statement of agreement, in a form to be prescribed by the commission, to participate in interactive gubernatorial election debates under the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or

- (2) Joint candidates for election to the offices of Governor and Lieutenant Governor whose names do not appear on the general election ballot; who have deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than September 1 preceding a general election in which the offices of Governor and Lieutenant Governor are to be filled, (a) notify the Election Law Enforcement Commission in writing that the candidates intend that application will be made on the candidates' behalf for monies for general election campaign expenses under subsection b. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) sign a statement of agreement, in a form to be prescribed by the commission, to participate in interactive gubernatorial election debates under the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or
  - (3) Any candidate for nomination for election to the office of Governor whose name appears on the primary election ballot; who has deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for filing petitions to nominate candidates to be voted upon in a primary election for a general election in which the office of Governor is to be filled, (a) notifies the Election Law Enforcement Commission in writing that the candidate intends that application will be made on the candidate's behalf for monies for primary election campaign expenses under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of agreement, in a form to be prescribed by the commission, to participate in two interactive gubernatorial primary debates under the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A-45 through C.19:44A-47); or
- (4) Any candidate for nomination for election to the office of Governor whose name does not appear on the primary election ballot; who has deposited and expended \$150,000.00 pursuant to section 7 of P.L.1974, c.26 (C.19:44A-32); and who, not later than the last day for filing petitions to nominate candidates to be voted upon in a primary election for a general election in which the office of Governor is to be filled, (a) notifies the Election Law Enforcement Commission in writing that the candidate intends that application will be made on the candidate's behalf for monies for primary election campaign expenses under subsection a. of section 8 of P.L.1974, c.26 (C.19:44A-33), and (b) signs a statement of agreement, in a form to be prescribed by the commission, to participate in two interactive gubernatorial primary debates under

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the provisions of sections 9 through 11 of P.L.1989, c.4 (C.19:44A45 through C.19:44A-47).

3 n. The term "continuing political committee" means any group 4 of two or more persons acting jointly, or any corporation, 5 partnership, or any other incorporated or unincorporated 6 association, including a political club, political action committee, 7 civic association or other organization, which in any calendar year 8 contributes or expects to contribute at least [\$2,500.00] \$5,500 to 9 the aid or promotion of the candidacy of an individual, or of the 10 candidacies of individuals, for elective public office, or the passage 11 or defeat of a public question or public questions, and which may be 12 expected to make contributions toward such aid or promotion or 13 passage or defeat during a subsequent election, provided that the 14 group, corporation, partnership, association or other organization 15 has been determined to be a continuing political committee under 16 subsection b. of section 8 of P.L.1973, c.83 (C.19:44A-8); provided 17 that for the purposes of this act, the term "continuing political 18 committee" shall not include a "political party committee," as 19 defined by subsection p. of this section, [or] a "legislative" leadership committee," as defined by subsection s. of this section, 20 or an "independent expenditure committee," as defined by 21 22 subsection t. of this section.

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

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

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

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- 5 The term "joint candidates committee" means a committee 6 established pursuant to subsection a. of section 9 of P.L.1973, c.83 7 (C.19:44A-9) by at least two candidates for the same elective public 8 offices in the same election in a legislative district, county, 9 municipality or school district, but not more candidates than the 10 total number of the same elective public offices to be filled in that 11 election, for the purpose of receiving contributions and making 12 expenditures. For the purpose of this subsection: the offices of 13 member of the Senate and members of the General Assembly shall 14 be deemed to be the same elective public offices in a legislative 15 district; the offices of member of the board of chosen freeholders 16 and county executive shall be deemed to be the same elective public 17 offices in a county; and the offices of mayor and member of the 18 municipal governing body shall be deemed to be the same elective 19 public offices in a municipality.
  - s. The term "legislative leadership committee" means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures.
- 27 t. The term "independent expenditure committee" means a person organized under section 527 of the federal Internal Revenue 28 29 Code (26 U.S.C. s.527) or under paragraph (4) of subsection (c) of 30 section 501 of the federal Internal Revenue Code (26 U.S.C. s.501) 31 that does not fall within the definition of any other organization 32 subject to the provisions of P.L.1973, c.83 (C.19:44A-1 et seq.), 33 that engages in influencing or attempting to influence the outcome 34 of any election or the nomination, election, or defeat of any person 35 to any State or local elective public office, or the passage or defeat 36 of any public question, legislation, or regulation, or in providing 37 political information on any candidate or public question, 38 legislation, or regulation, and raises or expends \$3,000 or more in 39 the aggregate for any such purpose annually, but does not 40 coordinate its activities with any candidate or political party as 41 determined by the Election Law Enforcement Commission pursuant 42 to the provisions of section 11 of P.L., c. (C.) (pending before 43 the Legislature as this bill).
- u. The term "electioneering communication" means any communication made within the period beginning on January 1 of an election year and the date of the election and refers to: (1) a clearly identified candidate for office and promotes or supports a candidate for that office,

