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PUBLIC MEETINGS

before

ASSEMBLY STATE GOVERNMENT COMMITTEE

ASSEMBLY BILLS NO. 1413, 2529, AND 2581

(Limiting Political Campaign Contributions)

October 17, 1988 and
October 20, 1988
Room 368
State House Annex
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Robert J. Martin, Chairman
Assemblywoman Marion Crecco, Vice Chairman
Assemblyman William E. Schluter
Assemblyman Anthony J. "Skip" Cimino
Assemblyman Joseph Charles, Jr.

ALSO PRESENT:

Donald S. Margeson
Office of Legislative Services
Aide, Assembly State Government Committee

* * * * *

Meetings Recorded and Transcribed by
Office of Legislative Services
Public Information Office
Hearing Unit
State House Annex
CN 068
Trenton, New Jersey 08625





New Jersey State Legislature
ASSEMBLY STATE GOVERNMENT COMMITTEE
STATE HOUSE ANNEX, CN-068
TRENTON, NEW JERSEY 08625
(609) 292-9106

T. J. MARTIN
CHAIRMAN
N. CRECCO
V. CHAIRMAN
M. E. SCHLUTER
H. CHARLES, JR.
D. J. CIMINO

October 11, 1988

TO: MEMBERS OF THE COMMITTEE
FROM: ASSEMBLYMAN ROBERT J. MARTIN, CHAIRMAN
SUBJECT: COMMITTEE MEETING - October 17, 1988

(Address comments and questions to
Donald S. Margeson, Committee Aide (609) 292-9106)

The Assembly State Government Committee will meet on Monday, October 17, 1988 at 10:00 A.M. in Room 368 of the State House Annex in Trenton, to consider the following bills:

- | | |
|--------------------|---|
| A-1413
Randall | Limits to \$2,500 the amount that certain PACs can contribute to legislative candidates. |
| A-2529
Schluter | Restricts the contributions that individuals, political committees and PACs may make; revises and supplements "The New Jersey Campaign Contributions and Expenditures Reporting Act." |
| A-2581
Martin | Places limitations on contributions political committees and individuals may make. |

The above bills will be considered together by the Committee. The receipt of testimony and the Committee's discussion during this portion of the meeting will be recorded; the recording will be transcribed, reprinted and made available to the public. Members of the public wishing to contribute written testimony for inclusion in this reprinted record are invited to do so by forwarding a copy of that testimony to the Aide to the Committee.

In addition to the above-listed legislation, the Committee will consider the following:

- | | |
|----------------------------|--|
| A-1505
Schwartz | Establishes the New Jersey Council on Flag Display in the Department of State. |
| A-1975
Girgenti, Zecker | Increases the additional death benefits for members of PERS. |

A-2104
Mattison
Corrects inaccurate reference to Bronze Shields, Inc., in law authorizing leaves of absence for certain public employees to attend conventions.

A-2737
Singer, Haytaian
Establishes the Office of Ethnic Affairs and the New Jersey Ethnic Advisory Council.

A-3135
Franks, Kelly
Permits members of PFRS who receive heart transplants to retire under special disability retirement and requires the employer to pay for continued health benefits.

A-3368
Schuber, Loveys
Directs State Athletic Control Board to study and prepare report on feasibility of pension program for professional boxers; appropriates \$20,000.

AJR-57
Martin, Loveys
Memorializes U.S. Dept. of State to establish passport agency in New Jersey.

SJR-9
Brown
Memorializes U.S. Dept. of State to establish passport agency in New Jersey.

SJR-23
Dalton
Designates the annual New Jersey 10-Miler as the official State race.



New Jersey State Legislature

ASSEMBLY STATE GOVERNMENT COMMITTEE

STATE HOUSE ANNEX, CN-068

TRENTON, NEW JERSEY 08625

(609) 292-9106

T J. MARTIN
CHAIRMAN
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E-CHAIRMAN
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VINY J. CIMINO

October 11, 1988

TO: MEMBERS OF THE COMMITTEE
FROM: ASSEMBLYMAN ROBERT J. MARTIN, CHAIRMAN
SUBJECT: COMMITTEE MEETING - October 20, 1988

(Address comments and questions to
Donald S. Margeson, Committee Aide (609) 292-9106)

The Assembly State Government Committee will meet on Thursday, October 20, 1988 at 1:00 P.M. in Room 368 of the State House Annex in Trenton, concerning the following bills:

- | | |
|----------------------------|--|
| A-52
Albohn | Provides for automatic cost-of-living adjustments for members of the Senate and General Assembly. |
| A-330
Frelinghuysen | Provides for the development and administration of a legislative summer internship program, appropriates \$50,000. |
| A-870
Otlowski | Reduces length of time surviving spouse of CPFPPF member must have been married to qualify for survivor's benefit. |
| A-1089
Moran | Reduces length of time surviving spouse of CPFPPF member must have been married to qualify for survivor's benefit. |
| A-2472
Franks | Establishes a Pension and Health Benefits Review Commission; appropriates \$90,000. |
| A-2729
Cimino, Patero | Requires coordination of benefits in State Health Benefits Program for members enrolled both as employees and as dependents. |
| A-3007
Miller | Requires that sample ballots be used for every school board election. |
| A-3667
Martin, Girgenti | Designates the Legislative Staff Building as the "Garret A. Hobart Legislative Staff Building." |

ACR-2 Amends Constitution to require that State tax bills pass
Kavanaugh, Kamin both houses of Legislature by three-fifths majority vote.

ACR-24 Proposes an amendment to the Constitution to provide that
Cooper members of the General Assembly be elected for
three-year terms, except for a four-year term every
decade.

ACR-106 Proposes Constitutional amendment to change terms of
Martin members of the Senate and General Assembly.

If the Committee is unable to complete consideration at its meeting on Monday, October 17 of the bills concerning campaign financing, it will -- time permitting -- resume consideration of that legislation. These bill are as follows:

A-1413 Limits to \$2,500 the amount that certain PACs can contri-
Randall bute to legislative candidates.

A-2529 Restricts the contributions that individuals, political com-
Schluter mittees and PACs may make; revises and supplements "The
New Jersey Campaign Contributions and Expenditures
Reporting Act."

A-2581 Places limitations on contributions political committees
Martin and individuals may make.

ASSEMBLY, No. 1413

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1988 SESSION

By Assemblywoman RANDALL

1 AN ACT concerning campaign contributions in legislative
elections and amending and supplementing P.L. 1973, c. 83.

3

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

1. Sections 4 through 8 of this act shall be known and may be
7 cited as the "Campaign Reform Act of 1988."

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

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

a. The term "allied candidates" means candidates in any
13 election who are (1) seeking nomination or election (A) to an
office or offices in the same county or municipal government or
15 school district or (B) to the Legislature representing in whole or
part the same constituency, and who are (2) either (A) nominees
17 of the same political party or (B) publicly declared in any
manner, including seeking or obtaining any ballot position or
19 common ballot slogan, to be aligned or mutually supportive.

b. The term "allied campaign organization" means any
21 political committee, any State, county or municipal committee
of a political party or any campaign organization of a candidate
23 which is in support or furtherance of the same candidate or any
one or more of the same group of allied candidates or the same
25 public question as any other such committee or organization.

c. The term "candidate" means an individual seeking or
27 having sought election to a public office of the State or of a
county, municipality or school district at an election; except
29 that the term shall not include an individual seeking party office.

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

Matter underlined thus is new matter.

1 d. The terms "contribution" and "expenditures" include all
3 loans and transfers of money or other thing of value to or by any
5 candidate, political committee or continuing political
7 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.

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

11 f. The term "paid personal services" means personal, clerical,
13 administrative or professional services of every kind and nature
15 including, without limitation, public relations, research, legal,
17 canvassing, telephone, speech writing or other such services,
19 performed other than on a voluntary basis, the salary, cost or
21 consideration for which is paid, borne or provided by someone
23 other than the committee, candidate or organization for whom
25 such services are rendered. In determining the value, for the
27 purpose of reports required under this act, of contributions made
29 in the form of paid personal services, the person contributing
31 such services shall furnish to the treasurer through whom such
33 contribution is made a statement setting forth the actual
35 amount of compensation paid by said contributor to the
individuals actually performing said services for the
performance thereof. But if any individual or individuals
actually performing such services also performed for the
contributor other services during the same period, and the
manner of payment was such that payment for the services
contributed cannot readily be segregated from contemporary
payment for the other services, the contributor shall in his
statement to the treasurer so state and shall either (1) set forth
his best estimate of the dollar amount of payment to each such
individual which is attributable to the contribution of his paid
personal services, and shall certify the substantial accuracy of
the same, or (2) if unable to determine such amount with
sufficient accuracy, set forth the total compensation paid by
him to each such individual for the period of time during which
the services contributed by him were performed. If any

1 candidate is a holder of public office to whom there is attached
2 or assigned, by virtue of said office, any aide or aides whose
3 services are of a personal or confidential nature in assisting him
4 to carry out the duties of said office, and whose salary or other
5 compensation is paid in whole or part out of public funds, the
6 services of such aide or aides which are paid for out of public
7 funds shall be for public purposes only; but they may contribute
8 their personal services, on a voluntary basis, to such candidate
9 for election campaign purposes.

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

11 h. The term "political information" means any statement
12 including, but not limited to, press releases, pamphlets,
13 newsletters, advertisements, flyers, form letters, or radio or
14 television programs or advertisements which reflects the opinion
15 of the members of the organization on any candidate or
16 candidates for public office, on any public question, or which
17 contains facts on any such candidate, or public question whether
18 or not such facts are within the personal knowledge of members
19 of the organization.

20 i. The term "political committee" means any two or more
21 persons acting jointly, or any corporation, partnership, or any
22 other incorporated or unincorporated association which is
23 organized to, or does, aid or promote the nomination, election or
24 defeat of any candidate or candidates for public office, or which
25 is organized to, or does, aid or promote the passage or defeat of
26 a public question in any election, if the persons, corporation,
27 partnership or incorporated or unincorporated association raises
28 or expends \$1,000.00 or more to so aid or promote the
29 nomination, election or defeat of a candidate or candidates or
30 the passage or defeat of a public question; provided that for the
31 purposes of this act, the term "political committee" shall not
32 include a "continuing political committee," as defined by
33 subsection n. of this section.

34 j. The term "public solicitation" means any activity by or on
35 behalf of any candidate, political committee or continuing
36 political committee whereby either (1) members of the general
37 public are personally solicited for cash contributions not
38 exceeding \$20.00 from each person so solicited and contributed
39 on the spot by the person so solicited to a person soliciting or

1 through a receptacle provided for the purpose of depositing
contributions, or (2) members of the general public are
3 personally solicited for the purchase of items having some
tangible value as merchandise, at a price not exceeding \$20.00
5 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
7 such solicitation are to be used by or on behalf of such
candidate, political committee or continuing political
9 committee.

k. The term "testimonial affair" means an affair of any kind
11 or nature including, without limitation, cocktail parties,
breakfast, luncheons, dinners, dances, picnics or similar affairs
13 directly or indirectly intended to raise campaign funds in behalf
of a person who holds, or who is or was a candidate for
15 nomination or election to a public office in this State, or
directly or indirectly intended to raise funds in behalf of any
17 State, county or municipal committee of a political party or in
behalf of a political committee.

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

23 m. The term "qualified candidate" means:

(1) Any candidate for election to the office of Governor
25 whose name appears on the general election ballot and who has
deposited and expended \$50,000.00 pursuant to section 7 of P.L.
27 1974, c. 26 (C. 19:44A-32); or

(2) Any candidate for election to the office of Governor
29 whose name does not appear on the general election ballot but
who has deposited and expended \$50,000.00 pursuant to section 7
31 of P.L. 1974, c. 26 (C. 19:44A-32); or

(3) Any candidate for nomination for election to the office of
33 Governor whose name appears on the primary election ballot and
who has deposited and expended \$50,000.00 pursuant to section 7
35 of P.L. 1974, c. 26 (C. 19:44A-32); or

(4) Any candidate for nomination for election to the office of
37 Governor whose name does not appear on the primary election
ballot but who has deposited and expended \$50,000.00 pursuant
39 to section 7 of P.L. 1974, c. 26 (C. 19:44A-32).

1 n. The term "continuing political committee" means:

2 (1) The State committee, or any county or municipal
3 committee, of a political party; or

4 (2) Any group of two or more persons acting jointly, or any
5 corporation, partnership, or any other incorporated or
6 unincorporated association, including a political club, political
7 action committee, civic association or other organization, which
8 in any calendar year contributes or expects to contribute at
9 least [\$2,500.00] \$1,000.00 to the aid or promotion of the
10 candidacy of an individual, or of the candidacies of individuals,
11 for elective public office, or the passage or defeat of a public
12 question or public questions, and which may be expected to
13 make contributions toward such aid or promotion or passage or
14 defeat during a subsequent election, provided that the group,
15 corporation, partnership, association or other organization has
16 been determined to be a continuing political committee under
17 subsection b. of section 8 of P.L. 1973, c. 83 (C. 19:44A-8).

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

20 8. a. (1) Each political committee shall make a full
21 cumulative report, upon a form prescribed by the Election Law
22 Enforcement Commission, of all contributions in the form of
23 moneys, loans, paid personal services, or other things of value
24 made to it and all expenditures made, incurred, or authorized by
25 it in furtherance of the nomination, election or defeat of any
26 candidate, or in aid of the passage or defeat of any public
27 question, or to provide political information on any candidate or
28 public question, during the period ending 48 hours preceding the
29 date of the report and beginning on the date on which the first
30 of those contributions was received or the first of those
31 expenditures was made, whichever occurred first. The
32 cumulative report, except as hereinafter provided, shall contain
33 the name and address of each person or group from whom
34 moneys, loans, paid personal services or other things of value
35 have been contributed since 48 hours preceding the date on
36 which the previous such report was made and the amount
37 contributed by each person or group. In the case of any loan
reported pursuant to this section, the report shall contain the

1 name and address of each person who has cosigned such loan
since 48 hours preceding the date on which the previous such
3 report was made. The cumulative report shall also contain the
name and address of each person, firm or organization to whom
5 expenditures have been paid since 48 hours preceding the date
on which the previous such report was made and the amount and
7 purpose of each such expenditure. The cumulative report shall
be filed with the Election Law Enforcement Commission on the
9 dates designated in section 16 hereof.

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

Each campaign treasurer of a political committee shall file
13 written notice with the commission of a contribution in excess
of \$250.00 received during the period between the 13th day prior
15 to the election and the date of the election. The notice shall be
filed in writing or by telegram within 48 hours of the receipt of
17 the contribution and shall set forth the amount and date of the
contribution and the name and address of the contributor.

19 (2) When a political committee or an individual seeking party
office makes or authorizes an expenditure on behalf of a
21 candidate, it shall provide immediate written notification to the
candidate of the expenditure.

23 b. (1) A group of two or more persons acting jointly, or any
corporation, partnership, or any other incorporated or
25 unincorporated association including a political club, political
action committee, civic association or other organization, which
27 in any calendar year contributes or expects to contribute at
least [~~\$2,500.00~~] \$1,000.00 to the aid or promotion of the
29 candidacy of an individual, or of the candidacies of individuals,
for elective public office or the passage or defeat of a public
31 question or public questions and which expects to make
contributions toward such aid or promotion, or toward such
33 passage or defeat, during a subsequent election, shall certify
that fact to the commission, and the commission, upon receiving
35 that certification and on the basis of any information as it may
require of the group, corporation, partnership, association or
37 other organization, shall determine whether the corporation,
partnership, association or other organization is a continuing

1 political committee for the purposes of this act. If the
commission determines that the group, corporation, partnership,
3 association or other organization is a continuing political
committee, it shall so notify that continuing political committee.

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

19 The cumulative quarterly report shall contain the name and
address of each person or group from whom moneys, loans, paid
21 personal services or other things of value have been contributed
and the amount contributed by each person or group. In the case
23 of any loan reported pursuant to this section, the report shall
contain the name and address of each person who cosigns such
25 loan. The report shall also contain the name and address of each
person, firm or organization to whom expenditures have been
27 paid and the amount and purpose of each such expenditure. The
treasurer of the continuing political committee reporting shall
29 certify to the correctness of each cumulative quarterly report.

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

33 If any continuing political committee submitting cumulative
quarterly reports as provided under this subsection receives a
35 contribution from a single source of more than \$250.00 after the
final day of a quarterly reporting period and on or before a
37 primary, general, municipal, school or special election

1 which occurs after that final day but prior to the final day of
the next reporting period it shall, in writing or by telegram,
3 report that contribution to the commission within 48 hours of
the receipt thereof.

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

17 c. In any report filed pursuant to the provisions of this
section the organization or committee reporting may exclude
19 from the report the names and addresses of contributors whose
contributions during the period covered by the report did not
21 exceed \$100.00, provided, however, that (1) such exclusion is
unlawful if any person responsible for the preparation or filing
23 of the report knew that it was made with respect to any person
whose contributions relating to the same election or issue and
25 made to the reporting organization or committee or to an allied
campaign organization or organizations aggregate, in
27 combination with the contribution in respect of which such
exclusion is made, more than \$100.00 and (2) any person who
29 knowingly prepares, assists in preparing, files or acquiesces in
the filing of any report from which the identification of a
31 contributor has been excluded contrary to the provisions of this
section is subject to the provisions of section 21 of this act, but
33 (3) nothing in this proviso shall be construed as requiring any
committee or organization reporting pursuant to this act to
35 report the amounts, dates or other circumstantial data regarding
contributions made to any other organization or political
37 committee, committee of a political party or campaign
organization of a candidate.

1 Any report filed pursuant to the provisions of this section
2 shall include an itemized accounting of all receipts and
3 expenditures relative to any testimonial affairs held since the
4 date of the most recent report filed, which accounting shall
5 include the names and addresses of each contributor in excess of
6 \$100.00 to such testimonial affair and the amount contributed
7 by each, the expenses incurred, and the disposition of the
8 proceeds of such testimonial affair.

9 A political committee shall be exempt from any requirement
10 to file reports pursuant to this section of contributions received
11 or expenditures made in behalf of two or more joint candidates
12 in any election if the committee files with the Election Law
13 Enforcement Commission a sworn statement to the effect that
14 the total amount to be expended on behalf of their candidacies
15 shall not exceed \$4,000.00; provided, that if a committee which
16 has filed such a sworn statement receives contributions from
17 any one source aggregating more than \$100.00, it shall forthwith
18 report that fact, including the identity of the source and the
19 aggregate total of contributions therefrom to the commission.
20 Any sworn statement under this subsection may be filed with the
21 notice of designation by a political committee of a campaign
22 treasurer and campaign depository under section 10 of P.L.
23 1973, c. 83 (C. 19:44A-10), if that committee knows or has
24 reason to believe, at the time when the notice of designation is
25 given, that the total amount to be so expended shall not exceed
26 \$4,000.00.

27 4. (New section) No continuing political committee other
28 than the State committee or any county or municipal committee
29 of a political party shall make any contribution to or
30 expenditures in behalf of a legislative candidate, his campaign
31 treasurer, or deputy campaign treasurer, in aid of the candidacy
32 of or in behalf of a candidate for nomination for election or for
33 election as a member of the Legislature in any primary, special,
34 or general election in the aggregate in excess of \$2,500.00. No
35 legislative candidate and no campaign treasurer or deputy
36 campaign treasurer of a legislative candidate shall knowingly
37 accept from any continuing political committee other than the
38 State committee or any county or municipal committee of a
39 political party any contribution or expenditure in the aggregate

1 in aid of the candidacy of or in behalf of a legislative candidate
in excess of \$2,500.00 in any primary, special or general
3 election. For the purpose of this section, "legislative
candidate" means any candidate for nomination for election or
5 for election to the Legislature in any primary, special or general
election.

7 5. (New section) No continuing political committee other
than the State committee or any county or municipal committee
9 of a political party shall make any contribution to or
expenditures in behalf of another continuing political committee
11 other than the State committee or any county or municipal
committee of a political party in the aggregate in excess of
13 \$2,500.00 during any calendar year. No continuing political
committee other than the State committee or any county or
15 municipal committee of a political party shall accept from
another continuing political committee other than the State
17 committee or any county or municipal committee of a political
party any contribution or expenditure in the aggregate in excess
19 of \$2,500.00 during any calendar year.

21 6. (New section) In any calendar year in which members of
the Legislature are elected, no continuing political committee
23 other than the State committee or any county or municipal
committee of a political party shall make any contribution to or
expenditure in behalf of a candidate for nomination for or for
25 election to the Legislature, any political committee promoting
the nomination or election of that candidate, or any continuing
27 political committee affiliated with that candidate in the
aggregate in excess of \$5,000.00.

29 7. (New section) In addition to the information already
required pursuant to section 8 of P.L. 1973, c. 83 (C. 19:44A-8),
31 continuing political committees other than the State committee
or any county or municipal committee of a political party shall
33 disclose in their quarterly reports the bills for which they sought
a legislator's support or opposition in return for a contribution
35 to that legislator's campaign for nomination, election or
reelection to the Legislature.

37 8. (New section) A continuing political committee may make
a contribution to the State committee or any county or
39 municipal committee of a political party in aid of the candidacy

1 of or in behalf of a specific candidate for member of the
Legislature provided the continuing political committee
3 discloses the bills for which it sought the legislator's support or
opposition in return for a campaign contribution, pursuant to
5 section 5 of P.L. , c. (C.) (now pending before
the Legislature as this bill).

7 9. This act shall take effect immediately, but if a quarterly
report is due within 30 days after this effective date, the act
9 shall be inoperative until the day following the date on which
that report is due.

11

13

STATEMENT

15 The purpose of this bill is to limit the amount of money that
political action committees (PACs) and other continuing
17 political committees other than the State committee or any
county or municipal committee of a political party may
19 contribute to any candidate for nomination or election to the
Legislature.

21 Specifically, a PAC would be limited to contributing a total of
\$2,500.00 to any candidate in any election and to contributing a
23 total of \$2,500.00 to another PAC during any calendar year.
Since this limitation would apply to continuing political
25 committees other than the State committee or any county or
municipal committee of a political party which at present have
27 a \$2,500.00 reporting threshold, the bill lowers the reporting
threshold to \$1,000.00 so that PACs would be required to report
29 their expenditures before reaching the \$2,500.00 limit. Also, in
any calendar year in which members of the Legislature are
31 elected a cap of \$5,000.00 is placed on the amount of money
continuing political committees other than the State committee
33 or any county or municipal committee of a political party can
contribute or expend on behalf of a candidate.

35 In addition, each PAC must disclose in its quarterly report the
bills for which it sought a legislator's support or opposition in
37 return for a contribution to that legislator's campaign for
nomination, election or reelection. A continuing political
39 committee may make a contribution to the State committee or

1 any county or municipal committee of a political party in aid of
or in behalf of a specific legislative candidate provided the PAC
3 discloses the bills for which it sought the legislator's support or
opposition in return for a campaign contribution.

5

7

ELECTIONS
Ethics and Financial Disclosure

9

11 Limits to \$2,500 the amount that certain PACs can contribute
to legislative candidates.

ASSEMBLY, No. 2529

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 18, 1988

By Assemblyman SCHLUTER

1 AN ACT concerning campaign contributions, amending various
parts of the statutory law, supplementing Title 19 of the
3 Revised Statutes, repealing R.S. 19:34-32, R.S. 19:34-45 and
section 18 of P.L. 1973, c. 83, and making an appropriation.

5

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

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

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

12 a. The term "allied candidates" means candidates in any
13 election who are (1) seeking nomination or election (A) to an
office or offices in the same county or municipal government or
15 school district or (B) to the Legislature representing in whole or
part the same constituency, and who are (2) either (A) nominees
17 of the same political party or (B) publicly declared in any manner,
including the seeking or obtaining of any ballot position or
19 common ballot slogan, to be aligned or mutually supportive.

20 b. The term "allied campaign organization" means any
21 political committee, any State, county or municipal committee of
a political party or any campaign organization of a candidate
23 which is in support or furtherance of the same candidate or any
one or more of the same group of allied candidates or the same
25 public question as any other such committee or organization.

26 c. The term "candidate" means an individual seeking or having
27 sought election to a public office of the State or of a county,
municipality or school district at an election; except that the
29 term shall not include an individual seeking party office.

30 d. The terms "contributions" and "expenditures" include all
31 loans and transfers of money or other thing of value to or by any
candidate, political committee or continuing political committee,

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

Matter underlined thus is new matter.

1 and all pledges or other commitments or assumptions of liability
2 to make any such transfer; and for purposes of reports required
3 under the provisions of this act shall be deemed to have been
4 made upon the date when such commitment is made or liability
5 assumed.

6 e. The term "election" means any election described in section
7 4 of this act.

8 f. The term "paid personal services" means personal, clerical,
9 administrative or professional services of every kind and nature
10 including, without limitation, public relations, research, legal,
11 canvassing, telephone, speech writing or other such services,
12 performed other than on a voluntary basis, the salary, cost or
13 consideration for which is paid, borne or provided by someone
14 other than the committee, candidate or organization for whom
15 such services are rendered. In determining the value, for the
16 purpose of reports required under this act, of contributions made
17 in the form of paid personal services, the person contributing
18 such services shall furnish to the treasurer through whom such
19 contribution is made a statement setting forth the actual amount
20 of compensation paid by said contributor to the individuals
21 actually performing said services for the performance thereof.
22 But if any individual or individuals actually performing such
23 services also performed for the contributor other services during
24 the same period, and the manner of payment was such that
25 payment for the services contributed cannot readily be
26 segregated from contemporary payment for the other services,
27 the contributor shall in his statement to the treasurer so state
28 and shall either (1) set forth his best estimate of the dollar
29 amount of payment to each such individual which is attributable
30 to the contribution of his paid personal services, and shall certify
31 the substantial accuracy of the same, or (2) if unable to
32 determine such amount with sufficient accuracy, set forth the
33 total compensation paid by him to each such individual for the
34 period of time during which the services contributed by him were
35 performed. If any candidate is a holder of public office to whom
36 there is attached or assigned, by virtue of said office, any aide or
37 aides whose services are of a personal or confidential nature in
38 assisting him to carry out the duties of said office, and whose
39 salary or other compensation is paid in whole or part out of public
funds, the services of such aide or aides which are paid for out of

1 public funds shall be for public purposes only; but they may
2 contribute their personal services, on a voluntary basis, to such
3 candidate for election campaign purposes.

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

5 h. The term "political information" means any statement
6 including, but not limited to, press releases, pamphlets,
7 newsletters, advertisements, flyers, form letters, or radio or
8 television programs or advertisements which reflects the opinion
9 of the members of the organization on any candidate or
10 candidates for public office, on any public question, or which
11 contains facts on any such candidate, or public question whether
12 or not such facts are within the personal knowledge of members
13 of the organization.

i. The term "political committee" means any two or more
14 persons acting jointly, or any corporation, partnership, or any
15 other incorporated or unincorporated association which is
16 organized to, or does, aid or promote the nomination, election or
17 defeat of any candidate or candidates for public office, or which
18 is organized to, or does, aid or promote the passage or defeat of a
19 public question in any election, if the persons, corporation,
20 partnership or incorporated or unincorporated association raises
21 or expends \$1,000.00 or more to so aid or promote the
22 nomination, election or defeat of a candidate or candidates or the
23 passage or defeat of a public question; provided that for the
24 purposes of this act, the term "political committee" shall not
25 include a "continuing political committee," as defined by
26 subsection n. of this section.

27 j. The term "public solicitation" means any activity by or on
28 behalf of any candidate, political committee or continuing
29 political committee whereby either (1) members of the general
30 public are personally solicited for cash contributions not
31 exceeding \$20.00 from each person so solicited and contributed
32 on the spot by the person so solicited to a person soliciting or
33 through a receptacle provided for the purpose of depositing
34 contributions, or (2) members of the general public are
35 personally solicited for the purchase of items having some
36 tangible value as merchandise, at a price not exceeding \$20.00
37 per item, which price is paid on the spot in cash by the person so
38 solicited to the person so soliciting, when the net proceeds of
39 such solicitation are to be used by or on behalf of such candidate,
40 political committee or continuing political committee.

1 k. [The term "testimonial affair" means an affair of any kind
2 or nature including, without limitation, cocktail parties,
3 breakfasts, luncheons, dinners, dances, picnics or similar affairs
4 directly or indirectly intended to raise campaign funds in behalf
5 of a person who holds, or who is or was a candidate for
6 nomination or election to a public office in this State, or directly
7 or indirectly intended to raise funds in behalf of any State,
8 county or municipal committee of a political party or in behalf of
9 a political committee.] (Deleted by amendment, P.L. , c. .)
(now pending before the Legislature as this bill)

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

m. The term "qualified candidate" means:

15 (1) Any candidate for election to the office of Governor whose
16 name appears on the general election ballot and who has
17 deposited and expended \$50,000.00 pursuant to section 7 of
18 P.L.1974, c. 26 (C. 19:44A-32); or

19 (2) Any candidate for election to the office of Governor whose
20 name does not appear on the general election ballot but who has
21 deposited and expended \$50,000.00 pursuant to section 7 of P.L.
22 1974, c. 26 (C. 19:44A-32); or

23 (3) Any candidate for nomination for election to the office of
24 Governor whose name appears on the primary election ballot and
25 who has deposited and expended \$50,000.00 pursuant to section 7
26 of P.L.1974, c. 26 (C. 19:44A-32); or

27 (4) Any candidate for nomination for election to the office of
28 Governor whose name does not appear on the primary election
29 ballot but who has deposited and expended \$50,000.00 pursuant to
30 section 7 of P.L. 1974, c. 26 (C. 19:44A-32).

31 n. The term "continuing political committee" means:

32 (1) The State committee, or any county or municipal
33 committee, of a political party; or

34 (2) Any group of two or more persons acting jointly, or any
35 corporation, partnership, or any other incorporated or
36 unincorporated association, including a political club, political
37 action committee, civic association or other organization, which
38 in any calendar year contributes or expects to contribute at least
39 \$2,500.00 to the aid or promotion of the candidacy of an
individual, or of the candidacies of individuals, for elective public

1 office, or the passage or defeat of a public question or public
2 questions, or to the payment of any ordinary and necessary
3 expenses, including, but not limited to, supplies, travel,
4 communications and rent, incurred by an elected holder of public
5 office in connection with that person's duties as a holder of
6 public office, but excluding salaries, automobiles and other forms
7 of personal transportation and which may be expected to make
8 contributions toward such aid or promotion or passage or defeat
9 during a subsequent election or toward such payment, provided
10 that the group, corporation, partnership, association or other
11 organization has been determined to be a continuing political
12 committee under subsection b. of section 8 of P.L. 1973, c. 83 (C.
13 19:44A-8).

(cf: P.L. 1983, c. 579, s. 7)

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

17 4. The provisions of this act shall apply:

18 a. (Deleted by amendment; P.L. 1981, c. 151.)

19 b. (Deleted by amendment; P.L. 1983, c. 579.)

20 c. In any election at which a public question is to be voted
21 upon by the voters of the State or any political subdivision
22 thereof;

23 d. In any election for any public office of the State or any
24 political subdivision thereof; provided, however, that this act
25 shall not, except for paragraph (2) of subsection a. of section 8 of
26 the act (C. 19:44A-8), apply to elections for party office, or to
27 municipal charter study commissioner elections, or to township
28 road commissioner elections, or to special taxing district
29 elections, including, but not limited to, fire district elections,
30 garbage district elections, road district elections, street lighting
31 district elections and water district elections.

(cf: P.L. 1983, c. 579, s. 8)

33 3. Section 5 of P.L. 1973, c. 83 (C. 19:44A-5) is amended to
34 read as follows:

35 5. There is hereby created a commission consisting of four
36 members which shall be designated as the New Jersey Election
37 Law Enforcement Commission. The members shall be appointed
38 by the Governor [by and] with the advice and consent of the
39 Senate for a term of [three] five years, beginning on July 1 and

1 ending June 30, [except as hereinafter provided] except that the
3 members serving on the effective date of this 1988 amendatory
5 and supplementary act shall serve for the remainder of the
7 three-year terms to which they were appointed and until their
9 successors are appointed and qualified. The Governor shall
11 designate one of the commission members to serve as chairman
13 of the commission. No more than two members shall belong to
15 the same political party, and no person holding a public office or
17 an office in any political party shall be eligible for appointment
19 to the commission. Of the members initially appointed, two shall
21 be appointed for a term of three years, one for a term of two
23 years and one for a term of one year. Each member shall serve
25 until his successor has been appointed and qualified. In case of a
27 vacancy, however, the successor shall be appointed in like manner
29 for the unexpired term only. The members shall serve without
31 compensation, but shall be reimbursed for necessary expenses
incurred in the performance of their duties under this act. For
the purpose of complying with the provisions of Article V,
Section IV, paragraph 1 of the New Jersey Constitution, the
Election Law Enforcement Commission is hereby allocated within
the Department of Law and Public Safety; but, notwithstanding
said allocation, the commission shall be independent of any
supervision or control by the department or by any board or
officer thereof, it being the intention of this act that the
assignment, direction, discipline and supervision of all the
employees of the commission shall be so far as possible, and
except as otherwise provided in this act, fully determined by the
commissioner by such officers and employees thereof to whom
the commission may delegate the powers of such assignment,
direction, discipline and supervision.

(cf: P.L. 1983, c. 579, s. 9)

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

6. a. The commission shall appoint a full-time executive
director, legal counsel and hearing officers, all of whom shall
serve at the pleasure of the commission and shall not have tenure
by reason of the provisions of chapter 16 of Title 38 of the
Revised Statutes. The commission shall also appoint such other
employees as are necessary to carry out the purposes of this act,

1 which employees shall be in the classified service of the civil
service and shall be appointed in accordance with and shall be
3 subject to the provisions of [Title 11] Title 11A, Civil Service.

5 b. It shall be the duty of the commission to enforce the
provisions of this act, to conduct hearings with regard to possible
7 violations and to impose penalties; and for the effectual carrying
out of its enforcement responsibilities the commission shall have
the authority to initiate a civil action in any court of competent
9 jurisdiction for the purpose of enforcing compliance with the
provisions of this act or enjoining violations thereof or recovering
11 any penalty prescribed by this act. The commission shall
promulgate such regulations and official forms and perform such
13 duties as are necessary to implement the provisions of this act.
Without limiting the generality of the foregoing, the commission
15 is authorized and empowered to:

(1) Develop forms for the making of the required reports;

17 (2) Prepare and publish a manual for all candidates, political
committees and continuing political committees, prescribing the
19 requirements of the law, including uniform methods of
bookkeeping and reporting and requirements as to the length of
21 time that any person required to keep any records pursuant to
the provisions of this act shall retain such records, or any class or
23 category thereof, or any other documents, including canceled
checks, deposit slips, invoices and other similar documents,
25 necessary for the compilation of such records;

(3) Develop a filing, coding and cross-indexing system;

27 (4) Permit copying or photo-copying of any report required to
be submitted pursuant to this act as requested by any person;

29 (5) [Prepare] Not later than December 1 of each
even-numbered year, prepare, publish and make available for
31 public inspection [summaries] a comprehensive summary of all
said reports respecting candidates for nomination for election or
33 for election to the office of member of the General Assembly in
the preceding year and, if applicable, candidates for nomination
35 for election or for election to the office of Governor or member
of the State Senate in that preceding year, and respecting public
37 questions submitted on the Statewide ballot in the two years
preceding the year in which the report is required to be made.
39 The information contained in each such summary shall be grouped
according to candidates, parties and [issues] public questions,

1 [containing] and shall indicate for each such candidate, party and
2 public question the total [receipts and expenditures] of all
3 amounts contributed directly thereto or indirectly thereto and in
4 behalf thereof, [and] the [date,] name, address and employer of
5 each contributor, and the amount [contributed by] and date of
6 each [contributor] contribution. The commission shall also
7 prepare and timely publish separate pre-election reports
8 containing summaries of such of the aforementioned data
9 concerning such candidates, parties and public questions as may
10 be available on the 31st day and on the 13th day preceding the
11 primary and general election held in each odd-numbered year;

12 (6) Prepare and publish, prior to May 1 of each year, an annual
13 report to the Legislature;

14 (7) Ascertain whether candidates, committees, organizations or
15 others have failed to file reports or have filed defective reports;
16 extend, for good cause shown, the dates upon which reports are
17 required to be filed; give notice to delinquents to correct or
18 explain defects; and makes available for public inspection a list
19 of such delinquents;

20 (8) Ascertain the total expenditures for candidates and
21 determine whether they have exceeded the limits set forth in this
22 act; notify candidates, committees or others if they have
23 exceeded or are about to exceed the limits imposed;

24 (9) Hold public hearings, investigate allegations of any
25 violations of this act, and issue subpoenas for the production of
26 documents and the attendance of witnesses;

27 (10) Forward to the Attorney General or to the appropriate
28 county prosecutor information concerning any violations of this
29 act which may become the subject of criminal prosecution or
30 which may warrant the institution of other legal proceedings by
31 the Attorney General.

32 c. The commission shall take such steps as may be necessary
33 or appropriate to furnish timely and adequate information, in
34 appropriate printed summaries and in such other form as it may
35 see fit, to every candidate or prospective candidate for public
36 office who becomes or is likely to become subject to the
37 provisions of this act, and to every treasurer and depository duly
38 designated under the provisions of this act, informing them of
39 their actual or prospective obligations and responsibilities under
this act. Such steps shall include, but not be limited to,

1 furnishing to every person on whose behalf petitions of
2 nomination are filed for any public office a copy of such printed
3 summary as aforesaid, which shall be furnished to such person by
4 the commission through the public official charged with the
5 responsibility of receiving and accepting such petitions of
6 nomination, at the time when such petitions are filed. The
7 commission shall also make available copies of such printed
8 summary to any other person requesting the same. The
9 commission shall also take such steps as it may deem necessary
10 or effectual to disseminate among the general public such
11 information as may serve to guide all persons who may become
12 subject to the provisions of this act by reason of their
13 participation in election campaigns or in the dissemination of
14 political information, for the purpose of facilitating voluntary
15 compliance with the provisions and purposes of this act. In the
16 dissemination of such information, the commission shall to the
17 greatest extent practicable enlist the cooperation of commercial
18 purveyors, within and without the State, of materials and services
19 commonly used for political campaign purposes.

20 d. If the nomination for or election to any public office or
21 party position becomes void under the terms of subsection c. of
22 section 21 of this act, the withholding or revocation of his
23 certificate of election, the omission of his name from the ballot
24 or the vacation of the office into which he has been inducted as a
25 result of such void election, as the case may be, shall be subject
26 to the provisions of chapter 3, articles 2 and 3, of this Title (R.S.
27 19:3-7 et seq.).

