

2011 ANNUAL REPORT

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**Updated March, 2013*



New Jersey Election Law Enforcement Commission

P.O. Box 185, Trenton, New Jersey 08625



COMMISSIONERS & SENIOR STAFF

Commission's Office

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From left: Assistant Report Examiner Lovinsky Joseph, Legal Director Carol L. Hoekje, Legal Counsel James P. Wyse, Commissioner Amos C. Saunders, Chairman Ronald DeFilippis, Vice Chairman Walter F. Timpone, Executive Director Jeff Brindle, Deputy Director Joseph W. Donohue, and Director of Review and Investigation Shreve Marshall.



MISSION STATEMENT & TABLE OF CONTENTS

The essence of Democracy is an informed electorate. It is the fulfillment of this goal that the New Jersey Election Law Enforcement Commission (ELEC) embraces as its valued mission.

Established in 1973, ELEC monitors the campaign financing of all elections in the State. Whether the election is for Governor or Mayor, member of the Legislature or a City Council, candidates and campaign organizations are required to file with the Commission contribution and expenditure reports.

The Commission also administers the law requiring candidates for the Governorship and Legislature to make public their personal finances prior to election day. Moreover, ELEC administers those sections of the law, which establish a filing obligation on the part of lobbyists and their clients. Finally, ELEC is responsible for enforcing various aspects of the Pay-to-Play law, particularly as it pertains to disclosure.

In addition, the Commission is responsible for administering partial public financing of gubernatorial primary and general elections, for rule making, and, as part of its regulatory duties, for holding public hearings. Finally, ELEC exercises its enforcement authority, ensuring the integrity of the financial aspects of the State's electoral process.

A major part of New Jersey's system of elections, the Election Law Enforcement Commission has upheld a tradition of fair, but energetic, administration of the State's financial disclosure laws. That tradition is strong today and will remain so in the future.

	<u>PAGE</u>
THE COMMISSION	1
COMMISSION STAFF.....	6
TABLE OF ORGANIZATION.....	7
MESSAGE FROM THE CHAIRMAN	8
EXECUTIVE DIRECTOR'S REMARKS	10
LEGISLATIVE REVIEW AND RECOMMENDATIONS.....	12
COMPLIANCE DIVISION	
COMPLIANCE SECTION.....	15
SPECIAL PROGRAMS SECTION.....	17
LAW DIVISION	
LEGAL SECTION	18
REVIEW AND INVESTIGATION SECTION	20
OPERATIONS DIVISION	
INFORMATION TECHNOLOGY SECTION.....	22
FINANCE AND ADMINISTRATION SECTION.....	24
STATUTORY HISTORY OF ELEC.....	26
ELEC OVERVIEW	27
ELEC'S HOMEPAGE	28



HOW TO CONTACT ELEC

	BY VISITING OUR OFFICES LOCATED AT: NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION 28 WEST STATE STREET, 13 TH FLOOR TRENTON, NEW JERSEY						
	BY REGULAR MAIL AT: NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION P.O. BOX 185 TRENTON, NJ 08625-0185						
	BY COMMERCIAL DELIVERY AT: <ul style="list-style-type: none"> - It is important to allow enough time for a report to be physically received at the Commission's office on the filing due date. - When using a commercial delivery service such as FedEx, UPS, DHL, or any other delivery service, please use the following address and telephone number: <p>NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION 28 WEST STATE STREET, 13TH FLOOR TRENTON, NEW JERSEY 08608 (609) 292-8700</p>						
	BY TELEPHONE AT: <p>(609) 292-8700</p> <p>TOLL FREE WITHIN NEW JERSEY 1-888-313-ELEC (3532)</p>						
	BY FAX AT: <table border="1"> <tr> <td>48-HOUR REPORTING OF CONTRIBUTIONS AND EXPENDITURES MADE BETWEEN 13 DAYS PRIOR TO ELECTION AND ELECTION DAY:</td> <td>(609) 292-7662</td> </tr> <tr> <td>REQUESTS:</td> <td>(609) 633-9854</td> </tr> <tr> <td>LEGAL:</td> <td>(609) 777-1457</td> </tr> </table>	48-HOUR REPORTING OF CONTRIBUTIONS AND EXPENDITURES MADE BETWEEN 13 DAYS PRIOR TO ELECTION AND ELECTION DAY:	(609) 292-7662	REQUESTS:	(609) 633-9854	LEGAL:	(609) 777-1457
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	VIA THE INTERNET AT: <p>http://www.elec.state.nj.us/</p>						



THE COMMISSION

Ronald J. DeFilippis, Chairman

Ronald J. DeFilippis is a founding partner in the firm of Mills & DeFilippis (CPAs LLP) where he currently serves as senior partner. He was appointed to the Commission in June, 2010. Mr. DeFilippis was named Chairman by Governor Chris Christie in October of that year.

Chairman DeFilippis is one of the few veteran campaign treasurers ever to be named to the Commission. His first involvement as a campaign treasurer occurred in 1977, when former State Senator C. Robert Sarcone of Essex County asked him to serve as treasurer for his campaign in the Republican Primary for Governor. Since then, he has served as treasurer for scores of candidates throughout New Jersey for offices ranging from township council seats to U.S. Senate. From 1989 to 1995, he served as Treasurer for the Assembly Republican Majority.

Chairman DeFilippis graduated from Siena College in Loudonville NY with a B.A. in Accounting in 1973. He earned his MBA in Finance from Rutgers University Graduate School of Business in 1977. He formed his accounting firm in 1978.

His professional licenses include: Certified Public Accountant, State of New Jersey; Certified Public Accountant, State of New York; Certified Public Accountant, State of Florida; Certified in Financial Forensics by the American Institute of CPAs; Personal Financial Specialist designation by the American Institute of CPAs; and Insurance Producers License, State of New Jersey.

His memberships include: American Institute of Certified Public Accountants; New Jersey Society of Certified Public Accountants; Florida Institute of Certified Public Accountants; Morris County Chamber of Commerce; and Roxbury Township Chamber of Commerce.

Married, Commissioner DeFilippis and his wife, Patti, reside in Succasunna. They have two sons.



Ronald J. DeFilippis, Chairman



THE COMMISSION continued

Walter F. Timpone, Vice Chairman

Walter F. Timpone was appointed to the Commission in October 2010 by Governor Chris Christie.

Vice Chairman Timpone, formerly Chief of Special Prosecutions for the United States Attorney's Office in Newark, is now a Partner in the Morristown law firm McElroy, Deutsch, Mulvaney & Carpenter.

While at the U.S. Attorney's Office, he led the prosecutions and convictions of nearly twenty-five public officials on charges of corruption and fraud against the public.

Vice Chairman Timpone also served as the first Federal Election Monitor in Passaic County. As the monitor he was assigned the task of protecting the voting rights of the County's Hispanic citizens.

The Vice Chairman was also appointed by the Federal Court as Ombudsman for the Department of Defense to oversee a contractor who failed to notify the government of failed parts related to the Patriot missile.

In his current position, Vice Chairman Timpone represents health care industry organizations, companies, institutions, and individuals. Moreover, he is an Associate General Executive Board Attorney for the LIUNA Union where he investigates, charges, and takes to hearing union members for violations of union's rules and ethics procedures.

Vice Chairman Timpone, who has extensive trial experience, is admitted to practice in New Jersey and New York as well as the United States Supreme Court, Federal District Courts of New Jersey and the Northern, Southern, and Eastern Districts of New York.

He has been named as a Super Lawyer in New Jersey and was listed in the Top 100 New Jersey Super Lawyers for 2009 and 2010.



Walter F. Timpone, Vice Chairman



THE COMMISSION continued

Amos C. Saunders, Commissioner

Amos C. Saunders, a retired Superior Court Judge from Passaic County, was appointed to the Commission in June, 2008. Named to the bench in 1977 by Governor Brendan T. Byrne, he was the county's only Chancery Division judge on general equity matters. He handled some of the most difficult cases in Passaic history including: right-to-die cases, injunctive relief litigation, corporate dissolutions, and difficult will and probate cases.

A member of the New Jersey and Passaic County Bar Associations, Commissioner Saunders is of counsel to the Clifton law firm of Carlet, Garrison, Klein and Zaretsky. He is admitted to practice before the United States Supreme Court.

Judge Saunders has served as a Municipal Court Judge in Totowa, a Totowa Municipal Attorney, and an Administrative Law Judge for the Waterfront Commission of New York Harbor.

Long involved in volunteer activities, Commissioner Saunders has served as the Chairman of the Fairlawn March of Dimes and as a trustee of the Totowa Volunteer Ambulance Corps. for more than 40 years.

Judge Saunders, one of the nation's premier experts on boxing law, is well known for presiding over several cases with such luminaries as Don King, Mike Tyson, Lennox Lewis, and Evander Holyfield appearing in his courtroom. He was named by International Boxing Digest as one of the most powerful people in the sport.