1 regardless of whether the communication expressly advocates a vote for or against a candidate; or (2) a public question and 2 3 promotes or supports the passage or defeat of that question, 4 regardless of whether the communication expressly advocates a 5 vote for or against the passage of the question. The term includes 6 communications published in any newspaper or periodical; 7 broadcast on radio, television, or the Internet or digital media, or 8 any public address system; placed on any billboard, outdoor 9 facility, button, motor vehicle, window display, poster, card, pamphlet, leaflet, flyer, or other circular; or contained in any direct 10 11 mailing, robotic phone calls, or mass e-mails.

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

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

- 35 2. Section 8 of P.L.1973, c.83 (C.19:44A-8) is amended to read 36 as follows:
  - 8. a. (1) Each political committee shall make a full cumulative report, upon a form prescribed by the Election Law Enforcement Commission, of all contributions in the form of moneys, loans, paid personal services, or other things of value made to it and all expenditures made, incurred, or authorized by it in furtherance of the nomination, election, or defeat of any candidate, or in aid of the passage or defeat of any public question, or to provide political information on any candidate or public question, during the period ending 48 hours preceding the date of the report and beginning on the date on which the first of those contributions was received or the first of those expenditures was made, whichever occurred first. The cumulative report, except as hereinafter provided, shall contain

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

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

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

- (2) When a political committee or an individual seeking party office makes or authorizes an expenditure on behalf of a candidate, it shall provide immediate written notification to the candidate of the expenditure.
- b. (1) A group of two or more persons acting jointly, or any corporation, partnership, or any other incorporated or

unincorporated association including a political club, political action committee, civic association or other organization, which in any calendar year contributes or expects to contribute at least \$2,500.00 to the aid or promotion of the candidacy of an individual, or of the candidacies of individuals, for elective public office or the passage or defeat of a public question or public questions and which expects to make contributions toward such aid or promotion, or toward such passage or defeat, during a subsequent election shall certify that fact to the commission, and the commission, upon receiving that certification and on the basis of any information as it may require of the group, corporation, partnership, association or other organization, shall determine whether the group, corporation, partnership, association or other organization is a continuing political committee for the purposes of this act. If the commission determines that the group, corporation, partnership, association or other organization is a continuing political committee, it shall so notify that continuing political committee.

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

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

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

such expenditure. The treasurer of the continuing political committee reporting shall certify to the correctness of each cumulative quarterly report.

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

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

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

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

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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.

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

[If] 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. 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

- 1 loan since 48 hours preceding the date on which the previous such
- 2 report was made, and when an individual has cosigned such loans,
- 3 the report shall indicate the occupation of the individual and the
- 4 name and mailing address of the individual's employer. The
- 5 quarterly report shall also contain the name and address of each
- 6 person, firm, or organization to whom expenditures have been paid
- 7 since 48 hours preceding the date on which the previous such report
- 8 was made and the amount and purpose of each such expenditure.
- 9 (2) An independent expenditure committee shall disclose all 10 expenditures made by it in excess of \$3,000, including, but not
- limited to, for electioneering communications, voter registration, 11
- 12 get-out-the-vote efforts, polling, and research. The disclosures
- required by this paragraph shall be reported to the Election Law 13
- 14 Enforcement Commission on the same schedule as required for
- 15 continuing political committees pursuant to this section.
- 16 The treasurer of the reporting independent expenditure
- 17 committee shall certify the correctness of each report and shall
- 18 maintain all records of contributions and expenditures for a period
- 19 of not less than four years.