28 e. The commission shall be assigned suitable quarters for the
29 performance of its duties hereunder.

30 f. The commission through its legal counsel is authorized to
31 render advisory opinions as to whether a given set of facts and
32 circumstances would constitute a violation of any of the
33 provisions of this act, or whether a given set of facts and
34 circumstances would render any person subject to any of the
35 reporting requirements of this act.

36 Unless an extension of time is consented to by any person
37 requesting an advisory opinion, the commission shall render its
38 advisory opinion within 10 days of receipt of the request
39 therefor. Failure of the commission to reply to a request for an
40 advisory opinion within the time so fixed or agreed to shall
41 preclude it from instituting proceedings for imposition of a

1 penalty upon any person for a violation of this act arising out of
the particular facts and circumstances set forth in such request,
3 except as such facts and circumstances may give rise to a
violation when taken in conjunction with other facts and
5 circumstances not set forth in such request.

(cf: P.L. 1983, c. 579, s. 10)

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

9 8. a. (1) Each political committee shall make a full
cumulative report, upon a form prescribed by the Election Law
11 Enforcement Commission, of all contributions in the form of
moneys, loans, paid personal services, or other things of value
13 made to it and all expenditures made, incurred, or authorized by
it in furtherance of the nomination, election or defeat of any
15 candidate, or in aid of the passage or defeat of any public
question, or to provide political information on any candidate or
17 public question, during the period ending 48 hours preceding the
date of the report and beginning on the date on which the first of
19 those contributions was received or the first of those
expenditures was made, whichever occurred first. The
21 cumulative report, except as hereinafter provided, shall contain
the name and mailing address of each person or group from whom
23 moneys, loans, paid personal services or other things of value
have been contributed since 48 hours preceding the date on which
25 the previous such report was made and the amount contributed by
each person or group, and where the contributor is an individual,
27 the report shall indicate the occupation of the individual and the
name and mailing address of his employer. In the case of any
29 loan reported pursuant to this section, the report shall contain
the name and mailing address of each person who has cosigned
31 such loan since 48 hours preceding the date on which the previous
such report was made, and where an individual has cosigned such
33 loans, the report shall indicate the occupation of the individual
and the name and mailing address of his employer. The
35 cumulative report shall also contain the name and address of each
person, firm or organization to whom expenditures have been paid
37 since 48 hours preceding the date on which the previous such
report was made and the amount and purpose of each such
39 expenditure. The cumulative report shall be filed with the
Election Law Enforcement Commission on the dates designated in
41 section 16 hereof.

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

3 Each campaign treasurer of a political committee shall file
5 written notice with the commission of a contribution in excess of
7 \$250.00 received during the period between the 13th day prior to
9 the election and the date of the election. The notice shall be
11 filed in writing or by telegram within 48 hours of the receipt of
the contribution and shall set forth the amount and date of the
contribution [and], the name and mailing address of the
contributor, and where the contributor is an individual, his
occupation and the name and mailing address of his employer.

13 (2) When a political committee or an individual seeking party
15 office makes or authorizes an expenditure on behalf of a
candidate, it shall provide immediate written notification to the
candidate of the expenditure.

17 b. (1) A group of two or more persons acting jointly, or any
19 corporation, partnership, or any other incorporated or
unincorporated association including a political club, political
21 action committee, civic association or other organization, which
23 in any calendar year contributes or expects to contribute at least
25 \$2,500.00 to the aid or promotion of the candidacy of an
individual, or of the candidacies of individuals, for elective public
27 office or the passage or defeat of a public question or public
questions, or to the payment of any ordinary and necessary
expenses, including, but not limited to, supplies, travel,
communications and rent, incurred by an elected holder of public
office in connection with that person's duties as a holder of
public office, but excluding salaries, automobiles and other forms
of personal transportation, and which expects to make
29 contributions toward such aid or promotion, or toward such
31 passage or defeat, during a subsequent election, or toward such
payment shall certify that fact to the commission, and the
33 commission, upon receiving that certification and on the basis of
any information as it may require of the group, corporation,
35 partnership, association or other organization, shall determine
whether the group, corporation, partnership, association or other
37 organization is a continuing political committee for the purposes
of this act. If the commission determines that the group,
39 corporation, partnership, association or other organization is a
continuing political committee, it shall so notify that continuing
41 political committee.

1 (2) A continuing political committee shall file with the Election
2 Law Enforcement Commission, not later than April 15, July 15,
3 October 15 and January 15 of each calendar year, a cumulative
4 quarterly report of all moneys, loans, paid personal services or
5 other things of value contributed to it during the period ending on
6 the 15th day preceding that date and commencing on January 1 of
7 that calendar year or, in the case of the cumulative quarterly
8 report to be filed not later than January 15, of the previous
9 calendar year, and all expenditures made, incurred, or authorized
10 by it during the period, whether or not such expenditures were
11 made, incurred or authorized in furtherance of the election or
12 defeat of any candidate, or in aid of the passage or defeat of any
13 public question or to provide information on any candidate or
14 public question or to pay for any ordinary and necessary expenses,
15 including, but not limited to, supplies, travel, communications
16 and rent, incurred by an elected holder of public office in
17 connection with that person's duties as a holder of public office,
18 but excluding salaries, automobiles and other forms of personal
19 transportation.

20 The cumulative quarterly report shall contain the name and
21 mailing address of each person or group from whom moneys,
22 loans, paid personal services or other things of value have been
23 contributed and the amount contributed by each person or group,
24 and where an individual has made such contributions, the report
25 shall indicate the occupation of the individual and the name and
26 mailing address of his employer. In the case of any loan reported
27 pursuant to this section, the report shall contain the name and
28 address of each person who cosigns such loan, and where an
29 individual has cosigned such loans, the report shall indicate the
30 occupation of the individual and the name and mailing address of
31 his employer. The report shall also contain the name and address
32 of each person, firm or organization to whom expenditures have
33 been paid and the amount and purpose of each such expenditure.
34 The treasurer of the continuing political committee reporting
35 shall certify to the correctness of each cumulative quarterly
36 report.

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

1 If any continuing political committee submitting cumulative
quarterly reports as provided under this subsection receives a
3 contribution from a single source of more than \$250.00 after the
final day of a quarterly reporting period and on or before a
5 primary, general, municipal, school or special election which
occurs after that final day but prior to the final day of the next
7 reporting period it shall, in writing or by telegram, report that
contribution to the commission within 48 hours of the receipt
9 thereof, including in that report the amount and date of the
contribution; the name and mailing address of the contributor;
11 and where the contributor is an individual, his occupation and the
name and mailing address of his employer.

13 A continuing political committee which [at any point expects
to cease] ceases making contributions toward the aiding or
15 promoting of the candidacy of an individual, or of the candidacies
of individuals, for elective public office in this State or the
17 passage or defeat of a public question or public questions in this
State, or toward the payment of any ordinary and necessary
19 expenses, including, but not limited to, supplies, travel,
communications and rent, incurred by an elected holder of public
21 office in connection with that person's duties as a holder of
public office, but excluding salaries, automobiles and other forms
23 of personal transportation, shall certify that fact in writing to
the commission, and that certification shall be accompanied by a
25 final accounting of any fund relating to such aiding or promoting
or such payment, including the final disposition of any balance in
27 such fund at the time of dissolution. Until that certification has
been filed, the committee shall continue to file the quarterly
29 reports as provided under this subsection.

c. In any report filed pursuant to the provisions of this section
31 the organization or committee reporting may exclude from the
report the names and mailing addresses of contributors whose
33 contributions during the period covered by the report did not
exceed \$100.00, provided, however, that (1) such exclusion is
35 unlawful if any person responsible for the preparation or filing of
the report knew that it was made with respect to any person
37 whose contributions relating to the same election or issue and
made to the reporting organization or committee or to an allied
39 campaign organization or organizations aggregate, in combination

1 with the contribution in respect of which such exclusion is made,
2 more than \$100.00 and (2) any person who knowingly prepares,
3 assists in preparing, files or acquiesces in the filing of any report
4 from which the identification of a contributor has been excluded
5 contrary to the provisions of this section is subject to the
6 provisions of section 21 of this act, but (3) nothing in this proviso
7 shall be construed as requiring any committee or organization
8 reporting pursuant to this act to report the amounts, dates or
9 other circumstantial data regarding contributions made to any
10 other organization or political committee, committee of a
11 political party or campaign organization of a candidate.

[Any report filed pursuant to the provisions of this section shall
12 include an itemized accounting of all receipts and expenditures
13 relative to any testimonial affairs held since the date of the most
14 recent report filed, which accounting shall include the name and
15 mailing address of each contributor in excess of \$100.00 to such
16 testimonial affair and the amount contributed by each, the
17 expenses incurred, and the disposition of the proceeds of such
18 testimonial affair.]

A political committee shall be exempt from any requirement to
19 file reports pursuant to this section of contributions received or
20 expenditures made in behalf of two or more joint candidates in
21 any election if the committee files with the Election Law
22 Enforcement Commission a sworn statement to the effect that
23 the total amount to be expended on behalf of their candidacies
24 shall not exceed \$4,000.00; provided, that if a committee which
25 has filed such a sworn statement receives contributions from any
26 one source aggregating more than \$100.00, it shall forthwith
27 report that fact, including the [identity] name and mailing
28 address of the source; where the source is an individual, the
29 occupation of the individual and the name and mailing address of
30 his employer; and the aggregate total of contributions
31 [therefrom] from the source to the commission. Any sworn
32 statement under this subsection may be filed with the notice of
33 designation by a political committee of a campaign treasurer and
34 campaign depository under section 10 of P.L. 1973, c. 83 (C.
35 19:44A-10), if that committee knows or has reason to believe, at
36 the time when the notice of designation is given, that the total
37 amount to be so expended shall not exceed \$4,000.00.

(cf: P.L. 1983, c. 579, c. 11)

1 6. (New section) a. All continuing political committees as
2 defined in paragraph (2) of subsection n. of section 3 of P.L. 1973.
3 c. 83 (C. 19:44A-3) shall submit to the commission a statement of
4 registration which includes:

5 (1) The complete name or identifying title of the committee,
6 which name or title shall accurately reflect the political
7 interests, objectives and composition of the committee and shall
8 not distort, misrepresent or be misleading as to the true nature of
9 the committee's interests objectives or composition;

10 (2) The mailing address of the committee;

11 (3) The name and mailing address of the treasurer of the
12 committee;

13 (4) A listing of all banks, safe deposit boxes, or other
14 depositories used by the committee; and

15 (5) A descriptive statement prepared by the organizers or
16 officers of the committee that:

17 (a) Identifies sponsorship or control by organizers or officers of
18 the committee or affiliation to any candidate, elected
19 officeholder, political party, corporation, business entity, labor
20 union, professional or trade association or affiliation with any
21 other committee as provided for in section 21 of P.L. , c.
22 (C.)(now pending before the Legislature as this bill);

23 (b) Identifies the economic, political or other special interests
24 and objectives of the majority of its organizers or officers, and if
25 the majority of its organizers, officers or contributors share a
26 common employer, the name and mailing address of that
27 employer;

28 (c) Describes the methods used by the committee for the
29 raising of funds from contributors for use to administer the
30 committee and to make contributions, including but not limited
31 to, the use of payroll deductions;

32 (d) Describes the methods used by the committee to transmit
33 funds or to otherwise make contributions to a candidate, his
34 campaign treasurer or deputy campaign treasurer or to a political
35 committee or continuing political committee serving as the
36 campaign committee of a candidate, or to a group of two or more
37 persons seeking to promote the passage or defeat of a public
38 question; and

39 (e) Describes any special provisions in its by-laws or charter of
40 organization regarding the administration of the committee or
41 the distribution of contributions.

1 Such a continuing political committee shall submit a statement
of registration within 30 days after notification by the
3 commission, pursuant to section 8 of P.L. 1973, c. 83 (C.
19:44A-8), that it has determined the committee to be a
5 continuing political committee. All such continuing political
committees existent on the effective date of this act shall submit
7 a statement of registration to the commission within 30 days of
that effective date.

9 b. (1) Within one year of the effective date of this act, the
commission shall review and approve or disapprove the
11 statements of registration submitted by such continuing political
committees existent on the effective date of this act concerning
13 conformity with the provisions of subsection a. of this section.
Upon notification of disapproval by the commission, a continuing
15 political committee shall have 30 days to effect changes required
by the commission. If a revised statement of registration is not
17 submitted within 30 days or the revised statement is disapproved
by the commission, the continuing political committee shall
19 terminate any solicitation of contributions and any expenditure of
funds.

21 (2) Within 60 days of the submission of each statement of
registration submitted by a continuing political committee
23 organized after the effective date of this act, the commission
shall review and approve or disapprove the statements of
25 registration submitted by the continuing political committee
concerning conformity with the provisions of subsection a. of this
27 section. Upon notification of disapproval by the commission, a
continuing political committee shall have 30 days to effect
29 changes required by the commission. If a revised statement of
registration is not submitted within 30 days or the revised
31 statement is disapproved by the commission, the continuing
political committee shall terminate any solicitation of
33 contributions and any expenditure of funds.

35 (3) If, for causes beyond its control, the commission is unable
to complete the reviews specified in paragraphs (1) and (2) of this
37 subsection, the commission shall make every effort to complete
such a review as soon as possible thereafter. During any
39 extended period of review, a continuing political committee is
subject to all obligations and responsibilities required by "The

1 New Jersey Campaign Contributions and Expenditures Reporting
Act," P.L. 1973, c. 83 (C. 19:44A-1 et seq.), as amended and
3 supplemented by this 1988 amendatory and supplementary act.

5 c. After approval of the statement of registration by the
commission pursuant to subsection b. of this section, the
committee shall use the complete name or identifying title on all
7 documents submitted to the commission, in all solicitations for
contributions, in all paid media advertisements purchased or paid
9 for by the committee in support of or in opposition to any
candidate or public question, and in all contributions made by the
11 committee to candidates, political committees or other
continuing political committees. During the period that a
13 statement of registration is under review by the commission, a
committee may continue to contribute money or any other thing
15 of value to any campaign, provided that the committee does so
using the information provided in the statement of registration.

17 d. Any committee which changes in any way any item in its
statement of registration shall notify the commission
19 immediately in writing of the change and shall submit a new
statement of registration immediately to the commission for
21 review, pursuant to subsection a. of this section.

23 e. Any contributor to a continuing political committee
required to submit a statement of registration shall be entitled to
request and receive from that committee a copy of the current
25 statement of registration and a copy of the most recent quarterly
report filed with the commission.

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

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

37 Every political committee [and every continuing political
committee] shall, not later than the date on which it first
receives any contribution or makes or incurs any expenditure in
39 the furtherance or aid of the election or defeat of any candidate
or [to aid] the passage or defeat of any public question,

1 appoint[, in the case of a political committee,] a single campaign
2 treasurer[, or, in the case of a continuing political committee, a
3 single organizational treasurer,] and designate[, in the case of a
4 political committee,] a campaign depository [or, in the case of a
5 continuing political committee, an organizational depository].
6 Not later than the tenth day after the initial designation of the
7 campaign [or organizational] depository, the committee shall file
8 the name and address of the depository, and of the campaign [or
9 organizational] treasurer, with the Election Law Enforcement
10 Commission.

11 Every continuing political committee shall, not later than the
12 date on which it first receives any contribution or makes or
13 incurs any expenditure in the furtherance or aid of the election or
14 defeat of any candidate or the passage or defeat of any public
15 question, or for the payment of any ordinary and necessary
16 expenses, including, but not limited to, supplies, travel,
17 communications and rent, incurred by an elected holder of public
18 office in connection with that person's duties as a holder of
19 public office, but excluding salaries, appoint a single
20 organizational treasurer and designate an organizational
21 depository. Not later than the tenth day after the initial
22 designation of the organizational depository, the committee shall
23 file the name and address of the depository, and of the
24 organizational treasurer, with the Election Law Enforcement
25 Commission.

26 An organizational treasurer of a State, county or municipal
27 committee of a political party or other continuing political
28 committee and a campaign treasurer of a political committee
29 may appoint deputy organizational or campaign treasurers as may
30 be required and may designate additional organizational or
31 campaign depositories. Such committees shall file the names and
32 addresses of such deputy treasurers and additional depositories
33 with the Election Law Enforcement Commission not later than
34 the fifth day after their appointment or designation, respectively.

35 Any State, county or municipal committee of a political party,
36 any political committee, and any continuing political committee
37 may remove its organizational or campaign treasurer or deputy
38 treasurer. In the case of the death, resignation or removal of its
39 organizational or campaign treasurer, the committee shall
40 appoint a successor as soon as practicable and shall file his name

1 and address with the Election Law Enforcement Commission
within three days.

3 (cf: P.L. 1983, c. 579, s. 13)

5 8. Section 11 of P.L. 1973, c. 83 (C. 19:44A-11) is amended to
read as follows:

7 11. No contribution of money or other thing of value, nor
obligation therefor, including but not limited to contributions,
9 loans or obligations of a candidate himself or of his family, shall
be made or received, and no expenditure of money or other thing
11 of value, nor obligation therefor, including expenditures, loans or
obligations of a candidate himself or of his family, shall be made
13 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, except through:

15 a. The duly appointed campaign treasurer or deputy campaign
treasurers of the candidate;

17 b. The duly appointed organizational treasurer or deputy
organizational treasurers of a political party committee or other
19 continuing political committee;

21 c. The duly appointed campaign treasurer or deputy campaign
treasurers of a political committee.

23 It shall be lawful, however, for any person, not acting in
concert with any other person or group, to expend personally
25 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
27 candidate or to aid the passage or defeat of a public question;
provided, however, that any person making such expenditure shall
29 be required to report his name and mailing address and the
amount of all such expenditures and expenses, except personal
31 traveling expenses, if the total of the money so expended,
exclusive of such traveling expenses, exceeds [\$100.00] \$1,000.00
33 and also, where the person is an individual, to report his
occupation and the name and mailing address of his employer,
35 either:

37 a. To the campaign treasurer of the candidate, political party
committee or political committee on whose behalf such
expenditure or contribution was made, or to his deputy, who shall
39 cause the same to be included in his report to the Election Law
Enforcement Commission subject to the provisions of sections 8
41 and 9 of this act;

1 b. Directly to the Election Law Enforcement Commission at
2 the same time and in the same manner as a political committee
3 subject to the provisions of section 8 of this act.

4 No contribution of money shall be made in currency, except
5 contributions in response to a public solicitation, provided that
6 cumulative currency contributions of up to \$100.00 may be made
7 to a candidate, political committee or continuing political
8 committee if the contributor submits with the currency
9 contribution a written statement of a form as prescribed by the
10 commission, indicating his name [and], mailing address and
11 occupation, and the amount of his contribution, [and] including his
12 signature and the name and mailing address of his employer.

13 Any anonymous contribution received by a campaign treasurer
14 or deputy campaign treasurer shall not be used or expended, but
15 shall be returned to the donor, if his identity is known, and if no
16 donor is found, the contribution shall escheat to the State.

17 Any State, county or municipal committee of any political
18 party, after a primary election, but not prior thereto, may
19 receive and expend funds to be spent in furtherance and in aid of
20 the candidacy of all the candidates of such party, or of any one or
21 more of such candidates, in accordance with the provisions of this
22 act.

23 (cf: P.L. 1983, c. 579, s. 14)

24 9. (New section) a. No corporation of any kind organized and
25 incorporated under the laws of this State or any other state or
26 any country other than the United States and doing business in
27 this State shall pay or make any contribution of money or other
28 thing of value from its treasury or any other business account
29 under its control to any candidate, his campaign treasurer or
30 deputy campaign treasurer or for the passage or defeat of a
31 public question, but the officers and employees of such a
32 corporation may pay or make any contribution of money or other
33 thing of value through a continuing political committee that is
34 composed of officers and employees of such a corporation and
35 that derives its funds solely from voluntary contributions
36 solicited from officers and employees of the corporation.
37 Notwithstanding the prohibition in this subsection, such a
38 corporation may provide or pay for the expenses necessary for
39 the administration of such a continuing political committee.

1 b. No labor organization of any kind which exists or is
2 constituted for the purpose, in whole or in part, of collective
3 bargaining, or of dealing with employers concerning grievances,
4 terms or conditions of employment, or of other mutual aid or
5 protection in connection with employment shall pay or make any
6 contribution of money or other thing of value from its treasury or
7 any business account under its control to a candidate, his
8 campaign treasurer or deputy campaign treasurer or for the
9 passage or defeat of a public question, but the officers,
10 employees and members of such a labor organization may pay or
11 make any contribution of money or other thing of value through a
12 continuing political committee that is composed of officers,
13 employees or members of such a labor organization and that
14 derives its funds solely from voluntary contributions solicited
15 from officers, employees or members of the labor organization.
16 Notwithstanding the prohibition in this subsection, such a labor
17 organization may provide or pay for the expenses necessary for
18 the administration of such a continuing political committee.

19 10. (New section) a. No corporation or labor organization of
20 any kind shall provide to any of its officers, directors, attorneys,
21 agents or other employees any additional increment of salary,
22 bonus or monetary remuneration of any kind which, in whole or in
23 part, is intended by that corporation or labor organization to be
24 used for the express purpose of paying or making a contribution,
25 either directly or indirectly, of money or other thing of value to a
26 candidate, his campaign treasurer or deputy campaign treasurer,
27 or a political committee or continuing political committee
28 serving as the campaign committee of a candidate.

29 Any corporation or labor organization of any kind found to be
30 in violation of this subsection shall, in addition to any other
31 penalty provided by law, be liable to a penalty of not more than
32 \$1,000 for the first offense and not more than \$2,000 for the
33 second and each subsequent offense. Any officer, director,
34 attorney, agent or other employee of a corporation or labor
35 organization that provides to another employee of that
36 corporation or labor organization any additional increment of
37 salary, bonus or monetary remuneration or any kind for the
38 purpose described in this subsection is guilty of a crime of the
39 fourth degree.

1 b. No officer, director, attorney, agent or other employee of a
corporation or labor organization of any kind shall use any part of
3 any additional increment of salary, bonus or monetary
remuneration of any kind which, in whole or in part, is intended
5 by that corporation or labor organization to be used for the
express and intentional purpose of paying or making a
7 contribution, either directly or indirectly, of money or other
thing of value to a candidate, his campaign treasurer or deputy
9 campaign treasurer, or a political committee or continuing
political committee serving as the campaign committee of a
11 candidate by a corporation or labor organization of any kind, for
the purpose of paying or making a contribution, either directly or
13 indirectly, of money or other thing of value to a candidate, his
campaign treasurer or deputy campaign treasurer, or a political
15 committee or continuing political committee serving as the
campaign committee of a candidate.

17 Any officer, director, attorney, agent or other employee of a
corporation or labor organization of any kind found to be in
19 violation of this subsection of this section is guilty of a crime of
the fourth degree.

21 11. (New section) a. No continuing political committee other
than the State, county and municipal committees of a political
23 party shall pay or make any contribution of money or other thing
of value to a candidate, his campaign treasurer or deputy
25 campaign treasurer, or a political committee or continuing
political committee serving as the campaign committee of a
27 candidate, with the exception of a candidate for the office of
Governor or the campaign treasurer or deputy campaign treasurer
29 of such a candidate or a political committee or continuing
political committee serving as the campaign committee of such a
31 candidate, or to promote the passage or defeat of a public
question, which in the aggregate exceeds \$500 per election. No
33 candidate, his campaign treasurer or deputy campaign treasurer,
or a political committee or continuing political committee
35 serving as the campaign committee of a candidate, with the
exception of a candidate for the office of Governor or the
37 campaign treasurer or deputy campaign treasurer of such a
candidate or a political committee or continuing political
39 committee serving as the campaign committee of such a

1 candidate, and no group of two or more persons seeking to
2 promote the passage or defeat of a public question, shall
3 knowingly accept from any continuing political committee other
4 than the State, county and municipal committees of a political
5 party any contribution of money or other thing of value which in
6 the aggregate exceeds \$500 per election.

7 b. No continuing political committee other than the State,
8 county and municipal committee of a political party shall pay or
9 make any contribution of money or other thing of value to any
10 county or municipal committee of a political party which in the
11 aggregate exceeds \$2,500 per calendar year. No county or
12 municipal committee of a political party shall knowingly accept
13 from any continuing political committee other than the State,
14 county and municipal committee of a political party any
15 contribution of money or other thing of value which in the
16 aggregate exceeds \$2,500 per calendar year.

17 c. No continuing political committee other than the county
18 and municipal committees of a political party shall pay or make
19 any contribution of money or other thing of value to the State
20 committee of a political party which in the aggregate exceeds
21 \$10,000 per calendar year. No State committee of a political
22 party shall knowingly accept from any continuing political
23 committee other than the county and municipal committees of a
24 political party any contribution of money or other thing of value
25 which in the aggregate exceeds \$10,000 per calendar year.

26 d. No continuing political committee other than the State,
27 county and municipal committees of a political party shall pay or
28 make any contribution of money or other thing of value to any
29 candidate, his campaign treasurer or deputy campaign treasurer,
30 or a political committee or continuing political committee
31 serving as the campaign committee of a candidate, and to any
32 group of two or more persons seeking to promote the passage or
33 defeat of a public question, and to any county or municipal
34 committee of a political party and to the State committee of a
35 political party which in the aggregate exceeds \$100,000 per
36 calendar year.

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

1 12. An organizational or campaign treasurer or deputy
2 organizational or campaign treasurer of a candidate, of a
3 political committee, or of a continuing political committee shall
4 make a written record of all funds which he receives as
5 contributions to the candidate, political committee or continuing
6 political committee, including in that record the name and
7 mailing address of the contributor [and], the amount and date of
8 the contribution, and where the contributor is an individual, the
9 occupation of the individual and the name and mailing address of
10 his employer. The campaign treasurer shall retain that record for
11 a period of not less than four years. All funds so received shall
12 be deposited by the campaign or organizational treasurer or
13 deputy campaign or organizational treasurer in a campaign
14 depository of the candidate, continuing political committee or
15 political committee, in an account designated "Campaign Fund of
16 (name of candidate or committee)" no later than the tenth
17 calendar day following receipt of such funds; except that any
18 such treasurer or deputy treasurer may, when authorized by the
19 candidate or committee of which he is the campaign treasurer or
20 deputy campaign treasurer, transfer any such funds to the duly
21 designated campaign treasurer or deputy campaign treasurer of
22 another candidate or committee, for inclusion in the campaign
23 fund thereof, without first so depositing them; provided, however,
24 that a record of all nondeposited funds so transferred shall be
25 attached to the statement required under this section, identifying
26 them as to source and amount in the same manner as deposited
27 fund.

(cf: P.L. 1983, c. 579, s. 15)

28 13. Section 16 of P.L. 1973, c. 83 (C. 19:44-16) is amended to
29 read as follows:

30 16. a. Except as provided by subsection h. of this section,
31 each campaign treasurer of a candidate shall make a full
32 cumulative report, upon a form prescribed by the Election Law
33 Enforcement Commission, of all contributions in the form of
34 moneys, loans, paid personal services or other things of value,
35 made to him or to the deputy campaign treasurers of the
36 candidate, and all expenditures paid out of the campaign fund of
37 the candidate, during the period ending with the second day
38 preceding the date of the cumulative report and beginning on the
39 date of the first of those contributions, the date of the first of

1 those expenditures, or the date of the appointment of the
2 campaign treasurer, whichever occurred first. The report shall
3 also contain the name and mailing address of each person or
4 group from whom moneys, loans, paid personal services or other
5 things of value were contributed after the second day preceding
6 the date of the previous cumulative report and the amount
7 contributed by each person or group, and where an individual has
8 made such contributions, the report shall indicate the occupation
9 of the individual and the name and mailing address of his
10 employer. In the case of any loan reported pursuant to this
11 section, the report shall further contain the name and mailing
12 address of each person who cosigns such loan, the occupation of
13 the person and the name and mailing address of his employer. If
14 no moneys, loans, paid personal services or other things of value
15 were contributed, the report shall so indicate, and if no
16 expenditures were paid or incurred, the report shall likewise so
17 indicate. The campaign treasurer and the candidate shall certify
18 the correctness of the report.

19 b. During the period between the appointment of the campaign
20 treasurer and the election with respect to which contributions are
21 accepted or expenditures made by him, the campaign treasurer
22 shall file his cumulative campaign report (1) on the 29th day
23 preceding the election, and (2) on the 11th day preceding the
24 election; and after the election he shall file his report on the 20th
25 day following such election. Concurrent with the report filed on
26 the 20th day following an election, or at any time thereafter, the
27 campaign treasurer of a candidate or political committee may
28 certify to the Election Law Enforcement Commission that the
29 campaign fund of such candidate or political committee, having
30 been instituted for the purposes of the late election, has wound
31 up its business and been dissolved or, in the case of a political
32 committee which continues its activities beyond the election that
33 its business regarding the late election has been wound up; and
34 said certification shall be accompanied by a final accounting of
35 such campaign fund, or of the transactions relating to such
36 election, including the final disposition of any balance remaining
37 in such fund at the time of dissolution or the arrangements which
38 have been made for the discharge of any obligations remaining
39 unpaid at the time of dissolution. Until such certification has
been filed, each such treasurer shall continue to file [at the

1 conclusion of each 60-day interval from the 20th day following
such election.] reports in the form and manner herein prescribed.
3 The reports following the report due on the 20th day after an
4 election shall be due on January 1, April 1, July 1 and October 1,
5 whichever date sequentially follows that 20th day, provided at
6 least 60 days have lapsed between the date that the 20-day
7 post-election report is due and the date of the first subsequent
8 report. The reports thereafter shall be due on the quarterly dates
9 until the campaign fund is dissolved.

10 The Election Law Enforcement Commission shall promulgate
11 regulations providing for the termination of post-election
12 campaign reporting requirements applicable to political
13 committees and candidates. The requirements to file
14 post-election reports may be waived by the commission,
15 notwithstanding that the certification has not been filed, if the
16 commission determines under any regulations so promulgated that
17 the outstanding obligations of the political committee do not
18 exceed 10% of the expenditures of the campaign fund with
19 respect to the election or [\$1,000.00] \$2,000.00, whichever is less,
or are likely to be discharged or forgiven.

21 c. In the case of an election of a candidate for an office
22 elected by a municipal or countywide constituency or a school
23 district a duplicate copy of the campaign treasurer's report, duly
24 certified, shall be filed at the same time with the county clerk of
25 the county in which the candidate resides and the county clerk
26 shall retain a written record of that filing for a period of not less
27 than four years following the date of the election.

28 If a political committee or a continuing political committee,
29 with the exception of political party committees for primary
30 elections, assumes for the purposes of reporting, the obligations
31 of a candidate, the campaign treasurer or candidate shall not,
32 upon notice to the commission by such committee of that
33 assumption of obligation, be required to report further.

34 d. There shall be no obligation to file the reports required by
35 this section on behalf of a candidate if such candidate files with
36 the Election Law Enforcement Commission a sworn statement to
37 the effect that the total amount to be expended in behalf of his
38 candidacy by the candidate, by any State, county or municipal
39 committee of a political party, by any political committee, or by

1 any person shall not in the aggregate exceed \$2,000.00. The
2 sworn statement may be submitted at the time when the name
3 and address of the campaign treasurer and depository is filed with
4 the Election Law Enforcement Commission, provided that in [no]
5 any case the sworn statement is filed no later than the 29th day
6 before an election. If a candidate who has filed such a sworn
7 statement receives contributions from any one source
8 aggregating more than \$100.00 he shall forthwith make report of
9 the same, including the [identity] name and mailing address of the
10 source and the aggregate total of contributions therefrom, and
11 where the source is an individual, the occupation of the individual
12 and the name and mailing address of his employer, to the Election
13 Law Enforcement Commission.

14 e. There shall be no obligation imposed upon a candidate
15 seeking election to a public office of a school district to file
16 either the reports required under subsection b. of this section
17 [16b.] or the sworn statement referred to in subsection d. of this
18 section [or to comply with the requirements of section 9, 11 or 12
19 of this act], if the total amount expended and to be expended in
20 behalf of his candidacy by the candidate, any political
21 committee, any continuing political committee or by any person,
22 does not in the aggregate exceed \$2,000.00; provided, that if such
23 candidate receives contributions from any one source aggregating
24 more than \$100.00, he shall forthwith make a report of the same,
25 including the name and mailing address of the source [and], the
26 aggregate total of contributions therefrom, and where the source
27 is an individual, the occupation of the individual and the name
28 and mailing address of his employer, to the commission.

29 f. In any report filed pursuant to the provisions of this section,
30 the names and addresses of contributors whose contributions
31 during the period covered by the report did not exceed \$100.00
32 may be excluded; provided, however, that (1) such exclusion is
33 unlawful if any person responsible for the preparation or filing of
34 the report knew that such exclusion was made with respect to any
35 person whose total contributions relating to the same election
36 and made to the reporting candidate or to an allied campaign
37 organization or organizations aggregate, in combination with the
total contributions in respect of which such exclusion is made,

1 more than \$100.00, and (2) any person who knowingly prepares,
2 assists in preparing, files or acquiesces in the filing of any report
3 from which the identity of any contributor has been excluded
4 contrary to the provisions of this section is subject to the
5 provisions of section 21 of this act, but (3) nothing in this proviso
6 shall be construed as requiring any candidate reporting pursuant
7 to this act to report the amounts, dates or other circumstantial
8 data regarding contributions made to any other candidate,
9 political committee or committee of a political party.

10 g. [Any report filed pursuant to the provisions of this section
11 shall include an itemized accounting of all receipts and
12 expenditures relative to any testimonial affair held since the date
13 of the most recent report filed, which accounting shall include
14 the name and address of each contributor in excess of \$100.00 to
15 such testimonial affair and the amount contributed by each, in
16 the case of an individual contributor, the occupation of the
17 individual and the name and mailing address of his employer; the
18 expenses incurred, and the disposition of the proceeds of such
19 testimonial affair.] (Deleted by amendment, P.L. , c.)
(now pending before the Legislature as this bill)

20 h. If all expenditures and all receipts of contributions on
21 behalf of a candidate which are required to be reported under
22 subsection c. of this section are conducted by and through a
23 political committee which is required to file financial reports
24 under section 8 of P.L. 1973, c. 83 (C. 19:44A-8), the candidate
25 may authorize that political committee to be his agent with
26 respect to the reporting of those expenditures and receipts by
27 filing with the Election Law Enforcement Commission a
28 certificate of that authorization on a form prescribed by the
29 commission. The certificate shall provide for designation by the
30 candidate of the treasurer of the political committee as the
31 campaign treasurer of the candidate for the purposes of
32 subsection a. thereof and shall generally identify and be signed by
33 the candidate and the chairman and the treasurer of the political
34 committee. Upon the filing of such a certificate of authorization
35 and until the authorization is revoked in writing by the candidate,
36 the political committee shall file the reports which the campaign
37 treasurer of the candidate would otherwise be required to file
38 under subsection a. of this section.
39

1 i. Each campaign treasurer of a candidate shall file written
2 notice with the commission of a contribution in excess of \$250.00
3 received during the period between the 13th day prior to the
4 election and the date of the election. The notice shall be filed in
5 writing or by telegram within 48 hours of the receipt of the
6 contribution and shall set forth the amount and date of the
7 contribution [and], the name and mailing address of the
8 contributor, and where the contributor is an individual, the
9 occupation of the individual and the name and mailing address of
10 his employer.

11 (cf: P.L. 1983, c. 579, s. 16)

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

14 19. a. No person shall conduct any public solicitation as
15 defined in this act except (1) upon written authorization of the
16 campaign or organizational treasurer of the candidate, political
17 committee or continuing political committee on whose behalf
18 such solicitation is conducted, or (2) in accordance with the
19 provisions of subsection c. of this section. A person with such
20 written authorization may employ and accept the services of
21 others as solicitors, and shall be responsible for reporting to the
22 treasurer the information required under subsection b. of this
23 section and for delivery to the treasurer the net proceeds of such
24 solicitation in compliance with sections 11 and 14 of this act. A
25 contribution made through donation or purchase in response to a
26 public solicitation conducted pursuant to written authorization of
27 a treasurer shall be deemed to have been made through such
28 treasurer.

29 b. Whenever a public solicitation has been authorized by a
30 treasurer during a period covered by a report required to be filed
31 under sections 8 and 16 of this act, there shall be filed with such
32 report and as a part thereof an itemized report on any such
33 solicitation of which the net proceeds exceed \$100.00, in such
34 form and detail as required by the rules of the Election Law
35 Enforcement Commission, which report shall include:

36 (1) The name and mailing address of the person authorized to
37 conduct such solicitation, [and] the method of solicitation and,
38 where the person is an individual, the occupation of the individual
39 and the name and mailing address of his employer;

1 (2) The gross receipts and expenses involved in the solicitation
3 including the actual amount paid for any items purchased for
5 resale in connection with the solicitation, or, if such items or any
7 portion of the cost thereof was donated, the estimated actual
9 value thereof and the actual amount paid therefor, and the names
11 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 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.

13 c. Notwithstanding the provisions of subsection b. of this
15 section, it shall be lawful for any natural person, not acting in
17 concert with any other person or group, to make personally a
19 public solicitation the entire proceeds of which, without
21 deduction for the expenses of solicitation, are to be expended by
23 him personally or under this personal direction to finance any
25 lawful activity in support of or opposition to any candidate or
27 public question or to provide political information on any
29 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 contribution exceeding \$100.00 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 [and], (3) the purpose or purposes for which the funds
so collected were expended and the amount expended for each
such purpose and (4) his name and mailing address, his occupation
and the name and mailing address of his employer.

31 Such report shall be made either:

33 (1) To the treasurer of the candidate, political committee or
35 continuing political committee on whose behalf such funds were
37 collected and expenditures made, or to his deputy, who shall
cause the same to be included in his report to the Election Law
Enforcement Commission subject to the provisions of sections 8
and 16 of this act; or

39 (2) Directly to the Election Law Enforcement Commission at
the same time and in the same manner as a political committee

1 or continuing political committee subject to the provisions of
section 8 of this act.

3 d. Contributions or purchases made in response to a public
solicitation conducted in conformity with the requirements and
5 conditions of this act shall not be deemed anonymous within the
meaning of sections 11, 14 and 20 of this act.

7 e. No person contributing in good faith to a public solicitation
not duly authorized in compliance with the provisions of this act
9 shall be liable to any penalty under this act by reason of having
made such contribution.