Formerly a faculty member of the National Judicial College, which is highly recognized for training judges and other court personnel, Commissioner Saunders received a B.A. from Hampden-Sydney College and a J.D. from the Columbia University School of Law.

Married, Commissioner Saunders and his wife, Janet, reside in Totowa. The couple have three children.



Amos C. Saunders, Commissioner



THE COMMISSION continued

Jeffrey M. Brindle, Executive Director

Jeffrey M. Brindle's experience as a regulator as well as in various governmental and electoral capacities allows him to bring an uncommon perspective to the position of Executive Director.

As Deputy Director, Brindle oversaw budgetary and personnel planning and development, participated in public policy development, and engaged in legislative and press relations. He also oversaw the Commission's transformation from a manual-based operation to a technological-based one, an effort begun in the 1990's.

Executive Director Brindle authored twenty analytical white paper reports on campaign financing and lobbying and published articles in newspapers, magazines, and periodicals. He also authored the recent report on the Clean Elections Pilot Program, prepared the Cost Analysis Report, and wrote the report on the Commission's technological needs.

The Executive Director managed governmental offices at various levels and branches of government and brings experience in electoral politics to the position. His academic credentials include a B.A. degree from Rutgers, The State University of New Jersey and an M.A. degree in Political Science from Villanova University. He is also affiliated with The College of New Jersey (TCNJ) as an adjunct professor in the Political Science Department.

Prior to coming to ELEC in 1985, Brindle had been the Director of the Public Information Office at the State Department of Community Affairs, a Legislative Staff Director, Somerset County Deputy County Clerk, New Brunswick Public Information and Complaints Director, and Executive Director of the Union County Chapter of the March of Dimes.

He has also been a candidate for Assembly and a Municipal Chairman. Brindle and his wife Karen have four children.



Jeffrey M. Brindle, Executive Director



THE COMMISSION continued

James P. Wyse, Legal Counsel

James P. Wyse was selected to be the Commission's Legal Counsel in 1994, and began serving in that capacity in January, 1995.

Mr. Wyse is a partner with the firm of Coughlin Duffy, LLP in Morristown, New Jersey. He specializes in the areas of commercial real estate, contract and business law, conservation, farmland, and historic preservation law, and trusts and estates.

Mr. Wyse, admitted to practice in New Jersey and before the United States Court of Appeals for the Third Circuit, has argued cases in that Court and before the New Jersey Supreme Court.

As Counsel for a number of national, State, and local land trust organizations, Mr. Wyse has developed special expertise regarding conservation and agricultural easements and innovative land preservation techniques.

Mr. Wyse has earned an AV® Peer Review Rating from Martindale Hubbell®, the highest rating for legal ability and general ethical standards.

Mr. Wyse received a B.S. degree from Bucknell University and J.D. degree with honors from the Rutgers University School of Law.



James P. Wyse, Legal Counsel



COMMISSION STAFF

EXECUTIVE

Jeffrey M. Brindle, M.A.Executive Director
Joseph W. Donohue.....Deputy Director
Steven Kimmelman, M.A..... Research Associate
Elbia L. Zeppetelli Administrative Assistant
Maureen TilburyExecutive Secretary
Renee Zach..... Legal Secretary

COMPLIANCE DIVISION

Campaign Financing and Lobbying

Amy F. Davis, Esq.Compliance Director
Linda White.....Director of Lobbying
Todd J. Wojcik.....Director of Campaign Financing
Kimberly Key Senior Compliance Officer
Titus KamalAssociate Compliance Officer
Nancy FitzpatrickAssociate Compliance Officer
Maite Urtasun..... Assistant Compliance Officer
Marcus Malmignati Assistant Compliance Officer
Danielle Hacker..... Assistant Compliance Officer
Christopher Vigale..... Assistant Compliance Officer
Milene Matos Assistant Compliance Officer
Joseph Barish Assistant Compliance Officer
Monica Triplin-Nelson..... Technical Assistant
Elizabeth A. Michael..... Technical Assistant
Desiree DeVito..... Technical Assistant
Samira Wood Technical Assistant
Michel Donato-Suarez.....Clerk
Linda Lopez Clerical Assistant

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Christine Aquilante.....Special Programs Analyst
Laura Jurkiewicz.....Special Programs Analyst
Scott M. Fagerty.....Special Programs Analyst

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Gail Shanker, Esq.....Associate Legal Director
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Amanda Haines, Esq..... Assistant Legal Director
Theresa Lelinski, Esq..... Assistant Legal Director

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Shreve E. Marshall, Jr.Director
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Christopher Guear, M.P.A.... Associate Review Officer
Matthew Krinsley Assistant Review Officer
Christopher Mistichelli Assistant Review Officer
Lovinsky Joseph..... Assistant Report Examiner

OPERATIONS DIVISION

Information Technology

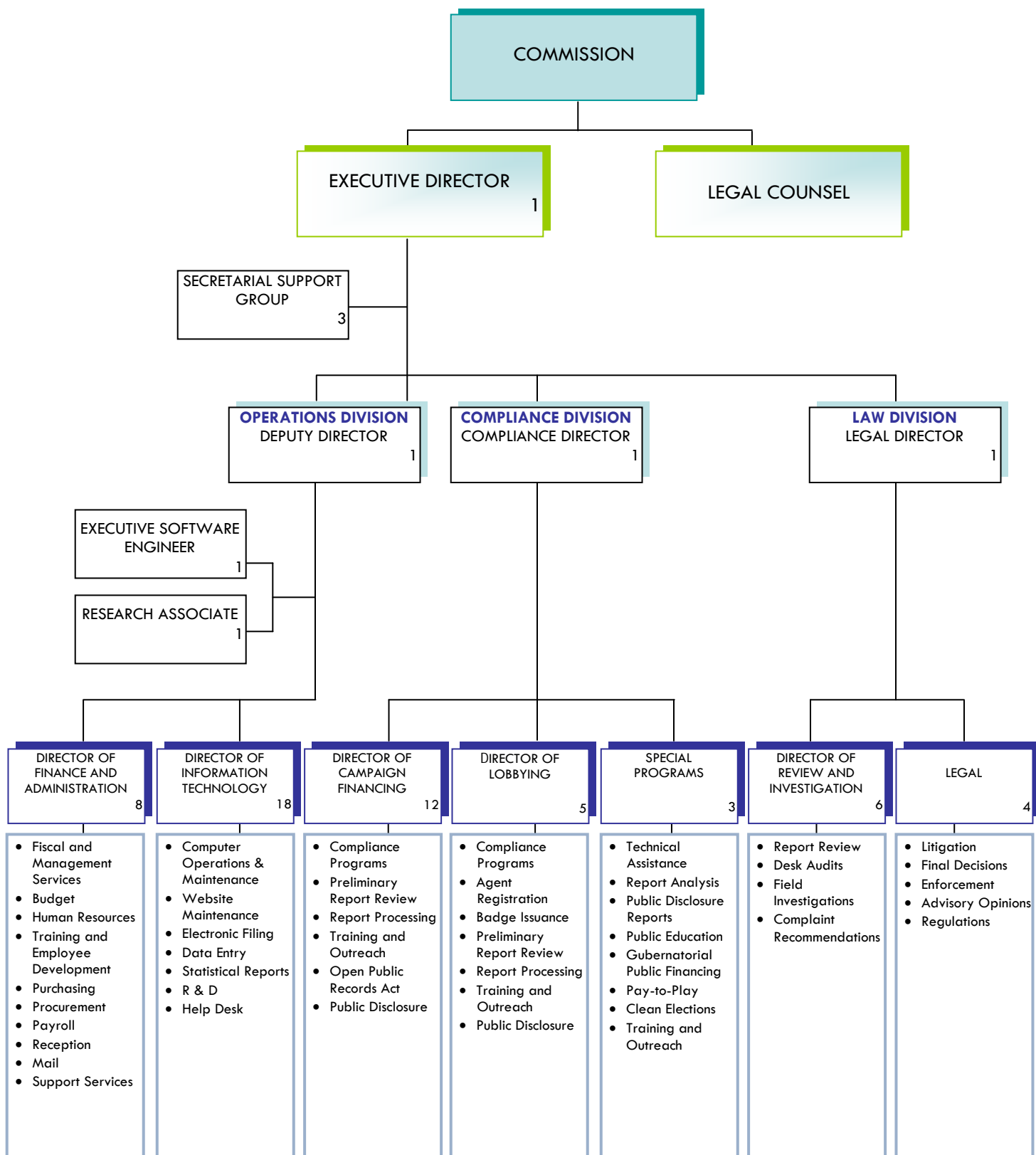
Carolyn Neiman.....Director
Kim Roman Associate Director
Brian Robbins..... Executive Software Engineer
Anthony Giancarli..... Associate Systems Administrator
Aydan A. Altan.....Assistant Software Engineer
Peter PalaitisAssociate Help Desk Technician
Louis Solimeo Associate Computer Technician
Ken Colandrea Assistant Computer Technician
Maryanne Garcia.....Principal Webmaster
Brenda A. Brickhouse Data Entry Supervisor
Darlene KozlowskiAssistant Data Entry Supervisor
Shirley R. Bryant Senior Data Entry Technician
Nelly R. Rosario.....Associate Data Entry Technician
Barbara Counts.....Associate Data Entry Technician
Pamela Kinsey Associate Data Entry Technician
Helen Kelly.....Associate Data Entry Technician
Tamika McCoy Assistant Data Entry Technician
Susan Danley Assistant Data Entry Technician
Tamico Flack Assistant Data Entry Technician

Finance and Administration

Steven M. Dodson, M.B.A.Director
Elaine J. Salit Senior Fiscal Officer
Judy Sheridan Personnel Officer
Debra A. KostivalPrincipal Receptionist
Irene ComisoSenior Receptionist
Aracelis OcasioSenior Clerk
Meggan Strigel..... Clerk
Igor Milewski Clerk



TABLE OF ORGANIZATION





MESSAGE FROM THE CHAIRMAN

The primary mission of the Commission is disclosure. As such its efforts in the area of Information and Technology are of paramount importance.