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- 20 The \$10,000 contribution amount and the \$3,000 expenditure
- 21 amount established in this subsection shall remain as stated in this
- 22 subsection without further adjustment by the commission pursuant
- 23 to section 22 of P.L.1993, c.65 (C.19:44A-7.2).
- 24 e. When a political party committee [or a], legislative
- leadership committee [submitting cumulative quarterly reports as 25
- provided under this subsection or independent expenditure 26
- 27 committee receives a contribution from a single source of more than
- 28 \$500 after the final day of a quarterly reporting period and on or
- 29 before a primary, general, municipal, school, or special election
- 30 which occurs after that final day but prior to the final day of the
- 31 next reporting period it shall, in writing or by [telegram] electronic
- 32 transmission, report that contribution to the commission within 48

hours of the receipt thereof, including in that report the amount and

- 34 date of the contribution; the name and mailing address of the
- 35 contributor; and where the contributor is an individual, the
- individual's occupation and the name and mailing address of the 36
- individual's employer. [If] When a political party committee 38 [or a], legislative leadership committee [submitting cumulative
- 39 quarterly reports as provided under this subsection], or an 40 independent expenditure committee makes or authorizes an
- 41 expenditure of money or other thing of value in excess of \$800, or
- 42 incurs any obligation therefor, to support or defeat a candidate in an
- 43 election, or to aid the passage or defeat of any public question, or to
- 44 aid the passage or defeat of legislation or regulation in the case of 45 an independent expenditure committee, after March 31 and on or
- 46 before the day of the primary election, or after September 30 and on
- 47 or before the day of the general election, it shall, in writing or by

**[**telegram**]** <u>electronic transmission</u>, report that expenditure to the commission within 48 hours of the making, authorizing or incurring thereof.

[d.] <u>f.</u> 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, 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 and (2) any person who knowingly prepares, assists in preparing, files or acquiesces in the filing of any report from which the identification of a contributor has been excluded contrary to the provisions of this section is subject to the provisions of section 21 of [this act] P.L.1973, c.83 (C.19:44A-21), but (3) nothing in this proviso shall be construed as requiring any committee or organization reporting pursuant to this act to report the amounts, dates or other circumstantial data regarding contributions made to any other organization or political committee, political party committee or campaign organization of a candidate.

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

The \$300 limit 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.2004, c.33, s.1)

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

21. a. Each political committee, as defined in subsection i. of section 3 of P.L.1973, c.83 (C.19:44A-3), which aids or promotes the nomination for election or the election of a candidate or the passage or defeat of a public question, <u>each independent expenditure committee</u>, as defined in subsection t. of section 3 of P.L.1973, c.83 (C.19:44A-3), each continuing political committee

as defined in subsection n. of section 3 of P.L.1973, c.83, and each legislative leadership committee as defined in subsection s. of section 3 of P.L.1973, c.83, shall submit to the commission a statement of registration which includes:

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- (1) the complete name or identifying title of the committee and the general category of entity or entities, including but not limited to business organizations, labor organizations, professional or trade associations, candidate for or holder of public office, political party, ideological grouping or civic association, the interests of which are shared by the leadership, members, or financial supporters of the committee;
- (2) the mailing address of the committee and the name and resident address of a resident of this State who shall have been designated by the committee as its agent to accept service of process; and
- 16 (3) a descriptive statement prepared by the organizers or officers 17 of the committee that identifies (a) the names and mailing addresses 18 of the persons having control over the affairs of the committee, 19 including but not limited to persons in whose name or at whose 20 direction or suggestion the committee solicits funds, and persons 21 participating in any decision to make a contribution of such funds to 22 any candidate, political committee or continuing political 23 committee and, in the case of an independent expenditure 24 committee, any decision to expend funds for the purpose of 25 influencing or attempting to influence the outcome of any election 26 or the nomination, election, or defeat of any person to State or local 27 elective public office or the passage or defeat of any public 28 question, legislation, or regulation, or in providing political 29 information on any candidate or public question, legislation, or 30 regulation; (b) the name and mailing address of any person not 31 included among the persons identified under subparagraph (a) of this paragraph who, directly or through an agent, participated in the 32 33 initial organization of the committee; (c) in the case of any person 34 identified under subparagraph (a) or subparagraph (b) who is an 35 individual, the occupation of that individual, the individual's home 36 address, and the name and mailing address of the individual's 37 employer, or, in the case of any such person which is a corporation, 38 partnership, unincorporated association, or other organization, the 39 name and mailing address of the organization; and (d) any other 40 information which the Election Law Enforcement Commission may, 41 under such regulations as it shall adopt pursuant to the provisions of 42 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 43 seq.), require as being material to the fullest possible disclosure of 44 the economic, political and other particular interests and objectives 45 which the committee has been organized to or does advance. The 46 commission shall be informed, in writing, of any change in the 47 information required by this paragraph within three days of the 48 occurrence of the change. Legislative leadership committees shall

be exempt from the requirements of subparagraphs (a), (b) and (c) of this paragraph.