11 (cf: P.L. 1983, c. 579, s. 18)

13 15. (New section) All contributions received by a candidate,
or a political committee or continuing political committee
serving as the campaign committee of a candidate, shall be used
15 only for the following purposes:

a. The payment of outstanding campaign expenses;

17 b. Transmittal to another candidate, political committee or
continuing political committee for the lawful use by such other
19 candidate or committee, except that no such contributions shall
exceed \$2,500 in an election to aid or promote the candidacy of
21 an individual for elective public office or the passage or defeat of
a public question, nor shall such contributions exceed \$50,000 in
23 an election to aid or promote the candidacy of all individuals for
the same public office or the passage or defeat of all public
25 questions;

c. The pro-rata repayment of contributors, except that
27 contributors of less than \$100 may be excluded from repayment;

d. The repayment of loans made by a candidate to his
29 campaign where the loan is documented and reported as such at
the time it is made;

31 e. Contributions to any charitable organization described in
section 170(c) of the Internal Revenue Code of 1954, as amended
33 or modified, or nonprofit organization which is exempt from
taxation under section 501(c) of the Internal Revenue Code of
35 1954;

f. Retention by a candidate, political committee or continuing
37 political committee serving as the campaign committee of a
candidate, in a separate campaign account established pursuant
39 to section 12 of P.L. 1973, c. 83 (C. 19:44A-12); and

1 g. Payment of any ordinary and necessary expenses, including,
but not limited to, supplies, travel, communications and rent,
3 incurred by an elected holder of public office in connection with
that person's duties as a holder of public office. For the
5 purposes of this subsection, ordinary and necessary expenses shall
not include any automobiles or other forms of personal
7 transportation whether purchased or leased, or salaries or
periodic remuneration paid to office personnel by the
9 officeholder.

16. (New section) a. No person shall pay or make any
11 contribution of money or other thing of value to a candidate, his
campaign treasurer or deputy campaign treasurer or a political
13 committee or continuing political committee serving as the
campaign committee of such a candidate, with the exception of a
15 candidate for the office of Governor, the campaign treasurer or
deputy campaign treasurer of such a candidate or a political
17 committee or continuing political committee serving as the
campaign committee of such a candidate, which in the aggregate
19 exceeds \$500 per election. No candidate, his campaign treasurer
or deputy campaign treasurer or a political committee or
21 continuing political committee serving as the campaign
committee of such a candidate, with the exception of a candidate
23 for the office of Governor, the campaign treasurer or deputy
campaign treasurer of such a candidate or a political committee
25 or continuing political committee serving as the campaign
committee of such a candidate, shall knowingly accept from any
27 person any contribution of money or other thing of value which in
the aggregate exceeds \$500 per election.

29 b. No person shall pay or make any contribution of money or
other thing of value to any county or municipal committee of a
31 political party which in the aggregate exceeds \$2,500 per
calendar year. No county or municipal committee of a political
33 party shall knowingly accept from any person any contribution of
money or other things of value which in the aggregate exceeds
35 \$2,500 per calendar year.

c. No person shall pay or make any contribution of money or
37 other thing of value to the State committee of a political party
which in the aggregate exceeds \$10,000 per calendar year. No
39 State committee of a political party shall knowingly accept from
any person any contribution of money or other things of value
41 which in the aggregate exceeds \$10,000 per calendar year.

1 d. No person shall pay or make any contribution of money or
2 other thing of value to any candidate, his campaign treasurer or
3 deputy campaign treasurer, or a political committee or
4 continuing political committee serving as the campaign
5 committee of such a candidate, to any county or municipal
6 committee of a political party and to the State committee of a
7 political party which in the aggregate exceeds \$25,000 per
8 calendar year.

9 17. (New section) No candidate, his campaign treasurer or
10 deputy campaign treasurer, or a political committee or
11 continuing political committee serving as the campaign
12 committee of a candidate, shall knowingly accept from any
13 individual, other than the spouse or a relative of the candidate
14 within the third degree of consanguinity, who is not located or
15 domiciled within the boundaries of the State or from any group,
16 association, organization, corporation, or committee that is not
17 located or domiciled within boundaries of the State, or licensed
18 or otherwise permitted to do business within the State, or does
19 not maintain a branch, division or subsidiary within the
20 boundaries of the State, any contribution of money or other thing
21 of value which in the aggregate exceeds \$250 per election.

22 18. (New section) a. Any expenditure of street money by a
23 candidate, his campaign treasurer or deputy campaign treasurer,
24 or a political committee or continuing political committee
25 serving as the campaign committee of a candidate, or any other
26 political committee or continuing political committee shall be
27 included in the reports filed by the candidate or his campaign
28 treasurer, a political committee or its organizational treasurer,
29 or a continuing political committee or its organizational
30 treasurer, pursuant to sections 8 and 16 of P.L. 1973, c. 83 (C.
31 19:44A-8 and 19:44A-16).

32 As used in this section, street money means all payments to
33 workers involved in get-out-the-vote drives on or close to the
34 day of an election or payment to challengers or poll watchers or
35 other payments related to election-day efforts on behalf of
36 candidates, political committees and continuing political
37 committees in aid of or to promote the candidacy of an individual
38 for elective public office or the passage or defeat of a public
39 question, and includes payments made to campaign workers, party

1 organizations or other committees either by check payable to
such named persons or organizations, or by delivery of cash to
3 such persons or organizations including payment intended for
further transfer to election day workers or other ultimate payees.

5 b. Any candidate, political committee or continuing political
committee that makes an expenditure of street money that
7 exceeds \$25 to any individual or organization, whether or not that
individual or organization is the initial, intermediate or ultimate
9 payee, shall include the name, mailing address of the payee on all
reports filed with the Election Law Enforcement Commission
11 pursuant to subsection a. of this section.

c. Any candidate, political committee or continuing political
13 committee found to be in violation of subsections a. or b. of this
section shall, in addition to any other penalty provided by law, be
15 liable to a penalty of not more than \$1,000 for the first offense
and not more than \$2,500 for the second and each subsequent
17 offense.

19. (New section) No county committee or committees of a
19 political party in a legislative district and no municipal
committee or committees in the same legislative district shall
21 pay or make any contribution of money or other thing of value to
any candidate for the office of member of the Legislature who is
23 seeking to represent that legislative district, or the campaign
treasurer or deputy campaign treasurer of such a candidate or a
25 political committee or continuing political committee serving as
the campaign committee of such a candidate, which in the
27 aggregate exceeds \$20,000 per election. No candidate for
election to the office of member of the Legislature, or the
29 campaign treasurer or deputy campaign treasurer of such a
candidate or a political committee or continuing political
31 committee serving as the campaign committee of such a
candidate shall knowingly accept from the county committee or
33 committees of a political party in the legislative district that the
candidate is seeking to represent and from the municipal
35 committees of a political party in the legislative district that the
candidate is seeking to represent any contribution of money or
37 thing of value which in the aggregate exceeds \$20,000 per
election.

1 20. (New section) a. Any independent expenditure made by a
2 person, a political committee or a continuing political committee
3 that exceeds in the aggregate \$1,000 per election in behalf of a
4 candidate for election or that exceeds in the aggregate \$2,500 for
5 the passage or defeat of a public question shall be subject to all
6 appropriate reporting and disclosure requirements provided for in
7 "The New Jersey Campaign Contributions and Expenditures
8 Reporting Act," P.L. 1973, c. 83 (C. 19:44A-1 et seq.).

9 As used in this section, an independent expenditure is any
10 expenditure made by a person, a political committee or a
11 continuing political committee which was not made with the
12 cooperation or prior consent of, or in consultation with or at the
13 request or suggestion of, a candidate or any person or committee
14 acting on behalf of the candidate, or a group of two or more
15 persons seeking to promote the passage or defeat of a public
16 question.

17 b. Every person, political committee or continuing political
18 committee that makes an independent expenditure shall include
19 in its reports to the commission a sworn statement on a form
20 provided by the commission that such independent expenditure
21 was not made with the cooperation or prior consent of, or in
22 consultation with or at the request or suggestion of, the
23 candidate or any person or committee acting on behalf of the
24 candidate, or a group of two or more persons seeking to promote
25 the passage or defeat of a public question.

26 c. Any advertisement in any media which is an independent
27 expenditure shall include a clear and conspicuous statement that
28 the advertisement is not authorized by the candidate or by the
29 group of two or more persons seeking to promote the passage of
30 defeat of a public question and the name and address of the
31 person or persons, political committee or continuing political
32 committee making the expenditure.

33 d. Independent expenditures that are required to be reported
34 pursuant to subsection a. of this section shall be reported to
35 either:

36 (1) The campaign treasurer or deputy campaign treasurer of the
37 candidate or political committee, or the organizational treasurer
38 or deputy organizational treasurer of a continuing political
39 committee, in whose behalf the expenditure was made, who shall

1 cause the expenditure to be included in his report to the
commission pursuant to the provisions of sections 8 and 16 of P.L.
3 1973, c. 83 (C. 19:44A-8 and 19:44A-16); or

(2) The commission at the same time and in the same manner
5 as required for political committees and continuing political
committees, as the case may be, pursuant to the provisions of
7 section 8 of P.L. 1973, c. 83 (C. 19:44A-8).

21. (New section) a. Any group of two or more continuing
9 political committees that are affiliated committees or
determined to be affiliated committees by the commission
11 pursuant to subsection b. of this section shall be considered to be
one continuing political committee and shall be subject to the
13 contribution limits for such committees provided for in section
of P.L. , c. (C.) (now pending before the Legislature as
15 this bill) and to all other appropriate requirements provided for in
"The New Jersey Campaign Contributions and Expenditures
17 Reporting Act," P.L. 1973, c. 83 (C. 19:44A-1 et seq.).

As used in this section, affiliated committees means all of the
19 continuing political committees established, financed, maintained
or controlled in any way by:

21 (1) A single corporation or its subsidiaries, branches, divisions,
departments or local units;

23 (2) A single national or international labor organization or its
State and local chapters, branches or units;

25 (3) A trade or professional association chartered or regulated
by the State or its regional, county or municipal chapters,
27 branches or units other than those in the State;

(4) Any county or municipal committees of a political party; or

29 (5) By the same group of persons.

b. The commission shall have the authority to seek to
31 determine whether two or more committees are affiliated
committees. Once such a determination has been made based on
33 a review of the statements of registration submitted by the
committees pursuant to section of P.L. , c. (C.)(now
35 pending before the legislature as this bill) or any other relevant
documents, the committees shall be subject to such limitations
37 and file such reports as are appropriate, except that any
committees which are found to have submitted statements of

1 registration or other relevant documents which are false,
inaccurate or incomplete in any substantial or material manner
3 shall be liable to the penalty prescribed in subsection d. of this
section.

5 c. Any committees which are determined by the commission to
be affiliated committees shall note that affiliation on all
7 documents submitted to the commission, in all solicitations for
contributions, in all paid media advertisements purchased or paid
9 for by the committee in support of or in opposition to any
candidate or public question, and in all contributions made by the
11 committee to candidates, political committees or other
continuing political committees. During the period that two or
13 more committees are under review by the commission, the
committees may continue to contribute to the campaign of a
15 candidate for public office, provided that if the commission
determines that the committees are affiliated and if those
17 committees have made contributions which exceed the allowable
limit provided for in section of P.L. , c. (C.) (now
19 pending before the Legislature as this bill), no subsequent
contribution shall be made during the election in which the
21 original contributions were made and such excess contributions
shall be noted on the quarterly reporting form.

23 d. Any committees found to be in violation of subsections a.,
b., or c. of this section shall, in addition to any other penalty
25 provided by law, be liable to a penalty of not more than \$1,000
for the first offense and not more than \$2,000 for the second and
27 each subsequent offense.

29 22. Section 21 of P.L. 1973, c. 83 (C. 19:44A-21) is amended to
read as follows:

31 21. a. Any person who willfully and knowingly and with intent
to conceal or misrepresent contributions given or received or
33 expenditures made or incurred to aid or promote the nomination,
election or defeat of any candidate for public office or party
position, or to aid or promote the passage or defeat of a public
35 question in any election, or to aid the dissemination of political
information in connection with any election, or to pay any
37 ordinary and necessary expenses, including, but not limited to,
supplies, travel, communications and rent, incurred by an elected
39 holder of public office in connection with that person's duties as

1 a holder of public office, but excluding salaries, automobiles and
 3 other forms of personal transportation, makes or accepts any
 5 contribution or makes or incurs any expenditure in violation of
 7 sections 7, 11, 14 or 20 of this act is guilty of a [misdemeanor]
 9 crime of the fourth degree.

11 b. Any person who willfully and knowingly files or prepares or
 13 assists in the preparation for filing or acquiesces in the
 15 preparation or filing of any report required under this act which
 17 is false, inaccurate or incomplete in any material particular; or
 who willfully and knowingly fails or refuses to file any such
 report when required to do so pursuant to the provisions of this
 act; or who willfully supplies any information which he knows to
 be false, inaccurate or incomplete to any person preparing or
 assisting in the preparation of any such report, with the
 knowledge that such information is intended for the purposes of
 such report, is guilty of a [misdemeanor] crime of the fourth
degree.

19 c. The nomination for or election to any office of any
 21 candidate who is guilty of any violation within the description of
 23 subsection a. or b. of this section shall be void, and the office
 25 shall be filled as required by law in the case of a vacancy;
 provided, however, that nothing herein contained shall be
 construed in derogation of the constitutional authority of either
 House of the Legislature to be the judge of the election and
 qualification of its own members.

27 d. Any person who knowingly refuses to file a statement of
registration pursuant to section 6 of P.L. _____,
 29 c. _____ (C. _____) (now pending before the Legislature as this
bill), and any person who knowingly continues to use a name or
 31 title that has been disapproved by the commission pursuant to
subsection b. of section 6 of P.L. _____, c. _____ (C. _____) (now
 33 pending before the Legislature as this bill) is guilty of a crime of
the fourth degree.

(cf: P.L. 1973, c. 83, s. 21)

35 23. N.J.S. 40A:14-71 is amended to read as follows:

37 40A:14-71. Candidates for membership on the board shall be
 39 nominated by verified petitions. Any such petition shall be in
 writing, addressed to the municipal clerk or the clerk of the
 board, as the case may be, stating that the signers thereof are
 qualified voters and residents in the district and requesting that

1 the name of the candidate be placed on the official ballot. The
 2 petition shall state the residence of the candidate and certify his
 3 qualification for membership. The candidate's consent to his
 4 nomination shall be annexed to the petition and shall constitute
 5 his agreement to serve in the event of his election. The petition
 6 shall contain the name of only one candidate, but several
 7 petitions may nominate the same person. Each petition shall be
 8 signed by not less than 10 qualified voters and shall be filed at
 9 least 28 days before the date of the election.

10 [Any form of a petition of nomination which is provided to
 11 candidates by the Secretary of State, the county clerk, or the
 12 municipal clerk shall contain the following notice: "Notice: All
 13 candidates are required by law to comply with the provisions of
 14 'The New Jersey Campaign Contributions and Expenditures
 15 Reporting Act,' P.L. 1973, c. 83 (C. 19:44A-1 et seq.). For
 16 further information please call (insert telephone number of the
 17 Election Law Enforcement Commission)."]

18 If a petition is found to be defective, either in form or
 19 substance, the municipal clerk or the clerk of the board, as the
 20 case may be, shall forthwith notify the candidate to cause it to
 21 be corrected before the petition is given consideration.

(cf: P.L. 1985, c. 288, s. 2)

22 24. There is appropriated from the General Fund to the
 23 Election Law Enforcement Commission \$1,500,000 for the
 24 purposes of this act.

25 25. R.S. 19:34-32, R.S. 19:34-45 and section 18 of P.L. 1973,
 26 c. 83 (C. 19:44A-18) are repealed.

27 26. This act shall take effect on the January 1st following
 28 enactment.

31

STATEMENT

33

34 This bill makes major revisions in "The New Jersey Campaign
 35 Contributions and Expenditures Reporting Act" concerning the
 36 amount of money and other things of value that individuals,
 37 political committees and continuing political committees,
 38 popularly known as Political Action Committees or PACs, may
 39 make to candidates, to other political committees or to PACs,
 and to the passage or defeat of a public question. The bill

1 implements many of the changes in the Reporting Act suggested
2 by the Election Law Enforcement Commission (ELEC) in its 1986
3 and 1987 Annual Reports.

The bill includes the following changes in current law.

5 1. Individuals are limited to a contribution of \$500 in the
6 amount of money or other thing of value that they may
7 contribute to a candidate for any office per election. A similar
8 limit of \$2,500 is placed on contributions to any county and
9 municipal committees per calendar year and a limit of \$10,000 is
10 placed on contributions to the State committee in a calendar
11 year. No individual is permitted to contribute more than \$25,000
12 to any individual candidate and to the State, county and
13 municipal committees of a political party in a calendar year.

14 2. PACs (this excludes the State, county and municipal
15 committees of a political party) are prohibited from contributing
16 more than \$500 to an individual candidate per election or more
17 than \$2,500 to the county and municipal committees of a political
18 party in a calendar year or more than \$10,000 to the State
19 committee of a political party per calendar year. No PAC other
20 than the State, county and municipal committees of political
21 party is permitted to contribute more than \$100,000 to an
22 individual candidate and to the State, county and municipal
23 committees of a political party in a calendar year.

24 3. The current prohibitions which apply exclusively to
25 contributions from certain regulated corporations are repealed
26 and replaced by the same restrictions on all corporations and
27 labor organizations that are in effect under federal law. These
28 provide that no corporation or labor organization of any kind may
29 make campaign contributions. However, the officers, employees
30 or members of such organizations may make a contribution
31 through a PAC that is composed of the officers, employees or
32 members of such a corporation or labor organization and that
33 derives its funds solely from voluntary contributions solicited
34 from the officers, employees or members of the corporation or
35 labor organization.

36 4. All corporations and labor organizations, or the officers of
37 such, are prohibited from providing to an employee any additional
38 increment of salary, bonus or monetary remuneration which is
39 intended by that corporation or labor organization, or the officers

1 of such, to be used for the express purpose of making a
2 contribution to a candidate, his campaign treasurer or deputy
3 campaign treasurer, or to a political committee or PAC serving
4 as the campaign committee of a candidate.

5 5. All PACs are required to submit to ELEC a statement of
6 registration which accurately reflects the interests and
7 objectives of the organizers or officers of the committee. The
8 title of the PAC, which is included in the statement of
9 registration, must also accurately represent its purpose or
10 sponsorship.

11 6. All PACs that are affiliated or determined to be affiliated
12 by ELEC shall be considered to be one PAC and as such shall be
13 subject to the same contribution limits and reporting
14 requirements established by this bill for PACs.

15 7. A person, political committee or PAC shall report to ELEC
16 all independent expenditures made in behalf of a candidate that
17 exceed \$1,000 per election or made in behalf of the passage or
18 defeat of a public question that exceed \$2,500 per election.

19 8. A limit of \$250 per election is placed on the amount of
20 money or other thing of value that a candidate can receive from
21 certain out-of-State sources.

22 9. Any report filed under the Reporting Act of a contribution,
23 solicitation, or loan by an individual shall include, in addition to
24 the name and mailing address of the individual, his occupation
25 and the name and mailing address of his employer.

26 10. Any expenditure of street money by a candidate, his
27 campaign treasurer or deputy campaign treasurer, or a political
28 committee or PAC serving as the campaign committee of a
29 candidate, or any other political committee or PAC shall be
30 reported in accordance with the provisions of the Reporting Act.

31 11. The county and municipal committees of a political party
32 are encouraged to participate in and contribute to the campaign
33 of a candidate for legislative office by permitting contributions
34 of up to \$20,000 to be given to a candidate from these
35 committees in the legislative district that the candidate is
36 seeking to represent. This sum will constitute a very substantial
37 amount of money available to a candidate, considering the
38 limitations imposed on other sources available to the candidate
39 by this act.

1 12. Seven legitimate uses, including contributions to charities
and payment of all ordinary and necessary office expenses
3 incurred as an officeholder if the candidate is elected, are
established for all campaign contributions received by a
5 candidate or a political committee or a PAC serving as the
campaign committee of such a candidate. Use of such money for
7 salaries or for automobiles or other forms of personal
transportation are prohibited.

9 Other features of the bill include: a) exempting certain local
elections from the reporting requirements of the statute; b)
11 permitting candidates and committees currently required to file
post-election reports every 60 days to file instead on a quarterly
13 basis until the campaign fund is dissolved; c) lengthening the
terms of the commissioners of ELEC from three to five years; d)
15 requiring ELEC to collect certain statistics and conduct certain
statistical analyses for each election cycle; and, e) appropriating
17 \$1,500,000 to ELEC in order to hire the staff necessary to
implement the provisions of this act.

19

21

ELECTIONS

Ethics and Financial Disclosure

23

25 Restricts the contributions that individuals, political committees
and PACs may make; revises and supplements "The New Jersey
Campaign Contributions and Expenditures Reporting Act."

ASSEMBLY, No. 2581

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 22, 1988

By Assemblymen MARTIN and Loveys

1 AN ACT concerning campaign contributions and supplementing
2 P.L. 1973, c. 83 (C. 19:44A-1 et seq.).

3

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

6 1. No continuing political committee other than the State,
7 county and municipal committees of a political party shall pay or
8 make any contribution of money or other thing of value to a
9 candidate, his campaign treasurer or deputy campaign treasurer,
10 or a political committee or continuing political committee
11 serving as the campaign committee of a candidate, with the
12 exception of a candidate for the office of Governor or the
13 campaign treasurer or deputy campaign treasurer of such a
14 candidate or a political committee or continuing political
15 committee serving as the campaign committee of such a
16 candidate, or to promote the passage or defeat of a public
17 question, which in the aggregate exceeds \$2,500 per election in
18 those years in which any election is held for the office that the
19 candidate seeks or exceeds \$2,500 per calendar year in those
20 years in which no election is held for that office. No candidate,
21 his campaign treasurer or deputy campaign treasurer, or a
22 political committee or continuing political committee serving as
23 the campaign committee of a candidate, with the exception of a
24 candidate for the office of Governor or the campaign treasurer or
25 deputy campaign treasurer of such a candidate or a political
26 committee or continuing political committee serving as the
27 campaign committee of such a candidate, and no group of two or
28 more persons seeking to promote the passage or defeat of a
29 public question, shall knowingly accept from any continuing
30 political committee other than the State, county and municipal
31 committees of a political party any contribution of money or
32 other thing of value which in the aggregate exceeds \$2,500 per
33 election in those years in which any election is held for the office
34 that the candidate seeks or exceeds \$2,500 per calendar year in
35 those years in which no election is held for that office.

1 2. No person shall pay or make any contribution of money or
3 other thing of value to a candidate, his campaign treasurer or
5 deputy campaign treasurer or a political committee or continuing
7 political committee serving as the campaign committee of such a
9 candidate, with the exception of a candidate for the office of
11 Governor, the campaign treasurer or deputy campaign treasurer
13 of such a candidate or a political committee or continuing
15 political committee serving as the campaign committee of such a
17 candidate, which in the aggregate exceeds \$1,000 per election in
19 those years in which any election is held for the office that the
21 candidate seeks or exceeds \$1,000 per calendar year in those
23 years in which no election is held for that office. No candidate,
his campaign treasurer or deputy campaign treasurer or a
political committee or continuing political committee serving as
the campaign committee of such a candidate, with the exception
of a candidate for the office of Governor, the campaign treasurer
or deputy campaign treasurer of such a candidate or a political
committee or continuing political committee serving as the
campaign committee of such a candidate, shall knowingly accept
from any person any contribution of money or other thing of
value which in the aggregate exceeds \$1,000 per election in those
years in which any election is held for the office that the
candidate seeks or exceeds \$1,000 per calendar year in those
years in which no election is held for that office.

25 3. a. No person shall pay or make any contribution of money or
27 other thing of value to any municipal committee of a political
29 party which in the aggregate exceeds \$2,000 per calendar year.
No municipal committee of a political party shall knowingly
accept from any person any contribution of money or other thing
of value which in the aggregate exceeds \$2,000 per calendar year.

31 b. No person shall pay or make any contribution of money or
33 other thing of value to any county committee of a political party
35 which in the aggregate exceeds \$5,000 per calendar year. No
county committee of a political party shall knowingly accept
from any person any contribution of money or other thing of
value which in the aggregate exceeds \$5,000 per calendar year.

37 c. No person shall pay or make any contribution of money or
39 other thing of value to any State committee of a political party
which in the aggregate exceeds \$10,000 per calendar year. No
State committee of a political party shall knowingly accept from

1 any person any contribution of money or other thing of value
which in the aggregate exceeds \$10,000 per calendar year.

3 4. This act shall take effect on the January 1st following
enactment.

5
7 STATEMENT

9 This bill limits the amount of money and other things of value
that continuing political committees, popularly known as Political
11 Action Committees or PACs, and individuals can contribute to
candidates. It also limits the contributions that a person may
13 make to the State, county or municipal committees of a political
party per calendar year.

15 Specifically, the bill:

17 a) Prohibits PACs other than the State, county or municipal
committees of a political party from contributing more than
\$2,500 to an individual candidate, other a candidate for the office
19 of Governor, per election in those years in which any election is
held for the office that the candidate seeks or more than \$2,500
21 per calendar year in those years in which no election is held for
that office;

23 b) Prohibits persons from contributing more than \$1,000 to an
individual candidate, other than a candidate for the office of
25 Governor, per election in those years in which any election is held
for the office that the candidate seeks or more than \$1,000 per
27 calendar year in those years in which no election is held for that
office; and

29 c) Prohibits persons from contributing more than \$2,000 to any
municipal committee or more than \$5,000 to any county
31 committee or more than \$10,000 to any State committee of a
political committee per calendar year.

33
35 ELECTIONS

Ethics and Financial Disclosure

37 Places certain limitations on the contributions that continuing
39 political committees and persons may make.

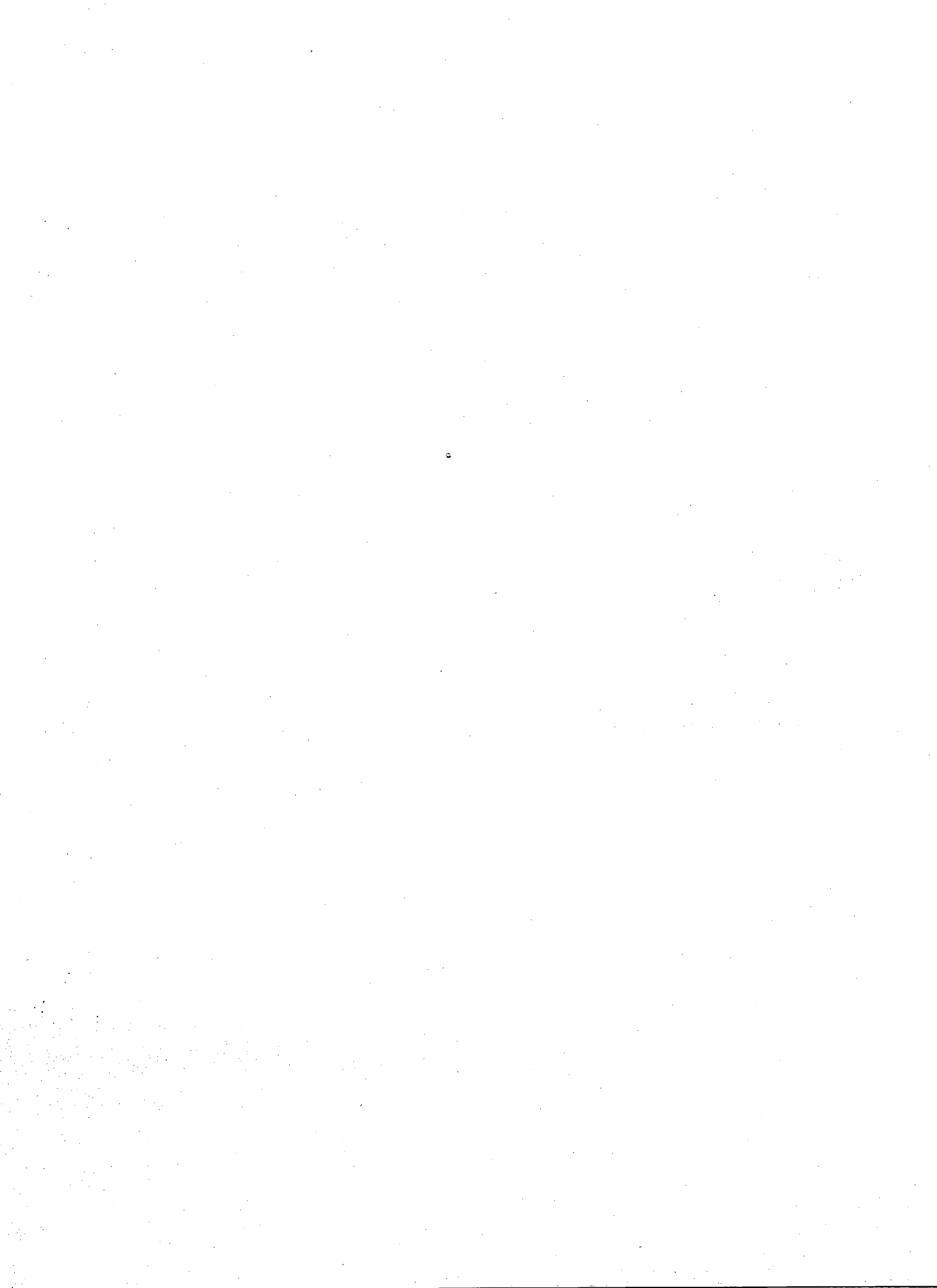


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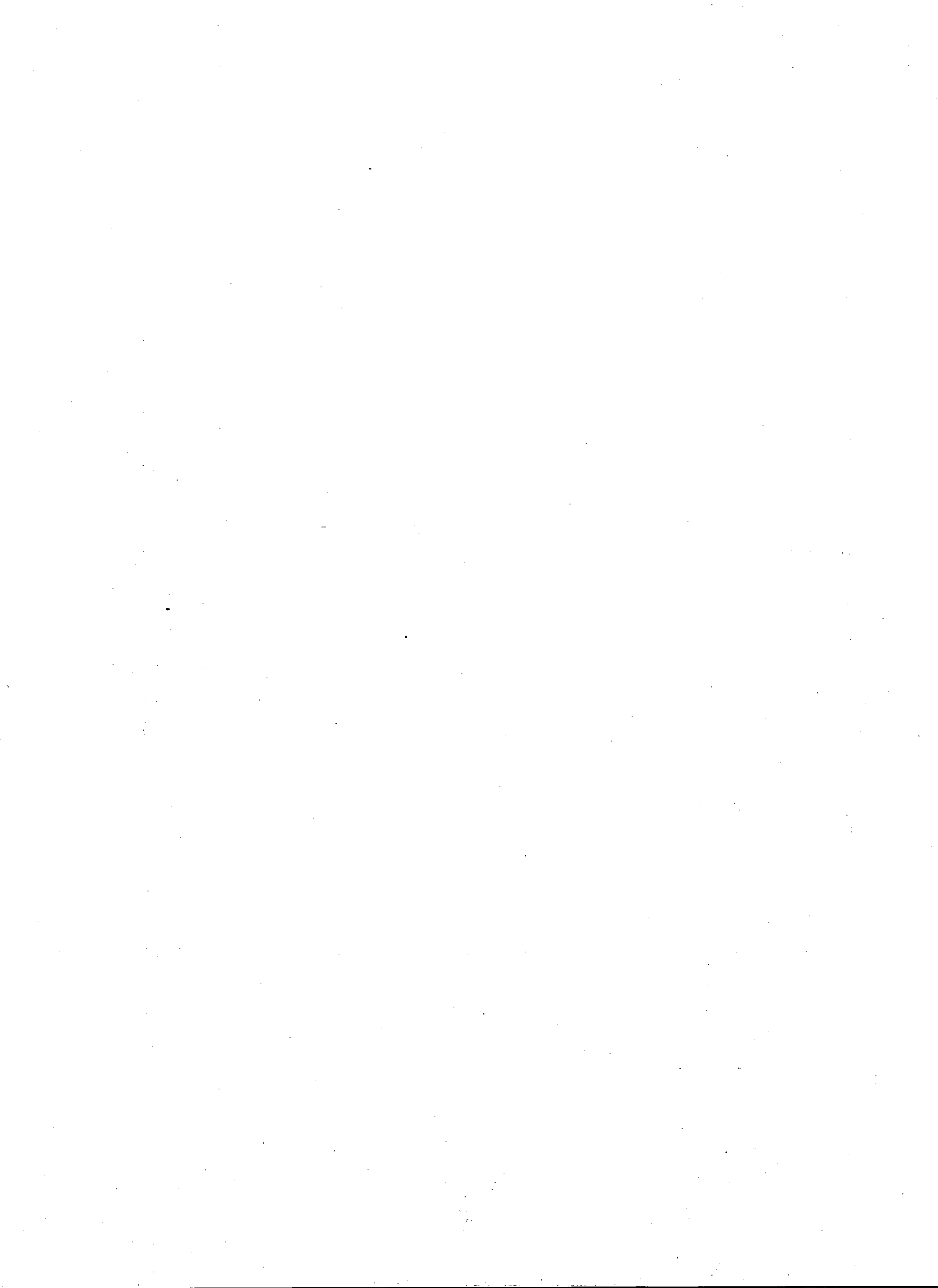
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ASSEMBLYMAN ROBERT J. MARTIN (Chairman): Good morning. We are going to take up the bills that we had begun discussion of last time -- Mr. Schluter's bill, my bill -- and also consider Assemblywoman Randall's bill.

ASSEMBLYMAN SCHLUTER: Do you have any time limit on this Committee meeting today, just so that people can have a little understanding of the parameters?

ASSEMBLYMAN MARTIN: No, I haven't. I thought about it, but I haven't taken a definitive position. Do you have a suggestion?

ASSEMBLYMAN SCHLUTER: No, I don't. I just wondered if there were a time limit, it might be well just to announce it. But if there is not, and we can go as long as we can go, fine.

ASSEMBLYMAN MARTIN: I think, in fairness to the Committee members-- I would think the Committee should try to adjourn sometime around one o'clock. We do have other bills on the agenda. We tried to deliberately schedule bills-- At least it was anticipated that the discussion would be relatively limited and, if it weren't, we do have two other Committee meetings in the not-too-distant future that we could place the bills in. So, based upon that, I would anticipate that we could have two hours of discussion on these bills, and then see where we are at that stage.

Dr. Frederick Herrmann, Executive Director, New Jersey Election Law Enforcement Commission.

D R. F R E D E R I C K M. H E R R M A N N: Thank you, Mr. Chairman. I am Fred Herrmann, Executive Director of the Election Law Enforcement Commission. I would like to thank the Committee for the opportunity this morning to testify on these three very important bills advocating contribution limits.

The Election Law Enforcement Commission's data shows between 1983 and 1987, a doubling of legislative spending to over \$11 million. At the same time, data also shows a doubling

of PAC contributions between 1985 and 1987 to over \$4 million. The Commission feels that this data points to the need for reducing the size of contributions.

ELEC is convinced that the public is alarmed that the large amounts of money used to finance our elections is creating at least an appearance of impropriety. Consequently, ELEC decided to review the issue of contribution limits in detail. ELEC's report entitled, "ELEC White Paper Number One" -- which I have passed out again in its final publication form -- concludes that contribution limits are necessary to remove the appearance of impropriety. However, the Commission strongly feels that they should not be set too low.

The concern of the Commission is that if they are set too low, it might encourage people to go outside the system, hurting disclosure. Various ways could be used to do this. First of all, we are concerned with PAC proliferation -- the ability of PACs to be multi-headed entities. For example, if we had a PAC called "big PAC" in New Jersey, we might end up with a South Jersey big PAC and an East Jersey big PAC and a West Jersey big PAC, and so on and so on, and the Commission would have to establish that they were all connected, which could be done, but again would be difficult and would require staff.

We are also concerned about independent expenditures. As the Committee knows -- we have talked about it before -- under the Buckley decision, you can't prevent independent expenditures. A concern we have is not so much with real independent expenditures, as with phony independent expenditures. It is very hard to prevent winking, and we are concerned that if the limits were too low it might encourage people to attempt to beat the limits, if you will, by making phony independent expenditures.

We are also concerned about bundling, which is another technique which could be used to get around the spirit of

contribution limits. Under bundling, a single person could collect contributions up to the maximum contribution limit from a number of people, and then pass that on to a candidate and, of course, get the credit for giving the candidate a lot more money than the contribution limit.

Finally, probably the most simple technique would be just plain unreporting. We are concerned that if the limits are too low, a lot of the money might go underground, and we won't get any disclosure or accountability at all.

Secondly, the Commission is concerned in terms of the lowness of contribution limits. They might be unconstitutional if they were set too low. It would be an abridgment of First Amendment rights, if the contribution limits were set too low.

Finally, if contribution limits were set too low, it would help wealthy candidates. For example, if you were running against someone who was independently wealthy and you were limited by contribution limits, it wouldn't affect that person because he or she would be spending their own money. But that would put you at a great disadvantage. Likewise, a challenger running against an incumbent would probably be hurt more by low contribution limits than the incumbent would be, because the incumbent would have so many other possibilities of getting name recognition.

So, in sum, we are supportive of contribution limits. We are just concerned that they shouldn't be too low.

A-1413, Assemblywoman Randall's bill, A-2529, Assemblyman Schluter's bill, and A-2581, Assemblyman Martin's bill, are all acceptable variations, we feel, of contribution limit reform. However, all three bills need some amending to eliminate potential loopholes and technical problems.

There are a number of specifics I can share with you now, and then if there are some questions, we can go into a few of the other concerns. First of all, two of the bills -- Assemblywoman Randall's bill and Assemblyman Martin's bill --

do not appropriate any money to the Commission. We are very concerned right now--

ASSEMBLYMAN MARTIN: We try to do that in the other bill -- the 2490 version.

DR. HERRMANN: You did, and we appreciate that. But, of course, this imposes some more requirements on the Commission, some more things for us to do under this legislation. Again, we would need some more money, and I have attached a fiscal memo on both the Martin and the Randall bills, which would show what we think would be the amount of money we need.