In a recent annual report I mentioned the fact that the Commission had introduced a local contributor database. This database allows the public to search and download information on individual contributors to municipal, county and school board candidates. Moreover, citizens can now search contributors to municipal party committees and county party committees. Thus the wealth of campaign finance information available to the public continues to expand.

Of course, the local contributor database is not all the information that the public can obtain from the Commission's website, which by the way was selected in 2010 by The Documents Association of New Jersey as "The Best Official Website." Detailed contributor data is also available for gubernatorial and legislative candidates. And whether an individual citizen is interested in a particular candidate report, a party report, a political committee report, or a PAC report he or she can access them through the Commission's website.

The Commission is not one to rest on its laurels. In addition to the information available to the public as noted above the staff now scans lobbyist annual and quarterly financial reports onto the Internet. These reports are readily accessible by clicking on the Commission's home page. And for the first time this year lobbyists were able to file their annual financial disclosure reports electronically.

Obviously there is much to be proud of the progress that has been made in the Information and Technology area. However, there still is much to be done in order to meet our goal of electronic filing for all filers, including, but not limited to political party committees and PACs. First and foremost the system infrastructure needs to be upgraded in order to assure that ELEC's well respected website continues to function properly. At this point the basic foundation of our system is quite old and



Ronald J. DeFilippis, Chairman

needs to be modernized. Staff is undertaking a study of the Commission's computer needs. Once the infrastructure needs are satisfied staff will proceed to accomplish the goal of e-filing for all.

Providing information to the public is certainly an important function of the Commission. So in addition to the Commission's Information and Technology efforts the agency has been very aggressive in providing real time analyses of trends in campaign financing, lobbying and pay-to-play. Last year, analyses were published involving the legislative election, the "Big Six Committees," the county political party committees, and municipal elections. Moreover, analyses were produced involving trends in lobbying spending, special interest PAC spending and pay-to-play. These analyses have been popular with the press and public and have received wide attention.

Bolstering the real time analyses published last year were two in-depth studies; one involving financial activity in school board elections over the previous decade and one involving trends in financial activity by legislative candidates between 1999 and 2009. These studies added to the numerous studies completed over three decades, all of which provide the public, press and academics with a rich library of publications tracing long term trends in campaign finance and lobbying.

In terms of the Commission's mission of disclosure, the Compliance Section continued to make impressive progress in assuring that filers understand the various laws and what they need to do to comply with them. Consistent with the Commission's goal of enhancing compliance by candidates, parties, PACs, lobbyists and public contractors; the Compliance staff conducted 18 in-house training seminars. Further, staff conducted 9 training seminars off-site. Training at various locations throughout the State was introduced for the purpose of enhancing compliance with the various filing requirements by those who participate in the electoral process. Finally, with the introduction of e-filing for lobbyist annual financial reports, several training seminars were held to help lobbyists become familiar with the software.



MESSAGE FROM THE CHAIRMAN continued

During 2011, approximately *33,950 reports were scanned and processed, including 24,952 photocopies made for the public. And once again the efforts of the Compliance staff resulted in a compliance rate of over 90 percent.

Regarding compliance with campaign finance, lobbying and pay-to-play laws the staff is present to provide helpful assistance to the public. Whether through training seminars, via the telephone or through person to person contact the Compliance staff is there to assist filers, the press, and the general public.

Partnering with other law enforcement agencies to root out public corruption is also an important responsibility of the Commission. In redoubling its efforts in area of enforcement the Commission has made strides toward eliminating an investigative backlog and shortening the time between when a violation is uncovered and when it is prosecuted.

During 2011 the Investigative staff completed 18 investigations, all resulting in penalty recommendations. This accomplishment is commendable in that this small staff is charged with the responsibility of covering the entire State.

The area of enforcement is amply served by the Commission's very able Legal staff. Besides preparing advisory opinions; drafting, proposing and promulgating regulations; the Legal staff undertook legal research in preparation for defending the Commission in court. All told the Legal staff issued a total 100 complaints and 85 final decisions against candidates, lobbyists and organizations that violated the law.

It goes without saying that the State of New Jersey has been navigating through difficult financial waters the last few years. While the Commission has not done "more with less" it has done a "great deal more with the same." The Commission's budget, after being trimmed close to a million dollars since Fiscal Year 2007, has remained stable during the Christie administration. The Finance and Administration staff has done an excellent job in helping the Commission not only survive but to move boldly ahead with new initiatives as it

strives to bring transparency to the electoral and governmental processes.

Without question the Commission can point to many achievements in 2011. And these accomplishments are due to a fine staff which continues to perform its responsibilities in exemplary fashion. While I would like to mention each person individually, space in this message will not allow it. So I will mention the Directors who have managed their sections effectively. Legal Director Carol Hoekje not only oversaw the efforts of a fine Legal staff but did an excellent job working with the Attorney General in the legal fees case and in defending the Commission's jurisdiction in the Morris County Freeholder case. Director of Review and Investigation Shreve Marshall continued to make improvements in the efficiency of the section's efforts to investigate violators of the Act. Director of Compliance Amy Davis, Director of Lobbying Linda White, and Director of Campaign Financing Todd J. Wojcik, again brought a sense of purpose and initiative to the section's charge of enhanced disclosure. The efforts of Carol Neiman, head of Information Technology, are self evident as are Finance and Administration Director Steve Dodson in his maintaining the integrity of our fiscal and Human Resources operations.

One of the stated goals of Executive Director Jeff Brindle is to enhance the profile of the agency in order to heighten the public's respect for the role of the Commission in the electoral and governmental processes of New Jersey. The work of Deputy Director Joe Donohue has gone far toward helping the Commission meet that goal.

In conclusion, these days a major concern is transparency in government. ELEC is front and center in the effort to ensure that campaigns and elections are open and above board. In the coming year we will continue to make every effort to not only equal the achievements of the past but to surpass them.

On behalf of the members of the Election Law Enforcement Commission, I proudly submit this report to the Legislature.



EXECUTIVE DIRECTOR'S REMARKS

During 2011 the Commission again built upon past achievements. As noted on the Commission's website the agency's main mission is disclosure, or in other words to ensure that the public's interest is served through transparency. In this regard every effort was made to not only maintain services at current levels but to enhance the reputation of the Commission through aggressively promoting a policy agenda that would bring more light to the electoral and governmental processes. And concomitant with the above, the Commission undertook an energetic approach toward strengthening enforcement and eliminating a backlog of cases primarily due to a year-long directorship vacancy in this vital area.

Last year I participated in a joint press conference with State Comptroller Matthew Boxer to promote pay-to-play reform. The press conference helped bring attention to a law that sorely needs to be simplified, strengthened, and standardized. These three S's of reform are contained in the Commission's proposal for pay-to-play reform adopted in January of 2010. That proposal calls for one state law to apply across the board, an end to the fair and open loophole, a \$17,500 threshold for vendor reporting of public contracts and contributions, and a modest increase in the contribution limit applying to vendors subject to pay-to-play. The adoption of these reforms would further strengthened New Jersey's law, which already is the best in the nation.

But the proposal to reform pay-to-play is merely the tip of the iceberg in terms of proposals the Commission has made to strengthen disclosure in the areas of campaign finance and lobbying. And it is not the only reform measure that the Commission highlighted last year in its push to make New Jersey's statutory scheme even stronger.

In recent years outside, independent groups have played an increasingly influential role in political campaigns. Spurred on by the enactment of the

Bipartisan Campaign Reform Act (BCRA), otherwise known as McCain/Feingold, these groups are challenging the hegemony of political parties as the most influential organizations participating in the electoral process. Moreover it is likely that these groups will be spending more money than the candidates themselves. And what is concerning about that is the fact that these outside groups often are not required to report who their contributors are or how much money they spend on election related activity. In other words there is no accountability to the public.