- b. After submission of a statement of registration to the commission pursuant to this section, the committee shall use the complete name or identifying title on all documents submitted to the commission, in all solicitations for contributions, in all paid media advertisements purchased or paid for by the committee in support of or in opposition to any candidate or public question, and in all contributions made by the committee to candidates or other committees and, in the case of an independent expenditure committee, any decision to expend funds for the purpose of influencing or attempting to influence the outcome of any election or the selection, nomination, election, or defeat of any person to State or local elective public office or the passage or defeat of any public question, legislation, or regulation, or in providing political information on any candidate or public question, legislation, or regulation, legislation, or regulation.
- c. Each report of contributions under section 8 of P.L.1973, c.83 (C.19:44A-8) by a political committee, continuing political committee, independent expenditure committee, or legislative leadership committee required under subsection a. of this section to submit a statement of registration shall include, in the case of each contributor who is an individual, the home address of the individual if different from the individual's mailing address, or, in the case of any contributor which is an organization, any information, in addition to that otherwise required, which the Election Law Enforcement Commission may, under such regulations as it shall adopt pursuant to the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), require as being material to the fullest possible disclosure of the economic, political and other particular interests and objectives which the contributing organization has been organized to or does advance.
- d. Any political committee, continuing political committee, independent expenditure committee, or legislative leadership committee may at any time apply to the commission for approval of an abbreviation or acronym of its complete, official name or title for its exclusive use on documents which it shall submit to the commission. Upon verification that the abbreviation or acronym has not been approved for such use by any other political committee, continuing political committee, independent expenditure committee, or legislative leadership committee, the commission shall approve the abbreviation or acronym for such use by the applicant committee, and the committee, and any individual, corporation, partnership, membership organization or incorporated or unincorporated association which, under the provisions of P.L.1973, c.83 (C.19:44A-1 et al.), submits any documents to the commission containing a reference to that committee, shall thereafter use that approved abbreviation or acronym in documents

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submitted to the commission. The commission shall, during its regular office hours, maintain for public inspection in its offices a current alphabetically arranged list of all such approved abbreviations and acronyms, indicating for each the name of the committee for which it stands, and shall make copies of the list available upon request.

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

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

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

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

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

Every independent expenditure committee may designate a chairman of the committee, but no person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the chairman of an independent expenditure committee. No candidate or holder of public office, directly or indirectly, shall establish, authorize the establishment of, maintain, or participate in the management or control of any independent expenditure committee. Every independent expenditure committee, not later than the date on which it first receives any contribution or makes or incurs any expenditure for the purpose of influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to State or local elective public office or the

passage or defeat of any public question, legislation, or regulation, or providing political information on any candidate or public question, legislation, or regulation, shall appoint a single organizational treasurer and designate an organizational depository, but no person serving as the chairman of a political party committee or a legislative leadership committee shall be eligible to be appointed or to serve as the organizational treasurer of an independent expenditure committee. Not later than the 10th day after the initial designation of the organizational depository, the committee shall file the name and address of the depository, and of the organizational treasurer, with the Election Law Enforcement Commission.

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

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

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

An organizational treasurer of a political party committee, a continuing political committee, an independent expenditure committee, or a legislative leadership committee and a campaign treasurer of a political committee may appoint deputy organizational or campaign treasurers as may be required and may

designate additional organizational or campaign depositories. Such committees shall file the names and addresses of such deputy treasurers and additional depositories with the Election Law Enforcement Commission not later than the fifth day after their appointment or designation, respectively.