Currently, we feel we may well be as much as \$400,000 in the hole in terms of administering the current Act as it is. During this decade, we have not added one line staff person. We have added administrative positions, but we haven't added any field positions. We only have one field auditor currently for the entire State of New Jersey. We have three desk auditors who have to review 18,000 reports. We have one full-time prosecutor who has to deal with 550 final decisions. We do a lot of research, but we do not have a full-time research person. So we are with our backs to the wall currently. If we are to get more responsibility, it will be imperative for us to get more staff. This isn't just a New Jersey problem; it's a national problem. As the Chairperson of the Council on Governmental Ethics Laws this year, I have looked at what a lot of the other state agencies are doing. I wrote an article in the "State Governments" magazine, in about April, and what I found was very discouraging. Most state agencies in the ethics areas are woefully underfinanced. You can't enforce the law unless you have people to do it. We can draft stringent laws, but we've got to have the staff there to enforce them, if they are going to work.

Assemblywoman Randall's bill: Another comment on that is, the Commission, in reviewing it, feels that it may contain

an unconstitutional ban on independent expenditures by PACs. Again, under the Buckley decision, you can't stop independent expenditures, and the language of the bill appears to be attempting to do that.

Mr. Schluter's bill: A couple of technical points on that. We feel there may well be an unconstitutional ban in this bill in terms of corporate giving to public question committees. Under the Bellotti decision, which I believe dealt with Massachusetts, the Supreme Court found that you cannot prevent a corporation from contributing to a public question committee. Also in that bill--

ASSEMBLYMAN MARTIN: So, there is a distinction there between giving to a candidate as opposed to giving to a public question committee?

DR. HERRMANN: Yes, exactly.

ASSEMBLYMAN MARTIN: The corporation being viewed as an individual in one respect, and as an artificial creation in another.

DR. HERRMANN: Well, let me flesh that out a little bit, because that is a very good question. I think the reasoning of the Supreme Court in the Buckley decision was-- The whole reason for imposing things like contribution limits is a fear of corruption. And, of course, if you are giving money to a person, there is a possibility that that person might be corrupted by the money. But if you are giving to a public question committee, you really can't corrupt the public question. I think they said that was more akin to expending money in general, like independent expenditures, than it would be like contributing to an individual.

The Bellotti decision, as far as I know, really deals just with corporations. It may well be able to be extended to PACs giving to public question committees. On that I don't believe there is any case law, as far as I know, but it is something to keep in mind in this area.

Also in Mr. Schluter's bill, we feel there is a need to redefine the language that deals with corporate or union PAC affiliation with other corporate or union PACs for the purposes of contributing so as not to be overly restrictive. More specifically, there is language in there that talks about PACs being affiliated -- if one PAC is "controlled" in any way by another PAC. We had a similar circumstance when we were doing our public financing regulations this year. We attempted to make some changes in the definition of when a corporation or a union was controlling another corporation or a union for purposes of giving in a gubernatorial setting.

Assemblyman Karcher testified before us on that. We also received written testimony from Assemblyman Foy. The argument that both of them made with regard to unions, which was well taken by the Commission, was that many international unions have the ability to take over local unions for extraordinary circumstances. I think what they had in mind was corruption. Assemblyman Karcher made the point -- and it was a good point -- that that isn't really the kind of control we are concerned about in terms of the independency of giving. As a matter of fact, Assemblyman Martin, you also testified about corporations on that as well.

ASSEMBLYMAN MARTIN: I didn't quite take the same position.

DR. HERRMANN: No, you didn't. The Commission decided to fall back on the current language, which talks about significant degree of control. I think we get to the same point. Assemblyman Karcher and Assemblyman Foy-- The Commission felt they were correct in the sense that the idea was controlling another body for the purposes of contributing. If your control is only a control that can be exercised in terms of taking over the structure because of corruption, that is not exactly, I don't think, what we had in mind when we did our regulations. Perhaps this could be rethought a little bit in Mr. Schluter's bill.

ASSEMBLYMAN MARTIN: If I may--

DR. HERRMANN: Yes?

ASSEMBLYMAN MARTIN: There has been an analogy which is argued, which would be true with corporations as far as subsidiaries, to the extent to which they are not totally under the control of the parent corporation. Would you want to see a similar movement in that, or would you make a strong distinction with the unions? I understand the argument. My point in testifying there, as you know, was that I thought that if you do for the labor unions -- and I am not disputing that there may be reasons why a local is separate and distinct and can make its own contribution, as opposed to a national or international-- Isn't that also true with many subsidiaries as far as a corporate structure?

DR. HERRMANN: Yes, that is true. We think the same logic would apply to both corporations and unions here. It should be a degree of control question which the Commission could decide, and has decided in the past in the context of gubernatorial public financing, but we don't want to make it too rigid. I think the concern is, again with the proliferation of PACs, which I addressed a little earlier in my testimony, we do not want PACs or corporations or unions to be doing an end run around the contribution limit by controlling other entities. We want to guard against this. But on the other hand, we don't want to set the standard so high that, again, we are infringing on First Amendment rights, which are basic.

In conclusion, with these issues addressed -- there are some other technical concerns we have, but we feel that none of them are so great that they can't be addressed; I'm sure they can be addressed -- the Commission is delighted to support all of these bills, and commends their sponsors for addressing this vital ethical issue.

ASSEMBLYMAN MARTIN: I have a couple of questions, Fred.

DR. HERRMANN: Okay.

ASSEMBLYMAN MARTIN: You referred to bundling before as a term. Would that include the following scenario? I am a politically connected person, and I am supportive of a given candidate. I have a fund raiser in my-- Or maybe I just have some kind of a social event at my house. During the course of that, I make an announcement that I would really appreciate the fact that so many of my good friends and people who think along the same political lines as I do, who may be the guests-- I mean, my guest list may have, in fact, been along those lines, and I would ask all of them to make a contribution to the maximum limit for candidate "X." Is that bundling, or is it something a little more limited than that?

DR. HERRMANN: I think that bundling. I remember from college, there was a sociological definition of bundling, but basically that is bundling.

ASSEMBLYMAN SCHLUTER: Not, I think, financially.

DR. HERRMANN: What you would be doing, in a sense, would be getting the same kind of influence perhaps as if you gave the money out of your own account. Let's say we have a contribution limit of \$500, and you pass along \$10,000 which you collected from however many people we get when we divide \$500 into \$10,000. You are essentially going to be getting, with that candidate, the same influence as if you gave the person \$10,000 of your own money, if you could make the point to the candidate that, well, not everybody has the ability to put together this many \$500 contributions for you. Many jurisdictions do have anti-bundling provisions in their law, so that can be done.

ASSEMBLYMAN MARTIN: I guess the follow-up question to that is: Is there any way in law that you can see to be able to prevent such a scenario? I don't know that PAC limitations or contribution limits could really stop someone from being a primary influencer, as far as suggesting that others should

contribute to a candidate that I support. I don't know. I'm looking for suggestions. I don't want to create something that is going to have, perhaps, potential loopholes, and I foresee that as being one of them.

DR. HERRMANN: I think you're right. It is a potential loophole -- bundling. Can it be prevented? I think, yes. Obviously, if we have one field investigator, it will be a little difficult for us. We need more support on the staff to enforce this sort of a law. Also, a lot of the enforcement takes part because of concerned citizens. If your opponent -- or the candidate's opponent -- in the situation you are talking about got wind of this fund raiser and what was going on, he would complain to the Commission, and the Commission would investigate it. We rely very heavily today on citizen complaints, in terms of enforcing the law. So, the Commission itself doesn't have to have people throughout the State spying, if you will, on people. We will pick it up through opponents and concerned citizens; someone who may be invited to a party, who will say, "Gee, I don't think this is right," and will complain to the Commission.

It's definitely enforceable. Now, that does not mean it is going to be perfect. We have a death penalty, and we haven't wiped out murder either. But I think it could go a long way, at least in setting what the standards are, so that people will have a better definition of what is fair and what is not fair.

ASSEMBLYMAN MARTIN: One other question from me, and then the Committee members. With respect to individual contributions, if we put PAC limitations, one might expect that those-- Let's say if we were to limit corporation spending and union spending, that the alternative -- in order for those groups to still have clout in a given matter -- would be to increase individual contributions. To what extent, if any, do you see that as being a problem, or would the law be able to

pretty much deal with that? How would you foresee what might develop if we were to enact something like Mr. Schluter's provision, which would limit corporate spending?

DR. HERRMANN: Well, there are mechanisms that other jurisdictions use in these situations. One of the things that is very important, if we are going to have contribution limits, is to make sure that we don't have loopholes. If we do have loopholes, the money will flow to wherever the gap is, and there will be access. Two responses generally would be-- First of all, with the PACs, if we can get the PACs to register, which is part of your legislation, and which is part of Mr. Schluter's legislation, we would have a sense of who they are, so that corporations creating corporate PACs and unions creating union PACs-- If they are in the PAC system, at least we will know who they are and what they are doing, and we will have a little bit better, I guess, visibility, in terms of what is going on.

Another mechanism, which we do not have in this State, which they have at the Federal level and in some other states, which is very important, is, in New Jersey, if you contribute more than \$100 to a candidate, you have to give your name and your address. What you don't have to give is who your employer is and what your occupation is. The problem with this is, if we say to corporations, "All right, you can't give," there is the potential there for people affiliated with the corporation to give directly, perhaps on behalf of the corporation, not even using the corporate PAC. They might use that as well, but that would be limited. They would be getting a lot more money into the campaign from the corporate or union entity, or whatever other special interest entity we are talking about. If we require occupation and employer to be listed, the public will have a better idea about where the money is coming from.

The situation you have now is, you can say-- If I were running for mayor, maybe I would have 200 contributors. I

could look down the list and everybody would have a different name. Everybody perhaps would have a different address, live in a different town, and it would look like, well, I haven't really been influenced by anyone. But if we had gotten the fact that all the people who gave to me worked for the National Hula Hoop Company, or something like that, the picture would be different. So, there are loopholes currently in the law in terms of disclosure, which we have to close. If we don't close them, we might as well not have contribution limits. It all has to go together. I think Mr. Schluter has made that point a number of times; that there is a continuum here, and we really have to close all the holes.

ASSEMBLYMAN MARTIN: Yes. I have to ask you one more.

DR. HERRMANN: Okay.

ASSEMBLYMAN MARTIN: As a student of government, a doctor, a Ph.D., there is a theory which I know you are familiar with, which talks about the idea that in this day and age, the way that individuals count is to be able to associate with whomever they wish. The more they can associate through their dollars and through their voices, the stronger that voice is heard. PACs, at least in theory, are one mechanism which allows the little person, by virtue of numbers, to be able to have a major voice.

Now, there is a negative side of PACs, which hopefully this testimony will address. We will be looking at remedies, and so forth. But to deal with the argument that maybe we are thwarting the democracy of the 1980s by curtailing PACs-- How would you respond to that?

DR. HERRMANN: That's a good point. There is a delicate balancing act that we have to take into account. The balancing act is between First Amendment rights -- the rights to privacy -- and the public's right to know what is going on in the political arena. If we set those limits too low, I would agree-- I think then we would be going too far. On the

other hand, there isn't an absolute right to privacy, and the public absolutely has a right to know when meaningful dollars are being raised and spent.

The Commission-- I really haven't seen too many people call for the abolition of PACs. We are not talking about that. We are not even saying that PACs are a bad thing necessarily. What we are saying, though, is, they are raising and spending a lot of money, and the public does have a right to know where they are getting that money, how they are spending it, and also to put some meaningful limits on exactly how much money can change hands.

ASSEMBLYMAN MARTIN: Committee members? Skip?

ASSEMBLYMAN CIMINO: Fred, what do you think the root cause of the raising and the spending of the money is?

DR. HERRMANN: That's a very good question, too. The Commission has looked at that question in our analysis of the gubernatorial election. The conclusions, I think, apply, to a lesser degree, but the general idea would be the same at all levels. It is very expensive today to run a campaign at any level. Campaigns, maybe even 20 years ago, were more fueled by voluntary help. Today they are fueled by money. They are money intensive, not labor intensive endeavors, because of the use of television time, radio, computers, targeted mail, pollsters, political consultants, and various other kinds of technologies. It is very expensive to run a campaign, which is another reason we feel that if we have contribution limits, we don't want them to be too low, because the candidates have to get their messages out. We want to be very careful with all of these kinds of reforms that we don't get into Francis Bacon's concern that the cure becomes worse than the disease.

ASSEMBLYMAN CIMINO: Has the Commission gone to any great detail in looking at-- You talk about contribution limits. What about spending caps? Have you looked at spending caps? As a second part of that, have you determined how

spending caps-- Where would the finances come from, if we are talking about spending caps?

DR. HERRMANN: Well, that is a good question, as well. First of all, you can't have spending caps unless you have public financing. They are interrelated to each other. In a recent Eagleton/Star-Ledger poll, the people of New Jersey said they wanted spending caps, but they also said they were lukewarm on public financing at the legislative level. You can't have both.

In the gubernatorial arena, the Commission feels that the expenditure limit has to be high enough to let the candidates be heard. One of the big problems with the current law, and why we hope it is going to be amended, is, to be able to only spend \$1 million in the primary and \$2 million in the general, is not enough money to communicate your message to the citizens of New Jersey, especially since we are between the New York and Philadelphia media markets, where we have the first and fourth most expensive markets. So, spending limits, if we have public financing and they are high enough, again, so that people can get their messages out, are probably a good idea.

When we get to the legislative level-- As a matter of fact, the Senate State Government Committee, this week, on Thursday, will be hearing two bills -- Senator Van Wagner's bill and Senator Lynch's bill, which I believe is the same as Assemblyman Schluter's bill for legislative public financing. I am going to speak tomorrow to the Commission about these two bills. We were planning to do some in-depth research early next year on legislative public financing. The City of New York, as a matter of fact, has just established a program. We are very interested to see how that works, because it is roughly equivalent to what we have in New Jersey. The populations of the city and the State are about the same. They are going to give public financing to their council members. It will be very interesting to see how that works out.

At the same time, the Council on Governmental Ethics Laws is currently drafting model campaign finance legislation which will touch upon this issue. I will be very interested to see what the results of that are. But, at this point, there is interest in this. I think the Commission's immediate response would be, "Let's do something about the gubernatorial public financing" -- which could go down the tubes in the next couple of months if we don't do something -- "before we worry about legislative public financing." We have an open mind to that, and we want to do some more research on it.

ASSEMBLYWOMAN CRECCO: I just want to ask one question.

DR. HERRMANN: Sure.

ASSEMBLYWOMAN CRECCO: How do we address the inequities between -- since we are going to put a cap on -- PACs and such and the individual who can contribute to his own campaign? I mean, if you address one, you have to address the other. Both have to be done, I would say, at the same time, because we would have a tremendous problem here.

DR. HERRMANN: Well, that's a very good question, as well. When I am speaking to Rotary Clubs and Kiwanis Clubs, it seems that is the first question I always get. "What, are you going to put limits on? What about the wealthy person I am running against?" My response to that would be, first of all, we cannot stop an individual from giving to his or her own campaign. The U.S. Constitution prevents that. Secondly, if the contribution limit is high enough, it would offset that concern, in that the challenger, the person without the individual resources, would be able to compete. It is interesting to note that in Canada -- this is a Ph.D. observation -- where they do not have the U.S. Constitution, they have spending limits, and they work very well. In Canada, they can prevent people from giving money to their own campaigns. They certainly can prevent candidates, even without public funding, from spending as much as they want.

There has been some talk -- and, of course, there is really nothing we can do about it at this level -- that the Buckley decision, a lot of people feel, has problems. It might be something to look at. They have been talking, I think, about a constitutional amendment to the U.S. Constitution to allow spending limits. It might be the way to go, but, unfortunately, we have to work with the framework we have right now.

ASSEMBLYMAN SCHLUTER: My turn?

ASSEMBLYMAN MARTIN: Mr. Schluter.

ASSEMBLYMAN SCHLUTER: Thank you. I have a series of questions, and I will try to make them as limited in words as possible. Just to answer Assemblywoman Crecco's question: When you said that none of the three bills in consideration would prevent an individual with a lot of resources from spending those resources, is it not true that if partial public financing is adopted--

DR. HERRMANN: Oh, yes.

ASSEMBLYMAN SCHLUTER: --that would allow the law to limit the amount of money that a candidate can spend?

DR. HERRMANN: That is correct. Those bills are in this Committee; they are in the Senate Committee. But it could be done. Assemblyman Schluter is absolutely correct.

ASSEMBLYMAN MARTIN: But with one proviso, that the candidate elects to go under the public funding. He doesn't have to.

ASSEMBLYMAN SCHLUTER: That is correct. Is it not true, however, that if a candidate elects to go under the public financing system, if you have a contribution limit for all other candidates -- legislative and local -- in the same manner that there is a contribution limit for the gubernatorial, that whether or not they elect to go under the public financing or non-public financing, they are still governed by that contribution limit?

DR. HERRMANN: Correct.

ASSEMBLYMAN SCHLUTER: So, they cannot, as in the gubernatorial, get away from the contribution limit by saying, "I am not going to go under public financing"?

DR. HERRMANN: Right. The contribution limit in our current public financing program for gubernatorial officials-- There is a contribution limit whether or not you take public money. That would be true, I believe, of the Senator Van Wagner bill and the Senator Lynch bill and your bill.

ASSEMBLYMAN SCHLUTER: The Senator Van Wagner bill that is going to be considered by the Senate-- Is that on gubernatorial financing, or is that--

DR. HERRMANN: No. His gubernatorial public financing bill was released by this Committee, as a matter of fact, and this is a legislative public financing bill which is roughly modeled after our gubernatorial program.

ASSEMBLYMAN SCHLUTER: Okay. You say that the Commission, in its "ELEC White Paper," supports all of the bills.

DR. HERRMANN: No, I didn't say in the "White Paper." The Commission supports the concept of contribution limits.

ASSEMBLYMAN SCHLUTER: Okay. Now, in view of-- One of the questions that you brought out-- One of the positions you brought out by the Commission is that you wouldn't want to see the contribution limit too low, because you are afraid of side effects. Is that a fair statement?

DR. HERRMANN: A fair statement.

ASSEMBLYMAN SCHLUTER: All right. Dr. Herrmann, I can agree with you in principle, but I think that when any discussion is set around \$2000 or \$2500, as the Commission did, as being in the range-- I cannot say how wrong I think you and the Commission are in setting the range at that level. Let me proceed to ask a few questions here.

DR. HERRMANN: Sure.

ASSEMBLYMAN SCHLUTER: The present contribution limit for the gubernatorial is what?

DR. HERRMANN: Eight hundred dollars.

ASSEMBLYMAN SCHLUTER: Eight hundred dollars.

DR. HERRMANN: Let me, before we start the conversation-- We said that was a possible -- \$2000 to \$2500. The Commission does not have a firm position that that is what it has to be. We are not saying we would--

ASSEMBLYMAN SCHLUTER: I realize that.

DR. HERRMANN: All right.

ASSEMBLYMAN SCHLUTER: Now, what is the limit if one is running for Congress or the U.S. Senate under the Federal election law?

DR. HERRMANN: I believe it is \$1000, Mr. Schluter.

ASSEMBLYMAN SCHLUTER: A thousand dollars. Now, the one bill -- A-2529 -- proposes a limit of \$500. That's my bill.

DR. HERRMANN: Right.

ASSEMBLYMAN SCHLUTER: In the general range of gubernatorial at \$800 and the range of U.S. races at \$1000, do you think that is out of category?

DR. HERRMANN: No, not really, because, as we know -- and I think, as a matter of fact, you said at the last meeting -- the \$800 limit is too low. That was a limit that was set in 1981. It is one that has been eroded by inflation. The Commission suggested, in one of its reports a couple of years ago -- and it was repeated -- that we felt for 1985, that that limit should be \$1200. We have had inflation since then, so then we are up to perhaps \$1500 or \$1600, which would be, in real terms, what that contribution limit should be.

ASSEMBLYMAN SCHLUTER: But in the real world, you don't think it is out of category at the present level of gubernatorial and--

DR. HERRMANN: The \$800?

ASSEMBLYMAN SCHLUTER: The \$500 in A-2529.

DR. HERRMANN: Well, again, as I said, the Commission did not say to me-- I didn't get any firm sense that it had to be at any particular level. We wanted to make the point, just in general terms, that if it is too low, it might cause some problems, as I outlined. But, again, it is really a legislative decision. The Commission wanted to give some input in terms of concern, but that is not to say that we would oppose any contribution limit at that level, if the Legislature feels that is appropriate.

ASSEMBLYMAN SCHLUTER: I can add, as an aside, that if the other levels go up, it might be reasonable to increase -- or consider increasing the \$500 of A-2529 to correspond.

DR. HERRMANN: Well, we are optimists at the Commission, Mr. Schluter. We're hoping that that level does go up, and then it could go up in other legislation as well.

ASSEMBLYMAN SCHLUTER: You mentioned the necessity to finance campaigns.

DR. HERRMANN: Yes.

ASSEMBLYMAN SCHLUTER: And your "White Paper" made use of data talking about the high level of average contributions, the average contribution, and the mean contribution in 1985.

DR. HERRMANN: Right.

ASSEMBLYMAN SCHLUTER: I have done a little research myself on the 1985 general election. Your figures, Dr. Herrmann, say that the average contribution is \$769. This is from your printout.

DR. HERRMANN: Yes.

ASSEMBLYMAN SCHLUTER: And that is a weighted average based on the value of the contribution, because the mean contribution is \$250.

DR. HERRMANN: Right. First, there is a difference between average and mean. They mean different things, of course.

ASSEMBLYMAN SCHLUTER: In 1985, it was for the General Assembly. Is that correct? The contest was for the General Assembly.

DR. HERRMANN: Right, General Assembly only. Right.

ASSEMBLYMAN SCHLUTER: This first figure here shows total number of contributions as \$8834. (referring to printout)

DR. HERRMANN: Yes.

ASSEMBLYMAN SCHLUTER: That was for the Assembly races in the State of New Jersey. Okay. The thing that is very, very startling, Dr. Herrmann, in my mind, is, if you have 80 contests for the Assembly, which means 160 contestants, without considering non major-party candidates, you have an average of 55 contributors per candidate per general election campaign -- 55 contributors.

DR. HERRMANN: Right.

ASSEMBLYMAN SCHLUTER: Now, I think this printout showing the \$769 average contribution, the \$250 mean average contribution, and the few numbers of contributors -- and I consider 55 as being very few -- is absolute stark testimony to the way the situation has come to rely on the "fat cats." Do you think this is a fair statement, or would you comment on it, please?

DR. HERRMANN: My comment on your statement? You have done your analysis here on the 55 contributors. I think the concern is -- and, again, it is subjective -- how much is too much? If someone is giving a candidate-- It varies in a campaign, as you know. Some of our campaigns -- legislative campaigns -- spend over \$200,000. If you have one or two \$2500 contributions, is there an appearance that that would influence you? If you are running a \$5000 campaign, and you got two \$2500 contributions, that might be a different story.

So, I would say it is very subjective. The Commission is concerned, certainly, about the appearance of influence. I know that you are. Exactly what figure we should arrive at is

really going to be a decision for you and the Legislature to make. Again, I would stand by our general concern that if it is too low, we might end up with a worse situation, where people will try to beat the system because, going back to, I think, Mr. Cimino's point, it is expensive to run. If we make it too difficult to raise money, candidates will not be able to get their messages out. I will pick up on Vice Chairwoman Crecco's concern that wealthy candidates will be in much better shape, and incumbents will be in much better shape. So it could end up-- Going back to my friend, Sir Francis Bacon, we've got to be careful here that the cure is not worse than the disease.

ASSEMBLYMAN SCHLUTER: I happen to disagree with you, as I have said before, very strongly. I might make the analogy in my disagreement that if you want to cut out drugs from coming into this State, or into this country, and you say, "Well, let's make a few drugs legal, and let's raise the limit high enough because it costs so much money to go after them, that we really have to go after the ones that are the big traffickers--"

DR. HERRMANN: Yes?

ASSEMBLYMAN SCHLUTER: I say nonsense. I think, also, and I am asking for your comment--

DR. HERRMANN: Sure.

ASSEMBLYMAN SCHLUTER: --that we can -- and I think you have indicated that it can be done -- have laws which would regulate PACs and would regulate the proliferation of PACs, independent expenditures, and bundling--

DR. HERRMANN: Yes.

ASSEMBLYMAN SCHLUTER: --to address that in a reasonable way.

DR. HERRMANN: Sure. Well, you might be disagreeing with me, but I don't think I am disagreeing with you. We don't have a hard figure here. I have said that repeatedly. If you

feel and the Legislature feels that \$500 is a reasonable figure, that at \$500 we won't be encouraging people to try to beat the system, that there will be enough money to run viable campaigns, that it is constitutional to be at that level, that it wouldn't help wealthy candidates, that it wouldn't help incumbents, fine. You are not going to get any opposition from the Commission. We just wanted, in general terms, to warn you. Reasonable people can disagree. I think, again-- What you said at the last Committee meeting, I think, really struck home. You said about the \$500, that you would consider raising that if everything else were raised because of inflation. Then, if we get up to a comparable figure of \$1500-- Again, it is really up to the Legislature. Five hundred dollars may well be on the low side, but reasonable people can compromise.

We have just some general concerns. The point I was trying to make was in general terms, not to specifically say that any certain figure would not be all right with the Commission. The Commissioners do not have to run for office, so they are happy to have it as low as you want.

ASSEMBLYMAN SCHLUTER: Dr. Herrmann, you talked about bundling.

DR. HERRMANN: Yes?

ASSEMBLYMAN SCHLUTER: Bundling can be a very major concern. Have you read the grand jury report which has just been published by the--

DR. HERRMANN: The presentment? (nods affirmatively)

ASSEMBLYMAN SCHLUTER: You're on tape, so you better say, "Yes," or, "No."

DR. HERRMANN: I am going to. The nods don't come out, I guess. Yes, I have.

ASSEMBLYMAN SCHLUTER: Is it fair to say that this report spoke almost exclusively of the gubernatorial financing with a contribution limit of \$800?

DR. HERRMANN: That is correct.

ASSEMBLYMAN SCHLUTER: It showed how one firm -- without identifying that firm -- influenced a lot of its employees and employees' wives and employees' relatives to make the maximum contribution -- \$800 -- so that an executive of that firm could turn over close to -- I think it was \$35,000 or \$50,000 in one bundle to a candidate for governor.

DR. HERRMANN: That was the allegation. That was in the presentment, yes.

ASSEMBLYMAN SCHLUTER: That was the allegation, yes. Do you remember anything about that grand jury asking any of the people involved in this collusion -- this bundling activity -- whether their salaries were increased or whether they got year-end bonuses to make up for that amount of money?

DR. HERRMANN: I don't recall, Assemblyman, that that was mentioned in the document.

ASSEMBLYMAN SCHLUTER: I didn't find it myself, and I just wondered if your eyes were--

ASSEMBLYMAN MARTIN: Bill, I don't mean to cut you off. We are going to try to give as much time as we can. I think you are using this witness to make some statements. It is a fascinating way of getting in some testimony. We will give you an opportunity, at some point, to make your whole case, but we have a lot of other witnesses. Let's draw on Dr. Herrmann's expertise for what he can add light to.

ASSEMBLYMAN SCHLUTER: All right. A couple more, Mr. Chairman. Your "ELEC White Paper" made a recommendation that corporations and labor unions should be prohibited from direct giving.

DR. HERRMANN: Yes.

ASSEMBLYMAN SCHLUTER: The presumption there is, if they gave through PACs, the regulatory framework on governing the PAC contributions would be such that you could have a better opportunity to follow the funds so that they wouldn't be--

DR. HERRMANN: That's true, but not under the current law.

ASSEMBLYMAN SCHLUTER: Not under the current law?

DR. HERRMANN: Right. We would need PAC registration, as you have in your bill and as Mr. Martin has in his bill.

ASSEMBLYMAN SCHLUTER: Okay. Now, Mr. Chairman -- and you can rule me out of order if you want -- I want to get the position of Dr. Herrmann or the Commission. They are having a meeting tomorrow, and they might want to reconsider. Assembly Bill 2581 is the Chairman's bill, which establishes a \$1000 limit on contributions from individuals to candidates, and a \$2500 limit on contributions from political action committees to candidates -- political action committees other than political party committees. Is that correct?

DR. HERRMANN: Right.

ASSEMBLYMAN SCHLUTER: Okay. Does the Commission believe that that bill is an effective limit on the amount of contributions, because of the following facts: The bill would allow contributions in nonelection years of the same limits -- \$1000 and \$2500. It would allow those amounts for both elections in the election year, the primary and the general.

DR. HERRMANN: Right.

ASSEMBLYMAN SCHLUTER: An Assemblyperson could receive \$3000 legitimately in an Assembly cycle. A Senator could receive \$5000 in a Senate cycle. Is that correct?

DR. HERRMANN: Yes, that is my understanding.

ASSEMBLYMAN SCHLUTER: All right.

ASSEMBLYMAN MARTIN: You can get a \$7500 hit in a two-year period. The point was to try to draw a line at how much -- or what is the limit before you can really buy substantial influence, to the point that if you don't buy influence, you have created an appearance of impropriety? Those numbers can be debatable. I am not suggesting that there is a magic number that I can find, but that is the gist of what that is all about.

ASSEMBLYMAN SCHLUTER: Okay. The exemption of any limit applying to political party contributions exists. The political parties, though, are limited in what they can give to a candidate -- \$2000 per municipal committee, \$5000 per county committee, \$10,000 per State committee. Now, this means that in my district -- District 23 -- which has five counties and 40 municipalities-- Forty times two is 80, five times five is 25, that's 105, and one State committee-- That's \$115,000 a candidate can get legitimately through the party. Right?

DR. HERRMANN: Right.

ASSEMBLYMAN SCHLUTER: Okay. And a PAC or an individual can give -- is not restricted in their contributions to the political party. Okay. I am trying to draw the comparison, and make a very strong point that you've got to plug all of the loopholes, and you've got to see that people can't circumvent in order to make a law effective.

Now, in view of the ability of anyone with money -- not the candidate with money, but anyone with money -- wanting to get his or her fair-haired individual into the Legislature, they can contribute, through PACs that contribute to political parties-- They can contribute individually, so that really the limit is well over \$100,000, if there is any limit at all. I am just asking you, would you bring these facts up to your Commission members at its meeting tomorrow, to see if you still want to endorse that concept in that bill?

DR. HERRMANN: Let me say this about that: Going back to my original testimony, I said, and I will repeat, all three bills need some amending to eliminate potential loopholes and technical problems. I think the things you are mentioning, we would agree with. We signed off on the concept. In your own bill, Mr. Schluter, you allow corporations, labor unions, candidates, and political committees to give unlimited amounts of money to any PAC, which would include personal PACs -- that would (indiscernible) in your law -- and to political committees, which is a loophole.

So, the Randall bill, Mr. Martin's bill, your bill, all contain, we think, some potential loopholes. That is not to say that we-- As I said, we support the concept of contribution limits. We think all the bills have to be looked at. There are elements in all of them that are important. You are certainly absolutely correct that we have to get all of the loopholes plugged. There is no question about that. I think what happened with these bills is-- It is a very technical area. We are dealing with political action committees; we are dealing with political committees; we are dealing with personal PACs, other kinds of PACs. There are candidate committees; there are people; there are all sorts of entities out there that can give. If we don't really address them all definitionally, the money will just move into an area where it can be given.

So, the Commission conceptually supports all the bills, but-- If you misunderstood, or if I didn't make myself clear, it does not mean that the Commission has signed off on every provision of each bill. Absolutely not. Great work is needed here. We are delighted, though, that the sponsors of these bills, that the Committee itself, are reviewing this important area. I think this is the most progress we have seen in this area in a long time. But, there is work that has to be done. It is the nitty-gritty technical work in terms of plugging the holes.

ASSEMBLYMAN MARTIN: I, for one, appreciate that. I don't make a claim that my bill is loophole-proof. In fact, I recognize it. I am not sure we can put together anything here that will be loophole-proof, because what we are doing, I think, is trying to strike a balance between a lot of different interests. I am concerned, like you, about constitutional limits; that people have a right to give. I also wonder whether some of this could be addressed under conflicts of interest, where if someone gets a large amount of money and

then they are voting on a given piece of legislation which would directly affect that which has given, maybe it should be looked at in that vein, as opposed to putting a limit on contributions. There are a lot of ways we can approach this.

ASSEMBLYMAN MARTIN: One more comment. Go ahead, Skip.

ASSEMBLYMAN CIMINO: For me, if you would, just coming up to this level-- Tell me, in terms of what Bill just said about \$115,000 now being available through the party committee-- Tell me how a legislator-- Explain to me how a legislator would not become beholden to a county committee?

DR. HERRMANN: How he would not?

ASSEMBLYMAN CIMINO: How he would not be beholden? In other words, I guess what I am trying to say is, how does the solution eradicate the problem of an individual-- If he is supposedly not beholden to the individual PAC contributions, how does he not become beholden to a county chairman, who says-- We don't have that tight a structure in terms of political parties in this State, and how they are structured countywise. How does the individual not become beholden to the extent that he says, "You will do this"? The legislator, rightfully, strikes an independent attitude. Here comes the election, and I'm holding a \$115,000 carrot here for you. "You are either going to do it this way, or you're not going to do it." How is that different from what we used to have?

DR. HERRMANN: Well, that is a very interesting question. Maybe we are coming around full circle here. Again, from the standpoint of the Commission-- We haven't really debated this, but it is an interesting question in terms of political parties and our political system today. Is it necessarily a bad thing for the parties to be exerting more control than they do today? It would certainly seem to me--

ASSEMBLYMAN CIMINO: I thought that was how we got here.

DR. HERRMANN: Yeah. There seems to be a difference between, say, taking money from a special interest group or an individual, as opposed to a political party, which is a consensus-building institution, which represents more views than just one special interest. I think most political scientists would argue that that would be healthier than the current system.

The old system of county bosses, which we sort of got away from-- Would this be a return to that? I don't think so. It would be different. But that again is something that you would all have to be aware of, going back to the cure being worse than the disease. Do we, by doing something like this -- giving the political parties more power -- take ourselves back to the place where we used to be and where we don't want to be?

ASSEMBLYMAN CIMINO: Or do we just go back and do it, and then find out, and then go back and do it all over again in another-- Lincoln Steffens, a great muckraker at the turn of the century, said, "Nothin' is done that needs not to be done over again." I find this is a very interesting discussion, because I think there are some very real concerns here. Steffens went into Boston at that point in time, and worked with the reforms and threw the scoundrels out. He came back two years later and made a deduction that I have always felt was a pretty good salient point. He said, "It wasn't Adam, and it wasn't Eve. It was the apple."

So, you know, I hear everything that is being said. It sounds good on paper, in the shifts, and what have you. I am just concerned that in the long term we don't reinvent the wheel that ultimately leads to the kinds of problems we had, you know, previous to this, with regard to bossism and legislators and county freeholders and municipal elected officials being at the beck and call of a particular chairman at one level or another. I think that is something that has to be examined.

DR. HERRMANN: Yes. At the legislative level, I think there would be less concern about that because of one man/one vote. County chairs don't exercise the kind of power, as you know, that they used to. But, of course, that would be something you would have to be concerned about. PACs, themselves, were a reform in 1975, and are now the problem. So, yes, we have to be careful.

I don't think, though, that we have to worry about heading back to the good old days, because the one thing that is very different about the systems we are talking about now is, there is disclosure. People will know where the money came from, and they will know where it went. Then they can decide. At least they can see what is going on. We are not going back to a progressive era, back room politics, with the smoke-filled rooms and decisions being made, and nobody in the public having any idea who is influencing whom. Steffens, I recall, was very concerned about the U.S. Senate. He was one of the people who said that United States Senators do not represent the states; they represent different special interest groups. We are not headed back to that era with this kind of a thing. It's still open.

But the question about, will this give political parties too much power, or is it a bad thing to give political parties more power? Sure, these are important issues, and they have to be recognized.

ASSEMBLYMAN SCHLUTER: I only have a couple of more questions, Mr. Chairman. I think what Assemblyman Cimino said was very good and very appropriate. However, in clarifying that little scenario of \$115,000-- In District 23, it would be different from other districts, and there are other ways. Assemblyman Martin has made his position very clear. He realizes that everything isn't loophole-proof.

But, there is also in-- I will put this in the form of a question: In Mr. Martin's bill, is there any restriction against earmarking?

DR. HERRMANN: Not that I am aware of.

ASSEMBLYMAN SCHLUTER: There, if I may, that means that even though you don't bring along the baggage of a boss controlling that -- or many bosses -- very often if funds are given and earmarked, then they can go through without any kind of connection. You don't even have that and the good parts of political involvement.

A quick point here about California. The public referendum in California-- What did the voters there in that state vote to have a limit on--

ASSEMBLYMAN MARTIN: Why don't you help us along, Bill?

ASSEMBLYMAN SCHLUTER: All right. This is supposed to be a question and answer-- A \$1000 limit, is that correct?

DR. HERRMANN: Yes, that is correct.

ASSEMBLYMAN SCHLUTER: Now, also, in California they voted that there are no transfers between candidates and candidate's committee.

DR. HERRMANN: I am not as familiar as you are with everything they did there, but certainly those kinds of provisions do exist in other states -- the anti-transfer. Again, they are probably very important if you are going to have contribution limits.

ASSEMBLYMAN MARTIN: Thank you, Dr. Herrmann.

ASSEMBLYMAN SCHLUTER: I have one more question, and this really goes to the heart of the whole issue, in my judgment. You said the Commission was concerned about the escalating costs of the campaigns and the need to bring the message to the people and to the voters through communication, which is becoming more expensive. Didn't the Commission consider the possible effect of money influencing a legislator's or an officeholder's vote, and the harmful effects on government that too much money in the system would create by commanding too much influence over the future actions of people?

DR. HERRMANN: I think the greater concern is really with the latter, instead of the former. The greater concern is too much money coming from one specific source going to one specific candidate. Yes, we have great concern. That, of course, is probably the heart of the "White Paper." We don't want to see too much money coming from any one special interest, going to any one particular public official. The more money that passes, the worse the appearance.

ASSEMBLYMAN MARTIN: Thank you, Dr. Herrmann. I remember that in one of my earlier political textbooks it talked about the fact that where there were so many limits on that, a very strong vested interest group would decide, as an alternative, to run their own candidates. Therefore, they wouldn't have to, you know, make the secondary step. Thanks.

Vince Trivelli, Communications Workers of America.

V I N C E N T T R I V E L L I: I will try to be relatively brief. We have two major concerns with Assemblyman Schluter's bill. They deal with the ability of the unions to contribute, as you would suppose.

