SENATE, No. 698 STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by: Senator M. TERESA RUIZ District 29 (Essex) Senator NICHOLAS P. SCUTARI District 22 (Middlesex, Somerset and Union) Senator SANDRA B. CUNNINGHAM District 31 (Hudson)

Co-Sponsored by: Senators Cryan, Gopal and Turner

SYNOPSIS

Allows public office holder or candidate to use political contributions to pay for child care expenses related to office or campaign activities.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/10/2020)

2

AN ACT concerning the use of campaign funds and amending
 P.L.1993, c.65.

3

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

6

12

30

7 1. Section 17 of P.L.1993, c.65 (C.19:44A-11.2) is amended to8 read as follows:

9 17. a. All contributions received by a candidate, candidate
10 committee, a joint candidates committee or a legislative leadership
11 committee shall be used only for the following purposes:

(1) the payment of campaign expenses;

13 (2) contributions to any charitable organization described in 14 section 170(c) of the Internal Revenue Code of 1954, as amended or 15 modified, or nonprofit organization which is exempt from taxation under section 501(c) of the Internal Revenue Code of 1954, except 16 17 any charitable organization of which the candidate or a member of 18 the candidate's immediate family is a paid officer, director or 19 employee or receives compensation for goods or services provided 20 to the organization;

(3) transmittal to another candidate, candidate committee, or
joint candidates committee, or to a political committee, continuing
political committee, legislative leadership committee or political
party committee, for the lawful use by such other candidate or
committee;

(4) the payment of the overhead and administrative expenses
related to the operation of the candidate committee or joint
candidates committee of a candidate or a legislative leadership
committee;

(5) the pro rata repayment of contributors; or

31 (6) the payment of ordinary and necessary expenses of holding32 public office.

33 As used in this subsection, "campaign expenses" means any 34 expense incurred or expenditure made by a candidate, candidate committee, joint candidates committee or legislative leadership 35 36 committee for the purpose of paying for or leasing items or services 37 used in connection with an election campaign, other than those 38 items or services which may reasonably be considered to be for the 39 personal use of the candidate, any person associated with the candidate or any of the members of a legislative leadership 40 committee; and "member of the candidate's immediate family" 41 42 means the candidate's spouse, child, parent, or sibling, and the 43 child, parent, or sibling of the candidate's spouse.

b. No contribution received by a candidate or by the candidatecommittee or joint candidates committee of a candidate may be

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

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

S698 RUIZ, SCUTARI

3

used for the payment of the expenses arising from the furnishing, 1 2 staffing or operation of an office used in connection with that 3 person's official duties as an elected public official. 4 c. Any funds remaining in the campaign depository of a 5 candidate's candidate committee or joint candidates committee upon 6 the death of the candidate shall be used only for one or more of the 7 purposes established in subsection a. of this section by the committee's organizational treasurer or deputy treasurer or whoever 8 9 has control of the depository upon the death of the candidate. 10 d. Expenses incurred by the holder of a public office or a 11 candidate for child care may be paid from campaign contributions 12 received pursuant to P.L.1973, c.83 (C.19:44A-1 et seq.) only if the 13 expenses are for providing care for the well-being and protection of 14 the child outside of the home, in a child care facility, or in the home 15 of the office holder or candidate. Eligible expenses shall be those 16 that result directly from activities in which the office holder or candidate engages for the purposes of holding public office or of a 17 18 campaign for public office, and would not have otherwise been 19 incurred but for those activities. Child care expenses shall not include payments to a member of the office holder's or candidate's 20 21 household. 22 The Election Law Enforcement Commission shall promulgate 23 regulations regarding eligible expenses and shall provide written 24 guidance upon request from an office holder or candidate prior to 25 the expense being incurred or after the expense is incurred. 26 (cf: P.L.2007, c.202, s.1) 27 28 2. This act shall take effect immediately. 29 30 31 **STATEMENT** 32 33 This bill permits the use of campaign funds to pay for child care 34 expenses incurred by a candidate or the holder of a public office. 35 Under the bill, expenses incurred by the holder of a public office 36 or a candidate for child care may be paid from campaign 37 contributions only if the expenses are for providing care for the 38 well-being and protection of the child outside of the home, in a 39 child care facility, or in the home of the office holder or candidate. 40 Eligible expenses will be those that result directly from activities in 41 which the office holder or candidate engage for the purposes of 42 holding office or a campaign for public office, and would not have 43 otherwise been incurred but for those activities. Child care 44 expenses will not include payments to a member of the office 45 holder's or candidate's household. 46 The Election Law Enforcement Commission must promulgate 47 regulations regarding eligible expenses and must provide written

S698 RUIZ, SCUTARI

4

- 1 guidance upon request from an office holder or candidate prior to
- 2 the expense being incurred or after the expense is incurred.
- 3 Current law permits the use of campaign contributions to pay for
- 4 campaign expenses, make a charitable contribution, contribute to
- 5 another campaign committee, pay for committee overhead and
- 6 administrative expenses, repay contributions, and pay for the
- 7 ordinary and necessary expenses of holding public office.