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

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

- 5. Section 11 of P.L.1973, c.83 (C.19:44A-11) is amended to read as follows:
- 11. No contribution of money or other thing of value, nor obligation therefor, including but not limited to contributions, loans or obligations of a candidate himself or of his family, shall be made or received, and no expenditure of money or other thing of value, nor obligation therefor, including expenditures, loans or obligations of a candidate himself or of his family, shall be made or incurred, directly or indirectly, to support or defeat a candidate in any election, or to aid the passage or defeat of any public question, or to aid the passage or defeat of legislation or regulation in the case of an independent expenditure committee, 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; [or]
- 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

1 the total of the money so expended, exclusive of such traveling 2 expenses, exceeds \$500, and also, where the person is an individual, 3 to report the individual's occupation and the name and mailing 4 address of the individual's employer, to the Election Law 5 Enforcement Commission at the same time and in the same manner 6 as a political committee subject to the provisions of section 8 of 7 [this act] P.L.1973, c.83 (C.19:44A-8). Such expenditure made 8 during the period between the 13th day prior to the election and the 9 date of the election shall be filed in writing or by telegram within 10 48 hours of the making, incurring or authorization of the 11 expenditure and shall set forth the name and mailing address of the 12 person, firm or organization to whom or which the expenditure was 13 paid and the amount and purpose of the expenditure.

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(cf: P.L.2004, c.33, s.2)

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.

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

12. An organizational or campaign treasurer or deputy organizational or campaign treasurer of a candidate committee or joint candidates committee, a political committee, a continuing political committee, an independent expenditure committee, 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.

45 (cf: P.L.1995, c.178, s.1)

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

1 18. If any former candidate or any political committee or any 2 person or association of persons in behalf of such political 3 committee or former candidate shall receive any contributions or 4 make any expenditures with relation to any election after the date 5 set in section 16 of [this act] P.L.1973, c.83 (C.19:44A-16) for the 6 final report subsequent to such election, or shall conduct any 7 testimonial affair or public solicitation for the purpose of raising 8 funds to cover any part of the expenses of a candidate [or], 9 political committee, independent expenditure committee, or other 10 organization in such election, all such contributions, expenditures, 11 testimonial affairs or public solicitations shall be reported to the 12 Election Law Enforcement Commission by the person or persons 13 receiving such contributions or making such expenditures or 14 conducting such testimonial affairs or public solicitations. 15 report shall be made by any person receiving any such contribution 16 or contributions, or making any such expenditure or expenditures, 17 which in the aggregate total more than \$100.00, or conducting any 18 testimonial affair or public solicitation of which the net proceeds 19 exceed \$100.00; and shall be made within 20 days from the date 20 upon which the aggregate of such contributions, expenditures or 21 proceeds exceed \$100.00 for the period commencing with the 19th 22 day following such election or with the date upon which any 23 previous report was made pursuant to this section, whichever is 24 sooner. Such report shall be made in the same form and shall 25 contain the same detail prescribed for any other report made pursuant to section 8 or 16 of [this act] P.L.1973, c.83 (C.19:44A-8 26 27 or C.19:44A-16).

(cf: P.L.1983, c.579, s.17)

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

19. a. No person shall conduct any public solicitation as defined in this act except (1) upon written authorization of the campaign or organizational treasurer of the candidate committee or joint candidates committee, political committee, continuing political committee, political party committee, independent expenditure committee, or legislative leadership committee on whose behalf such solicitation is conducted, or (2) in accordance with the provisions of subsection c. of this section. A person with such written authorization may employ and accept the services of others as solicitors, and shall be responsible for reporting to the treasurer the information required under subsection b. of this section and for delivery to the treasurer the net proceeds of such solicitation in compliance with section 11 of [this act] P.L.1973, c.83 (C.19:44A-11). A contribution made through donation or purchase in response to a public solicitation conducted pursuant to written authorization of a treasurer shall be deemed to have been made through such treasurer.

- b. Whenever a public solicitation has been authorized by a treasurer during a period covered by a report required to be filed under sections 8 and 16 of [this act] P.L.1973, c.83 (C.19:44A-8 and C.19:44A-16), there shall be filed with such report and as a part thereof an itemized report on any such solicitation of which the net proceeds exceed \$200, in such form and detail as required by the rules of the Election Law Enforcement Commission, which report shall include:
- (1) The name and mailing address of the person authorized to conduct such solicitation, the method of solicitation and, where the person is an individual, the occupation of the individual and the name and mailing address of the individual's employer;
- (2) The gross receipts and expenses involved in the solicitation including the actual amount paid for any items purchased for resale in connection with the solicitation, or, if such items or any portion of the cost thereof was donated, the estimated actual value thereof and the actual amount paid therefor, and the names and addresses of any such donors. If it is not practicable for such itemized report to be completed in time to be included with the report due under sections 8 and 16 of [this act] P.L.1973, c.83 (C.19:44A-8 and C.19:44A-16) for the period during which such solicitation was held, then such itemized report may be omitted from said report and if so omitted shall be included in the report for the next succeeding period.