Jeffrey M. Brindle, Executive Director

The Commission has proposed that these groups register with the Commission and disclose their financial activity to it. The much maligned Citizens United case strongly supports disclosure so reforms that would require reporting by these groups would be constitutional. During the course of the year, through my columns and public comments, the Commission's recommendation for reform has been promoted.

Besides calling for the enactment of pay-to-play reform and disclosure by outside groups, the Commission has proposed that limits on contributions from county committees to each other, called wheeling, be imposed and that the ability for individuals affiliated with political parties to form PACs be made more difficult. This would impede somewhat the proliferation of affiliated PACs that can be used to circumvent pay-to-play laws.

Finally, the package of reforms pushed by the Commission includes the important recommendation that the lobbying law be amended to require that lobbying activity on behalf of local government entities be disclosed as well as lobbying directed toward local government agencies. Existing law only requires lobbying of the State Legislature and executive branch to be disclosed by professional lobbyists.

In the coming months the Commission will continue to advocate for these important changes.



EXECUTIVE DIRECTOR'S REMARKS continued

For nearly nine months the Commission functioned with a vacancy in the position of Director of Review and Investigation. During that time, Mr. Shreve Marshall ably assumed those responsibilities as Acting Director. Subsequently, Mr. Marshall was named Director of the Section. Of course, in the meantime this organizational move has left the Section with one less investigator to monitor the activities of candidates, political parties, committees, lobbyists and pay-to-players. All told these entities file in excess of 30,000 reports per year and derive from all levels of government throughout the entire State of New Jersey.

Needless to say, Mr. Marshall and his small staff of five have done a good job in not only bringing recommendations for complaints to the Commission but in attempting to get a handle on a backlog of cases that occurred as the result of the vacancy. While much work needs to be done the staff will continue to make headway toward my stated goal of bringing cases to fruition in as timely a fashion as possible.

Two major undertakings were pursued by the Commission's Legal staff this year. Spearheaded by Carol Hoekje, ELEC's Legal Director, the Commission, in conjunction with the Attorney General, sued in State court on a matter involving the illegal use of campaign funds to defend in a criminal matter. Further, the Commission intervened in the Morris County Freeholder case. Appearing before a state Appellate tribunal, Director Hoekje presented a strong case in favor of the Commission's exclusive jurisdiction over matters involving campaign finance violations. The court ruled in ELEC's favor.

The above mentioned cases are among the most visible of activities undertaken by the Legal Section. But in reality the Legal staff was very vigilant in aggressively pursuing cases last year, albeit often under the radar screen.

And finally, I would be remiss in not mentioning Administrative Assistant Elbia Zeppetelli and her staff, Maureen Tilbury and Renee Zach who have assisted the Legal and Review and Investigation staff with administrative functions.

To be sure, as Chairman DeFilippis stated in his message, the mission of the Commission is disclosure. But what may be missed is that there are two aspects of any strategy that seeks to assure compliance with campaign finance laws. First, a compliance effort that includes outreach to the regulated community through in-house and off-site training programs, face-to-face and telephonic instruction, Internet treasurer training, and simple and understandable manuals and forms is a key component of compliance. And second, a strong and aggressive enforcement approach buttresses efforts put forth by the Compliance Section.

In a word, the two are partners in ensuring that the compliance rate continues to be in excess of 90 percent.

During the coming year the Commission will press on its attempt to reform the campaign finance and lobbying laws. It also will continue to aggressively enforce the laws already on the books to guarantee that violators are penalized and transparency in the electoral and governmental processes is served. In 2011, the Commission imposed 82 fines totaling \$92,667.

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LEGISLATIVE REVIEW AND RECOMMENDATIONS

In a year when all 120 legislators faced reelection, there was lots of campaign finance activity but little action on campaign finance legislation.

Candidates in 2011 raised more than \$45 million and spent \$38 million during the campaign.

While those sums were significant, fundraising was down 10 percent from 2007, the last year when all legislative seats were in contention.



Joseph W. Donohue, Deputy Director

Independent Spending Surges Nationally and in New Jersey

A major new development was the involvement by independent groups in the legislative campaign. The trend was predicted by Jeff Brindle, ELEC's Executive Director, a year earlier.

At least seven groups spent an estimated \$1.3 million independently in the 2011 legislative campaigns—an increase of nearly 700 percent from 2007, the last non-gubernatorial legislative election. This is based on five independent spending reports and one grassroots lobbying report filed with ELEC. Four years earlier, only about \$165,000 was spent independently.

Including other New Jersey non-federal campaigns, independent groups have spent at least \$20 million since 2007. The independent spending included nearly \$13.7 million just on the 2009 governor's race.

Last fall's activity in New Jersey took place even as so-called super PACs were raising tens of millions of dollars at the federal level for this year's presidential and congressional races. Super PACs are new federal campaign finance committees that were created in the wake of the *Citizens United v. Federal Election Commission* decision in January 2010 and *Speechnow.org v. FEC* in March 2010. These cases prompted FEC to approve the first two super PACs in July 2010— one conservative, one liberal.

Super PACs are similar to traditional political action committees in that they disclose their contributions to the FEC. But they can raise and spend unlimited sums, and they must operate without coordinating their activities with candidates.

Independent spending began mushrooming several years before *Citizens United*. But the ruling accelerated the trend by striking down limits on the amount corporations and unions could spend independent of candidates. The judges did strongly uphold the principle of disclosure and maintained a ban on direct contributions by unions and corporations to federal candidates.

Super PACs could show up for the first time in New Jersey as early as the weeks leading up to the June 5th presidential primary, or during congressional races this fall.

Even more independent spending is expected in the legislative and gubernatorial races in 2013. With this in mind, the Commission, in its list of legislative priorities (see below) is including Super PACs among the list of groups that would have to disclose contributions if they have obvious involvement in New Jersey campaigns yet stop short of explicitly urging the support or defeat of a candidate.

All Quiet on the Legislative Front

As the 2010-2011 legislative session expired in mid-January, the legislative agenda included at least 91 bills pertaining to campaign finance or lobbying. Only one became law.

Co-sponsored by Senator Raymond Lesniak and Assemblyman Joseph Cryan (Both D-Union), the bill (S-3166/A-4432) had bipartisan support and was enacted by Governor Chris Christie in January. The bill banned political fundraising on all public property. Previous law applied only to state property. The bill also conferred jurisdiction on ELEC to enforce the law. As with the previous law, the agency can impose fines of not less than \$5,000 per violation. The bill did not include additional funds for enforcement.



LEGISLATIVE REVIEW AND RECOMMENDATIONS continued

While not a campaign finance bill, another bipartisan bill (S-3148/A-4394) that will have an impact on ELEC was enacted by Governor Christie in January. Co-sponsored by Senator Donald Norcross and Assemblyman Louis Greenwald (both D-Camden), it will cause a shift in the agency's workload by enabling school districts to move their elections from April to November. At the time of this writing, more than 468 districts- nearly 80 percent- had made the switch.

New Legislative Recommendations

With this annual report, the Commission is including three new priority recommendations for legislative action.

One would require that all school board members file candidate certified statements (A-1 forms) if they receive no contributions and make no expenditures. Currently, school board candidates are the only ones except write-in candidates who are not required to make such a legal declaration.

A second recommendation would require continuing political committees (PACs) to disclose expenditures they make in May Municipal, Runoff, School and Special Elections. Fuller disclosure is warranted given the growing cost of local elections.

The Commission also urges the Legislature to require candidates to provide the public with more detailed expenditure information. Specifically, candidates who spend campaign funds on dinners or other meetings should be required to maintain records and disclose details about who attended the event, what was purchased, and why they considered the expense "ordinary and necessary."

New Priority Recommendations

Requiring school board candidates to file candidate certified statements (A-1 forms) if they raise no contributions or make no expenditures.

Potential Benefit: School board candidates are the only candidates except for write-in candidates who are not required to make such a declaration. Given that spending on school elections grew steadily during the past decade, fuller disclosure by candidates seems warranted.

Expand the 48-hour notice requirement for continuing political committee (PACs) expenditures to require that they file notices for expenditures made to May Municipal, Runoff, School, and Special Elections.

Potential Benefit: More disclosure, since an increasing amount of money is being spent on local elections.

When candidates spend campaign funds on dinners or other meetings, they must keep detailed records about who attended the event, what was purchased and why they considered the expense "ordinary and necessary."

Potential Benefit: More disclosure for the public and less chance that a candidate will misuse campaign funds for personal use.

PRIORITY RECOMMENDATIONS

Disclosure of Super PACs 527 and 501(c) committee activity.

Potential Benefit: Super PACs and non-profit groups organized under Section 527 and Section 501(c) of the IRS code have become active players in political campaigns nationally and in New Jersey. Yet, disclosure by these groups is woefully inadequate.

Simplifying and standardizing "pay-to-play" laws by prohibiting business entities from entering county or municipal contracts above \$17,500 if they make certain political donations.

Potential Benefit: Extending the prohibition that applies to state contractors to county and municipal contractors should greatly reduce the "pay-to-play" influence of business entities.