One is on page 21, section 9b., dealing with what sorts of contributions unions can make to campaigns and political activities. Basically what it does is, it limits unions to voluntary contributions, rather than business or dues accounts. As public employees, we have a real problem with that, because the courts have limited our ability to negotiate many things. They have said that if the Legislature acts on an issue, in fact, it preempts what you have negotiated already. They have sent us to the Legislature by saying, "If you want to resolve these sorts of things, go to the Legislature." We do go to the Legislature, as you well know. We believe it is an appropriate use of dues money to come to the Legislature and speak to you about it, and try to elect individuals who agree with the public employees of this State in what they want to get accomplished.

We do, in fact, return, under law, 15% to agency fee payers who are not members of the union. If those individuals also disagree with what we have done with our money -- with the money in the union -- they can also petition and get more money back; if they don't agree with what we have done politically with the money. So, we believe we should not be limited to just voluntary contributions.

Secondly, we agree with the gentleman from ELEC on the question of control over locals. We also commented on the potential reg that had come out on the gubernatorial elections, which tried to say that one union -- the national -- was the same as all of its locals, when, in fact, we can only take over and control a local under extraordinary circumstances. We have no control over what they do.

ASSEMBLYMAN MARTIN: Vince, would you have a problem if the same was said of corporations, if subsidiaries would also be able then to set up PACs?

MR. TRIVELLI: I probably would not have a problem -- we are concerned with our situation -- especially if you then put a limit on it. We can't even know-- We have 60 or 70 locals in this State. They may buy tickets, or whatever they buy, without our knowledge, and then all of a sudden, we are over a \$2500 or a \$1000 or a \$500 limit, you know, very quickly. We represent, in this State, 60,000 or 70,000 people. To limit 60,000 or 70,000 people jointly together to a \$2500 contribution in that way-- We can't possibly know. So, in terms of the corporations, I would have to think about it. If you go back to what the regs now say in gubernatorial, they talk about the extent of control. I think that is more the way to go than to say in any manner whatsoever.

Those are the two major areas where we have problems with that bill.

ASSEMBLYMAN MARTIN: Questions?

ASSEMBLYMAN SCHLUTER: With respect to voluntary contributions, are you saying that under the present system, whether a person is a member under the agency arrangement or on a regular basis, that the contributions should be allowed to be used by the union -- the Communications Workers, or whatever -- at the discretion of the trustees--

MR. TRIVELLI: They elect a leadership of the union.

ASSEMBLYMAN SCHLUTER: --and that the person making the contribution would have no say either in withholding that amount of money or earmarking it for someone?

MR. TRIVELLI: In fact, they have some amount of control. They can join the union or not join the union. That is their decision. If they don't like what the union does, they can withdraw from the union. If they don't join the union, they pay an agency fee, which is about 85% of the dues, because they get lots of the benefits of the union despite the fact that they are not members of the union. If they don't then like what we have done with the money -- they get a report all the time on what they do -- they can petition to get more money returned to them; if they don't agree with what we have done politically with the money.

So, there is a mechanism for people to get -- it is all under regs with the State -- money back. We just believe that because -- especially because -- of the way, for public employees, the courts have established that we are limited in the scope of things we can bargain about-- If the Legislature speaks, it preempts things that we have bargained about. The court, in fact, sends us to the Legislature to get certain things accomplished. It is a perfectly legitimate use of dues money to try to work within that process and get the things for our members that they wish.

ASSEMBLYMAN SCHLUTER: I don't have any quarrel with that. I can work with you on many things. One final question: Do other unions that you know of in New Jersey have

the same stipulation, where all the members who contribute --- and that money can go to political contributions-- Do they have the same disclosure to find out how the money is being spent and how it is being accounted for?

MR. TRIVELLI: I can only speak to public employees. That is under law, under reg, and I would assume that they follow the same laws and regs that we do.

ASSEMBLYMAN SCHLUTER: But you don't know for sure?

MR. TRIVELLI: I can't speak for them.

ASSEMBLYMAN MARTIN: There may be some other speakers who can help us with that. I believe the NJEA has the same rules, and the other public employees. Thank you, Mr. Trivelli.

Susan Covais, New Jersey Association of Realtors.
Good morning.

S U S A N C O V A I S: Good morning, and thank you, Mr. Chairman. My name is Sue Covais. I represent the 47,000-member New Jersey Association of Realtors.

We have a number of concerns with the three bills, although we did not officially review A-2581 and A-1413. We have reviewed Assembly Bill 2529, and have taken a position to oppose. There are a number of reasons why we have done that. One of the concerns we have, and I think it is more of a technical issue, is the corporate language section on page 20, section 9. In trade associations like ours, there are a number of members who are incorporated offices; for example, XYZ Realtor, Inc. The way this language reads, and the way we have interpreted it-- If you interpret this section literally, XYZ Realtor, Inc. can only give to a PAC made out of XYZ Realtor members -- I mean, XYZ officers and members of the incorporated entity. The way we have our Realtors Political Action Committee set up is, there are trustees who are picked from the membership who serve for a number of terms -- they are elected, and so on and so forth -- which are not necessarily made up of a particular incorporated Realtor office. We have a number of

Realtor offices that are incorporated. I understand what this section is trying to address, but when it comes to trade associations that have incorporated members, this language creates a problem for us. In other words, how could XYZ Realtor, Inc. give money to the Realtors Political Action Committee, which is not made up of members of their particular corporation? I mean, if you translate that section literally -- it's line 34 -- they can only give through a political action committee that is composed of officers and employees of such a corporation.

That could pose problems for trade associations. I know that even dentists are also incorporated, you know, for whatever reasons a dentist would incorporate. Some Realtors are incorporated; some Realtors are not incorporated. So that particular language would have to be clarified when it comes to trade associations that have incorporated members.

Another issue we have, of course, is on the basis of the entire issue of limiting contributions. We feel that contributions presently in Assemblyman Schluter's bill are unrealistic. The Federal election law, right now, allows political action committees to give \$5000 per election to a candidate. In other words, \$5000 primary, \$5000 general. We feel that \$500 in comparison to that is very unrealistic for a political action committee.

We represent 47,000 members. We are a diverse group. We are not a single-issue group. We don't have (indiscernible) vote. Many of you are aware of that. We are a very diverse group. We feel that in order to fully represent our members, we need-- If you pattern the election law after the Federal election law, then I think we can operate in this system. We feel the limits -- and I agree with Fred Herrmann's comments -- are too low. They would give the edge to the incumbent and to the wealthy candidate. That is exactly what we would like to avoid. I think that is what PACs, initially when they were

created, helped to avoid. They helped to get those people who support your issues-- I mean, we have a constitutional right to try to support candidates who agree with us, or support candidates who are basically in line with the kinds of issues and thinking that we have. We have that right to try to, you know, support them, help them out, and get elected, especially with challenger situations.

These bills, as they are presently set up -- not necessarily the other two bills, but Assemblyman Schluter's bill specifically -- give the edge to the incumbent. I think that is unfair, especially to the wealthy candidate, because it does not limit what you can give to yourself.

Another major concern is, in Assemblyman Schluter's bill, there is a total limit of \$100,000 per year, and that includes public questions. This concerns us a great deal. Even though up until this point we haven't really gotten involved -- our Political Action Committee hasn't really gotten involved -- in a lot of public questions, we are planning to get more involved. We feel that is a violation of the First Amendment.

I know Fred Herrmann mentioned a corporate case. There has not been a case about PACs giving to public questions. But I think that that same analogy can be made, because a political action committee is making its voice known, or its expression of, you know, if it is First Amendment, the right of free speech -- to be able to support or defeat a public question as they see fit. I think putting limits on that limits our rights under the First Amendment. We actually consider the implication of passing such a law-- That would limit our ability to give money to a candidate. This is the reason why independent expenditures were created, because of the whole issue of your rights under the First Amendment. That is why we have a concern with Assembly Bill 1413, which would seem to limit independent expenditures. We would be opposed.

We also feel that the issue of public questions-- The government would have the edge in that issue. Because they are the ones that are promoting the question, you know, it is on the ballot, they would be the ones explaining the issue to the members -- the citizens of New Jersey. It is our right to express our view on that particular issue and translate it the way we see it affecting us, and to get that message across to the people of New Jersey. In a State that has one of the highest media costs -- we are between the number one media market and the number two media market, Philadelphia and New York, just about -- this is going to be very difficult. I think the whole issue of putting unrealistic limits on our ability to communicate our message would be a violation of the First Amendment.

We suggest that the Legislature look at patterning the law after the Federal election law. Right now, the Realtors Political Action Committee is actually in a Federal PAC, in that we have a split-- I don't know how to explain it that well. I am not the expert on our PAC. We have a split with our Federal election law. They get 40%; we keep 60%. Federal election candidates are chosen actually by our national committee. So we have to comply with Federal election laws anyway. We are aware of the Federal election law, how it is set up -- the limit on corporate dollars, and so on and so forth. I think if we are looking at reform, we should really pattern it against the Federal election. That includes patterning the amounts. I think dealing with those numbers would be a little bit more realistic than dealing with numbers that are much too low, which would limit our rights of free speech.

Basically, those are our comments on the bill.

ASSEMBLYMAN MARTIN: When you say "patterning after the Federal government," they have limits on corporate giving. Does that type of limitation on corporate giving pose a problem to you, or can you live with it?

MS. COVAIS: What you can do in Federal election law is use the corporate dollars for the administration of your PAC, which is what we use out in our Federal office in Washington. If the same thing were happening in New Jersey, that would not be a problem for us. We would just take that-- In other words, XYZ Realtors, Inc.-- We have to do it anyway. All of our checks have to be cleared, what's corporate, what's non-corporate, because we are a Federal PAC. That is the way we are set up, so I don't think that would pose a problem for us. That money would have to be kept separate, and that would only be used for administration of the PAC.

ASSEMBLYMAN MARTIN: Do you have, within your network, subsidiaries in the sense of county organizations that are also active in the field as far as PACs?

MS. COVAIS: No, we don't have any local political action committees for our boards, but other states in the United States do. California has a number of PACs that are-- In other words, Los Angeles, I think, has a board that is a PAC. I know Houston, Texas, has its own separate PAC. But we don't have such a situation in New Jersey.

ASSEMBLYMAN MARTIN: The bill I have talks about \$2500 contributions to a candidate per election. If there were a number like that, would you feel you could work with that, or is that still too low, from your perspective?

MS. COVAIS: We sort of go along with the \$5000.

ASSEMBLYMAN MARTIN: A legislative race in New Jersey was approximately half, a little less than half the size of a congressional seat, which is about half a million people, as opposed to a little under 200,000. So, equivalent-wise, as far as the input, it would be roughly the same.

MS. COVAIS: Well, if that was the legislators' intent-- Like Fred Herrmann said, we all felt that that would not encourage anyone to go outside the law. If that is what you felt, we certainly could live with it, as long as there was

a recognition that it has to be enough money for a challenger to be able to run effectively.

ASSEMBLYMAN MARTIN: Questions of Committee members? Mr. Schluter?

ASSEMBLYMAN SCHLUTER: Ms. Covais, my comments and my questions are in no way personal, but I want to get to the root of several points you made. A-2529 includes regulation of PACs and prohibits corporate and union giving, among other things. Are you aware that that was modeled after the Federal PAC laws and PAC regulations?

MS. COVAIS: Yes, I am aware of that. The last time you spoke about it, you said you modeled the bill on the Federal law, which I can see in the bill itself, except for some of this language, not giving corporate dollars, and so on and so forth.

ASSEMBLYMAN SCHLUTER: You said you feel that if you cut down the amount of -- if the contribution limit is too low, incumbents will have a great advantage.

MS. COVAIS: Yes.

ASSEMBLYMAN SCHLUTER: If I were to say to you that under the present law, where there are unlimited advantages, where one incumbent State Senator, who was considered a tremendously overwhelming favorite, raised over \$400,000 from PACs and contributions in 1987, as opposed to his opponent, who got \$12,000, and the incumbent Senator had no trouble getting reelected-- Do you think that is a good use -- a proper use of campaign contributions to have that much difference? Do you think that money is used just to allow him to win an election and to provide direct mail and television and other things, and that that is a reasonable, sensible approach?

MS. COVAIS: Well, I am not familiar with the particular campaign you are talking about. The only thing I can say is, apparently people supported the incumbent, and didn't support--

ASSEMBLYMAN MARTIN:: The Second District, and that is the most extreme example.

MS. COVAIS: Obviously, there was large support for one candidate, and not for the other.

ASSEMBLYMAN SCHLUTER: I will ask the question differently. Do you think any of that money was given to gain influence with that individual as a legislator?

MS. COVAIS: I can't say. I can only say to watch the way the person votes and check the election returns. Everything is all reported. All of those amounts are reported to Fred Herrmann. There are published reports. I mean, you know, I don't think other PACs check with each other, "Well, did you give so and so money? Well then I better not," and this and that. I mean, they said, "We are going to support this person," and they had a meeting with him and they gave him a check. If that is undue influence, you can only tell by the way the person acts. I really don't know the way to--

ASSEMBLYMAN MARTIN: It wouldn't be the total amount, would it, though? Wouldn't it be-- What we would have to look at would be the contribution from a given association, group, PAC, or person. The fact that someone has \$400,000 shows that he or she is an extraordinary fund raiser, and maybe we should look at it from-- We're talking about influence here.

MS. COVAIS: That is what you are trying to stop -- undue influence.

ASSEMBLYMAN SCHLUTER: I asked the question, and I heard the answer. Ms. Covais, how much money did your real estate PAC raise for New Jersey elections in 1987?

MS. COVAIS: This is terrible, I don't really know. I think Fred Herrmann would probably know better than I would. See, what we have-- I will tell you the reason why we have the intensive fund raising. We have what we call a goal. National sets the goal for us. It is \$10 per member. They feel that if you want to participate in the political process, everybody

should give \$10 per member. So that is what we try to do. We don't necessarily spend that. We raised-- I forget what we raised last year. I forget what our goal was. I think it was over \$200,000, but that was our goal. We certainly don't spend that. I think the average contribution we gave to a candidate -- average, well, ranged from \$5000 down to \$750, or actually maybe even lower than that. Maybe \$250, which is what they call a "token contribution."

Our fund raising is sort of separate from the political process in New Jersey. We fund raise because that is our goal. Every year you meet your goal you get a medal, or this and that, and the boards get little medals, and everybody is really into it. It is an activity. That money does not necessarily get spent every year. It is just an activity. It is what we do. That is our activity. We spend, I think, maybe-- I really can't say. I would be incorrect. I don't follow the numbers, because I am not the administrator.

ASSEMBLYMAN SCHLUTER: All right. Ms. Covais, my information says that you contributed-- New Jersey real estate contributed to 102 candidates last year in 120 races.

MS. COVAIS: Okay, that is probably right.

ASSEMBLYMAN SCHLUTER: Forty for the Senate and 80 for the Assembly.

MS. COVAIS: Right.

ASSEMBLYMAN SCHLUTER: A hundred and two candidates. My information also says-- The information I have, which was made available in a talk by one of your State executives, was that \$162,000 was given to candidates last year.

MS. COVAIS: Yes.

ASSEMBLYMAN SCHLUTER: So the \$162,000 is roughly \$1600 to a candidate.

MS. COVAIS: Yes, if you average it out.

ASSEMBLYMAN SCHLUTER: At the time, it was proclaimed by this individual, very proudly, that 93 of the people who

received money from the real estate PAC were successful. It was also said: "We are not trying to influence any of these people. All we want is their ear." Don't you think that \$1600 per ear is a little expensive?

MS. COVAIS: Well, it depends on what the cost of the race is. I don't know if that is expensive.

ASSEMBLYMAN MARTIN: Let me help you out.

MS. COVAIS: I mean, what can I tell you?

ASSEMBLYMAN MARTIN: Let me ask you a question. Don't you feel that the \$1600, rather than buying influence-- Wouldn't you take the position that it was given primarily to see that the candidates that you were philosophically in alignment with were elected, as opposed to influencing? Let me put it as bluntly as I can: How many of those people do you feel you now have in your pocket because of that contribution?

MS. COVAIS: Zero, absolutely zero. I always have this expression: If you can buy somebody for that amount, I mean, for \$10,000--

ASSEMBLYMAN MARTIN: Because I am insulted by the insinuation that your \$1600 contribution-- I don't think you gave me that. I know I did accept a contribution, but I don't believe it was that high.

MS. COVAIS: No, I don't think so either.

ASSEMBLYMAN MARTIN: But, I'll tell you, you can go through my list, and if someone feels they can buy me for \$1600, I just resent any insinuation like that.

MS. COVAIS: And that is not the intent of it. It is to help that person get reelected, because, you know, on a lot of issues that person is, like, supporting the kinds of issues you want. I wouldn't say on all of them. There have been bills we have opposed of any number of legislators that we supported because of their general views towards, I mean, the basic issue, private property rights, for the Realtor Association. But that is what the--

ASSEMBLYMAN SCHLUTER: I might add that I think I received \$250 last year as a contribution, because that was my limit. I don't expect any more ever again from the real estate people after today.

MS. COVAIS: You didn't accept that check. You turned it back, I thought.

ASSEMBLYMAN SCHLUTER: I did turn back the initial one.

MS. COVAIS: Okay.

ASSEMBLYMAN SCHLUTER: You just said it is very expensive to pay for campaigns, and yet you gave to 102--

MS. COVAIS: I would say for the media.

ASSEMBLYMAN SCHLUTER: --individuals running in 40 different districts. Anybody knows who knows the political landscape in New Jersey that three-quarters, or more than half, are safe districts. So, really, don't you think they have enough money to run effective campaigns, a lot of these incumbents?

MS. COVAIS: Well, again, we don't give money on the basis of whether-- We give money on the basis that, you know, we support you. This is sort of the range of the contributions we give. It is just a sign that we support you generally. We don't do it on, you know, the basis-- What we would like to see, is the ability there to have a reasonable amount to give to a candidate who really is in trouble. There have been a number of candidates who have been in trouble who we have supported over the years. We felt we should give them a little bit more than we should give "X," or whoever -- that type of thing. But we have a sort of general limit on the check we give. It's just that level. We feel that is a reasonable level. I mean, people spend money-- Just doing a direct mail is a lot of money. Sometimes you are not sure what their coffers look like. You're not checking on their daily amount as to whether you should give to them or not. You are giving to them based on the fact that they are supporting the kind of issues that you generally support. That is how you give.

ASSEMBLYMAN SCHLUTER: I am not saying that anything you did was illegal. I am trying to draw a distinction from the money which goes to run a reasonable campaign, and the access that that money buys. Whether it is access, whether it is influence, or whether it is an ear, it is not illegal, and I am not insinuating that somebody is being bought and delivered. I am just saying that the influence campaign money has -- the harmful influence it has over the governmental process, is something I think we need lower limits on.

ASSEMBLYMAN CIMINO: May I ask a question, Bill, about your numbers? You said there were 102 contributions by the Realtors PAC?

ASSEMBLYMAN SCHLUTER: Yes.

ASSEMBLYMAN CIMINO: They contributed to 102 candidates for office?

ASSEMBLYMAN SCHLUTER: One hundred and two candidates for legislative office, right.

ASSEMBLYMAN CIMINO: Of which there were 120 seats up?

ASSEMBLYMAN SCHLUTER: Yes.

ASSEMBLYMAN CIMINO: Which means then, if what you're saying is accurate, they actually contributed to less than 50% of the candidates that were up for election, because that would mean there are 240 candidates.

ASSEMBLYMAN SCHLUTER: That is correct. They picked one candidate to support, I presume, in 102 races.

ASSEMBLYMAN CIMINO: Okay. They chose to support less than 50% of the people who were running for office. If, in fact, there are 40 seats and there are 80 seats -- as we both know there are -- and if, in fact, each party placed a candidate for each Senate seat and placed two candidates -- and I don't know that that is fact -- for each Assembly seat, then, in point of fact, there were 240 candidates--

ASSEMBLYMAN SCHLUTER: That's right.

ASSEMBLYMAN CIMINO: --for office in 1987, of which they contributed to 102.

ASSEMBLYMAN SCHLUTER: Yes.

ASSEMBLYMAN CIMINO: I just want to put it in the proper perspective in terms of the overall candidate base they were working with, as opposed to the legislative seats, because it skews the numbers. When you say there are 120 seats, you have contributed to 102 of 120 seats, that is not an accurate assessment. An accurate assessment would be that they contributed to 102 of the 240, or potentially 240 candidates who were in the election of 1987. Wouldn't you agree?

ASSEMBLYMAN SCHLUTER: Yes, Assemblyman, but that doesn't change the fact that they contributed to 102 candidates in 120 races.

ASSEMBLYMAN CIMINO: That's fine. I am not arguing with you on that. I am suggesting that you said, "102 contributions went for 120 seats." The fact is, the candidate base is much larger than the 102 contributions that went out. In point of fact, they contributed to less than 50% of those who were candidates in 1987.

ASSEMBLYMAN MARTIN: I think we can all put our own spin on this.

ASSEMBLYMAN CIMINO: I am not casting aspersions on the statement, or saying it is good, or-- I wanted to clear that up in my own head, that's all.

ASSEMBLYMAN MARTIN: Thank you, Sue.

MS. COVAIS: Thank you.

ASSEMBLYMAN MARTIN: Karen Kovas, from LEGAL -- Lawyers Encouraging Government and Law.

K A R E N K O T V A S: Thank you, and thank you for allowing us to testify here. Here are copies of my testimony for the Committee.

I would like to touch on four points, which we would like the Committee to consider while you are deliberating on

whatever does come out of this Committee, and it seems like something is going to come out, if we're hopeful -- whatever.

We have been talking about limits on campaigns, which we are in favor of. But also, another thing we are interested in that we haven't talked about here, is the cost of campaigns. One bill that hasn't been brought up on the agenda by this Committee is sponsored by Alan Karcher. It does have a cap on campaigns. However, that bill also doesn't talk about the cost of campaigns. As campaign costs are rising, what do we do? I mean, it is kind of illogical to cap something, and say, "Well, we are going to make the costs smaller by just making it smaller." You should really get at some of the things.

Assemblyman Schluter's bill does talk about a committee to talk about the free media aspect of it. I am throwing out this suggestion because the campaign costs seem to be geared at media buys and getting your message out -- getting your communication out. But if there were perhaps a set of criteria for a candidate-- For example, if he got maybe -- and these criteria are just things for you to spin off on-- Maybe if a candidate got 50 contributions of between \$50 and \$100, maybe that would entitle him to a one-half page ad in his major newspaper in his district. Or perhaps if he got 100 contributions of \$75 to \$150 as a criteria, maybe that would entitle him to a 30-second spot on the New Jersey Network.

Now the newspaper, being that it is private-- That may be unconstitutional, being that it is private, but New Jersey Nightly News is funded-- New Jersey Public Television is funded, in part, by the Legislature, so maybe that might be a do-able thing. There's got to be--

ASSEMBLYMAN MARTIN: Do you mean that my campaign should sponsor Masterpiece Theater?

MS. KOTVAS: No, I don't mean that. (laughter)

ASSEMBLYMAN MARTIN: I would probably get more votes, I don't know.

MS. KOTVAS: You couldn't do it that way, because everyone would want the spot by the Lottery -- before and after the Lottery. You couldn't do it that way. Perhaps there just has to be a slot, where if you are interested, you can turn on at 10 a.m. or 7 p.m., or something like that. But we've got to do something to really address the costs. If this Committee is not the avenue, I would hope that somebody-- I would hope that it translates out that the costs do get addressed, because the costs are obscene, and they just keep growing. Media buys, I feel, are one of the things, probably, in communicating with people and getting your message out, where money does go.

ASSEMBLYMAN MARTIN: Since you are representing the legal community, would you be sensitive-- You would seem to be steering campaigns, then, into specific areas by doing that. I agree with you in general. Certainly there is an alternative to limits; that is, making the message more accessible without the use of money, or at least making the various media--

MS. KOTVAS: Cutting down on them.

ASSEMBLYMAN MARTIN: By doing that, you are almost directing a campaign to use certain medias.

MS. KOTVAS: Certain markets, is that what you're saying?

ASSEMBLYMAN MARTIN: Someone may feel that they get more bang for their buck--

MS. KOTVAS: But that is up to you to decide.

ASSEMBLYMAN MARTIN: --by going to, I don't know, billboards, as opposed to utilizing a newspaper. My district is one where we don't have a predominant newspaper, like the shore may have the Asbury Press, or whatever. We have several different newspapers. We cut across counties, like Bill does, so you get different-- It may be extremely difficult to try to structure what is a fairness approach. One of my towns relies

totally on little signs, because that is the best avenue for them.

MS. KOTVAS: I understand that. That is why we favor the Schluter bill, because he does have that mechanism to set up a committee, and it is not something that is going to be decided just like that. But, it's viable, and I think it should be addressed.

The second thing we are in favor of is forming one campaign fund per candidate. In other words, for example-- The example I use is candidate Sam Smith. If we do have campaign limits -- if we do come out of this with campaign limits, and there are "X" number of dollars, then if there were one campaign fund for Sam Smith, then candidate Sam Smith only gets "X" number of dollars per PAC and per individual. However, if there are Friends of Sam Smith, Campaign Fund of Sam Smith, Americans for Sam Smith, then he ends up with five or ten times, whatever, as many funds as there are, and that is something which, whether you call it a loophole, or whatever, I think should also be looked at when you are formulating your final package.

The other thing we are very concerned about -- and I don't know if it is proper to bring it up here; it may be part of the lobbying law-- When we are talking about entertaining, there is an awful lot of money that is spent on candidates and legislators that should be reported to ELEC, whether or not a specific piece of legislation is addressed or not. It is moneys that are changing hands. They are going to candidates; they are going, usually, to incumbents, and we feel they should be reported. Perhaps again, as I said, this should be discussed.

ASSEMBLYMAN MARTIN: You're talking about the direct versus the indirect with lobbyists.

MS. KOTVAS: Exactly.

ASSEMBLYMAN MARTIN: You know, we did release a bill here. I spoke with the Speaker recently, and I am hopeful that that bill will be put up before the Assembly in the near future.

MS. KOTVAS: It is very important whether you are flying someone to Florida to play golf or taking him to the Meadowlands with his clients. It is just more money, and the legislators become the recipients.

The last point we would like to make is the first point that Fred Herrmann made, which is that ELEC should be funded much more heavily than it is, because we can do all the campaign financing reform we want to, and if we don't get the money to enforce it, it means absolutely nothing. We need that enforcement, and Fred, I'm sure, needs a bigger staff to do what you decide, or what you may decide needs to be done in this area.

To that extent, we do support Assemblyman Schluter's bill. We hope we can work together with you. Ask us questions, ask us to volunteer stuff during the weeks ahead, and we will be happy to help.

ASSEMBLYMAN MARTIN: LEGAL has been a major player.

MS. KOTVAS: Yes, we have.

ASSEMBLYMAN MARTIN: And certainly--

MS. KOTVAS: I hope you don't think I am a hypocrite.

ASSEMBLYMAN MARTIN: No, I don't think you are. I think you have a right to have a voice here as much as anyone, because there is legislation -- automobile insurance comes readily to mind -- on which you have a very strong position. You are watching candidates and elected officials to see whether they agree with your position or not.

Getting into the question of limits on contributions: You didn't really talk about that. Do you support the idea of putting a limit--

MS. KOTVAS: We support the Schluter limits.

ASSEMBLYMAN MARTIN: Five hundred dollars per candidate?

MS. KOTVAS: Yes.

ASSEMBLYMAN MARTIN: I have no other questions.

ASSEMBLYWOMAN CRECCO: May I ask a question? How would you regulate the free enterprise system, such as a newspaper or billboard?

MS. KOTVAS: That's what I said, that that may be unconstitutional because it is private. Those are private entities. But if we have some experts on this Committee, that is in the Schluter bill, and perhaps something can be done. As I said, New Jersey Public Television is funded, in part, by the Legislature. That may be the only avenue where we can go. But something has to be done to communicate the message.

ASSEMBLYMAN SCHLUTER: Mr. Chairman, by way of comment-- I appreciate your commentary, Ms. Kotvas. My bill, which proposed a commission, is actually not the bill we are studying today.

MS. KOTVAS: Oh, excuse me.

ASSEMBLYMAN SCHLUTER: It's A-2532. That answers Assemblywoman Crecco's question. The reason it proposes to study it is because it is such a thorny question as far as whether it is legal.

MS. KOTVAS: It's so far-reaching.

ASSEMBLYMAN SCHLUTER: But, right now, the gubernatorial statute provides that so many-- It is limited to 500 words that each major candidate is allowed to-- The public pays for distribution before the election, of so many copies of a person's resume -- things like that. But it is not in this particular bill we are talking about today, because it would have to be sorted out.

ASSEMBLYMAN MARTIN: Thank you.

MS. KOTVAS: Thank you.

ASSEMBLYMAN MARTIN: Ruth Ratner, League of Women Voters. Good morning.

R U T H R A T N E R: The League wishes to voice its support for A-2529. They asked me to convey the message.

ASSEMBLYMAN MARTIN: Are there any questions of Ms. Ratner? (no response) Are you prepared to take questions?

MS. RATNER: No, not really. The people who usually are, are not available today. They just wanted me to come--

ASSEMBLYMAN MARTIN: Marie?

MS. RATNER: Yes, Marie.

ASSEMBLYMAN MARTIN: Okay, thank you.

MS. RATNER: Right.

ASSEMBLYMAN MARTIN: Mr. Ed McCool, Executive Director, New Jersey Common Cause.

E D W A R D A. M c C O O L: Thank you, Mr. Chairman. There is difficulty in trying to testify when, in effect, three different pieces of legislation are up. It is hard to consider an approach. I will start out in general, and then I will have specific suggestions or observations relative to each of the three bills.

First, let me set the approach that I am going from; that is, I am not impugning-- I don't believe discussion of this issue is impugning the integrity of anyone who runs for public office and how they have to raise their campaign moneys. I am assuming, and I think rightly so, that all of the members of the Committee recognize that there is a problem with respect to the costs of running for the Assembly and the Senate in this State. You folks are as much a victim of that problem as anybody. You are the prime victims of it. At the same time, it is a particularly touchy problem and situation to try to remedy, because everyone knows how they got here. What we are talking about is changing the rules of how you get here. That raises lots of anxiety about not wanting to basically reform one's self, right out of office. I wouldn't want to see that either. I don't believe that is necessary.

I think we all work from a common ground, though; that is, something has to be done. Either this Legislature will do it, or the one that takes office after 1989 is going to do it. But it is my belief that it is inevitable. It is really a question of which role the individuals on this Committee and the individuals in the Assembly and the Senate want to play. Do they want to take the leadership and the credit for it at this time, or basically lay back and wait for what will be an even more expensive race in 1989 to occur, and then inevitable reform happening at that point?

I would also like to underscore that I don't believe there is any one way to do this. I think the proposals before the Committee all have excellent merit, and certainly excellent intention, and they all have shortcomings. That is just the nature of legislation. So, Common Cause's position is a very realistic one. We recognize there is a desire to address the problem; that the problem is complicated. I don't expect to have a piece of legislation ultimately enacted that is going to take care of all aspects of the problem with one signing. That isn't going to happen. But, at the very least, I think we can take the first step. We can address the most basic aspects of the situation, and do our best in trying to remedy them, enact it, see what happens, examine the experience, and reform what aspects of the reform need changing, rather than-- Perhaps, in my mind, that strikes me as being a bit wiser than trying to do a whole lot at the same time. We can also do it in stages.

I just wanted to set that as a context, that organizationally we are not pushing for an all-or-nothing approach. We are not in any way operating on the basis that the way we raise campaign moneys and the way we finance elections, and that, right now is inimically evil. That is not the issue. The issue is, it is getting out of hand, and all we are trying to do is set some parameters on it.

I can speak also from representations made to me personally from the contributor end, and increasingly contributor sources are becoming disenchanted by what they feel is basically being held up. And that is not by any members of this Committee, but basically in the political experience essentially, it is becoming more and more connected with lobbying. Political campaign contributions are more and more being used as an extension of lobbying, both by legislators or candidates for office, and by groups that provide the funds. So contributions are connected with-- Basically, support for legislation is tied to, "What have you done for me lately?" particularly around election time. Many contributing sources have privately expressed a desire to be able to say, "I'm sorry, I have given my limit." So, there is deep interest on both sides, both from people involved actively in the political process, to set some realistic parameters on it, and from people who are main sources of campaign contributions to set some parameters.

I think all of the ingredients are there. Basically we are all just kind of feeling each other out on how far each party, or all parties are willing to go, and to get some clear vision on what are realistic limits. But I think the intentions are all similar, and that is a very optimistic sight, and the fact that the Senate State Government Committee will be taking up the same issue later this week. I can tell you, as the lobbyist for the organization that has worked, not solely on this, but certainly has made it our prime singular issue, I never thought I would see the week where the two State Government Committees in the two chambers would be considering legislative campaign contribution limits at the same time. That's progress. I consider that a major victory, that that is happening.

Having said that, I would like to address some particular concerns I heard originally from members of the

Committee. Assemblyman Martin, you mentioned earlier a concern about whether or not perhaps a candidate receiving an inordinate amount of money from a single source might best be addressed through a conflict of interest situation. As you are aware, that would be a very interesting approach. My own feelings are that it has been so very difficult to get the Legislature to tighten, actually to broaden the definition of personal interest in voting on legislation, that while I welcome that change, I view it as probably politically impossible.

Right now, personal interest-- A legislator is prohibited from voting on legislation in which he has a personal interest. That personal interest is so narrowly defined, that the legislator will have to benefit, or suffer, more than any other person in the class that that legislation affects. To go beyond that has been virtually impossible to get the Legislature to do. I also wonder whether it is even practical, given that we have a part-time Legislature. We may wind up with one-fourth to one-third of it exempting itself on just about every bill in one form or another.

The point is, if as a legislator, I am a plumber, and there is a bill that comes up that affects the licensing of plumbers, and I vote on that, I am allowed to as long as I am not impacted more than any other plumber on that bill. The fact that I may be a professional other than a legislator and there are only six of us in the whole profession, and this bill impacts them-- The fact that I am one-sixth of that total population is immaterial, as long as the other five do not make out worse than, or better than I do, then I do not have a personal interest in it.

ASSEMBLYMAN MARTIN: I have some problems with that type of an analysis, too. When I was saying that, I wasn't being very specific, but it seems to me that our conflict of interest laws could be looked at a little more closely. I

sense some problems, just as you pointed out. That is one way of dealing with, perhaps, some real gross abuses as far as identifying them. Since there is a penalty there to the legislator or candidate, if you will, if we could establish some little stricter grounds there, that would certainly be a very strong disincentive for the legislator to even participate in that type of influence.

MR. McCOOL: I agree; I agree. My only observation was, I welcome that kind of effort to tighten or broaden them -- I'm not sure what the direction is -- on personal interest. But, if we wait for that to address the whole problem of contributions-- Right now, about the only safeguard we do have is a reasonable limit, and then public disclosure, and then allow it to become a campaign issue, if that is the case in that person's district. That's less than changing the personal interest definition, but at least-- If we wait for that to happen, we are not going to have anything.

Assemblywoman Crecco, you expressed concerns about personal wealth and, I think rightly so, the connection between putting contribution limits in place, but not addressing the issue of personal wealth. As was pointed out, we do need to offer public financing -- partial -- in order to restrict a candidate's use of his personal wealth. We support Assemblyman Schluter's bills -- both the one before this Committee now, and the one that says we also provide partial public financing expressly to limit personal wealth.

It is my own political feeling -- and members of the Committee may differ with this -- that if we tie a partial public funding system to a campaign contribution limit, that the second part -- setting up a partial public financing system -- is much more complicated and difficult to do, than if it is based on contribution limit. We will never see either for quite some time. So, I am in favor of bifurcating. Let's deal with the contribution limit, and also work on a workable

formula for public financing. My thought is, in whatever legislative session we adopt the contribution limit, the next session is going to adopt the public financing. It's inevitable. It will make its own case, because with the contribution limit in place, what will happen is, the role of personal wealth will grow, and candidates will be threatened by other challengers who have significant personal wealth and are getting "around the contribution limit" by using their own moneys. That next Legislature is going to be delighted to work on the complicated issue of setting spending limits as well, which is really what we are talking about.

I am not saying not to work on it now. We definitely need to work on it now, but as a political reality, my own feeling is that I will be damned glad to see contribution limits in place, and that's second. It's inevitable. I have faith that eventually spending limits will be place as well.

ASSEMBLYMAN MARTIN: That hasn't happened with Congress, though, even with contribution limits.

MR. McCOOL: It is getting closer.

ASSEMBLYMAN MARTIN: We haven't seen it.

MR. McCOOL: On S-2, we got more than 50% of the U.S. Senate to support spending limits. It is the first time Senator Byrd went all out for that. In the House itself, we are getting closer. I agree with you, it has not happened as inevitably. It is a much larger body. It is much harder. We are up against it proportionately.

ASSEMBLYMAN MARTIN: One of the things we have seen with Congress which I don't think is totally fair, it seems to me, with incumbents, is the amount of services moneys which are now used in staff, as far as what Congress members today have, as far as-- They always had the ability to mail under franking privilege, but the types of constituent services, the number of people they have-- They have a system where if you put even spending limits on, it is not going to be even. The incumbency is such an advantage right now, is it not?

MR. McCOOL: Yeah, it's true. Incumbency is an advantage to begin with. I think that is a factor. We are not on the spending limit bill right now, but when we get to it, that will be-- It has to be a given. You can't design a bill that is going to eliminate the incumbency factor. It is a fact of political life. What you are trying to do is design a bill that does not enhance it unfairly.

ASSEMBLYMAN MARTIN: As I told you in some of our discussions, I agree with you. I would prefer to work on the issue of campaign expenditures, or contributions. I think as a political reality right now, that would be perhaps the area we would be most successful in. We do have a model with the Federal government and other states. While personally I am not totally opposed to the idea of limitations, I see some real problems with it. My own experience, from some of the races I have observed in recent years, is that the only persons who run very strong races against incumbents are persons who have spent a lot of money and were not restricted by campaign limitations.

So again, getting back to Francis-- Was it Francis Bacon?

DR. HERRMANN: (speaking from audience) Francis Bacon, yes.

ASSEMBLYMAN MARTIN: I don't know, you'll--

MR. McCOOL: There's been a lot of bacon up here this morning.

ASSEMBLYMAN MARTIN: I would like to perhaps deal with the first problem, and we'll see. Maybe, as you say, it would be inevitable, as far as dealing with spending money. On the bills?