Adjustments to the \$200 limit established in this subsection 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 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).

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

- 1 individual's employer. Adjustments to the \$200 limit established in
- 2 this subsection which have been made by the Election Law
- 3 Enforcement Commission, pursuant to section 22 of P.L.1993, c.65
- 4 (C.19:44A-7.2), prior to the effective date of P.L.2004, c.28 are
- 5 rescinded. The \$200 limit established in this subsection shall
- 6 remain as stated in this subsection without further adjustment by the
- 7 commission in the manner prescribed by section 22 of P.L.1993,
- 8 c.65 (C.19:44A-7.2).
- Such report shall be made to the Election Law Enforcement Commission at the same time and in the same manner as a political committee, continuing political committee, political party
- 12 committee, independent expenditure committee, or a legislative
- 13 leadership committee subject to the provisions of section 8 of [this
- 14 act P.L.1973, c.83 (C.19:44A-8).
  - d. Contributions or purchases made in response to a public solicitation conducted in conformity with the requirements and conditions of [this act] P.L.1973, c.83 (C.19:44A-1 et seq.) shall not be deemed anonymous within the meaning of sections 11 and 20 of [this] the act.
- of [this] the act.

  e. No person contributing in good faith to a public solicitation not duly authorized in compliance with the provisions of [this act]

  P.L.1973, c.83 (C.19:44A-1 et seq.) shall be liable to any penalty

under [this] the act by reason of having made such contribution.

24 (cf: P.L.2004, c.28, s.6)

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- 9. Section 20 of P.L.1973, c.83 (C.19:44A-20) is amended to read as follows:
  - 20. No contribution of money or other thing of value, nor obligation therefor, shall be made, and no expenditure of money or other thing of value, nor obligation therefor, shall be made or incurred whether anonymously, in a fictitious name, or by one person or group in the name of another, to support or defeat a candidate in an election or to aid the passage or defeat of any public question or to provide political information on any candidate or public question or to seek to influence the content, introduction, passage or defeat of legislation.
- No individual, either alone or jointly with one or more other individuals, and no corporation, partnership, membership organization or other incorporated or unincorporated association shall loan or advance to any individual, group of individuals, corporation, partnership, membership organization or other incorporated or unincorporated association any money or other thing of value expressly for the purpose of inducing the recipient thereof, or any other individual, group, corporation, partnership, organization or association, to make a contribution, either directly or indirectly, of money or other thing of value to a candidate or the candidate committee or joint candidates committee of a candidate.

1 No person shall contribute, or purport to contribute, to any 2 candidate, candidate committee or joint candidates committee, political committee, continuing political committee, independent 4 expenditure committee, political party committee or legislative leadership committee funds or property which does not actually 6 belong to him and is not in his full custody and control; which has 7 been given or furnished to him by any other person or group for the purpose of making a contribution thereof, except in the case of 9 group contributions by persons who are members of the 10 contributing group; or which has been loaned or advanced expressly 11 for the purpose of inducing the making of a contribution to a 12 candidate, candidate committee or joint candidates committee.

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

(cf: P.L.1993, c.65, s.11)

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- 10. Section 2 of P.L.1995, c.391 (C.19:44A-22.3) is amended to read as follows:
- 2. a. Whenever a candidate committee, joint candidates committee, political committee, continuing political committee, independent expenditure committee, political party committee or legislative leadership committee, or any group other than such a committee, or any person makes, incurs or authorizes an expenditure for the purpose of financing a communication aiding or promoting the nomination, election or defeat of any candidate or providing political information on any candidate which is an expenditure that the committee, group or person is required to report to the Election Law Enforcement Commission pursuant to P.L.1973, c.83 (C.19:44A-1 et seq.), the communication shall clearly state the name and business or residence address of the committee, group or person, as that information appears on reports filed with the commission, and that the communication has been financed by that committee, group or person.
- b. Whenever a candidate committee, joint candidates committee, political committee, continuing political committee, independent expenditure committee, political party committee or legislative leadership committee, or any group other than such a committee, or any person makes, incurs or authorizes an expenditure for the purpose of financing a communication aiding the passage or defeat of any public question or providing political information on any public question, or aiding the passage or defeat of legislation or regulation in the case of an independent expenditure committee, which is an expenditure that the committee, group or person is required to report to the Election Law Enforcement Commission pursuant to P.L.1973, c.83