Expand the regulation of "wheeling" to include contributions by county political party committees to other county political party committees during the entire year to avoid circumvention of the contribution limits.

Potential Benefit: This will avoid intentional or unintentional evasions of contribution limits. Currently, there is no limit on transfers between county party committees during the general election.



LEGISLATIVE REVIEW AND RECOMMENDATIONS continued

Require lobbying activity on behalf of government agencies to be disclosed by registered lobbyists.

Potential Benefit: Wider disclosure could help discourage unnecessary spending by public entities and provide more transparency over governmental activities.

Broaden the governmental activities law to include lobbying of local governmental entities.

Potential Benefit: These changes would dovetail with current pay-to-play disclosure rules that are intended to prevent contractors from exerting undue influence over public officials. Local vendors who make political donations must report them to ELEC if they have major government contracts. They are not required to disclose any indirect influence they exert through lobbyists. A new disclosure requirement would fix that oversight.

Place the personal financial disclosure statements of candidates on the Internet and change the filing date to improve efficiency.

Potential Benefit: Personal financial disclosure forms of candidates discourage conflicts of interest by revealing information about the wealth and assets of those who seek elected office. This goal can be enhanced by providing timely Internet access to these reports making it easier for New Jersey citizens to be an informed voter. Providing candidates with more time in which to carefully complete these forms, along with a less confusing due date, will enhance compliance and disclosure with the law.

Discourage the proliferation of affiliated PACs in New Jersey.

Potential Benefit: This legislation would make it more difficult for groups and individuals to evade the contribution limits and “pay-to-play” laws by establishing multiple PACs.

OTHER INITIATIVES

Cost Savings and Efficiencies

- Delete the statutory requirement that a candidate file a copy of every election fund report with the county clerk in the county where the candidate resides.
- Eliminate the gubernatorial spending qualification threshold.
- Lengthen Commissioner terms to six years from three years and select the Commission Chair for a fixed term.
- Reallocate funds in the Commission’s public financing budget that traditionally were used for printing gubernatorial ballot statements for paid advertising of the mandatory gubernatorial debates.

Strengthen Campaign Finance, Personal Financial Disclosure and Lobbying Laws

- Enact legislation that gives statutory force to Commission prohibition against the use of campaign funds to pay legal bills that arise from criminal allegations.
- Enhance penalties for impermissible use of candidate committee funds.
- Conform the penalty provisions of the Personal Financial Disclosure law to the “New Jersey Campaign Contributions and Expenditures Reporting Act” (Campaign Act).
- Require disclosure of occupation and employer information for contributions from individuals in excess of the \$300 disclosure threshold on reports filed by an Inaugural event committee.
- Increase the penalties for public financing violations to conform to penalties for other Campaign Act violations because the public financing penalty amounts have not been changed since 1974.
- Conform the penalty provisions of the Lobbying Disclosure law to those of the Campaign Act.
- Ban the use of partnership funds for the purpose of making contributions.
- Require that the name given to a candidate’s campaign depository account contain the name of the candidate.
- Require grassroots lobbying materials to list the name and address of the committee that paid for them.



COMPLIANCE DIVISION

COMPLIANCE SECTION

In a year when all 120 legislators sought reelection and spending by lobbyists soared to record levels, ELEC's compliance division was confronted with a hectic workload.

Assisting Law Enforcement

Following a long-standing practice, the staff provided important assistance in 2011 to the U.S. Attorney's Office, the FBI, the Attorney General of New Jersey and other law enforcement agencies with regard to investigations that involved issues of



From left: Joseph Barish, Bettie Michael, Monica Triplin-Nelson, Todd Wojcik, Samira Wood, Linda White, Maite Urtasun, Nancy Fitzpatrick, Kim Key, Christopher Vigale, Danielle Hacker, Marcus Malmignati, Linda Lopez, Milene Matos, Titus Kamal, Michel Donato-Suarez, Desiree DeVito, and Amy Davis.

Last fall's legislative campaigns posed a major challenge, and, as usual, the staff rose to the occasion. Besides scanning and filing thousands of reports that are not filed electronically each election, the staff compiled detailed statistical summaries of fundraising and spending after each major filing date in the primary and general election. By helping to keep the public informed, this extensive disclosure served to fulfill the central mission of the agency. These reports also provide an important historical record for media members, academics and others.

In addition to the legislative elections, staff also processed reports filed by thousands of candidates running in school board, fire district, May Municipal, June runoff and local primary and general elections.

campaign financing, lobbying or pay-to-play. One notable example: a staff member testified in the trial of a former Secaucus mayor who was convicted of federal corruption charges.

Compliance

More than 6,375 candidates and committees filed thousands of reports in 2011. These reports were filed electronically or scanned to the website where the public, media, candidates and others also could benefit from prompt disclosure.



COMPLIANCE DIVISION continued

In addition, political party committees, legislative leadership committees and continuing political committees (also known as PACs) filed thousands of reports with the Commission. A total of 1,778 of these entities filed reports in 2011. Like the candidate reports, these were scanned and readied for public review.

Combined, the Commission received 25,250 reports from candidates and other filers during 2011.

Governmental affairs agents (lobbyists) and represented entities also filed reports with the Commission. The average number of registered governmental affairs agents last year was 935. Those agents filed *6,365 reports during the past year.

For the first time, the Compliance Division made available a "how-to" manual for lobbyists similar to the compliance manual previously provided to candidates. A special tab also was added to ELEC's website to enable quicker access to information on lobbying.

Moreover, electronic filing for annual reports was made available for lobbyists for the first time, though initial compliance will be voluntary. ELEC anticipates that it will make electronic filing mandatory for lobbyists and represented entities next year.

In total, *31,615 reports were filed by lobbyists, candidates and other political fundraising entities in 2011.

The Compliance Division did an outstanding job of promoting compliance with state disclosure laws during the past year. Staff members used direct mail, telephone assistance, seminars, and consultations to achieve this success. Routine reminder and delinquent filing notices were mailed out to candidates, treasurers and governmental affairs agents prior to and following important filing dates. Staff answered 9,914 telephone calls from the regulated community and provided immediate assistance with filing questions.

A critical component of the Compliance Division's effort was the informational seminars conducted over the past year. Staff held 27 seminars for treasurers, candidates, PACs and lobbyists. The better ELEC filers understand Commission rules, the more likely they will comply with those rules. Staff is busy preparing a new interactive online presentation for candidates that should be done this spring and hopefully will further enhance compliance.

Strict adherence to the Open Public Records Law (OPRA) is an important priority for the Commission, both in terms of assistance to filing entities and to the cause of transparency in government. The Compliance staff responded to 60 OPRA requests resulting in 24,952 photocopies of records.

Disclosure

"The First Amendment protects political speech; and disclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages."
- U.S. Supreme Court in Citizens United v. FEC, January 21, 2010.

"The manifest objective of the NJ Campaign and Expenditures Reporting Act is to identify and attempt to regulate the significant flow of substantial wealth aimed at affecting the outcome of elections, public questions and the legislative process. No one doubts that money is a prime lubricant of the machinery of politics. For too many years the financial aspect of politics has been shrouded either in a veil of secrecy or a fog of confusion. The average voter is aware of the tremendous cost involved in running even a modest campaign for elective office; however, he cannot help but wonder where the money comes from and more important...why it comes." New Jersey Supreme Court in NJ State Chamber of Commerce v. NJ ELEC, 1975.

*Updated: March, 2013



COMPLIANCE DIVISION continued

SPECIAL PROGRAMS SECTION

Gubernatorial Public Financing Program

One of the biggest responsibilities of the Special Programs Section staff is to administer New Jersey's publicly-financed gubernatorial election. Even though the next gubernatorial primary election will not take place until June 2013, activity already is underway to prepare for the election.

Candidates for governor file electronically through the Gubernatorial Electronic Filing System (GEFS). Software improvements to that system have been made since the 2009 election, and analysts continued to run tests on the revamped software to ensure that things will go smoothly when the gubernatorial public financing program gets into full swing.



From left: Christine Aquilante, Laura Jurkiewicz, Lou Solimeo, Amy Davis, and Scott Fagerty.

In 2011, the Commission began the process of reviewing primary and general election regulations to identify rules that need clarification and to draft new rules. The Commission in coming months will be making public those updated rules as well as completing its quadrennial update of its Cost Index Analysis. Both will be subject to ample review by Commission members and the public.

The Cost Index Report will include inflation-adjusted increases in contribution limits for gubernatorial candidates, the threshold to qualify for public funding, the amounts of public funds that can be awarded to qualifying candidates, and spending limits imposed under the program. A final Cost Index Report will be issued in December 2012.

Pay-to-Play

Approximately 2,116 business entities filed the Business Entity Annual Disclosure Statement (Form BE) that disclose any public contracts they hold and political contributions they made to New Jersey candidates and committees. The reports filed every March 30th are the major part of State efforts to deter corruption.