MR. McCOOL: Yeah, on the bills. First, this is our preliminary PAC report that we had issued earlier in the year. All members of the Committee got it, but since you are taking formal testimony, I would like to submit it to be added to the transcript as an exhibit. If anyone can't get their hands on

the report, I have extra copies, too, so if you want to look it over--

Basically, it is a listing of all the PAC contributions for the 1987 legislative race. They are ranked by top spender to low spender. Then they are ranked by lots of other cuts, including operating costs, and the like.

Since we are on that, what I would like the Committee to consider is-- First of all, I see what the Committee is doing. I hope it is a role of developing a Committee substitute for these three bills. You are in an excellent position to do that. You've got three really good proposals before you. The makings are all there. It is a lot more work on the members of the Committee, but you could weave together an excellent piece of legislation that I think would be politically viable, based on the three bills you have before you now.

I would like the Committee to consider in that process adding what we call a "PAC consumer protection aspect" to it; that is, to protect the consumer or the person who participates in PACs. Number one, by prohibiting on-the-job solicitation of PAC fund raising. Right now, there is no such prohibition, and it is a problem. We are not just talking rank and file here. It is also a problem in the board room, being solicited to support the PAC while on your work site, while in the work context. It carries a completely different message than a free will political contribution. We all know that. That is why it is done in that context.

The second would be to restrict use of PAC moneys to election or campaign-related expenses. PACs right now are free to spend their money on anything they want, and usually spend it on campaign-related expenses. One PAC is spending it on litigation, basically, I believe, fighting the Planning Commission -- the Builders' PAC. It is totally legal. What we face is a possible situation where PACs, if they are going to

play the increasingly significant role that this legislation you have now places on them, and that they have played in the last couple of years, you are going to have a possible case where a PAC raises a large amount of money, and spends it other than to candidates. That is to protect the people who contribute to the PAC, because it is being solicited under the guise of, "Help us elect the people who support our issues." So it should be restricted to be used for that.

We also support a truth in labeling concept, which appears in Assemblyman Schluter's legislation, and also appears in Assemblywoman Randall's legislation, as well. We also would like to see PACs be required to disclose their operating expenses as a percentage of money raised.

It is not unlike a charity, where you want to know your dollar -- how much of your dollar goes to the charity, and how much of it goes for administration. I think people who contribute to PACs have a right to know: "Out of my dollar, I want to make sure that 70 cents isn't going to pay for the PAC administrator's salary." There are no limits right now. The only thing a PAC has to do, in addition to its quarterly report, is list its treasurer and its name. The name, as we know, doesn't have to reveal anything about the PAC.

We would also like to see PACs be required to demonstrate some process whereby the contributor has a role in deciding who gets the money. Some PACs have very intricate democratic structures, where local chapters control the use of that PAC, select the candidates they endorse, etc.

Another option is a checkoff thing like you have with United Way, where you can indicate the agency you would like to see your United Way contribution go to. It is really not unrealistic, if PACs are really in the business of group democracy and group clout, to allow the individuals in the group to indicate: "I would like my contribution in the name of the Hoola Hoop PAC to go to this candidate." It's still

credit for the PAC, and it allows the individual to stay involved in the process. That is one of the weakening points of PAC activity. It has a legitimate role to play, but if it becomes the mean way people participate in the political process, they are leaving the decision up to someone else. They are substituting money for their own involvement. They write their check for \$50, and then they don't have to think about candidates any more. The PAC decides for them. That is not a good thing. It is basically one of the reasons why we have difficulty getting people to volunteer in campaigns and the like. It's the "write a check and they'll take care of it" mentality. We want to work on both ends of it, and allowing people to decide who gets the money is a perfectly viable avenue for that.

ASSEMBLYMAN MARTIN: So, if I contribute to a PAC, and I say I want to support Joe Smith, and then the board doesn't even endorse Joe Smith and won't send any money, what happens?

MR. McCOOL: Well, you have two choices: You can not give to the PAC and give to Smith directly, or the PAC still has to give to Joe Smith, because you have earmarked your money to go to him.

ASSEMBLYMAN MARTIN: That sounds like it could be a very cumbersome responsibility on the part of the PAC, to try and have to make all of those individual decisions.

MR. McCOOL: No, the individuals make the decisions. The PAC doesn't make any.

ASSEMBLYMAN MARTIN: Yeah, but that is almost defeating the purpose of the PAC. If you are going to have individuals who want to see that Joe Smith gets elected--

MR. McCOOL: Right.

ASSEMBLYMAN MARTIN: --if they write a check to Joe Smith-- If you want to contribute to the Builders or LEGAL or some group, under the representative democracy theory, and also the theory that all the people combined then have added weight,

it seems to me there would have to be some collective decisions which are made for the group, with the understanding, like you said, if you don't like where the group is going, you may be able to participate in some way based upon their bylaws, or you take your money and move outside.

MR. McCOOL: Okay. Assuming all of this takes place off the job site--

ASSEMBLYMAN MARTIN: That's number--

MR. McCOOL: Okay, that's number one. My concern would be, does that PAC offer you a role in the decision-making process, or are you simply being told, "These are our candidates, and you contribute or not"? My concern is that you are not a passive member of the PAC. Did you get a chance to participate in that discussion? Did you get a chance to select someone to represent you in the participation in that discussion? All too often, that relatively difficult structure to set up, of input and allowing a democracy within the PAC, is not done. It is basically, "This is the company PAC. This is the organizational PAC. What do you mean you want-- We'll pick it out. We know the issues. Our lobbyists in Trenton will tell us who is with us, who's not. Just give us your \$25." We get intimidated by that. We think that is what it means to participate in an election any more. All I am trying to do is suggest a way to change that.

If, instead, you are offered an alternative, you are offered a way to select who the organization will endorse, you are allowed to be part of that debate, then that is not as distasteful as simply giving the money and being told, "Stay out of it. We'll tell you who we are going to select." That is my intention, to get to that.

I have some questions about some of the bills. Before I forget, though, on Karen Kotvas' suggestion about offering free newspaper space and the like, I think it is a very creative attempt to develop some alternatives. Creativity is

what we really need. I would like to suggest that mailings be considered. That is something every campaign does. If you are looking for an incentive to encourage contributions below a certain level, or within certain ranges, and are willing to add the financing costs to it, it is certainly a viable element for public financing. We don't have to offer money for spending limits. We can offer mailings, one or two minimal mailings to every registered voter for everyone who agrees to spend less than a certain amount of money. I just wanted to mention that.

ASSEMBLYMAN MARTIN: That thought occurred to me, too.

MR. McCOOL: In your bill, Mr. Chairman, you specifically say that the limits of \$2500 per election in those years in which an election is held-- Does your bill, in your mind, allow for no limits in off years?

ASSEMBLYMAN MARTIN: No, it was designed that it would be \$2500. The idea was that it would be \$2500 in the off years, but \$2500 per election.

MR. McCOOL: Okay, because in my reading of it I wasn't sure whether that limit did--

ASSEMBLYMAN MARTIN: That would be a loophole big enough to drive a truck through.

MR. McCOOL: All right, here it is. (referring to copy of the bill) It's per calendar year, okay. It also limits individual contributions to the parties, but I didn't feel that it limited the PAC contributions to the parties.

ASSEMBLYMAN MARTIN: I'll have to check. It was intended.

MR. McCOOL: Section 3a., "No person shall make any contribution to any municipal committee which in the aggregate exceeds \$2000 per calendar year." I see "person" continually referred to with respect to those limits, but I don't see a PAC or non-party source. I guess "continuing political committee" would be it.

Also, the whole problem of inter-committee transfers, the multiple accounts that are being set up. Really, it is a major problem. I can tell you it is the organization that attempts, probably more than any other group outside of the press, to find out where campaign moneys are coming from. It's a nightmare. Basically, it is the biggest campaign contribution wash you can create, to set up multiple, "Friends of--" They may not be set up with that intention, but, by God, they sure have that effect. When you pull a candidate's contribution sheet -- McCool for whatever, Assembly, whatever committee -- and you look at that and you see \$15,000 that comes from "Friends of--" or \$25,000 that is a direct transfer from the "Committee for Victory," or whatever, that is a whole other separate item request. You pull that, and a lot of times you are going to find another "Friends of--" another source. It is just a sheer manpower-- It's totally unnecessary, quite frankly. If you are going to run a campaign, you set up your one account and you take it. The way to discourage it is to limit how much money these multiple committees can transfer into a candidate's campaign account.

ASSEMBLYMAN MARTIN: You would support the idea that every candidate, or elected official, could have no more than one campaign fund.

MR. McCOOL: I don't see the need for more than one. I really don't. They were essentially the questions I had on A-2581.

On Assemblywoman Randall's bill, she has a really exciting feature in hers that has to do with the quarterly reports of the PACs, and asking them to also name the legislation and legislators that they lobbied for during that quarter. It is a legislative recognition that contributions are an extension of lobbying. I would really recommend to the Committee's attention that particular aspect. It is not cumbersome to do that, and it is saying-- It is telling it

like it is. It just provides that information in a single source. It makes it easier to make that kind of relationship public, and that will have its own effect.

There was a discussion earlier about bundling. Another aspect of bundling that I am aware of is-- If you have a contribution limit of, say, \$1000 per PAC, and I represent the PAC, I take a check for \$1000, and you are all members of the PAC. I then tell you all to write personal checks to the candidate because we are at our PAC limit right now. "Here's the \$1000. Don't write any more to the PAC. Say it is \$5000 to the candidate. Each of you write a \$5000 check to the candidate. Give them to me, and I will personally deliver them to the candidate." That's bundling. So the candidate clearly knows, although he may not know you all individually-- He clearly knows where this bundle of checks has come from, all of which are within the legal limit; all of which represent both the personal limit and the PAC limit. It is the method of delivery that carries the political message. That is something where on the Federal level, we have supported legislation that contains provisions to try to prevent that, or to make it more difficult to do that.

That's all I have. Do you have any other questions?

ASSEMBLYMAN MARTIN: Skip?

ASSEMBLYMAN CIMINO: No, sir.

ASSEMBLYMAN SCHLUTER: I found your comments very, very enlightening and helpful, Mr. McCool. Did you have an opportunity to read the grand jury report on the gubernatorial--

MR. McCOOL: I skimmed through it. I did not read it in detail, but I read some of the sections of it.

ASSEMBLYMAN SCHLUTER: Some of the recommendations you make about bundling are part of the recommendations made by this grand jury--

MR. McCOOL: Are they?

ASSEMBLYMAN SCHLUTER: --such as delivery by one source of collected amounts and ways to prohibit bundling. Also--

MR. McCOOL: One thing I did remember, was a rather distasteful scene of some of these officers of the bank bringing cash in in a gym bag and distributing it inside the bank to the people to contribute to the campaign. That is a hell of an image, I'll tell you.

ASSEMBLYMAN SCHLUTER: I think it also said-- The figure in my mind says that \$35,000 or \$50,000 was delivered by this one person, money which he had collected from his employees and their spouses and, in some cases, their relatives, or money loaned to them by their supervisors.

As a matter of interest, the PAC name-- To reflect its mission and identify the occupation were included in Mr. Martin's bill -- A-2493 -- so that should be able to be accomplished even without these.

MR. McCOOL: Okay.

ASSEMBLYMAN SCHLUTER: With respect to all of your consumer protection -- PAC consumer protection issues -- I think they have great merit. My understanding is, at the Federal level, where you have PACs, in some companies you have payroll deductions, and you do have earmarking, and you do have the right of approval or disapproval by employees, and this has gone to a pretty sophisticated stage with respect to consumer protection.

Now, I presume that if there is earmarking, which some companies do because they feel they want to get their employees interested, or their membership interested in the political process, they do allow earmarking, but that then goes against that individual's contribution limit. Do you see the point?

MR. McCOOL: Yeah.

ASSEMBLYMAN SCHLUTER: Would you accept that condition?

MR. McCOOL: If you are earmarking, it is the same thing as giving to the candidate, so it would seem to be logically consistent then, yes.

ASSEMBLYMAN SCHLUTER: Okay. Thank you.

MR. McCOOL: Okay. Thank you. Who gets the report for the record?

ASSEMBLYMAN MARTIN: We'll take it here. Thank you.

It's 12:31 according to my watch. With the Committee's permission, what I would like to do is consider the other bills at this point. We will take this matter up for continuance at our next meeting, which will be next week -- excuse me, this Thursday. I'm sorry. We will reserve at least an hour of that Committee meeting for this matter.

P H Y L L I S R. E L S T O N: (speaking from audience)
Mr. Chairman, may I hand in testimony to you now, because of the fact that this is a very important issue to the New Jersey Environmental Lobby, but on Thursday we have two other things simultaneously going on which we are obligated to attend? Basically, it is a reiteration of what Mr. McCool said and support for A-2529. Thank you.

(MEETING RECESSED - TO BE CONTINUED OCTOBER 20, 1988)

**CONTINUATION OF MEETING ON
ASSEMBLY BILLS NO. 1413, 2529, AND 2581**

OCTOBER 20, 1988

ASSEMBLYMAN ROBERT J. MARTIN (Chairman): We want to hear all those who have indicated they wish to be heard. There are approximately 10 speakers. If there is anyone else who wishes to testify, please sign up and make your sentiments known to Mr. Margeson, and we will consider your testimony.

We will begin by taking comments from Mr. Schroeder, of the New Jersey Education Association.

JAMES E. SCHROEDER: Mr. Chairman, to make sure I get this right, I am going to read it. I don't always do that, but I ask your indulgence.

ASSEMBLYMAN MARTIN: Okay.

MR. SCHROEDER: Mr. Chairman and members of the Committee, thank you for the opportunity to give testimony on this important issue. NJEA, after careful consideration, formed a political action committee about 15 years ago. As the majority representative for approximately 112,000 teachers and support staff personnel, along with another 13,000 retired educators, NJEA PAC has one of the largest constituency bases among registered PACs in this State. It is important to note that sizable constituency base. NJEA PAC is the instrument through which these many thousands of school employees, both active and retired, make their voice heard in a political arena.

Moreover, we have always spoken through one centralized statewide political action committee, rather than through a proliferation of local, county, and/or district PACs. We think that this, too, should be considered in any attempt to determine an appropriate figure for allowable PAC contributions.

We are speaking generally. I am not going to address a particular bill this afternoon. One of the objectives of any effort to design a fair and appropriate campaign financing model, is to maximize voter participation in the process. Presumably, it is preferable to have many small contributors to political candidates, rather than fewer, more generous sources

of campaign revenues. It may be argued that the more people contribute to candidates and political action committees, the more likely these individuals are to vote on a regular basis. We believe our PAC operations maximize that involvement.

During the early and mid-1970s, when we first became involved in a PAC, NJEA members went door to door among their colleagues and co-workers getting one or two dollars from each. Today, our PAC operation is still funded by small contributions. Thousands of our members contribute an average of a dollar per month, or about \$10 per year to NJEA PAC. At the last meeting, I heard testimony about bankers with gym bags full of money for some highly questionable PAC activities.

ASSEMBLYMAN MARTIN: Duffel bags.

MR. SCHROEDER: Duffle bags, well-- I assure you that our teachers' gym bags are filled with athletic attire. We don't operate with big bucks contributions from a few individuals. Our aggregate presence in the political arena is significant, but we think that should be viewed in the context of a very large constituency base, making many thousands of small contributions. We do not reject, summarily, an effort to limit contributions, and I think it has been documented. A lot of witnesses have talked about some of the problems and some of the concerns that the Committee is trying to address.

We would like to suggest perhaps an appropriate level similar to that of the Federal level. The Federal approach has been in place for some time. It would serve as a good model to start from, with the expectation that there may be some need for some fine-tuning down the road, as it relates to the New Jersey experience.

Some of the legislation being considered would dramatically limit contributions to individual legislators, while permitting significantly higher contributions to county and State political parties. This concept presents problems in two ways, as we see it: First, as suggested by previous

witnesses, it enhances the power of county and State chairmen over individual legislators. State legislators have become increasingly independent as a result of the legislative reforms of the 1970s. We do not believe that the public interest is better served by a return to county bosses.

Secondly, our members contribute to NJEA PAC in order to support friends of public education. Proposals which facilitate large contributions to political parties, which then disseminate our members' contributions, without regard to a legislator's record or positions on public education, are a breach of faith. It violates the conditions under which the contribution was solicited and voluntarily offered.

A previous witness called for more democracy in the structure of PACs, and I submit to you that NJEA PAC takes great pains to ensure that every step of our PAC operations and procedures are extremely democratic. We feel that only by operating in this way will our PAC activities be given the highest credibility and support from our diverse membership.

We are very careful in using our voluntary contributions for PAC activities, and we consistently err on the side of over-reporting, rather than under-reporting, to the appropriate administrative agencies as to our campaign spending and activities.

In closing, let me address two issues which are relevant to this discussion. We do not feel there should be any restrictions on our internal contributions to our members regarding political endorsements of candidates and public questions. I have not heard any suggestion of such a restriction during these hearings. I hope that will continue.

The second issue involves a suggestion from a previous witness calling for a prohibition of on-the-job-site solicitation for PACs. We have a serious problem with that, and think a distinction should be made between employer and employee -- employer to employee solicitations -- and those

that may occur from one employee to another. In the latter case, where employees are equal in status, we do not feel such a prohibition is appropriate. Where a superior is making such a request to a subordinate, the subordinate may feel pressured or obliged to make a contribution, despite feelings to the contrary. These types of solicitations put employees in a coercive situation, which the Legislature may want to limit.

We hope you will give careful consideration to these points and, again, thank you for the opportunity to speak on this issue. I would be glad to answer any questions.

ASSEMBLYMAN MARTIN: Do I understand that you are opposed to a concept by which certain -- well, we'll keep it to the legislative level -- persons raise money, and then they in turn make contributions to other legislative or other elected officials' campaigns?

MR. SCHROEDER: I would say that does create a problem for us, because sometimes a particular legislator may hold an event -- a fund-raising event. A lot of times, they have a significant price tag. We contribute, and that money is then disseminated to other legislators, who may or may not have the support for public education that our people contributed money to our PAC for. So, we do have a problem with that.

ASSEMBLYMAN MARTIN: In the numbers you talked about with the Federal government experience -- which is \$1000 per election on an individual and \$5000 per PACs-- We could have those numbers adjusted, and still abide by the Federal experience, I would think, wouldn't you, as long as we kept similar ground rules?

MR. SCHROEDER: I think one of the concerns we have-- I think when you try to assess a limit, you have to be -- you are being arbitrary one way or the other. But, we would want to consider the fact that if it is set too low-- I mean, we are a PAC that has thousands and thousands of people for whom we are speaking. I think a distinction-- If you set it too

low, I don't know that that is fair. There may be another PAC that represents 160 licensed establishments. We just think it ought to be along those lines. We were a Federal PAC. We are no longer involved as a federally registered PAC. Our parent organization -- the NEA -- is involved in that. But we did have the experience of working under Federal election rules, and we think that is a good place to start, and then see how it relates.

New Jersey is a State that has tremendous costs, as far as media and participating in the political arena. You worry, when you start fixing these limits, whether you are going to create an incumbency retention program by accident, because I don't think it would be by design. You people are too honorable. But, it could happen. And that is the concern, I think, when you start playing around with those numbers. Perhaps if you set them too low, an individual who is running against an incumbent has a tremendous challenge, in trying to--

ASSEMBLYMAN MARTIN: As an organization, has there been any thought given to creating PACs for each of the county organizations? Aren't they separately incorporated? I know they are affiliated.

MR. SCHROEDER: None of them get involved in terms of legislative campaigns. There are a couple of county organizations that, on their own, have filed with ELEC to get involved -- there are just a couple that come to mind; Burlington is one that comes to mind -- so that they can get involved in freeholder elections, or countywide elections, but they don't get involved in State legislative elections. We are the sole entity within our affiliation that gets involved in the statewide campaigns. We have some local associations which, similarly, might file and become -- file with ELEC -- and become incorporated to deal solely with a school board election or, you know, a municipal election. But that is a rarity. There aren't too many of those.

ASSEMBLYMAN MARTIN: Okay. Questions of Mr. Schroeder?

ASSEMBLYMAN SCHLUTER: Yes. Mr. Schroeder, several questions. Are you aware of the Federal restrictions, or the Federal limitations on PACs as to the total amount that is allowed under Federal law to give?

MR. SCHROEDER: I believe it is \$5000.

ASSEMBLYMAN SCHLUTER: Five thousand dollars?

MR. SCHROEDER: Yes.

ASSEMBLYMAN SCHLUTER: And, under Federal law, there is a contribution limit to candidates from individuals of \$1000 -- a candidate for Congress or a candidate for the U.S. Senate.

MR. SCHROEDER: Right.

ASSEMBLYMAN SCHLUTER: I heard you talk about the fear of making the contribution limits too low as incumbency protection. I think at the last meeting I, through my questioning, brought out all the reasons why I disagreed strongly with that. Later today, I will have a position statement on contribution limits, which I will make available -- it is coming in now -- to the Committee members. I would like to give you one, with respect to the level of campaign contributions, which I think this whole dialogue is concentrating on at this time.

You made a point about on-the-job solicitation.

MR. SCHROEDER: Yes?

ASSEMBLYMAN SCHLUTER: And, you make a very good point. Have you any suggestions how legislation might be crafted to differentiate between collegial solicitation and solicitation by superiors?

MR. SCHROEDER: I haven't thought that out. I'll tell you, my experience is in the public sector in New Jersey, specifically within the public education sector. To my knowledge, we do not have a problem with the employer or the administrators coming down and suggesting to the school employees to contribute. We just don't have that kind of a

problem. As far as employee to fellow employee, obviously, I mean, they ask, and some people give and a lot of people don't. I know when I was involved in this -- actively when I was teaching -- an awful lot of people said, "No, I don't wish to contribute," and that was it.

But I couldn't venture a suggestion as far as how you would tailor a prohibition of employer to employee, because we didn't really have that as a problem. I just thought I wanted to make that distinction, because a previous witness had said there ought to be a prohibition against on-the-job-site solicitation.

ASSEMBLYMAN MARTIN: Just along that line, in the schools-- Having been a former NJEA member, I agree with you, at least with the solicitations I saw. Would you draw a line in the schools between, like, department heads, supervisors-- The distinction-- I don't even know in the schools where you would draw the line.

MR. SCHROEDER: Do you know what I would use? I think maybe-- Perhaps, perhaps, and this is only a suggestion-- What PIRG gives-- The definition that PIRG uses to determine whether or not a person should be in the same bargaining unit, is whether the person has the right to hire, fire, or effectively recommend hiring and firing. So, if a person has that kind of authority over another worker, the person should probably not be in the position of going to that individual and saying, "Hey, I would like you to make a contribution. I think that may be a starting point.

ASSEMBLYMAN SCHLUTER: Mr. Schroeder, could you give us your comments on the checkoff type of contribution? I think you have it in your testimony. In other words, the ability of a payroll contribution; the ability of teachers to make a donation. Could you comment on that?

MR. SCHROEDER: Well, basically, I think it is a system that works. We ask, of course, our folks to support our

political action committee. After all, you know, we are charged with trying to represent these individuals and to represent them well, and part of that is being involved in the legislative political arena. So we go to them. We ask them to participate; we ask them to sign up through automatic payroll deduction. Some are inclined to do that; some are not. On occasion -- it doesn't happen often -- an individual may say, "I didn't like the individuals you supported in the last campaign." We do have a mechanism whereby they can rescind that prior authorization.

ASSEMBLYMAN SCHLUTER: Mr. Schroeder, there are businesses which have PACs -- these are Federal PACs -- where businesses are not allowed to make direct contributions. They hold to the theory that it is good to have political participation in the process by the membership, and that making contributions is an expression of political participation, and this is desirable, which I would agree to. Some of these PACs allow earmarking. In other words, as I remember, I think Texaco might have had such a PAC. People there are asked to contribute to the PAC, unrestricted for earmarking. If they have a Democratic candidate for Congress, or a Republican candidate for Congress in that district, they can earmark this for the Democrat or for the Republican. How do you feel about earmarking?

MR. SCHROEDER: I think it creates a tremendous administrative problem within the PAC if the PAC has certain objectives. We try to have a very democratic process, whereby we determine which candidates should be supported, or not. And if you have an individual saying, three years in advance, "I want to support Assemblyman 'X,'" the PAC might support that individual for two campaigns, and in the third, it might come to a democratic decision that they shouldn't. I don't know how you would handle that when you get into something like earmarking. You have a real conflict.

I think it is addressed in the approach we have now; that is, you ask people to sign on and to authorize contributions. When they become dissatisfied that the organization is not representing their interest, or has gone astray from their original desires, they can rescind that contribution and not participate.

ASSEMBLYMAN SCHLUTER: Would you have any objection if the law had a provision allowing earmarking for those bodies that wish to do it by vote of their trustees and according to regulations set up by the ELEC?

MR. SCHROEDER: I don't suppose we would have an objection to that, if it were a voluntary, by election, type of thing.

ASSEMBLYMAN SCHLUTER: One final, not question, but a comment. When you imply that your organization cannot compete with some of the other big money PACs, because you get contributions in small amounts, don't sell yourself short. You can compete with the best of them.

MR. SCHROEDER: Thank you. (laughter)

ASSEMBLYMAN MARTIN: I do not see -- unless I'm missing someone-- Is there anyone else who wishes to speak on Assembly Bill 1413, Assembly Bill 2529, or Assembly Bill 2581?

N I N A A U S T E N B E R G: Assembly Bill 2529?

ASSEMBLYMAN MARTIN: Yes.

MS. AUSTENBERG: I handed a slip in at the last meeting.

ASSEMBLYMAN MARTIN: Okay.

MS. AUSTENBERG: I am Nina Austenberg, Regional Director for The Humane Society of the United States.

We don't have voting members; we don't have PACs. Actually, we have very little financial influence. The interests that I represent don't go to charity balls and golf outings, and perhaps they are the most exploited in the State of New Jersey. It would be the dogs, the cats, the rabbits, the butterflies.

Last year, a bill that we had worked on for 10 years was defeated in the Assembly on one of the last days. It was the Pets in Housing Bill. It was a very watered down bill. I couldn't really understand at that point why it was defeated, so my interest was spurred in what had happened. I started to investigate some of the giving to different candidates, on my own, and read an article in The Times concerning Assemblyman Schluter's bills. I am not--

ASSEMBLYMAN MARTIN: Can you speak up a little bit, please?

MS. AUSTENBERG: I'm sorry. Is this mike working?

ASSEMBLYMAN MARTIN: That mike is for recording purposes.

MS. AUSTENBERG: Okay. I am not naive to the system -- I have been in this work for about 20 years -- but I have noticed something that I feel is a serious problem for the interests that we represent and for the poorer people in this State. On this Pets in Housing Bill, we traveled down here for a decade. Committee meetings were changed and agendas were changed, and that type of thing. When we know who the enemy is, we are able to address the situation. But what I discovered when I looked at some of these reporting forms from the election group that was here before, was that many of the PACs are disguised in what I would call "apple pie-sounding names." I think they should be clearly identified as to who the giver is, and what the intention of the gift is.

I also feel that the address should not be given as a post box. It should be an address where you really know where that money is going -- into whose hand it is going. If the money comes from an individual, I think the occupation should be listed and the employer's address should be given. I think the PAC should be registered, and that there should be a control on the way money is moved from one candidate to another. What the former speaker said is absolutely accurate;

that you may give to a candidate with the best intentions, but when that candidate moves money from one committee person to another one who is running, they, in fact, control not only their own vote, but the committee that is going to hear a lot of these bills. I really think-- I know you said--

I don't believe that people are bribed, but I certainly, from the work I have done down here, see that money talks, and that the poor and the voiceless -- the animals -- are really put on the back burner.

ASSEMBLYMAN MARTIN: You might take note that a bill that was released from this Committee -- Assembly Bill 2493 -- has some, although not all, of the provisions you talked about, as far as the disclosure elements -- the truth in labeling issue, and some other related items. But I understand your points, as far as some of the other concerns.

MS. AUSTENBERG: Yeah, I mean, it sounds very wholesome. You know, happy New Jersey, good New Jersey. And then it's somebody who is going to take down half of the forest, half of the habitat of our constituents. That is very upsetting to us. I appreciate that you are doing this. I am not critical of this Committee. I also think there should be some limits set on the giving and registering of the PACs.

That's about all. Do you have any questions?

ASSEMBLYMAN MARTIN: Any questions from the Committee members? (no response) Thank you very much.

MS. AUSTENBERG: Okay.

ASSEMBLYMAN MARTIN: Is there anyone else who wishes to be heard on these three bills? (no response)

What I would like to propose to the Committee, at this stage, is-- We have heard considerable testimony which we will be provided copies of. It is my intention to discuss my bill with Assemblywoman Randall and with Mr. Schluter, and talk about whether they wish to incorporate some amendments, wish to perhaps introduce an Assembly substitute, or whether they want

to have a bill voted on by this Committee on its own merits. But I think it would be important before we took any action at this time, to get the copy of what the testimony was, and all three of us review our own bills and some of the comments that were made.

We won't have an opportunity at the next Committee meeting, but we will have two meetings from now. What I would like to do, at that point in time -- at least from my perspective -- is put a bill before this Committee, whether it is my own, or whether it is in conjunction with the other two sponsors, and ask the Committee to vote it up or vote it down, as their pleasure may be.

Bill, is that okay by you?

ASSEMBLYMAN SCHLUTER: That sounds good, Mr. Chairman, as long as there is enough notice so we can get together -- get our backs together. This would be, not an open meeting for other people to provide input, I take it?

ASSEMBLYMAN MARTIN: No.

ASSEMBLYMAN SCHLUTER: But it might be open as far as people listening, or hearing, or whatever.

ASSEMBLYMAN MARTIN: That is correct.

ASSEMBLYMAN SCHLUTER: Sounds good.

ASSEMBLYMAN MARTIN: I think Glen may be able to tell us, if not today, as soon as we ascertain when this Committee is scheduled to meet, other than the next meeting time. That is the target date as far as what action we will take.

ASSEMBLYMAN CHARLES: For clarification, are you speaking now of having a working session among Committee members to go over it, or is that a working session among the sponsors of the three bills?

ASSEMBLYMAN MARTIN: In substance, yes, but I would like to put Mr. Schluter and Ms. Randall on notice that we are prepared to take action at that time, if one of the sponsors asks us to vote on their bill -- whether it is an Assembly

substitute, a merger, or individually. We would take some action, if requested, after a discussion on the merits of any one of these bills.

ASSEMBLYMAN CHARLES: Before we get to that point, are we talking about having a working session among Committee members to iron out, or to discuss whether a substitute that the Committee agrees upon-- Or, are you talking about a working session just among the sponsors of the three bills we are talking about? I am not clear on that.

ASSEMBLYMAN MARTIN: I was not talking about an interim working session where we review the bills. However, I am open to that kind of consideration. Let me do this, Joe. I think it is important to get the sentiments of Ms. Randall and at least Mr. Schluter. I am open to having a session, maybe even at the end of the next Committee meeting, where we would at least reserve some time where comments could be put in by all Committee members, as far as an expression of their thoughts.

From my point, I think it is important at this time -- and I know there are a lot of people interested in this -- to target a date when they will know that sponsors have the opportunity to have something voted on by this Committee. But, following up on your suggestion, what I will try to do is at least reserve some time at the next Committee meeting, where we can have some input of the Committee members on what has transpired, assuming we get the information as far as the type of material.

ASSEMBLYMAN CHARLES: Thank you, Mr. Chairman.

ASSEMBLYMAN MARTIN: Thank you, Joe.

(MEETING CONCLUDED)



APPENDIX





State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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JEFFREY M. BRINDLE
DEPUTY DIRECTOR

GREGORY E. NAGY
LEGAL DIRECTOR

EDWARD J. FARRELL
COUNSEL

MEMORANDUM

TO: Members of the Assembly State Government Committee

FROM: Frederick M. Herrmann, Ph.D. *FMH*

DATE: October 17, 1988

RE: Commission Remarks on A-1413 (Randall), A-2581 (Martin),
and A-2529 (Schluter)

On behalf of the Election Law Enforcement Commission (ELEC), I would like to express our appreciation to this committee and its chairman for this opportunity to testify on these three very important bills which would establish limits on the amounts that may be contributed to political candidates.

The data that ELEC has compiled for legislative elections during the period of 1983 through 1987 shows a doubling of spending to over \$11 million and a doubling of PAC contributions between 1985 and 1987 to over \$4 million. These statistics point to the need for reducing the size of contributions.

The Commission is convinced that the public is alarmed that the large amounts of money used to finance our elections may be creating an appearance of impropriety. Consequently, the Commission undertook to review the issue of contribution limits in some detail in the report entitled, "ELEC White Paper

No. 1". This report concludes that contribution limits are necessary to remove the appearance of impropriety in campaign spending. I have attached copies of this report to my testimony for the convenience of the committee members.

While the Commission believes that contribution limits are necessary, such limits should be set at a reasonable level. If they are too low and therefore overly restrictive, they may create some unintended consequences such as encouraging candidates and contributors to seek out ways to circumvent the traditional methods of contributing. For example, unduly low contribution limits could result in a proliferation of PACs in an attempt to diversify contributions and keep them under the limit. Another stratagem might be for a group to "bundle" contributions from several contributors. Also, candidates might encourage so called "independent expenditures," which result in contributors spending money on behalf of campaigns without making direct contributions to them. In the view of the Commission, these inadvertent consequences would weaken the reporting disclosure that is in place now, and possibly even encourage non-reporting of contributions.

The Commission would also argue that if contribution limits are unduly low, fund raising would become so difficult that wealthy candidates and incumbents would have an advantage. Finally, there is a possibility that contribution limits might be set so low as to infringe upon First Amendment rights.

All three of the bills before this committee today, that is A-1413 sponsored by Assemblywoman Randall, A-2529 sponsored by Assemblyman Schluter, and A-2581 sponsored by Assemblyman Martin, are acceptable variations of the

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overall goal to establish contribution limit reform. However, all of these bills need some amendments to eliminate potential loopholes and technical problems. Moreover, Assemblyman Martin's bill and Assemblywoman Randall's bill do not contain any appropriation. Assemblyman Schluter's bill contains what appears to be an unconstitutional ban on corporate contributions to public question committees, while Assemblywoman Randall's bill has a probably unconstitutional ban on independent expenditures by PACs. Also, the Commission suggests that Assemblyman Schluter's bill further define what is meant by corporate or union PAC affiliation for purposes of making contributions so as not to be unduly restrictive.

With these issues addressed, the Commission is delighted to support these bills and commends both sponsors for addressing this vital, ethical issue.

FMH/slm

Attachment

A-1413 (Randall) - Contribution Limits on CPCs

FROM	TO A LEGISLATIVE CANDIDATE, PER ELECTION	TO A LEGISLATIVE CANDIDATE, TO A POLITICAL COMMITTEE "PROMOTING" THAT CANDIDATE, OR TO A CONTINUING POLITICAL COMMITTEE "PROMOTING" THAT CANDIDATE, PER CALENDAR YEAR IN WHICH LEGISLATIVE CANDIDATES ARE ELECTED	TO ANOTHER CONTINUING POLITICAL COMMITTEE, PER CALENDAR YEAR
A continuing political committee other than a political party committee (i.e. PAC)	\$2,500	\$5,000	\$2,500
Person (includes associations, corporations, etc.) or "political committee" as defined in <u>N.J.S.A. 19:44A-3(i)</u>	No Limit	No Limit	No Limit

X

A-2581 (Martin) - Contribution Limits

FROM	TO ANY NON-GUBERNATORIAL CANDIDATE* PER ELECTION	TO ANY NON-GUBERNATORIAL CANDIDATE* IN OFF-YEAR	TO ANY "POLITICAL COMMITTEE" OR "PAC"	TO A PUBLIC QUESTION COMMITTEE	TO MUNICIPAL COMMITTEE PER CALENDAR YEAR	TO COUNTY COMMITTEE PER CALENDAR YEAR	TO STATE COMMITTEE PER CALENDAR YEAR
Person (includes corporations, associations, etc.; see N.J.S.A. 1:1-2) Also includes "candidates" and "political committees" as defined in N.J.S.A. 19:44A-3(c) and (f).	\$ 1,000	\$ 1,000	No Limit	No Limit	\$ 2,000	\$ 5,000	\$ 10,000
Continuing political committees other than political party committees (i.e. PACs); see N.J.S.A. 19:44A-3(n).	\$ 2,500	\$ 2,500	No Limit	\$ 2,500	No Limit	No Limit	No Limit
Political party committees	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit

5X

*Contributions to gubernatorial candidates are limited to \$800 per election; see N.J.S.A. 19:44A-29.

A-2529 (Schluter) - Contribution Limits

FROM	TO ANY NON-GUBERNATORIAL CANDIDATE* PER ELECTION	TO ANY "POLITICAL COMMITTEE" PER ELECTION	TO ANY "PAC" PER ELECTION	TO A PUBLIC QUESTION COMMITTEE PER ELECTION	TO MUNICIPAL & COUNTY COMMITTEES PER CALENDAR YEAR	TO STATE COMMITTEES PER CALENDAR YEAR	TOTAL CONTRIBUTIONS PER CALENDAR YEAR EXCLUDING CONTRIBUTIONS TO "POLITICAL COMMITTEES" OR "PACs"
"Person" as used in Sect. 16. includes "candidate" and "political committee" as defined in N.J.S.A. 19:44A-3	\$500	No limit	No limit	No limit	\$2,500	\$10,000	\$25,000
"Corporation .. doing business in this State" as used in Sect. 9(a).	None permitted	No limit	No limit	None permitted	\$2,500 (same as "person")	\$10,000 (same as "person")	\$25,000 (same as "person")
"Labor organization" as used in Sect. 9(b).	None permitted	No limit	No limit	None permitted	\$2,500 (same as "person")	\$10,000 (same as "person")	\$25,000 (same as "person")
69 Non-resident individual, group, association, corporation or committee as used in Sect. 17.	\$250	No limit	No limit	No limit	\$2,500 (same as "person")	\$10,000 (same as "person")	\$25,000 (same as "person")

A-2529 (Schluter) - Contribution Limits - Continued, Page 2

FROM	TO ANY NON-GUBERNATORIAL CANDIDATE* PER ELECTION	TO ANY "POLITICAL COMMITTEE" PER ELECTION	TO ANY "PAC" PER ELECTION	TO A PUBLIC QUESTION COMMITTEE PER ELECTION	TO MUNICIPAL & COUNTY COMMITTEES PER CALENDAR YEAR	TO STATE COMMITTEES PER CALENDAR YEAR	TOTAL CONTRIBUTIONS PER CALENDAR YEAR EXCLUDING CONTRIBUTIONS TO "POLITICAL COMMITTEES" OR "PACs"
Continuing political committee as used in Sect. 11 other than a political party committee (i.e. PACs); see <u>N.J.S.A. 19:44A-3(n)</u> .	\$500	No limit	No limit	\$500	\$2,500	\$10,000	\$100,000
Political party committees	No limit, except county and municipal committees in a single legislative district are limited to \$20,000 in the aggregate to a legislative candidate in that district.	No limit	No limit	No limit	No limit	No limit	No limit

*Contributions to gubernatorial candidates are limited to \$800 per election; see N.J.S.A. 19:44A-29.