1 (C.19:44A-1 et seq.), the communication shall clearly state the name 2 and business or residence address of the committee, group or person, 3 as that information appears on reports filed with the commission, and 4 that the communication has been financed by that committee, group or 5 person.

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- c. A communication that is financed <u>by an independent</u> <u>expenditure committee or</u> by any person, not acting in concert with a candidate or any person or committee acting on behalf of a candidate, shall contain a clear and conspicuous statement that the expenditure was not made with the cooperation or prior consent of, or in consultation with or at the request or suggestion of, any such candidate, person or committee.
- 13 d. Any person who accepts compensation from a committee, 14 group or individual described in subsection a. or b. of this section for 15 the purpose of printing, broadcasting, or otherwise disseminating to the electorate a communication shall require the committee, group, or 16 17 individual to file a copy of the statement of registration required to be 18 filed with the Election Law Enforcement Commission pursuant to 19 section 21 of P.L.1993, c.65 (C.19:44A-8.1) and shall maintain a 20 record of the transaction which shall include an exact copy of the 21 communication and a statement of the number of copies made or the 22 dates and times that the communication was broadcast or otherwise 23 transmitted, and the name and address of the committee, group or 24 individual paying for the communication. The record shall be 25 maintained on file at the principal office of the person accepting the 26 communication for at least two years and shall be available for public 27 inspection during normal business hours.
  - e. As used in this section, "communication" means a press release, pamphlet, flyer, form letter, sign, billboard, paid advertisement printed in any newspaper or other publication or broadcast on radio or television, or telephone call featuring a recorded message, or any other form of advertising , including Internet and digital advertising, directed to the electorate.
  - f. The provisions of this section shall not be construed to apply to any bona fide news item or editorial contained in any publication of bona fide general circulation.
  - g. (1) A person who violates a provision of this section shall be subject to the civil penalties provided in section 22 of P.L.1973, c.83 (C.19:44A-22).
  - (2) A person who, with intent to injure anyone or to conceal wrongdoing, purposely falsifies, conceals or misrepresents information required by this section to be disclosed or maintained on file is guilty of a crime of the fourth degree.
- h. The Election Law Enforcement Commission shall promulgate rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to effectuate the purpose of this section. The commission may, by regulation, exempt from the provisions of this section small, tangible items of de minimis value

1 which are commonly used in campaigns to convey a political message,

- including, but not limited to, buttons, combs, and nail files. The
- 3 commission may also, by regulation, exempt from the provisions of
- 4 this section advertising space purchased by a candidate committee,
- 5 joint candidates committee, political committee, continuing political
- 6 committee, political party committee, legislative leadership committee
- 7 or other person, in a political program book distributed at a fund-
- 8 raising event if the financial transaction is otherwise subject to
- 9 disclosure. An exemption granted by the commission with respect to
- 10 any item shall not relieve the committee, group or individual making
- 11 an expenditure therefor from any applicable campaign finance
- 12 reporting requirements.
  - In addition, the commission shall have the authority to provide, by regulation, that a communication need not include the address of the committee, group or person financing the communication in circumstances where the name of a committee, group or person would be sufficient to identify it from the commission's records.
- 18 (cf: P.L.2004, c.30, s.1)