Last year, the reports disclosed 18,588 public contracts totaling \$5.85 billion. Business entities also disclosed 8,828 contributions worth \$9.66 million. The Special Programs staff provided filing assistance, conducted training seminars and answered questions regarding the law.

Information about pay-to-play activity also is provided by the Commission on its website and can be accessed through a variety of search methods. The goal is to provide New Jersey citizens with detailed information about the political practices of public contractors.

Conclusion

In 2011, the Compliance Division continued its commitment to providing support and assistance to the regulated community through its educational outreach and training programs. Public disclosure of reports in a timely fashion remained a top priority, and the staff largely fulfilled this mission.

It did so with the sort of courtesy and professionalism that has helped the Commission maintain its reputation as one of the most constituent-friendly agencies in state government.



LAW DIVISION

LEGAL SECTION

The Legal Section performs a critical mission in the Commission's work and contributes to the central mission of the Commission, which is to provide complete and accurate campaign and lobbying information while discouraging violations of the Campaign Contributions and Expenditures Reporting Act (the Act). The Legal Section is responsible for formulating advisory opinions, drafting regulations, and enforcing the disclosure laws under the jurisdiction of the Commission. Complaints, final

from 2005 through 2009. Five of these complaints also concerned making or receipt of excessive contributions.

Final Decisions - 2011

At the conclusion of each case in which it has issued a complaint, the Commission issues a final decision, which may impose monetary penalties. The Commission issued 85 Final Decisions in 2011 for violations spanning elections and calendar years from 2001 to 2010. The Final Decisions concerned campaign finance and lobbyist filing violations. The total fines received in calendar year 2011, which also included amounts received as payable in cases from earlier years, totaled \$92,666.55. All complaints and final decisions are posted on the Commission's website.

The Commission as Intervenor in Lyon v. Nordstrom

In an important case which challenged the Commission's jurisdiction to enforce violations of the Campaign Reporting Act, the Commission moved for, and was granted, leave to intervene in an appeal of a lower court's decision which had nullified the nomination of a candidate in the 2001 primary election based upon Reporting Act violations. Margaret Nordstrom v. William "Hank" Lyon, A-0291-11T1. The Commission argued in its brief and before the Court that the Commission has exclusive jurisdiction over Reporting Act violations but also that the lower Court had erred in imposing a remedy for a Reporting Act violation which was not found within the Act. In a decision rendered on February 7, 2012, the Appellate Division upheld the Commission's authority to enforce the Campaign Act and reversed the lower court's decision to nullify the primary election results as based upon the court's mistaken exercise of jurisdiction. The Appellate Division opinion holds that the Commission has exclusive jurisdiction to enforce reporting violations under the Campaign Act, while primary jurisdiction over allegations of contribution limit violations.



From left: Theresa J. Lelinski, Gail L. Shanker, Carol L. Hoekje, Michelle R. Levy, and Amanda S. Haines.

decisions, advisory opinions, and regulations are posted on the Commission's website, thereby providing the public with timely and convenient access to legal resources. The Legal Section staff also provides guidance to the Commission staff concerning the law and the regulations.

Complaints - 2011

In 2011 the Commission issued 100 complaints, including 32 complaints for nonfiling in the 2009 general election, 54 complaints for nonfiling in the 2010 primary election, and 14 additional complaints against candidates and committees for late and nonfiling of campaign finance information in elections and calendar years



LAW DIVISION continued

Superior Court litigation

The Commission filed a civil lawsuit on May 25, 2011 in the Superior Court of New Jersey seeking repayment of \$94,004 in campaign funds that were used to fund criminal defense costs on behalf of Sharpe James, a former mayor of the City of Newark and state senator. The complaint names as defendants Sharpe James, Cheryl Johnson, his campaign treasurer, and the Election Fund of Sharpe James, and seeks relief including an order of restitution to the campaign fund. The case is being handled by Deputy Attorney General Brian O. Lipman of the Attorney General's office (Division of Law). A trial date was scheduled for April 30, 2012.

Advisory Opinion 01-2011

To provide guidance to the regulated community, the Act authorizes the Commission to issue opinions regarding legal requirements under the Commission's jurisdiction that may impact future campaign or lobbying activities. These advisory opinions are issued to individuals having standing and are posted on ELEC's website.

The Commission issued Advisory Opinion No. 01-2011, concerning filing obligations for independent expenditures. The requestor was an entity with the stated objective to influence public policy concerning the public school system, and the entity planned to undertake public education, issue advocacy, and the making of independent expenditures. The Commission advised that an entity will incur a filing obligation for independent expenditures when making expenditures for communications containing explicit election advocacy. The entity would not incur a filing obligation as either a political committee or continuing political committee because it does not have as its stated major purpose the support or opposition of candidates or public questions, or the making of expenditures for communications containing explicit election advocacy. The contribution limits, which apply to political committees and continuing political committees, do not apply to its fundraising.

Other Activities: Regulations, Legislation Monitoring, Education

The Commission did not engage in rulemaking in calendar year 2011. The Legal Section staff continued to monitor legislation of potential interest to the Commission. Legal Director Hoekje taught a continuing legal education class in campaign finance issues and, with the assistance of Compliance Officer Danielle Hacker, in lobbying laws in New Jersey, before the Office of Legislative Services in November.

Conclusion

Interpreting and enforcing the provisions of law are critical elements of effective administration of the campaign and lobbying financial disclosure entrusted to the Commission and to its Legal Section. The Section's staff consists of four attorneys and the Director. Despite less than optimum staffing, the Legal Section continues to meet its challenges in a professional and responsible manner, to enforce the laws fairly and uniformly, and to treat all Respondents with the due process they are afforded under the law.

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LAW DIVISION continued

REVIEW AND INVESTIGATION

The Review and Investigation Section continues to be an integral part of the Commission, by responding to the public's questions about potential violations of the Campaign Reporting Act, Legislative Activities Disclosure Act, and Pay-to-Play, and then providing enforcement relevant to the alleged violations.

Investigations can be initiated in one of three ways: a Request for Investigation that is filed by a member of the public, information that is gathered by Commission staff from news stories or other sources, or through an internal audit conducted by staff. The Commission does not provide any information to indicate which of these three methods may have lead to the onset of an investigation.



From left: Matthew Krinsley, Lovinsky Joseph, Christopher Guear, Brett Mead, Christopher Mistichelli, and Shreve Marshall.

As noted above, the Request for Investigation form can be submitted by a member of the public. When submitting a Request for Investigation form be sure to include as much detailed information as possible and to provide specifics such as: the volume of literature produced and circulated, cost of advertising, etc. Also, it is good to provide documentary evidence or a physical description of such evidence relevant to the alleged violation. If the Commission has jurisdiction over the alleged violation it will review the allegations and determine within 90 days whether or not to open an investigation.

In 2011, the Section responded to 146 requests for investigation from members of the public- an all-time high. Of the 146 requests, 118 were presented to the Commission to determine if an investigation should proceed. The Commission determined that 40 warranted further review.

Of the 28 cases not referred to the Commission, the agency lacked jurisdiction in ten cases. In 18 others, staff assistance resolved the matters.

The Review and Investigation Section also routinely reviews the Commission files to determine whether or not entities have filed correctly, filed on time, or failed to file at all.

These and all other potential violations may lead to the issuance of a civil complaint and imposition of monetary penalties.



LAW DIVISION continued

Important investigations conducted by the Review and Investigation Section concerned the late filing of contribution and expenditure information by a municipal political party committee which eventually filed the requisite financial activity. Another investigation concerned the failure to file reports and 48-hour notices by joint candidates committee participating in a school board election. In some instances when the subject fails to comply with staff's request for information or financial records a subpoena *duces tecum* is issued to the subject or to a financial institution. In 2011, staff issued 31 subpoenas, the most ever issued in a calendar year.


The many requests for investigations and subpoenas, as well as staffing limitations and the increasing complexity of cases, added to the staff's already substantial workload. As a result, the number of closed investigations in 2011 was 18.

The Review and Investigation Section also works in conjunction with the Legal Section by providing assistance when preparing for hearings before the Office of Administrative Law and reviewing any reports that may be filed in response to the Commission's issuance of a civil complaint that was the result of a prior investigation. The Review and Investigation Section also assists other law enforcement agencies such as the F.B.I., the U.S. Attorney's office, the Inspector General, and the Attorney General by providing guidance as to what financial information is required to be reported and what financial records are required to be maintained by filing entities.

Currently, the Review and Investigation Section is made up of four investigators and one report examiner. Given the large and growing number of requests for investigations, the Section faces an enormous challenge: trying to provide the quality service that people have come to expect from the Commission, and enforcing the many filing requirements mandated by state law. We will continue our best efforts to meet this challenge.

Request for an Investigation – Form RFI

A request for investigation should be forwarded to the Commission to the attention of the Review and Investigation Section. The submitted request must provide the name and mailing address of the person submitting it, as well as a day and evening phone number. To access the form below, please visit www.elec.state.nj.us.