(Prepared 9/15/88)

M E M O R A N D U M

TO: FREDERICK M. HERRMANN, PH.D.
 EXECUTIVE DIRECTOR

FROM: JEFFREY M. BRINDLE
 DEPUTY DIRECTOR

DATE: OCTOBER 14, 1988

SUBJ: Fiscal Note A-1413

The Act concerning campaign contributions in legislative elections (A-1413) by Assemblywoman Randall is estimated to cost \$340,000. This figure includes personnel costs, computer costs and administrative support costs.

It is estimated that current staff would have to increase by nine to fulfill the requirements of the proposed law. A total of four professionals would have to be added along with five non-professional staff. The professional staff would include: 1 Assistant Counsel, 1 Report Examiner, 1 Investigator, and 1 Compliance Officer. The non-professional staff would include: 2 Clerks, and 3 Data Entry Operators. The salary appropriation would be \$192,000.

Computer costs would amount to \$65,000. These costs would be incurred due to the necessity of creating new software to accommodate the changes envisioned by the legislation as well as the addition of hardware to support the addition of more data processing staff.

Administrative support costs would total \$83,000. This category includes printing, postage, telephone, and travel. It also includes costs for office space, office equipment and a vehicle.

In the Legal Section added staff would be necessary to process complaints generated by the legislation. The added enforcement activity will derive from anticipated violations of the contribution limit and the increased reporting obligation due to the lower threshold.

The Review and Investigation Section would require additional staff to review the anticipated increase in the number of reports generated by the lower threshold. The increased number of reports will necessitate an additional field investigator to investigate any violations of the contribution limit.

In the Compliance Section added staff would be needed to process the additional reports, which stem from the lower threshold, to process non-filer and late-filer letters, and to process additional requests for information. Moreover, the staff would need to be increased to enhance compliance efforts through education and the development of new manuals, forms and periodic memorandum.

Finally, the data entry staff would be required to enter all CPC data into the computer in order to monitor contributions to assure compliance with the limit.

JMB/slm

PERSONNEL

LEGAL

1 assistant counsel \$ 35,000

REVIEW

1 report reviewer \$ 25,000

1 field investigator \$ 35,000

COMPLIANCE

1 compliance officer \$ 24,000

2 compliance clerks \$ 28,000

COMPUTER

3 data entry operators \$ 45,000

Sub Total \$192,000

NON-PERSONNEL (ELEC)

Software Changes \$ 50,000

Furniture \$ 14,000

Supplies \$ 15,000

Telephone \$ 8,000

Postage \$ 8,000

Data Processing \$ 15,000

Miscellaneous \$ 8,000

Sub Total \$118,000

NON-PERSONNEL (TREASURY)

Space \$ 10,000

Vehicle \$ 20,000

Sub Total \$ 30,000

TOTAL \$340,000

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

M E M O R A N D U M

TO: FREDERICK M. HERRMANN
EXECUTIVE DIRECTOR

FROM: JEFFREY M. BRINER
DEPUTY DIRECTOR

DATE: SEPTEMBER 15, 1988

SUBJ: Cost of A-2581

It is estimated that A-2581 (Martin) would cost \$400,000. This total includes \$238,000 for added staff, \$112,000 for administrative support and \$50,000 for software changes.

The staff needs include: two assistant staff counsels, one report reviewer and one field investigator. Also six data entry operators and one secretary would be required.

The professional staff would be needed to deal with the added review, investigatory and prosecutorial activity generated by the imposition of contribution limits.

The non-professional staff would be required to handle the additional secretarial and clerical tasks and the added data entry responsibilities resulting from the change. As an aid to enforcement as well as for public disclosure purposes detailed information on all candidates and continuing committees would have to be entered into the computer.

With respect to non-personnel costs, software changes would be necessitated by the need to program contribution limits and accommodate the hearing lists needed to bring action against violators.

Finally, added administrative support costs would be required because the staff increases would raise postage, printing and travel costs, and necessitate the need for more terminals, furniture, office equipment and supplies. It would also necessitate the need for another vehicle as well as additional office space.

JMB/slm

PERSONNEL

LEGAL

2 assistant staff counsels	\$ 70,000
1 secretary	18,000

REVIEW

1 report reviewer	25,000
1 field investigator	35,000

DATA ENTRY

6 data entry operators	90,000
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Sub Total	\$238,000
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NON-PERSONNEL (ELEC)

Software changes	\$ 50,000
Furniture	20,000
Supplies	18,000
Telephone	9,000
Postage	9,000
Data processing	15,000
Miscellaneous	9,000
Sub Total	\$130,000

NON-PERSONNEL (TREASURY)

Space	\$ 12,000
Vehicle	20,000
Sub Total	\$ 32,000

<u>TOTAL</u>	<u>\$400,000</u>
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ELEC WHITE PAPER

"Contribution Limits and Prohibited Contributions"



NUMBER ONE

OCTOBER 1988



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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A C K N O W L E D G M E N T

The Commission would like to thank the following staff members for contributing to this analysis:

Deputy Director Jeffrey M. Brindle

Executive Director Frederick M. Herrmann

Director of Compliance and Information Evelyn Ford

Legal Director Gregory E. Nagy

Assistant Director for Systems Administration Warren L. Heins

Acting Executive Secretary Carol A. Killings

ELEC would also like to give special thanks to Professor Stephen A. Salmore of the Eagleton Institute of Politics at Rutgers, the State University of New Jersey for his expert assistance with this study.

This paper is the first in a series of occasional analyses that the New Jersey Election Law Enforcement Commission (ELEC) will publish on topics of interest in the field of public disclosure. These studies will be based on staff research as well as work by outside persons such as university professors and graduate students. Analyses written by external sources will be published with a disclaimer. It is ELEC's goal to contribute substantive research for the ongoing debate on improving the way our State regulates the impact of money on its political process.

The topic of this paper is a review of the issue of contribution limits and prohibited contributions.

A. Contribution Limits

There are four commonly accepted approaches to limiting the influence campaign contributors have over legislators: 1) disclosure, 2) contribution limits, 3) expenditure limits, and 4) public financing.

A June 19, 1988, Eagleton/Star-Ledger poll indicated that the majority of New Jerseyans support full disclosure, contribution limits, and spending caps as a way of preventing members of the Legislature from being obligated to campaign contributors. This same poll suggested that there is a high degree of reluctance among the public to use public money to help legislators get elected.

With this information in mind, it is important to note that the U.S. Supreme Court, in Buckley v. Valeo, 424 U.S. 1, 96 S.Ct. 612 (1976), tied expenditure limits and public financing together. In other words, the high court said that it is permissible to impose spending caps only if a candidate opts to be subject to those caps by taking public financing. Consequently, the public opinion represented in the poll has only a limited utility in any blueprint for reform.

There are currently four bills in the Legislature that would establish legislative public financing. Unless these bills are enacted, disclosure and contribution limits alone remain as feasible approaches toward controlling undue influence over the legislative process.

There is no question that disclosure is fundamental to checking the potential influence contributors might have over would-be officeholders. As the ultimate watchdog over the process, disclosure forces accountability. And accountability, by its very nature, must enhance the public trust. Accordingly, the Commission would be well advised to continue its efforts in insuring that the State of New Jersey has strong disclosure laws. Whether through tightening disclosure, i.e. identification of contributor's employers, closing the loophole in the lobbyist law, or, as Professor Stephen A. Salmore of Eagleton Institute suggests, beefing up ELEC's staff in order to turn around summary information more quickly, most New Jerseyans would probably agree this effort should be made.

While the importance of disclosure is certain, the viability of contribution limits as a means of controlling influence is somewhat conjectural.

To be sure, many members of the disclosure community, some academics, numerous politicians, and a majority of the public in New Jersey, favor curbs on contributors as a way of keeping the process honest. Moreover, certain voices in the political science community, in particular, believe that contribution limits force campaigns to demonstrate broad support among the electorate by collecting adequate funds from many small contributors.

Indeed, contribution limits are designed to accomplish two major purposes: 1) to reduce a candidate's and future public official's dependence on large donors, and 2) to encourage small donations from a broad base of contributors.

Moreover, in the Buckley case, the U.S. Supreme Court acknowledged a real or potential connection between corruption and political contributions. It found that large donations potentially could influence a candidate's position on issues and his or her actions when elected to public office.

At the same time, the Court found contribution limits to be constitutional because they reduce the influence wealthy persons and groups potentially have over the electoral process and help to keep the costs of political campaigns under control.

In sum, the arguments for contribution limits are that they democratize the process of elections by restricting the potential influence that big donors might exert over the governmental process. Moreover, they prevent an appearance of undue influence, if not the reality.

On the other hand, there are numerous arguments against contribution limits. Professor Larry J. Sabato writes that contribution limits may result in contributions being hidden by deceptive reporting or non-reporting. He suggests that in states that have weak lobbying and personal financial disclosure laws, such as New Jersey, contribution limits may result in money being channeled to candidates in other, more "direct" ways. These more "direct" ways may be more corrupting because the money goes directly to the candidate personally, not the campaign.

Another argument against contribution limits is that they can result in the proliferation of PACs, and improperly disclosed contributions by affiliated corporations and unions. To prevent the occurrence of this phenomenon, strong anti-proliferation laws would have to be enacted. Even so, the mere existence of these laws would not be enough to stop entities from circumventing contribution limits if the Commission did not have the staff resources to enforce them. Sufficient enforcement staff would be of paramount importance.

Contribution limits, opponents argue, might also encourage independent expenditures; that is, expenditures made without the cooperation or consent of a candidate. This constitutionally protected device for an individual, PAC, corporation, or union to exercise First Amendment rights may not be in the best interest of the election process.

Contribution limits may also give unfair advantage to wealthy candidates and inadvertently result in an insurance policy for incumbents. Only if a public financing program exists, and only if a candidate opts to participate in it, can the expenditure of a candidate's personal funds be limited. While every candidate would be subject to contribution limits from outside sources, the wealthy candidate could spend his or her own money at will and derive a significant advantage in the campaign. Likewise, incumbents would perhaps benefit from contribution limits because these limits would make it more difficult for all candidates, but especially challengers, to raise money. Since incumbents generally have higher name recognition than challengers, better access to the media, and the ability to provide constituent services, opponents of limits believe that incumbents gain more advantage through them than challengers.

In addition, contribution limits might encourage committees or political parties to channel funds from corporations, unions, PACs and individuals to non-profit foundations to conduct voter registration drives and turn-out-the-vote efforts. Not only would this tactic be a way around the limits, but it would also transfer traditional campaign functions to entities outside of the mainstream campaigns.

Contribution limits also may encourage a practice known as bundling. Bundling occurs when an individual or group, such as a PAC, collects a number of individual contributions and delivers these contributions to the candidate. This practice should not be confused with the normal fund-raising activity undertaken by PACs, for instance. Nor should it be confused with the contribution made by the contributor. It is a distinctly different activity and one that some people feel allows a contributor to circumvent contribution limits. The contributions that are collected in this way are earmarked for one particular candidate or campaign committee.

Finally, contribution limits, opponents argue, merely shift influence over candidates and future public officials from big contributors to big fund-raisers. Those individuals with the ability to raise large amounts of money in small contributions from many contributors become more important to campaigns and more influential in the process.

Thus, reasonable people disagree on the merits of contribution limits. One point that most do not disagree on, however, is that if contribution limits are introduced into the system they should, as Professor Salmore says, "not be too low." Contribution limits that are too low are an inducement for people to go outside of the system. Reasonable contribution limits, while preventing the appearance and

perhaps reality of impropriety, would still permit candidates to raise enough money right away, on an ongoing basis, to get their campaigns off the ground and sustain them throughout. Adequate limits would permit enough money to be raised to get the candidate's message to the voters. Moreover, if candidates cannot do this then perhaps it would be fertile ground for a constitutional challenge.

But what is a reasonable contribution limit in New Jersey? Perhaps the best way of determining that relative to legislative races is to look at the average contribution, the mean contribution, the highest and lowest contributions, and the percentage of contributors over and under certain numerical levels in the most recent legislative elections. Also, it is important, for establishing contribution limits in New Jersey, to consider the cost of living in the State, and that the State has a large population and a sophisticated electorate.

In the 1985 primary and general elections, the average contributions were \$425 and \$769 respectively. The mean contributions were \$200 and \$250. In the 1987 primary, the average contribution was \$531 and the mean contribution \$200. Figures are not yet available for the general election of 1987 but will be later this year.

Likewise, the highest PAC contributions in the primary and general election of 1985 were \$2,000 and \$10,000 respectively. In primary 1987, the highest PAC contribution was \$5,000.

The percentage of contributions over \$2,500 in primary 1985 was two percent, in general 1985 five percent, and in primary 1987 three percent. The percentage of contributions under \$500 in these elections was 78 percent, 67 percent, and 76 percent respectively.

Based on these statistics, and with the expectation that general 1987 statistics will be somewhat higher, a reasonable contribution limit might fall between \$2,000-\$2,500. Such a limit should be adjusted for inflation periodically. It would be low enough to prevent any appearance of impropriety yet high enough to withstand any constitutional challenge on the grounds that it did not permit candidates to raise adequate funds to get their message to the voters or contributors to exercise their First Amendment rights. The Buckley opinion upheld for congressional candidates a \$1,000 contribution limit in 1976, and adjusting for inflation since then the \$2,000 to \$2,500 range appears comparable.

Certainly the range might be somewhat higher or lower. But it is a good starting point and one that balances the two public interests involved: 1) eliminating undue influence and 2) protecting First Amendment rights.

B. Prohibited Contributors

New Jersey law prohibits certain regulated corporations from using corporate funds to make campaign contributions, but does not prohibit all corporations from contributing.

The corporations prohibited from making campaign contributions are described in N.J.S.A. 19:34-32, which bans insurance corporations or associations from making either direct or indirect contributions for any political purpose, and N.J.S.A. 19:34-45 which reads:

No corporation carrying on the business of a bank, savings banks, co-operative bank, trust, trustee, savings indemnity, safe deposit, insurance, railroad, street railway, telephone, telegraph, gas, electric light, heat or power, canal or aqueduct company, or having the right to condemn land, or to exercise franchises in public ways granted by the State or any county or municipality, and no corporation, person, trustee or trustees, owning or holding the majority of stock in any such corporation, shall pay or contribute money or thing of value in order to aid or promote the nomination or election of any person, or in order to aid or promote the interests, success or defeat of any political party.

This prohibition against certain regulated corporations making campaign contributions was originally enacted in 1911 as part of a comprehensive corrupt practices act under Governor Woodrow Wilson. A federal statute

enacted in 1907 is the source from which the New Jersey statute probably sprang; see N.J. Attorney General Formal Opinion No. 14-1979. This federal statute made it unlawful for any national bank, or any corporation organized by Congress, to make a contribution or expenditure in connection with any election to any political office; see 2 U.S.C. S441b. (Formerly 18 U.S.C. S610).

The Federal Election Campaign Act of 1971 amended the statute and excluded from the definition of "contribution and expenditure" the establishment, administration and solicitation of contributions to a separate segregated fund to be utilized for political purposes provided that they were given voluntarily and the contributor had knowledge of the intended use for political purposes. Of course, this language is the basis for forming a political action committee (PAC).

The U.S. Supreme Court upheld this amendment in Pipefitters Local Union No. 562 v. United States, 407 U.S. 385, 92 S.Ct. 2247 (1972). The Court maintained that the 1907 federal law did not intend to prohibit a corporation (or union) from making, through a political fund organized by it, political contributions or expenditures so long as the monies going into the fund were voluntary.

In sum, while federal law, originally through the 1907 statute addressing certain corporations, and later through the "Federal Elections Campaign Act" of 1971, prohibits all corporations from making contributions to federal candidates, it does not prohibit corporations from using corporate funds to establish and maintain a PAC. It does not prevent corporations from using corporate funds to help raise voluntary money for political purposes.

With respect to the 1911 New Jersey statute prohibiting certain regulated corporations from contributing, Formal Opinion No. 14-1979 arrived at a similar, but not identical, conclusion vis-a-vis the establishment of PACs by banks, one category of prohibited contributors.

The Attorney General's opinion suggests that since the 1911 New Jersey statute was enacted four years after the federal statute of 1907, the New Jersey Legislature operated under the same objectives as did Congress. It therefore concludes that N.J.S.A. 19:34-45 did not intend to prohibit bank PACs from being formed and funded voluntarily by members of the corporation. However, unlike the federal law which was amended to permit corporate assets to be used to set up such funds, in New Jersey, banks would not be permitted to use corporate assets to establish, administer, or solicit contributions for the political fund.

Presumably this advisory opinion can be extrapolated to govern the activities of all prohibited contributors in New Jersey.

The U.S. Supreme Court, in its 1972 Pipefitters opinion, suggested that an important congressional purpose in enacting the 1907 law was to overcome the influence over elections exercised by holders of large amounts of capital through campaign contributions. The federal law was addressing the influence over government officials by wealthy corporations.

In a related way, Attorney General Kimmelman, in Formal Opinion No. 4-1983, suggested that the intent of the 1911 New Jersey statute is to "insulate elective officials from the influence of regulated industries". It further states, "each business listed in the act may be characterized as of a type strongly affected with a public interest.

Each business has been made the subject of extensive and pervasive government regulation. Comprehensive regulatory programs, vital to the protection of the public, could become prime targets of elected officials seeking to satisfy perceived debts to corporate benefactors affiliated with a regulated industry."

This statutory provision in New Jersey law has been broadly supported by the public through the years. And, as evidenced by the recent Eagleton/Star-Ledger poll, which found a majority of citizens concerned about the negative affects of large contributions and campaign expenditures, it seems safe to say that New Jersey residents would continue to support the prohibited contributor provisions in the law.

Despite the legal justification for the New Jersey prohibition and the historical tradition surrounding it, approval for the ban on contributions from selected corporations is not unanimous.

It is not clear that the New Jersey Legislature, in enacting "The New Jersey Campaign Contributions and Expenditures Reporting Act" in 1973 supported prohibitions against certain contributors. While not superceding the 1911 provision, the stated purpose of the Campaign Act is to "require the reporting of all contributions received and expenditures made to . . . any candidate." The only contributions prohibited by this Act are anonymous contributions and certain currency contributions over \$100. Indeed, the 1970 report of the Election Law Revision Commission that led to the enactment of the law stated that "public disclosure . . . would do more to protect the political system from unbridled spending than legal limits on the size of the contributions."

Thus, the Campaign Act views disclosure as the primary tool for preventing the corruption of State officials. It does not seem to lean in the direction of prohibiting certain contributors from participating in the process.

The argument put forth by proponents of the ban, and certainly a most reasonable one, is that banks, insurance companies and certain other regulated industries have, more so than other corporations, have been the subject of extensive governmental regulation. Also, because these corporations are vital to the public, it would invite undue influence to allow them to contribute to legislative candidates.

A response to this argument is that the prohibition against contributions by banks, insurance companies and certain regulated industries may be outdated. The rationale for why New Jersey banks, insurance companies and regulated industries cannot contribute comes from the national concerns of the early 1900's. It may be inapplicable to the State's interests in contemporary times.

The reasoning is that in modern times there are many other industries that are heavily regulated by the State - some even more so - but not subject to the same restrictions. The building industry, the chemical

and pharmaceutical industries, the legal profession, the medical profession, the dental profession, and the real estate business, are among these. Corporations in these categories are not prohibited from making political contributions. There is certainly a public interest in the governmental activities of these corporate entities not being perceived as unduly influencing public officials.

Moreover, there is today a significant problem in determining just what is a prohibited contributor because of modern corporate structure. Large, contemporary industries are horizontally integrated; that is a major toy company, for example, may have interests in not only the production of toys but also of candy bars, automobiles, soap, and various other unrelated products. Such a company might even have an insurance affiliate. Therein lies the problem. Is the parent company a prohibited contributor because it owns an insurance company even if that company only represents a small percentage of its corporate holdings and profits?

Certainly, in the early twentieth century such problems did not arise with the frequency they do today. Horizontal integration creates major enforcement problems for an ethics agency attempting to prohibit only "certain classes" of corporate contributors. Perhaps, the two most viable options are to prohibit all corporate contributions or none.

Some members of the political science community also express concerns about prohibiting some or all contributors, but for different reasons. Professor Salmore suggests that the "unintended consequences of public policy are sometimes more important than the intended consequences."

His thinking is that no matter what kinds of prohibitions the State may place on certain contributors it cannot stop the flow of money; these prohibited contributors will simply rechannel where they spend it. Professor Salmore does not believe that expenditures will be decreased by prohibiting contributions. He says that public policy only affects the rules by which these entities play, not that they will play. Professor Salmore believes, as mentioned in the discussion about contribution limits, that the best answer is to tighten the disclosure laws.

The spectre of independent expenditures is not one that delights knowledgeable people in the field. Yet this is one of the ways that some experts believe the money will be channeled as prohibitory laws become more prohibitive.

The concern with independent expenditures is that they result in less accountability in the electoral process. Although reported by the committee doing the spending, independent expenditures are not contained in the candidates' reports; therefore, there is not the same degree of disclosure. It is more difficult to see what is going on.

Many different reports have to be reviewed and more staff would be needed to enforce campaign disclosure laws. Moreover, there is considerable concern that independent expenditures, because of the accountability issue, lead to campaign tactics that are offensive, in particular negative advertising. Most would agree that spending by the campaigns themselves is preferable to spending by independent committees.

With regard to prohibited contributors in New Jersey law, PACs established by employees of these corporations may begin spending independently from campaigns. While it has not begun to happen yet in New Jersey, it has begun to occur on the federal level.

Additionally, it is not a foregone conclusion that prohibited contributors in New Jersey could not tap their corporate funds to make independent expenditures on behalf of certain candidates. This possibility is raised because of the decisions in First National Bank of Boston v. Bellotti, 435 U.S. 765 (1978) and Consolidated Edison Company v. Public Service Commission, 447 U.S. 530 (1980). These two cases state the proposition that corporations have rights under the

First Amendment to comment on public issues. Since elections involve public issues, the constitutional justification for prohibiting the right of speech via independent expenditures is questionable.

In sum, it is important for the Commission and the public to be aware of all sides of the questions in considering the important issues of contribution limits and prohibited contributors.

Recommendation 1:

The Commission recommends that contribution limits be enacted,^c provided that such limits are set high enough to permit candidates to raise enough money to run effective campaigns, and provided that sufficient safeguards are enacted to prevent the evasion of contribution limits.

Recommendation 2:

The Commission recommends that corporations and labor unions be prohibited from contributing, except through political action committees (PACs).

Recommendation 3:

The Commission recommends that it receive an adequate appropriation to enforce these changes to the law.

- The recommendations contained in this report are solely those of the New Jersey Election Law Enforcement Commission and do not necessarily represent the views of any other individual, institution, governmental agency or organization.

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CAMPAIGN FINANCING REFORM

Presented to Assembly State Government Committee

October 17, 1988

Testifying for LEGAL: Karen Kotvas

Thank you, Chairman Martin and members of the Assembly State Government Committee for allowing LEGAL to testify here today. I am Karen Kotvas and I represent LEGAL which is an organization of attorneys whose goal is to preserve the private practice of law for the public interest. Our special interest is to keep open the court house door and protect the civil jury system.

In 1977, New Jersey became the first state to hold a gubernatorial election primarily financed with public funds. We have demonstrated to the nation that limits on campaign contributions by individuals and PACS coupled with public financing does work.

Now it is time to extend this process to the election campaigns of our state legislators, and we respectfully request the committee to keep in mind the following considerations as you come to your conclusions and report a bill out of this committee.

* The cost of campaigns in New Jersey is obscene. It is absolutely incredible that campaign spending can be more than the amount of two years' of a state legislator's salary.

We agree that limits should be placed on campaign contributions from individuals and from PACS. However, this will not help a candidate reduce the cost of his campaign bills which are spiraling upwards. Most of this money goes for media buys.

Therefore, to get to the cause of huge campaign expenses and to reduce them, LEGAL strongly endorses forms of free media to candidates who meet criteria of a viable candidacy. For example, perhaps 50 contributions of \$50 to \$100 would entitle the candidate to one/half page of advertising in the major newspaper of his or her election district OR perhaps one hundred contributions of \$75 to \$150 might entitle the candidate to one thirty-second spot on New Jersey Public Television Network.

* Meaningful reform must include the formation of only one campaign fund per candidate. This would eliminate any attempts to circumvent campaign reform laws. For example, candidate Sam Smith may have contributions going into any number of campaign funds or PACS, such as: Friends of Sam Smith, Campaign Fund of Sam Smith, Americans for Sam Smith, Environmentalists for Sam Smith and any other of a number of myriad combinations. One fund would stop over contributing and would stop very large contributions. If the campaign spending limit is X dollars, then with one fund, candidate Sam Smith gets X dollars. If there is no limit on funds and PACS for candidates, then instead of X dollars, candidate Sam Smith could receive 5 times X dollars or 10 times X dollars depending on how many campaign funds are established by him and/or for him.

* Even though it appears to be a function of the lobbying law and not the campaign financing law, certain practices called entertaining involve money and candidates. LEGAL feels that all

monies spent on candidates and legislators should be reported to ELEC, whether or not any legislation is discussed between the parties. This includes flying legislators to Florida to play golf to taking them to dinner locally or to sporting events. It is money expended and legislators and candidates are the recipients.

* In order to ensure that any campaign financing reform is enforced, LEGAL strongly recommends increasing the ELEC budget.

All campaign financing reform is meaningless without strong enforcement to adequately monitor the process.

LEGAL strongly favors the legislation of Assemblymen Alan Karcher and William Schluter because it is comprehensive and meaningful. We are available to work with this committee to further the reforms of these two Assemblymen.

Thank you for your attention.

NEW JERSEY COMMON CAUSE

1987 GENERAL ELECTION

NEW JERSEY LEGISLATURE

A

PRELIMINARY REPORT

APRIL 28, 1988

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Winners expenditure figures are taken from candidates own campaign fund and do not include "Friends of..." accounts unless indicated by "f". Also, list is incomplete due to candidate late filing or ELEC unable to locate report in time for release of this preliminary report.

The following preliminary report is in itself clear evidence of the need for immediate and far reaching reform of New Jersey's campaign finance system, particularly as it applies to the New Jersey legislature. The data is from the respective reports submitted by PACs and the candidates. It includes all requested data supplied by ELEC as of April 20. Absent reports represent those reports ELEC was unable to locate. The compilation of the data is the result of the work of the staff of New Jersey Common Cause, particularly the efforts of Ms. Doreen Degnan, Eagleton Institute intern working with NJCC.

Ed McCool
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SUMMARY

New Jersey PACs began 1987 with \$3,139,308 on hand. They then collected an additional \$5,779,924 during the year. They spent \$6,072,971 during 1987.

This compares with \$1.1 million in '85 and \$1.3 million in '83. The top five PACs in '87 spent more than all the PACs combined in '85 (\$1,315,940 to \$1.1 million).

PACs reported spending \$1,318,872 for operating costs during '87 and still finished the year with \$2,699,208 remaining in their accounts. There are no laws governing the use of this money. The amount leftover in PAC accounts for '87 is higher by 100% than what PACs used to spend in the last three legislative campaigns-1981-83-85.

The present members of the New Jersey Legislature reported spending \$9,280,962 from their own campaign accounts. They reported having \$1,125,505 leftover and on balance in those accounts. There are no laws governing the use of this money.

RECOMMENDATIONS

NEW JERSEY NEEDS THE CAMPAIGN FINANCE REFORMS CALLED FOR IN A-2529-SCHLUTER/S-2212-LYNCH. PASSAGE OF THESE BILLS IS ESSENTIAL IF NEW JERSEY IS TO HAVE MEANINGFUL REFORM. THE TIME TO ACT ON THEM IS NOW.

IN ADDITION THERE IS NEED FOR MORE PROTECTION FOR THE PAC CONSUMER. PRESENTLY THERE ARE NO LAWS GOVERNING THE USE OF PAC CONTRIBUTIONS. A LAW IS NEEDED THAT WOULD:

LIMIT THE USE OF PAC MONEY TO ELECTION/CAMPAIGN RELATED EXPENSES.
PROHIBIT ON THE JOB SOLICITATION OF PAC CAMPAIGN CONTRIBUTIONS
REQUIRE TRUTH IN LABELING-WHEREBY THE CONTRIBUTOR CAN KNOW WHO THE PAC REPRESENTS-(IN A-2529)
REQUIRE ALL SOLICITATION REQUESTS TO SHOW WHAT PERCENTAGE OF THE CONTRIBUTION ACTUALLY GOES TO THE CANDIDATES/AND WHAT IS FOR OPERATING COSTS.
PROVIDE THE CONTRIBUTOR WITH A METHOD TO PARTICIPATE IN SELECTION OF THE CANDIDATES TO RECEIVE THE MONIES.

IN ADDITION THE EXISTENCE OF \$1.1 MILLION IN LEFTOVER CANDIDATE FUNDS REQUIRES A LAW LIMITING THE USE OF THOSE MONIES TO OTHER CAMPAIGNS OR DONATION TO RECOGNIZED CHARITY. THEIR USE IN LEGISLATIVE OFFICES SHOULD BE PROHIBITED.

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NJ PACs - 1987 Activity Ranked by Total Disbursements

PAC name	\$ Beg 87	Receipts	\$ end 87	Operat \$	Op % Rec	\$ to Cand	\$ For Cand	Tot. Disb.	'85 Dis.
NJ EDUCATION ASSOCIATION PAC	156559	256361	102657	19616	.09	290646	0	310263	
CAMP. FUND OF LAWYERS ENCOUR. GOVT & LAW	213653	86645	33790	78039	.90	186470	0	266509	
NJ DENTAL PAC	94600	175439	22379	102990	.59	144750	0	247740	
REALTORS PAC	243973	317902	314679	69436	.22	177415	0	247196	1715--
TRANSPORTATION TRUST FUND II BUILDERS PAC	0	235600	9118	11732	.05	232500	0	244232	
COMM. FOR CLEAN & SAFE AMERICA	0	200052	13450	109501	.92	3000	0	192601	
MEDICAL ACTION COMMITTEE	35694	159297	4018	0	0.00	102555	7310	190173	
INTERNATIONAL LONGSHOREMAN'S AFL-CIO					0.00	173347	0	173347	
NJ STATE LABORERS PAC	33305	186526	19036	162520	.07	4950	0	167470	
LOCAL 322 FOR POLITICAL EDUCATION	200750	40015	179212	113131	2.32	37490	7741	153302	
NJ CAR PAC	120072	01040	57002	10434	.23	134424	0	102000	
PROJECT NJ	5636	149600	25790	130560	.77	17950	0	140010	
NJ ORGANIZATION FOR A BETTER STATE	50507	96990	6119	13950	.14	127500	0	141400	
OPERATING ENGINEERS LOCAL 025	9503	137100	0469	1041	.01	137113	0	135104	
NJ CPA PAC	06154	60010	24037	3602	.06	110525	0	102127	
AMERICAN TRIAL LAWYERS ASSOCIATION	0	154111	34700	65	.00	119150	107	119400	
PRIVATE ENTERPRISES PAC	79712	67545	45711	37546	.56	64000	0	101546	
SAVINGS ASSOCIATION PAC	57646	75530	37657	44	.00	95475	0	95519	
MFAC INC	10700	116300	32114	0	0.00	95000	0	95000	
PUBLIC EDUCATION COMM. OF NJMTA	32953	65716	6390	36744	.59	53400	0	90000	
INTERNATIONAL LADIES GARMENT WORKERS	60010	39000	11071	0	0.00	09200	0	09000	
INTL. BROTH. OF PAINTERS & ALLIED TRADES	11919	92000	16004	57200	.62	30000	0	00000	
SOUTH JERSEY BUILDERS PAC	39413	122000	01215	6070	.06	70015	0	00400	
LOCAL 60 PAC	9000	79200	10100	40000	.52	37101	0	70104	
FOOD COUNCIL COMMITTEE FOR GOOD GOVT	30917	40001	13400	9020	.20	64000	0	74000	
MIDLANTIC STATE PAC	50000	71000	51000	500	.01	70400	0	70000	
LABORER'S LOCAL #172 PAC	13933	60000	6910	3000	.05	63000	0	60411	
NJ SOCIETY OF PROFESSIONAL ENGINEERS	15074	60000	9300	9449	.16	52000	5000	60000	
NJ SOFT DRINK COM. FOR GOOD GOVT	25752	59497	21300	453	.01	63400	0	60000	
CENTRAL JERSEY BUILDERS ASSOC.	24223	40000	11100	0	0.00	50000	0	50000	
SHEET METAL WORKERS LOCAL 020	130000	100000	100000	12000	.12	45349	0	57000	
DEVELOPERS PAC	10000	50000	0000	600	.01	40000	0	50000	
JERSEY BANKERS PAC	16900	47100	6900	1375	.03	55700	0	57100	
COMMITTEE FOR A BETTER NJ	43	51947	0	27074	.54	13015	0	51900	
NJ PHARMACISTS PAC	20014	40000	19100	4019	.09	47410	311	51000	
COMMITTEE FOR NJ	3547	64000	16072	2076	.04	47000	0	50000	
SHEET METAL WORKERS LOCAL #19	14252	43000	7200	413	.01	49110	0	50000	20400
NJ UAW PAC	130134	09045	17500	000	.01	40110	0	40000	
FIRST FIDELITY BANK CORP.	2700	51000	0900	0	0.00	45170	0	45170	
POLITICAL COMMITTEE FOR NJ	600	47000	5000	0	0.00	40000	0	40000	
PROFESSIONAL INSURANCE AGENTS PAC	13400	20700	1914	4590	.16	30000	0	40000	
NJ OPTOMETRIC PAC	10044	20000	3700	3770	.17	30700	379	30000	7400
EMALICH BOBER CO INC	20417	14000	3010	0	0.00	30000	0	30000	
NORTH JERSEY BUILDERS PAC	11014	20400	4901	17001	.61	17000	0	30101	
HOSPITAL CORP OF AMERICA PAC	3000	30000	2400	1340	.04	13900	0	30000	3400
NJ COMMITTEE FOR QUALITY ORTHOPAEDIC CARE	6700	51000	2041	2000	.05	30000	0	30000	
FIRST JERSEY NATIONAL CORPORATION	0	30000	200	300	.01	30000	0	30000	
JOHNSON & JOHNSON EMPLOYEES GOOD GOVT FUN	20000	100000	22400	0	0.00	20000	0	20000	
NJ BELL STATE PAC	4000	30000	11400	400	.01	20000	0	20000	
CONSTRUCTORS FOR GOOD GOVT	17000	21000	10001	3011	.17	20100	0	20001	
NJ AMERICAN PHYSICAL THERAPY ASSOCIATION	6941	25145	3300	1400	.06	20000	0	20000	
PRUDENTIAL NJ PAC	3001	20400	000	210	.01	27400	0	27000	
UJB PAC	5200	20701	5500	213	.01	20700	400	20441	
INTERESTED MERCHANTS PAC	1300	17400	3040	1300	.09	20000	0	20000	
NJ HEALTH CARE PAC	4000	21400	2013	191	.01	20000	0	20000	
AFCME PUBLE EMPL. TO PROMOTE LEG. ED	0	20000	0	0	0.00	20000	0	20000	