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- 11. (New section) To determine whether a person, candidate committee, joint candidates committee, continuing political committee, or independent expenditure committee has made a coordinated expenditure with any candidate or political party, the Election Law Enforcement Commission shall consider whether the candidate or political party, the candidate committee, or any staff member or agent thereof:
- a. cooperated with, consented to, authorized, or exercised control over the production or circulation of the communication expenditure;
- b. requested or suggested that the communication expenditure be made;
  - c. provided information to the person or entity making the communication expenditure with regard to the content, timing, location, mode, intended audience, distribution, or placement of the television, radio, direct mail, or other form of communication;
  - d. discussed or negotiated with the purchaser, creator, producer, or distributor of the communication concerning the content, timing, location, mode, intended audience, distribution, or placement of the communication;
  - e. shared information or held discussions on campaign or media strategy with the person or entity making the communication expenditure or with the purchaser, creator, producer, or distributor of the communication;
- f. shared its polling or other research with the person or entity making the communication expenditure or whether or not the person or entity making the communication expenditure shared its polling or other research with the candidate, candidate committee, or with any agent of the candidate or candidate committee; or

g. engaged in any other activity the Election Law Enforcement Commission determines, by regulation, constitutes a coordinated expenditure.

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

13. This act shall take effect on the first date, following enactment, that occurs after July 16, 2019 by which a quarterly report would be required to be filed pursuant to paragraph (1) of subsection d. of section 8 of P.L.1973, c.83 (C.19:44A-8), but the first such report shall not be required to be filed until the next quarterly report filing deadline thereafter as specified in that paragraph and shall include only those reportable items which occur after the effective date of this act.

#### **STATEMENT**

This bill revises "The New Jersey Campaign Contributions and Expenditures Reporting Act" to institute new reporting requirements on certain organizations.

The bill requires disclosure by any "independent expenditure committee," defined as any person organized under section 527 or paragraph (4) of subsection (c) of section 501 of the federal Internal Revenue Code that engages in influencing or attempting to influence the outcome of any election or the nomination, election, or defeat of any person to any State or local elective public office or the passage or defeat of any public question, legislation, or regulation, or in providing political information on any candidate or public question, legislation, or regulation, and raises or expends \$3,000 or more for any such purpose. The bill requires these committees to report contributions in excess of \$10,000 and expenditures in excess of \$3,000 to the Election Law Enforcement Commission (ELEC), and prohibits a candidate or holder of public office from establishing, authorizing the establishment of, maintaining, or participating directly or indirectly, in the management or control of any independent expenditure committee. Under R.S.1:1-2, the term "person" includes corporations, companies, associations, societies, firms, partnerships and joint stock companies as well as individuals.

The bill defines "electioneering communication" as any communication made from January 1 of an election year and the date of the election and refers to: 1) a clearly identified candidate

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1 for office and promotes or supports a candidate for that office or 2 opposes a candidate for that office, regardless of whether the 3 communication expressly advocates a vote for or against a 4 candidate; or 2) a public question, and promotes or supports the 5 passage or defeat of that question, regardless of whether the 6 communication expressly advocates a vote for or against the 7 passage of the question. The term includes communications 8 published in any newspaper or periodical; or broadcast on radio, 9 television, the Internet or digital media, or any public address 10 system; placed on any billboard, outdoor facility, button, motor 11 vehicle, window display, poster, card, pamphlet, leaflet, flyer, or 12 other circular; or contained in any direct mailing, robotic phone 13 calls, or mass e-mails.

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

The bill codifies the criteria used by ELEC to determine when coordination with a candidate or political party has occurred, and allows ELEC to issue additional criteria by regulation. Under the bill, foreign entities would be prohibited from registering as independent expenditure committees for the purpose of making independent expenditures in any State or local election. The bill explicitly includes Internet and digital advertisement in the "political information," definitions "electioneering communication," and "communication." It further requires persons who accept compensation from any committee, group, or individual for the placement of communication to be disseminated to the electorate to require such committee, group, or individual to file a copy of their statement of registration they filed with ELEC.

Under the bill, independent expenditure committees would file quarterly reports of contributions received in excess of \$10,000 and expenditures made in excess of \$3,000. The bill requires independent expenditure committees to also report within 48 hours any contribution received or expenditure made in excess of \$500 and \$800, respectively, when such is received or made after the final day of a quarterly reporting period and on or before an election which occurs after that final day but before the final day of the next reporting period.

The provisions of the bill are severable. The bill would take effect on the first date, following enactment, that occurs after July 16, 2019 by which a quarterly report would be required to be filed pursuant to N.J.S.A.19:44A-8(d)(1). The bill specifies that the first of those reports will not be required to be filed until the next quarterly report filing deadline as specified in that paragraph and specifies that the report need only include those reportable items which occur after the effective date of the bill.