 <p align="center">CONFIDENTIAL REQUEST FOR AN INVESTIGATION STATE OF NEW JERSEY NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION P.O. Box 185, Trenton, NJ 08625-0185 (609) 292-8700 or Toll Free Within NJ 1-888-313-ELEC (3532) Website: www.elec.state.nj.us</p>		FORM RFI																		
		FOR STATE USE ONLY																		
<p>The New Jersey Election Law Enforcement Commission ("ELEC") investigative authority is limited to violations of the Campaign Contributions and Expenditures Reporting Act, <u>N.J.S.A. 19:44A-1 et seq.</u>, the Personal Financial Disclosure Act, <u>N.J.S.A. 19:44B-1 et seq.</u>, and the Legislative and Governmental Processes Activities Disclosure Act, <u>N.J.S.A. 52:13C-18 et seq.</u> ELEC does not have jurisdiction over the conduct of an election, the balloting process, or misapplying public funds for election purposes.</p>																				
<p>Person(s) Bringing Request: (Please Print or Type)</p> <p>Name: _____ Daytime Phone: (____) _____</p> <p>Address: _____ Evening Phone: (____) _____</p> <p>Name: _____ Daytime Phone: (____) _____</p> <p>Address: _____ Evening Phone: (____) _____</p> <p>Name: _____ Daytime Phone: (____) _____</p> <p>Address: _____ Evening Phone: (____) _____</p>																				
<p>Individual/Entity to be the subject of this request for an investigation: (Please list all persons/entities that are the subject of your request for an investigation.)</p> <table border="1"> <thead> <tr> <th>Candidate or Committee/Entity Name</th> <th>Office Sought/Election Type and Year</th> <th>Successful (select one)</th> </tr> </thead> <tbody> <tr> <td>_____</td> <td>_____</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td>_____</td> <td>_____</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td>_____</td> <td>_____</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td>_____</td> <td>_____</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> <tr> <td>_____</td> <td>_____</td> <td><input type="checkbox"/> Yes <input type="checkbox"/> No</td> </tr> </tbody> </table> <p>Election District/Municipality _____ County _____</p> <p>Indicate which of the above entities files with ELEC _____</p>			Candidate or Committee/Entity Name	Office Sought/Election Type and Year	Successful (select one)	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
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OPERATIONS DIVISION

INFORMATION TECHNOLOGY SECTION (IT)

Maintenance Upgrades

The big IT project for 2011 started with an enhancement to ELEC's award-winning website. A Lobbyist Section was added providing key information to Governmental Affairs Agents, Represented Entities and Grass-Roots lobbying groups. After this enhancement went into effect, the IT Section continued with its big project of the year-enabling lobbyists to electronically file their annual reports.

Electronic filing of lobbyist annual reports will not be mandatory for 2012. However, it will be mandatory for reports due February 15, 2013 and beyond.

Electronic filing was a key focus for the IT Section in 2011. The Gubernatorial Electronic Filing System (GEFS) maintenance upgrade was completed in anticipation of the next gubernatorial election. The IT staff had to complete the work well before the start of that election because activity for that election could start at any time.



Front Row: Peter Palaitis, Lou Solimeo, Brian Robbins, and Ken Colandrea.
Back Row: Carol Neiman, Shirley Bryant, Brenda Brickhouse, Anthony Giancarli, Darlene Kozlowski, Aydan Altan, Susan Danley, Pam Kinsey, Tamico Flack, Kim Roman, and Maryanne Garcia.

Lobbyists can now file those reports using an online Adobe fill-able and expandable PDF form with the ability to calculate the monetary fields. Once completed, the forms can be uploaded and will be presented on the Commission's website.

In addition to the annual lobbying forms, the Commission maintains electronic filing programs for Candidates and election-related Committees filing the long and short forms; the gubernatorial candidates participating in the Public Financing Program and the Pay-to-Play Business Entities annual filings. Treasurer training is also available electronically through the Commission's website.



OPERATIONS DIVISION continued

The IT support team also provides help desk assistance for computer issues to Commission staff and help desk assistance to the public for help with the website, website searches and electronic filing. IT also provides statistical assistance for analytical news releases and the Commission's white papers. The IT Section also supports the Commission's video projects and is responsible for the video shoot of news releases posted on YouTube.

Data Entry

In addition to keying the thousands of contribution items not received electronically, the Data Entry staff reviews the contribution information received electronically to check contributor types, names, spelling and addresses. Data Entry staff also keyed and verified annual lobbyist reports filed in 2011.

For electronic filers, the Commission issues a Registration Number and Personal Identification Number (PIN) that takes the place of a filers' signature. Data Entry staff are responsible for issuing the Registration Number and PIN to electronic filers. Data Entry issued 1,032 registration and PIN numbers during 2011.

Strategic Planning for the Future

Each year the Commission updates its strategic plan. The plan is used as a guide to prioritize improvements to its many programs and equipment. The to-do list includes replacement of IBM/FileNet eForms, upgrading from the current Panagon imaging and document management platform and a rewrite of ELECTrack, the Commission's legacy database.

The e-Forms maintenance is the top priority for the IT staff since the current program has reached the end of its life cycle and must be replaced prior to the next full legislative election in 2013. A non-proprietary web-based solution is being investigated by the IT staff.

Still on the horizon is the electronic filing of quarterly party and PAC filings to be followed by an electronic filing program for the governmental affairs agents' quarterly filings.

The Best Official Website.

The Commission's website was selected in 2010 by The Documents Association of New Jersey as "The Best Official Website."



Election Law Enforcement Commission

"(New Jersey) has a strong State Ethics Commission that has investigative power, while the Election Law Enforcement Commission is a watchdog that both barks and bites." - Trenton Times Editorial, March 21, 2012.

"We actually have a great Election Commission, the election law enforcement commission, that does a yeoman's work in terms of trying to keep track of political fundraising...(and).. expenditures. It also enforces our lobbying laws. But there's more work that we need to do in terms of those laws" - Colleen O'Dea, reporter, during NPR radio interview on March 19, 2012.



OPERATIONS DIVISION **continued**

FINANCE AND ADMINISTRATION SECTION

During 2011, the Finance and Administration Section continued to play an integral role in the successful operations of the Commission, by providing important management and employee services. Among the major areas handled and overseen by the Section are budget planning and analysis,



From left: Elaine Salit, Aracelis Ocasio, Meggan Strigel, Debra Kostival, Judy Sheridan, Igor Milewski, Irene Comiso, and Steven M. Dodson.

purchasing/procurement, personnel and payroll administration, mail processing, and facilities management. Additionally, the Finance and Administration Section oversees copier, fax and all other machinery maintenance for the entire Commission. Finally, reception services for the Commission are housed within the Finance and Administration Section. A great source of pride for all associated with the Commission is the fact that all telephone inquiries are still courteously and efficiently handled personally by a knowledgeable staff member, and are not simply forwarded to an answering machine or telephone menu.

Budget Administration

One of the major areas of responsibility for the Finance and Administration Section is the preparation, analysis, and management of the

Commission's budget. This task has been affected by additional difficulties in recent years, and 2011 was no exception. As a result of the fiscal crisis facing the State, the Commission had to deal with budgetary constraints throughout the year. Through Treasury budget efficiencies, the Commission's fiscal year 2012 Direct State Services adjusted appropriation of \$4.254 million was \$27,000 lower than the fiscal year 2011 adjusted appropriation of \$4.281 million. This put additional pressure on Finance and Administration Section staff to ensure accurate budgeting and management of expenditures.

Certainly these types of fiscal constraints could potentially have had a negative impact on Commission operations, especially considering the Commission's commitment to fully implementing all of the reform and ethics laws passed during the last few years. During 2011, however, Finance and Administration Section staff worked tirelessly with other Commission Sections to ensure the efficient management of the budget and the purchasing of necessary supplies and services, in order to keep the Commission functioning at an optimal level.

Personnel Administration

Another major area of responsibility for the Finance and Administration Section is the coordination and management of personnel activities for the entire Commission. As with the administration of the budget, the personnel area has also been severely impacted by the fiscal crisis facing the State in recent years. Finance and Administration Section staff successfully worked with the Civil Service Commission during 2011 to comply with all State personnel rules and regulations.



OPERATIONS DIVISION continued

Other Activities

In addition to handling fiscal and personnel issues for the Commission, the Finance and Administration Section is also responsible for general administrative functions, such as reception, mail processing, overseeing machinery and equipment maintenance, and acting as the Commission's liaison with the building management company. During 2011 the Section continued to work, often times impacted by the strict budgetary constraints, to maintain an atmosphere where all other Sections could focus solely on their respective roles within the Commission, without concern for these day-to-day administrative issues.

Conclusion

By providing important management and employee services in a timely and professional manner, the Finance and Administration Section has been an integral part of the Commission. During 2011, the Section operated within the parameters established by the Department of Treasury and the Governor's Office, and continued to handle all responsibilities effectively.

In Fiscal Year 2013, the Commission anticipates an appropriation of \$4,254,000 based on the Governor's Budget Message.

Comparison of Fiscal Years 2011 and 2012 Original DSS Appropriations

	FY-2011 <u>Appropriation</u>	FY-2012 <u>Appropriation</u>
Personnel	\$3,758,000	\$3,848,000
Printing & Supplies	45,000	45,000
Travel/Training	5,000	5,000
Telephone	58,000	58,000
Postage	56,000	56,000
Data Processing	171,000	171,000
Professional Services	40,000	40,000
Other Services	30,000	30,000
OIT	11,000	11,000
Maintenance for Equipment	2,000	2,000
Furniture/Equipment	0	0
Commissioner Per Diem	<u>15,000</u>	<u>15,000</u>
Total Operational	\$4,191,000	\$4,281,000

2011 Evaluation Data

Disclosure Reports (Total).....	*33,950
Campaign & Quarterly	25,250
Lobbyist	*6,365
Pay-to-Play.....	2,335
Investigations	18
Complaints	100
Public Assistance Requests	11,856
Photocopies.....	24,952
Fine Collection	\$92,667
Lobbying Annual Fees	\$332,775
Campaign Fundraiser Annual Fees.....	\$9,000

*Updated: March, 2013



STATUTORY HISTORY OF ELEC

- **Commission** created by P.L. 1973, c.83 (N.J.S.A. 19:44A-1 et seq.) – “The New Jersey Campaign Contributions and Expenditures Reporting Act” - effective date: April 24, 1973.
- **Gubernatorial Public Financing Program** established by P.L. 1974, c.26 (N.J.S.A. 19:44A-27 et seq.) - effective date: May 6, 1974.
- **Personal Financial Disclosure Program** established by P.L. 1981, c.129 (N.J.S.A. 19:44B-1 et seq.) - effective date: May 1, 1981.
- **Lobbying Program** established by P.L. 1981, c.150 (N.J.S.A. 52:13C-18 et seq.)-effective date: May 22, 1981.
- **Continuing Political Committee Quarterly Reporting** established by P.L. 1983, c.579 (amendments to N.J.S.A. 19:44A-1 et seq.) - effective date: January 17, 1984.
- **Lobbying Reform** established by P.L. 1991, c.243 (amendments to N.J.S.A. 52:13C-18 et seq.) - effective date: January 1, 1992.
- **Campaign Finance Reform** established by P.L. 1993, c.65 (amendments to N.J.S.A. 19:44A-1 et seq.) - effective date: April 7, 1993.
- **Street Money Reform Law** established by P.L. 1993, c.370, (codified as N.J.S.A. 19:44A-11.7) - effective date: January 7, 1994.
- **Uniform Recall Election Law** established by P.L. 1995, c.105, (codified as N.J.S.A. 19:27A-1 et seq.) - effective date: May 17, 1995.
- **Political Identification Law** established by P.L. 1995, c.391, (codified as N.J.S.A. 19:44A-22.2 and 22.3) - effective date: February 1, 1996.
- **Contribution Limit Changes** established by P.L. 2001, c.384 (amendments to N.J.S.A. 19:44A-1 et seq.) - effective date: January 8, 2002.
- **Campaign Financing Reform Initiatives** established by P.L. 2004, c.19, 21, 22, 28, 29, 30, 31, 32, 33, 123, and 174 (amendments to N.J.S.A. 19:44A-1 et seq.) - effective dates from June 16, 2004 through January 1, 2006.
- **Clean Elections Pilot Project** established by P.L. 2004, c.121 - effective date August 11, 2004.
- **Lobbying Law Expansion** established by P.L. 2003, c.255 (effective April 13, 2004) and P.L. 2004, c.20, 27, 34, 36, 37, and 38 (amendments to N.J.S.A. 52:13C-18 et seq.) - effective dates April 13 through August 16, 2004.
- **Pay-to-Play Contracting Reform** (amendments to N.J.S.A. 19:44A-1 et seq.) established by P.L. 2004, c.19 (codified as N.J.S.A. 19:44A-20.3 through 20.12) - effective January 1, 2006; P.L. 2005, c.51 (codified as N.J.S.A. 19:44A-20.13 through 20.25) - portions retroactive to October 15, 2004 and portions effective January 1, 2006; and, P.L. 2005, c.271 (codified as N.J.S.A. 19:44A-20.26 and 20.27) - effective January 5, 2006.
- **2007 Clean Elections Pilot Project** established by P.L. 2007, c.60 - effective date March 28, 2007.
- **Office of Lieutenant Governor** established by P.L. 2009, c.66 – effective date June 26, 2009.
- **Solicitation Ban on Public Property** established by P.L. 2011 c.204 – effective date January 17, 2012.



Elbia Zeppetelli and Renee Zach



ELEC OVERVIEW

1973

Frank P. Reiche, Chair
 Judge Sidney Goldmann, Vice Chair
 Judge Bartholomew Sheehan, Commissioner
 Florence P. Dwyer, Commissioner

1974-1979

Frank P. Reiche, Chair
 Judge Sidney Goldmann, Vice Chair
 Josephine Margetts, Commissioner
 Archibald S. Alexander, Commissioner

1980-1981

Judge Sidney Goldmann, Chair
 Josephine Margetts, Vice Chair
 Andrew C. Axtell, Commissioner
 M. Robert DeCotiis, Commissioner

1982-1983

Andrew C. Axtell, Chair
 M. Robert DeCotiis, Vice Chair
 Justice Haydn Proctor, Commissioner
 Alexander P. Waugh, Jr., Commissioner

1984-1986

Andrew C. Axtell, Chair
 Alexander P. Waugh, Jr., Vice Chair
 Justice Haydn Proctor, Commissioner
 Owen V. McNanny III, Commissioner

1987-1988

Judge Stanley G. Bedford, Chair
 Owen V. McNanny, III, Vice Chair
 Andrew C. Axtell, Commissioner
 David Linett, Commissioner

1989-1990

Judge Stanley G. Bedford, Chair
 Owen V. McNanny, III, Vice Chair
 David Linett, Commissioner
 S. Elliott Mayo, Commissioner

1991-1992

Owen V. McNanny, III, Chair
 Judge Stanley G. Bedford, Commissioner
 David Linett, Commissioner

1993-1994

Owen V. McNanny, III, Chair
 William H. Eldridge, Vice Chair
 David Linett, Commissioner

1995

William H. Eldridge, Chair
 Owen V. McNanny, III, Vice Chair
 David Linett, Commissioner
 Michael Chertoff, Commissioner

1996

Judge Ralph V. Martin, Chair
 David Linett, Vice Chair
 Paula A. Franzese, Commissioner

1997-2000

Judge Ralph V. Martin, Chair
 David Linett, Vice Chair
 Paula A. Franzese, Commissioner
 Lynn B. Ware, Commissioner

2001

Judge Ralph V. Martin, Chair
 Paula A. Franzese, Vice Chair
 Lynn B. Ware, Commissioner
 Susan S. Lederman, Commissioner

2002-2003

Judge Ralph V. Martin, Chair
 Paula A. Franzese, Vice Chair
 Susan S. Lederman, Commissioner
 Peter J. Tober, Commissioner

2004-2006

Jerry Fitzgerald English, Chair
 Peter J. Tober, Vice Chair
 Albert Burstein, Commissioner
 Judge Theodore Z. Davis, Commissioner

2007

Jerry Fitzgerald English, Chair
 Peter J. Tober, Vice Chair
 Albert Burstein, Commissioner

2008-2009

Jerry Fitzgerald English, Chair
 Peter J. Tober, Vice Chair
 Albert Burstein, Commissioner
 Judge Amos C. Saunders, Commissioner

2010

Jerry Fitzgerald English, Chair
 Judge Amos C. Saunders, Vice Chair
 Albert Burstein, Commissioner
 Ronald DeFilippis, Commissioner

2011

Ronald DeFilippis, Chairman
 Walter F. Timpone, Vice Chairman
 Judge Amos C. Saunders, Commissioner
 Judge Lawrence Weiss, Commissioner
 (Appointed)
 Jerry Fitzgerald English, Commissioner
 (Retired)

2012

Ronald DeFilippis, Chairman
 Walter F. Timpone, Vice Chairman
 Judge Amos C. Saunders, Commissioner

EXECUTIVE DIRECTORS

1973-1976	David F. Norcross
1976-1981	Lewis B. Thurston, III
1981-1984	Scott A. Weiner
1984-2009	Frederick M. Herrmann
2009-Present	Jeffrey M. Brindle

LEGAL COUNSEL

1973-1994	Edward J. Farrell
1994-2011	James P. Wyse
2011	Andrew M. Baron
2012-Present	James P. Wyse

CONSULTANT

1973-1978, 1982, 1986-1988
 Herbert E. Alexander



*Steve Kimmelman
 Research Assistant*



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NEW JERSEY CAMPAIGN FINANCING AND LOBBYING DISCLOSURE ELECTION LAW ENFORCEMENT COMMISSION



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