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PAC name	\$ Beg 87	Receipts	\$ end 87	Operat	\$	Op % Rec	\$ to Cand	\$ FOR Cand	Tot. Disb.	'85 Bal
SUMMIT BANCORPORATION PAC	5420	20420	3953	15		.00	21872	0	21872	
REPUBLICAN PROGRESSIVE ASSOCIATION	1652	22496	3392	732		.03	14500	4935	28767	
AT&T PAC	97	27770	7419	398		.01	20050	0	20448	
OFFICE DEVELOPERS ASSN.	6943	27000	27805	57		.00	20000	0	20057	
NJ MCDONALD'S OPERATORS PAC	5706	13946	307	245		.02	19100	0	19346	
FUND FOR RESPONSIBLE LEADERSHIP IN NJ	20	20600	1316	54		.00	19250	0	19304	
PIPEFITTERS LOCAL #274	95602	56702	133476	11727		.21	7000	0	10529	
CITY FEDERAL PAC	12517	23374	17301	9		.00	10500	0	10509	
UTILITY EXECUTIVES FOR RESPONSIBLE GOVT	0	20000	10352	3031		.13	14675	0	10500	
NJ FEDERATION OF ENVIRONMENTAL VOTERS	0	19721	1302	0990		.46	0	9300	10500	
NJ I.T.A. PAC	5034	15345	2961	0		.00	10210	0	10210	
CONSULTING ENGINEERS PAC	11520	16900	10696	129		.01	17000	0	17200	
MERCK & CO. INC NJ PAC	45	17100	495	0		0.00	10000	0	10000	
HOWARD SAVINGS BANK CITIZENS COMMITTEE	12345	13667	9760	402		.03	15000	0	10200	
OPHTHALMOLOGY PAC	12710	7750	4710	0		0.00	15750	0	10750	
NJ PROLIFE PAC	1270	13957	525	6000		.49	1200	4900	14700	
NJ HOSPITAL ASSOCIATION HEALTH PAC	21730	16045	23075	0		0.00	14700	0	14700	
FUEL MERCHANTS FOR GOOD GOVT	457	19350	5407	0		0.00	14400	0	14400	
CHERRY HILL INDUSTRIAL SITES INC PAC	220	10500	230	0		0.00	14100	0	14100	
NJ TRADE ASSOCIATION PAC	12496	4320	2704	9040		2.27	4200	0	14040	
WOMENS POLITICAL ACTION COMMITTEE OF NJ	3703	12900	2941	3791		.29	9000	0	10000	
MNJ ABC MERIT PAC	4279	0	269	0		0.00	12410	0	12410	
UNITED COUNTIES TRUST CO. PAC	9132	10000	7767	0		0.00	12165	0	12165	
POLITICAL ACTION COM. OF BCA	14000	0	2330	0		0.00	11750	0	11750	
ARTHUR YOUNG CO. PAC	1015	11400	939	100		.02	11500	0	11530	
GIL CHEMICAL ATOMIC WORKERS	500	12770	2777	570		.05	10000	0	10000	
NJ CHAMBER PAC	0	12362	2002	200		.02	10100	0	10000	
BEAR STEARNS PAC	56	15000	2655	0		0.00	10000	0	10000	14000
NJ PODIATRY PAC	0701	5600	4200	1000		.10	9200	0	10000	
NJ VETERINARY PAC	2701	7500	300	70		.01	9200	0	9000	
NJ LIFE UNDERWRITERS	10001	0	15000	0		.10	0	0	9000	
MUTUAL BENEFIT NJ PAC	1055	9400	1616	61		.01	9400	0	9400	
INSURANCE BROKERS ASSOCIATION OF NJ	4951	0	4011	0		0.00	9200	0	9200	
INTERESTED NURSES PAC	2012	7977	940	6000		.03	2300	0	9000	
NJ RESTAURATEURS GOOD GOVT FUND	33	12100	3055	1054		.14	6100	0	0000	
SALMON BROTHERS PAC	0	0	0	0		0.00	0	0	0	
PLUMBERS LOCAL 14 PAC	17704	12000	22077	3707		.30	3700	0	7000	
NJ NATIONAL BANK	0	11137	3772	0		0.00	7300	0	7300	
MORTGAGE BANKERS OF NJ PAC	2000	4775	300	60		.02	7000	0	7000	
STANDARD BRED HORSE INDUSTRY PAC	2751	4700	400	49		.01	7000	0	7000	
BUILDERS OF METRO NJ	0	17043	10004	1100		.07	5000	0	7000	
LIBERTY PAC	0	7000	0	100		.02	6000	0	6000	
BULK LIQUID TERMINAL OPERATORS	0	0	351	20		0.00	6000	0	6000	
BLAC PAC	6510	20000	20700	4310		.10	2000	0	6000	
NJ SOCIETY OF ARCHITECTS	607	6700	600	0		.01	6000	0	6000	
HOFFMAN-LAROCHE GOOD GOVT COMMITTEE	13	5900	13	900		.15	5000	0	5900	
NJ ABC PAC	7196	4200	5073	300		.00	5277	0	5000	
HORIZON BANK CORPORATION	1119	0	3700	0		0.00	5300	0	5300	
ALLIED SIGNAL NJ PAC	0	5000	0	0		0.00	5000	0	5000	
SAVINGS BANKS ASSOCIATION PAC	253	4600	157	60		.01	4700	0	4700	
GENERAL MOTORS CIVIL INVOLVEMENT PAC	10722	15000	0	0		0.00	4700	0	4700	0000
SO. JERSEY NONPARTISAN POL. ED. COMM.	115	5500	99	3000		.55	1500	0	4500	
NJ FUNERAL DIRECTORS PAC	4007	2500	3250	300		.14	3700	0	4100	
GARDEN STATE STRAIGHT CHIROPRACTIC	5290	7015	0	61		.01	2000	0	4000	
FRANKLIN STATE BANK PAC	720	4311	1110	0		0.00	3000	0	3000	
SECURITY SAVINGS & LOAN ASSOCIATION PAC	3200	3500	2900	0		0.00	3000	0	3000	
LOCAL 1171 PAC	9411	7453	13017	0		.12	2975	0	3000	
ENSEARCH CORP	4000	127500	4000	0		0.00	3000	0	3000	
COUNCIL OF NJ STATE COLLEGE LOCALS COPE	3317	1974	1504	997		.51	2770	0	3700	

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PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Bal
FOSTER WHEELER PAC	449	3250	1	40	.01	3650	0	3696	
JERSEY OSTEOPATHIC PAC	1812	3601	1950	0	0.00	3455	0	3455	
NATIONAL FEDERATION OF IND. BUSINESSES	3870	4694	4427	89	.02	2950	0	3039	1750
BURLINGTON COUNTY CENTURY CLUB	13823	13500	24367	2956	.22	0	0	2956	
WOMENS POLITICAL CAUCUS OF NJ	1757	1900	730	367	.19	2305	0	2327	
UFCW ACTIVE BALLOT CLUB	96825	49334	143259	0	0.00	2900	0	2900	
STATEWIDE COM. OF PHARMICISTS FOR LEG. ED	2205	1950	1373	23	.01	2760	0	2763	
NJ PRINCIPALS & SUPERVISORS ASS. PAC	1514	2062	876	1826	.89	875	0	2761	
NATIONAL ORGANIZATION FOR WOMEN NJ	1635	1115	162	2192	1.97	376	0	2568	
NJ PSYCHOLOGY PAC	8141	500	6220	1413	2.83	1000	0	2413	
CAMPAIGN ASSOC. PAC	0	2150	01	69	.03	2000	0	2069	
TRW GOOD GOVERNMENT FUND	0	1975	1975	0	0.00	1975	0	1975	
NJ SPORTSMEN PAC	1510	1092	630	22	.02	1950	0	1972	
AMER ASSN OF MARRIAGE & FAMILY PLANNING	406	1405	27	94	.06	1050	0	1900	
TRANS. POLITICAL EDUCATION LEAGUE	717	1910	626	0	0.00	1900	0	1900	
RIGHT TO CHOOSE PAC	230	2023	370	234	.12	1650	0	1664	
NJ SURPLUS LINES PAC	162	1650	171	141	.09	1250	0	1641	
COLLECTIVE FEDERAL SAVINGS PAC	0	2775	1324	51	.02	1400	0	1451	
MAMA PAC	7672	11225	10230	159	.01	500	0	659	11000
NJ HOTEL MOTEL ASSOCIATION	1660	24	1065	125	5.14	500	0	625	
PFZIER PAC	50	550	50	0	0.00	550	0	550	1100
NJ FRIENDS OF FAMILY PLANNING	0	204	100	82	.29		104	207	
TEXACO POLITICAL INVOLVEMENT PAC	0	3500	3250	0	0.00	250	0	250	
NON-PARTISAN CITIZENS FOR BETTER ENVIRON	374	0	330	45	0.00	0	0	45	
NJ ENVIRONMENTAL VOTERS ALLIANCE	24	25	30	19	.77	0	0	19	
SHEET METAL WORKERS LOCAL 027	0	65	65	9	.14	0	0	9	
COALITION OF NJ SPORTSMEN PAC	345	0	345	0	0.00	0	0	0	

PAC SPENDING RANGES

	1987	1985	1983	1981
\$300,000+	1	0	0	0
\$200,000-299,999	5	0	0	0
\$100,000-199,999	12	6	1	1
\$90,000-99,999	3	1	1	0
\$80,000-89,999	3	4	4	3
\$70,000-79,999	3	0	0	0
\$60,000-69,999	3	0	3	3
\$50,000-59,999	8	2	1	1
\$40,000-49,999	4	5	2	3
\$30,000-39,999	6	7	2	2
\$20,000-29,999	13	10	6	2
\$10,000-19,999	25	10	14	10
\$1-9,999	50	24	72	55

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NJ PACs - 1987 Activity Ranked by \$\$ Spent on Behalf of Candidates

PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Dis
NJ FEDERATION OF ENVIRONMENTAL VOTERS	0	19721	1342	8990	.46	0	9383	18378	
LOCAL 322 FOR POLITICAL EDUCATION	288758	48815	179212	113131	2.32	37498	7741	158362	
MEDICAL ACTION COMMITTEE	35694	159297	4818	0	0.00	182855	7318	192173	
NJ SOCIETY OF PROFESSIONAL ENGINEERS	15874	68828	9353	9449	.16	52900	5888	67349	
NJ PROLIFE PAC	1278	13987	525	6888	.49	1268	4997	14732	
REPUBLICAN PROGRESSIVE ASSOCIATION	1652	22495	3882	732	.03	14588	4935	28787	
UJB PAC	5259	26731	5558	213	.01	25768	468	26441	
NJ OPTOMETRIC PAC	18544	22889	3725	3778	.17	32758	379	36987	7442
NJ PHARMACISTS PAC	28814	42918	19183	4819	.09	47418	311	51748	
AMERICAN TRIAL LAWYERS ASSOCIATION	0	154111	34789	65	.00	119158	187	119482	
NJ FRIENDS OF FAMILY PLANNING	0	284	188	82	.29	0	184	257	
ALLIED SIGNAL NJ PAC	0	5888	0	0	0.00	5888	0	5888	
AMER ASSN OF MARRIAGE & FAMILY PLANNING	486	1485	27	94	.06	1258	0	1944	
ARTHUR YOUNG CO. PAC	1815	11482	939	186	.02	11358	0	11588	
AT&T PAC	97	27778	7419	398	.01	28252	0	28482	
BEAR STEARNS PAC	56	155828	2655	0	0.00	18251	0	18251	14545
BLAC PAC	6518	26688	25799	4312	.16	2888	0	6312	
BUILDERS OF METRO NJ	0	17843	18934	1168	.07	5858	0	7812	
BUILDERS PAC	318591	193674	265988	26511	.14	211785	0	288278	
BULK LIQUID TERMINAL OPERATORS	6877	0	351	26	0.00	6588	0	6588	
BURLINGTON COUNTY CENTURY CLUB	13623	13588	24367	2956	.22	0	0	2956	
CAMP. FUND OF LAWYERS ENCOUR. GOVT & LAW	213653	88645	33798	78828	.96	186478	0	265288	
CAMPAIGN ASSOC. PAC	0	2158	81	69	.03	2888	0	2888	
CENTRAL JERSEY BUILDERS ASSOC.	24223	45298	11193	0	0.00	58228	0	58228	
CHERRY HILL INDUSTRIAL SITES INC PAC	228	18588	238	0	0.00	14188	0	14188	
CITY FEDERAL PAC	12517	23374	17381	9	.02	18588	0	18588	
COALITION OF NJ SPORTSMEN PAC	345	0	345	0	0.00	0	0	0	
COLLECTIVE FEDERAL SAVINGS PAC	0	2775	1324	51	.02	1488	0	1481	
COMM. FOR CLEAN & SAFE AMERICA	0	28682	13458	18988	.92	3888	0	192821	
COMMITTEE FOR A BETTER NJ	43	51947	0	27874	.54	13615	0	51989	
COMMITTEE FOR NJ	3547	64888	16872	2676	.04	47399	0	58578	
CONSTRUCTORS FOR GOOD GOVT	17382	21678	18271	3811	.17	25158	0	28781	
CONSULTING ENGINEERS PAC	11528	16985	18596	129	.01	17688	0	17729	
COUNCIL OF NJ STATE COLLEGE LOCALS COPE	3317	1974	1524	997	.51	2778	0	3787	
DEVELOPERS PAC	18888	55925	8278	627	.01	42888	0	57887	
EMRICH BOBER CO INC	25417	14888	3212	0	0.00	36225	0	36225	
ENSEARCH CORP	4862	127539	48981	0	0.00	3825	0	3825	
FIRST FIDELITY BANK CORP.	2757	51386	8978	0	0.00	45175	0	45175	
FIRST JERSEY NATIONAL CORPORATION	0	38934	283	383	.01	38388	0	38388	
FOOD COUNCIL COMMITTEE FOR GOOD GOVT	38917	48581	13456	9825	.28	64488	0	74322	
FOSTER WHEELER PAC	447	3258	1	48	.01	3558	0	3528	
FRANKLIN STATE BANK PAC	728	4311	1118	0	0.00	3858	0	3828	
FUEL MERCHANTS FOR GOOD GOVT	457	19358	5487	0	0.00	14488	0	14488	
FUND FOR RESPONSIBLE LEADERSHIP IN NJ	28	28628	1316	54	.02	19258	0	19384	
GARDEN STATE STRAIGHT CHIROPRACTIC	5296	7615	8858	61	.01	2888	0	4881	
GENERAL MOTORS CIVIL INVOLVEMENT PAC	18722	15422	0	0	0.00	4788	0	4788	8881
HOFFMAN-LAROCHE GOOD GOVT COMMITTEE	13	5958	13	988	.15	5858	0	5958	
HORIZON BANK CORPORATION	1119	8831	3782	0	0.00	5368	0	5368	
HOSPITAL CORP OF AMERICA PAC	3253	32523	2498	1346	.04	13958	0	33258	3482
HOWARD SAVINGS BANK CITIZENS COMMITTEE	12345	13667	9788	482	.03	15858	0	18252	
INSURANCE BROKERS ASSOCIATION OF NJ	4951	8255	4811	0	0.00	9285	0	9285	
INTERESTED MERCHANTS PAC	1388	17437	3648	1368	.08	23875	0	25235	
INTERESTED NURSES PAC	2812	7977	948	6648	.83	2393	0	7842	
INTERNATIONAL LADIES GARMENT WORKERS	68818	39528	11871	0	0.00	89259	0	89259	
INTERNATIONAL LONGSHOREMAN'S AFL-CIO					0.00	173347	0	173347	
INTL. BROTH. OF PAINTERS & ALLIED TRADES	11919	92583	16564	57286	.62	38922	0	88216	
JERSEY BANKERS PAC	18962	47148	6988	1375	.03	55758	0	57125	

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PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Disb
JERSEY OSTEOPATHIC PAC	1812	3601	1958	0	0.00	3455	0	3455	
JOHNSON & JOHNSON EMPLOYEES GOOD GOVT FUN	29650	102509	22495	0	0.00	29868	0	29868	
LABORER'S LOCAL #172 PAC	13938	60391	6918	3825	.06	63260	0	67411	
LIBERTY PAC	0	7800	853	122	.02	6825	0	6947	
LOCAL 1171 PAC	9411	7453	13817	872	.12	2975	0	3847	
LOCAL 68 PAC	9635	79258	10139	40973	.52	37181	0	78154	
MERCK & CO. INC NJ PAC	45	17100	495	0	0.00	16650	0	16650	
MIDLANTIC STATE PAC	50000	71900	51000	564	.01	70425	0	70900	
MORTGAGE BANKERS OF NJ PAC	2503	4775	346	82	.02	7250	0	7330	
MUTUAL BENEFIT NJ PAC	1655	9450	1616	61	.01	9425	0	9450	
NATIONAL FEDERATION OF IND. BUSINESSES	3670	4094	4427	89	.02	2950	0	3000	1700
NATIONAL ORGANIZATION FOR WOMEN NJ	1635	1115	182	2192	1.97	370	0	2500	
NJ ABC PAC	7196	4299	5873	346	.08	5277	0	5623	
NJ AMERICAN PHYSICAL THERAPY ASSOCIATION	6941	25145	3360	1460	.06	22250	0	26710	
NJ BELL STATE PAC	4800	35366	11433	440	.01	28345	0	28700	
NJ CAR PAC	128372	81040	57062	10434	.23	134424	0	150000	
NJ CHAMBER PAC	0	12362	2062	200	.02	10100	0	10300	
NJ COMMITTEE FOR QUALITY ORTHOPAEDIC CAR	6750	51350	25141	2359	.05	30000	0	32000	
NJ CPA PAC	86154	66910	24637	3602	.06	110525	0	120100	
NJ DENTAL PAC	94600	175439	22379	102990	.59	144750	0	240000	
NJ EDUCATION ASSOCIATION PAC	156559	250301	102657	19616	.08	290646	0	310000	
NJ ENVIRONMENTAL VOTERS ALLIANCE	24	25	30	19	.77	0	0	19	
NJ FUNERAL DIRECTORS PAC	4527	2095	3259	369	.14	3795	0	4164	
NJ HEALTH CARE PAC	4009	21450	2013	191	.01	23335	0	23500	
NJ HOSPITAL ASSOCIATION HEALTH PAC	21730	16045	23675	0	0.00	14700	0	14700	
NJ HOTEL MOTEL ASSOCIATION	1666	24	1065	120	5.14	500	0	625	
NJ I.I.A. PAC	5034	15345	2961	0	.00	10210	0	10210	
NJ LIFE UNDERWRITERS	10001	0704	10303	000	.10	0610	0	9490	
NJ MCDONALD'S OPERATORS PAC	5700	13046	307	245	.02	19100	0	19345	
NJ NATIONAL BANK	0	11137	3770	0	0.00	7005	0	7005	
NJ ORGANIZATION FOR A BETTER STATE	50000	90000	6119	13950	.14	127000	0	141450	
NJ PODIATRY PAC	0701	5679	4232	1000	.10	9200	0	10000	
NJ PRINCIPALS & SUPERVISORS ASS. PAC	1514	2062	076	1020	.09	075	0	2701	
NJ PSYCHOLOGY PAC	0141	500	6220	1413	2.03	1000	0	2413	
NJ RESTAURATEURS GOOD GOVT FUND	33	12125	3055	1654	.14	6150	0	0304	
NJ SOCIETY OF ARCHITECTS	607	6727	637	00	.01	6000	0	6000	
NJ SOFT DRINK COM. FOR GOOD GOVT	25752	59497	21346	453	.01	63450	0	63000	
NJ SPORTSMEN PAC	1518	1092	630	22	.02	1950	0	1972	
NJ STATE LABORERS PAC	33305	106520	19036	162520	.07	4950	0	167400	
NJ SURPLUS LINES PAC	162	1650	171	141	.09	1250	0	1641	
NJ TRADE ASSOCIATION PAC	12496	4300	2704	9040	2.27	4200	0	14000	
NJ UAW PAC	133134	09545	175709	000	.01	40110	0	40910	
NJ VETERINARY PAC	2701	7000	300	72	.01	9050	0	9022	
NNJ ABC MERIT PAC	4279	0400	200	0	0.00	12410	0	12410	
NON-PARTISAN CITIZENS FOR BETTER ENVIRON	374	0	330	45	0.00	0	0	45	
NGFTH JERSEY BUILDERS PAC	11614	20430	4951	17321	.61	17525	0	35121	
OFFICE DEVELOPERS ASSN.	6943	27000	27000	57	.00	20000	0	20000	
OIL CHEMICAL ATOMIC WORKERS	500	12776	2777	579	.05	10000	0	10000	
OPERATING ENGINEERS LOCAL 025	9503	137100	0400	1041	.01	137113	0	130154	
OPHTHALMOLOGY PAC	12710	7750	4713	0	0.00	15755	0	15755	
PFIZER PAC	50	550	50	0	0.00	550	0	550	1100
PIPEFITTERS LOCAL 0274	95000	50700	133470	11727	.21	7000	0	10000	
PLUMBERS LOCAL 14 PAC	17704	12640	22077	3767	.30	3700	0	7467	
POLITICAL ACTION COM. OF BCA	14000	0	2330	0	0.00	11750	0	11750	
POLITICAL COMMITTEE FOR NJ	653	47450	5200	0	.00	42000	0	42000	
PRIVATE ENTERPRISES PAC	79712	67545	45711	37546	.56	64000	0	101546	
PROFESSIONAL INSURANCE AGENTS PAC	13400	20725	1914	4590	.16	35095	0	40000	
PROJECT NJ	5630	169000	25790	130500	.77	17950	0	149510	
PRUDENTIAL NJ PAC	3001	25404	025	210	.01	27450	0	27000	

PAC name	\$ Beg 87	Receipts	\$ end 87	Operat \$	Op % Rec	\$ to Cand	\$ FOR Cand	Tot. Disb.	'85 Dis
PUBLIC EDUCATION COMM. OF NJMTA	32983	65716	6395	38744	.59	53485	0	92394	
REALTORS PAC	243973	317902	314679	69436	.22	177415	0	247196	171544
RIGHT TO CHOOSE PAC	230	2033	378	234	.12	1650	0	1854	
SALOMON BROTHERS PAC	0	8250	0	0	0.00	8250	0	8250	
SAVINGS ASSOCIATION PAC	57646	75530	37657	44	.08	95475	0	95519	
SAVINGS BANKS ASSOCIATION PAC	253	4670	157	66	.01	4700	0	4765	
SECURITY SAVINGS & LOAN ASSOCIATION PAC	3249	3525	2984	0	0.00	3850	0	3850	
SHEET METAL WORKERS LOCAL #19	14252	43296	7269	413	.01	49116	0	50279	22433
SHEET METAL WORKERS LOCAL #27	0	65	65	9	.14	0	0	9	
SHEET METAL WORKERS LOCAL #29	138899	109767	190709	12628	.12	45349	0	57977	
SO. JERSEY NONPARTISAN POL. ED. COMM.	115	5500	99	3016	.55	1500	0	4516	
SOUTH JERSEY BUILDERS PAC	39413	122288	81215	6870	.06	73615	0	60405	
STANDARDIZED HORSE INDUSTRY PAC	2751	4700	402	49	.01	7020	0	7045	
STATEWIDE COM. OF PHARMICISTS FOR LEG.ED	2265	1950	1373	23	.01	2760	0	2703	
SUMMIT BANCORPORATION PAC	5420	20430	3953	15	.03	21070	0	21057	
TEXACO POLITICAL INVOLVEMENT PAC	0	3500	3250	0	0.00	250	0	250	
TRANS. POLITICAL EDUCATION LEAGUE	717	1610	626	0	0.00	1900	0	1900	
TRANSPORTATION TRUST FUND II	0	235600	9110	11732	.05	232500	0	244202	
TRW GOOD GOVERNMENT FUND	0	1975	1975	0	0.00	1975	0	1975	
UFCW ACTIVE BALLOT CLUB	96825	49334	143259	0	0.00	2900	0	2900	
UNITED COUNTIES TRUST CO. PAC	9132	10500	7767	0	0.00	12165	0	12165	
UTILITY EXECUTIVES FOR RESPONSIBLE GOVT	0	20000	10302	3031	.13	14675	0	10502	
WANA PAC	7672	11225	10230	159	.01	500	0	659	11000
WOMENS POLITICAL ACTION COMMITTEE OF NJ	3703	12909	2941	3791	.29	9000	0	12974	
WOMENS POLITICAL CAUCUS OF NJ	1757	1900	730	367	.19	2305	0	2927	
AFSCME PUBLE EMPL. TO PROMOTE LEG. ED	0	23000	0	0	0.00	23000	0	23000	
NPAC INC	10709	116325	32114	0	0.00	95000	0	95000	

NJ PACs - 1987 Activity Ranked by \$\$ on Hand At End of Year

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PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op X Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	RES Dis
REALTORS PAC	243973	317982	314679	69436	.22	177415	0	247196	1715--
BUILDERS PAC	318591	193674	265988	26511	.14	211765	0	238276	
SHEET METAL WORKERS LOCAL 825	138299	189787	192767	12628	.12	45349	0	57977	
LOCAL 322 FOR POLITICAL EDUCATION	288758	48815	179212	113131	2.32	37498	7741	158362	
NJ UAW PAC	133134	89545	175769	888	.01	46118	0	46912	
UFCW ACTIVE BALLOT CLUB	96825	49334	143259	0	0.00	2988	0	2988	
PIPEFITTERS LOCAL 8274	95882	56782	133476	11727	.21	7888	0	18828	
NJ EDUCATION ASSOCIATION PAC	156559	256361	182657	19616	.03	298646	0	318283	
SOUTH JERSEY BUILDERS PAC	39413	122288	61215	8278	.06	73615	0	8638	
NJ CAR PAC	128872	81848	57862	18434	.23	134424	0	152883	
MIDLANTIC STATE PAC	58883	71988	51888	564	.01	78425	0	78988	
PRIVATE ENTERPRISES PAC	79712	67545	45711	37546	.56	64888	0	181546	
ENSEARCH CORP	4882	127539	48881	0	0.00	3888	0	3888	
SAVINGS ASSOCIATION PAC	57646	75538	37657	44	.00	95475	0	95519	
AMERICAN TRIAL LAWYERS ASSOCIATION	0	154111	34789	85	.00	119158	167	119428	
CAMP. FUND OF LAWYERS ENCOUR. GOVT & LAW	213653	86645	33798	78839	.98	188478	0	288589	
MPAC INC	18789	116325	32114	0	0.00	95888	0	95888	
OFFICE DEVELOPERS ASSN.	6943	27888	27888	57	.00	28888	0	28888	
BLAC PAC	6518	26888	26798	4312	.16	2888	0	6312	
PROJECT NJ	5636	169688	25798	132568	.77	17958	0	149518	
NJ COMMITTEE FOR QUALITY ORTHOPAEDIC CAR	6758	51358	25141	2359	.05	38888	0	38958	
NJ CPA PAC	86154	68818	24837	3682	.06	118525	0	122127	
BURLINGTON COUNTY CENTURY CLUB	13883	13588	24367	2956	.22	0	0	3956	
NJ HOSPITAL ASSOCIATION HEALTH PAC	21738	16345	23878	0	0.00	14788	0	14788	
PLUMBERS LOCAL 14 PAC	17724	12648	22877	3767	.38	3788	0	7467	
JOHNSON & JOHNSON EMPLOYEES GOOD GOVT FUN	29658	182589	22495	0	0.00	29368	0	29368	
NJ DENTAL PAC	94682	175439	22379	182998	.59	144758	0	247748	
NJ SOFT DRINK COM. FOR GOOD GOVT	25752	59497	21346	453	.01	63458	0	63988	
NJ PHARMACISTS PAC	28814	42918	19183	4817	.09	47418	311	51748	
NJ STATE LABORERS PAC	33385	186526	19836	162528	.07	4958	0	167458	
WAWA PAC	7672	11225	18235	159	.01	588	0	659	11888
CITY FEDERAL PAC	12517	23374	17321	9	.00	16588	0	16588	
COMMITTEE FOR NJ	3547	64888	16872	2676	.04	47399	0	58878	
INTL. BROTH. OF PAINTERS & ALLIED TRADES	11919	92883	16584	57286	.62	38922	0	88218	
NJ LIFE UNDERWRITERS	16861	8724	15353	888	.18	8613	0	9493	
FOOD COUNCIL COMMITTEE FOR GOOD GOVT	38917	48561	13456	9623	.28	64488	0	74332	
COMM. FOR CLEAN & SAFE AMERICA	0	288852	13458	187681	.92	3888	0	192881	
LOCAL 1171 PAC	9411	7453	13617	872	.12	2975	0	3847	
NJ BELL STATE PAC	4868	35366	11433	446	.01	28345	0	28793	
CENTRAL JERSEY BUILDERS ASSOC.	24223	45298	11193	0	0.00	58328	0	58328	
INTERNATIONAL LADIES GARMENT WORKERS	68818	39528	11871	0	0.00	69259	0	69259	
BUILDERS OF METRO NJ	0	17843	18634	1158	.07	5858	0	7818	
CONSULTING ENGINEERS PAC	11528	16985	18696	129	.01	17688	0	17729	
UTILITY EXECUTIVES FOR RESPONSIBLE GOVT	0	28888	18322	3821	.13	14675	0	18826	
CONSTRUCTORS FOR GOOD GOVT	17362	21678	16271	3611	.17	25158	0	28761	
LOCAL 68 PAC	9235	75258	18139	48973	.52	37181	0	78154	
HOWARD SAVINGS BANK CITIZENS COMMITTEE	12345	13667	9768	482	.03	15858	0	16352	
NJ SOCIETY OF PROFESSIONAL ENGINEERS	15874	68828	2353	9449	.16	52988	5882	67349	
TRANSPORTATION TRUST FUND II	0	235882	9118	11732	.05	232588	0	244332	
FIRST FIDELITY BANK CORP.	2767	51356	8978	0	0.00	45175	0	45175	
GARDEN STATE STRAIGHT CHIROPRACTIC	5296	7615	8858	61	.01	2888	0	4861	
OPERATING ENGINEERS LOCAL 825	9583	137128	8469	1849	.01	137113	0	138154	
DEVELOPERS PAC	18888	55925	8293	627	.01	42888	0	57627	
UNITED COUNTIES TRUST CO. PAC	9132	18888	7767	0	0.00	12165	0	12165	
AT&T PAC	97	27778	7419	398	.01	28858	0	28448	
SHEET METAL WORKERS LOCAL 819	14252	43296	7269	413	.01	49115	0	58279	22-35
JERSEY BANKERS PAC	16963	47148	6956	1375	.03	55758	0	57125	

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PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Dis
LABORER'S LOCAL 8172 PAC	13938	60391	6918	3625	.06	63260	0	67411	
PUBLIC EDUCATION COMM. OF NJRTA	32983	65716	6395	38744	.59	53485	0	92364	
NJ PSYCHOLOGY PAC	8141	500	6228	1413	2.03	1000	0	2413	
NJ ORGANIZATION FOR A BETTER STATE	50537	96970	6119	13958	.14	127500	0	141493	
NJ ABC PAC	7196	4299	5673	346	.06	5277	0	5623	
UJB PAC	5259	26731	5550	213	.01	25760	460	26441	
FUEL MERCHANTS FOR GOOD GOVT	457	19350	5407	0	0.00	14400	0	14400	
POLITICAL COMMITTEE FOR NJ	653	47450	5230	0	.00	42865	0	42865	
NORTH JERSEY BUILDERS PAC	11614	26430	4951	17321	.61	17525	0	35101	
MEDICAL ACTION COMMITTEE	35494	159297	4818	0	0.00	182855	7318	190173	
OPHTHALMOLOGY PAC	12718	7750	4713	0	0.00	15755	0	15755	
NATIONAL FEDERATION OF IND. BUSINESSES	3070	4894	4427	89	.02	2950	0	3039	1750
NJ PODIATRY PAC	8781	5679	4232	1025	.18	9200	0	10225	
INSURANCE BROKERS ASSOCIATION OF NJ	4951	8265	4011	0	0.00	9205	0	9205	
SUMMIT BANCORPORATION PAC	5420	20420	3953	15	.02	21872	0	21887	
NJ RESTAURATEURS GOOD GOVT FUND	33	12125	3855	1654	.14	6150	0	8304	
HORIZON BANK CORPORATION	1119	8031	3782	0	0.00	5360	0	5360	
NJ NATIONAL BANK	0	11137	3772	0	0.00	7365	0	7365	
NJ OPTOMETRIC PAC	18544	22069	3725	3778	.17	32750	379	36907	7400
INTERESTED MERCHANTS PAC	1303	17487	3640	1300	.08	23075	0	25325	
REPUBLICAN PROGRESSIVE ASSOCIATION	1652	22496	3362	732	.03	14500	4935	20707	
NJ AMERICAN PHYSICAL THERAPY ASSOCIATION	6941	25145	3360	1460	.05	22250	0	20710	
NJ FUNERAL DIRECTORS PAC	4027	2595	3250	369	.14	3795	0	4164	
TEXACO POLITICAL INVOLVEMENT PAC	0	3500	3200	0	0.00	250	0	250	
EHRlich ROBER CO INC	25417	14000	3212	0	0.00	36200	0	36200	
SECURITY SAVINGS & LOAN ASSOCIATION PAC	3259	3535	2904	0	0.00	3650	0	3650	
NJ I.I.A. PAC	5634	15345	2961	0	.00	10210	0	10210	
WOMENS POLITICAL ACTION COMMITTEE OF NJ	3703	12000	2941	3791	.29	9000	0	12000	
NJ HEALTH CARE PAC	4039	21450	2613	191	.01	23335	0	23335	
NJ TRADE ASSOCIATION PAC	12470	4320	2704	9000	2.27	4200	0	14000	
OIL CHEMICAL ATOMIC WORKERS	500	12770	2777	575	.05	10000	0	10570	
BEAR STEARNS PAC	56	155000	2655	0	0.00	10251	0	10251	1450-5
HOSPITAL CORP OF AMERICA PAC	3253	32523	2400	1346	.04	13950	0	33296	34-00
POLITICAL ACTION COM. OF BCA	14000	0	2330	0	0.00	11750	0	11750	
NJ CHAMBER PAC	0	12362	2002	200	.02	10100	0	10300	
TRW GOOD GOVERNMENT FUND	0	1975	1975	0	0.00	1975	0	1975	
JERSEY OSTEOPATHIC PAC	1012	3601	1950	0	0.00	3455	0	3455	
PROFESSIONAL INSURANCE AGENTS PAC	13400	20725	1914	4570	.16	35695	0	40201	
MUTUAL BENEFIT NJ PAC	1655	9450	1616	61	.01	9425	0	9425	
COUNCIL OF NJ STATE COLLEGE LOCALS COPE	3317	1974	1524	997	.51	2770	0	3767	
STATEWIDE COM. OF PHARMICISTS FOR LEGLED	2205	1950	1373	23	.01	2760	0	2760	
NJ FEDERATION OF ENVIRONMENTAL VOTERS	0	19721	1342	8990	.46	0	9320	10370	
COLLECTIVE FEDERAL SAVINGS PAC	0	2775	1324	51	.02	1400	0	1400	
FUND FOR RESPONSIBLE LEADERSHIP IN NJ	20	20600	1316	54	.00	19250	0	19304	
FRANKLIN STATE BANK PAC	720	4311	1110	0	0.00	3200	0	3920	
NJ HOTEL MOTEL ASSOCIATION	1636	24	1065	125	5.14	500	0	625	
INTERESTED NURSES PAC	2012	7977	940	6640	.03	2393	0	9040	
ARTHUR YOUNG CO. PAC	1015	11460	939	106	.02	11350	0	11350	
NJ PRINCIPALS & SUPERVISORS ASS. PAC	1514	2060	676	1020	.09	875	0	2701	
LIBERTY PAC	0	7600	853	122	.02	6025	0	6947	
PRUDENTIAL NJ PAC	3001	25404	825	210	.01	27450	0	27600	
WOMENS POLITICAL CAUCUS OF NJ	1757	1900	730	367	.19	2305	0	2927	
NJ SOCIETY OF ARCHITECTS	607	6727	639	0	.01	6000	0	6000	
NJ SPORTSMEN PAC	1510	1092	630	22	.02	1950	0	1970	
TRANS. POLITICAL EDUCATION LEAGUE	717	1010	626	0	0.00	1900	0	1900	
NJ PROLIFE PAC	1270	13907	525	6000	.49	1260	4997	14732	
MERCK & CO. INC NJ PAC	45	17100	495	0	0.00	16650	0	16650	
STANDARDIZED HORSE INDUSTRY PAC	2751	4700	402	49	.01	7000	0	7049	
RIGHT TO CHOOSE PAC	230	2033	370	234	.12	1650	0	1804	

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PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Dis
BULK LIQUID TERMINAL OPERATORS	6677	0	351	26	0.00	6500	0	6526	
MORTGAGE BANKERS OF NJ PAC	2903	4775	346	82	.02	7250	0	7332	
COALITION OF NJ SPORTSMEN PAC	345	0	345	0	0.00	0	0	0	
NON-PARTISAN CITIZENS FOR BETTER ENVIRON	374	0	330	45	0.00	0	0	45	
NJ VETERINARY PAC	2701	7530	309	72	.01	9850	0	9922	
NJ MCDONALD'S OPERATORS PAC	5706	13946	307	245	.02	19100	0	19345	
NNJ ABC MERIT PAC	4279	8400	269	0	0.00	12410	0	12410	
CHERRY HILL INDUSTRIAL SITES INC PAC	228	10500	230	0	0.00	14100	0	14100	
FIRST JERSEY NATIONAL CORPORATION	0	30900	203	303	.01	30300	0	30503	
NATIONAL ORGANIZATION FOR WOMEN NJ	1635	1115	182	2192	1.97	376	0	2560	
NJ SURPLUS LINES PAC	162	1650	171	141	.07	1250	0	1641	
SAVINGS BANKS ASSOCIATION PAC	253	4670	157	66	.01	4700	0	4700	
NJ FRIENDS OF FAMILY PLANNING	0	254	100	82	.29	0	194	207	
SO. JERSEY NONPARTISAN POL. ED. COMM.	115	5500	99	3016	.55	1500	0	4516	
CAMPAIGN ASSOC. PAC	0	2150	81	69	.03	2000	0	2069	
SHEET METAL WORKERS LOCAL #27	0	65	65	9	.14	0	0	9	
PFZIER PAC	50	550	50	0	0.00	550	0	550	1100
NJ ENVIRONMENTAL VOTERS ALLIANCE	24	25	30	19	.77	0	0	19	
AMER ASSN OF MARRIAGE & FAMILY PLANNING	406	1485	27	94	.06	1850	0	1944	
HOFFMAN-LAROCHE GOOD GOVT COMMITTEE	13	5950	13	900	.15	5050	0	5963	
FOSTER WHEELER PAC	449	3250	1	40	.01	3650	0	3699	
AFSCHE PUBLE ENPL. TO PROMOTE LEG. ED	0	23000	0	0	0.00	23000	0	23000	
ALLIED SIGNAL NJ PAC	0	5000	0	0	0.00	5000	0	5000	
COMMITTEE FOR A BETTER NJ	43	51947	0	27074	.54	13615	0	51999	
GENERAL MOTORS CIVIL INVOLVEMENT PAC	10722	15402	0	0	0.00	4700	0	4700	6000
SALOMON BROTHERS PAC	0	0250	0	0	0.00	0250	0	0250	
INTERNATIONAL LONGSHOREMAN'S AFL-CIO	0	0	0	0	0.00	173347	0	173347	

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NJ PACs - 1987 Activity Ranked by Operating Costs (\$\$)

PAC name	\$ Beg 87	Receipts	\$ end 87	Operat	\$ Op % Rec	\$ to Cand	\$ FOR Cand	Tot. Disb.	'88 Dis
COMM. FOR CLEAN & SAFE AMERICA	0	206052	13450	189601	.92	3000	0	192501	
NJ STATE LABORERS PAC	33305	186526	19036	162528	.87	4950	0	167496	
PROJECT NJ	5636	169630	25795	130566	.77	17950	0	149516	
LOCAL 322 FOR POLITICAL EDUCATION	288750	48015	179212	113131	2.32	37490	7741	158362	
NJ DENTAL PAC	94600	175439	22379	102990	.59	144750	0	247740	
CAMP. FUND OF LAWYERS ENCOUR. GOVT & LAW	213653	86645	33790	78039	.90	188470	0	265009	
REALTORS PAC	243973	317902	314679	69436	.22	177415	0	247196	171544
INTL. BROTH. OF PAINTERS & ALLIED TRADES	11919	92003	16504	57296	.62	30922	0	80210	
LOCAL 66 PAC	9035	79250	10139	40973	.52	37101	0	70154	
PUBLIC EDUCATION COMM. OF NJMTA	32903	65716	6395	30744	.59	53405	0	92304	
PRIVATE ENTERPRISES PAC	79712	67545	45711	37546	.56	64000	0	101545	
COMMITTEE FOR A BETTER NJ	43	51947	0	27074	.54	13615	0	51909	
BUILDERS PAC	310591	193674	265902	26511	.14	211765	0	230270	
NJ EDUCATION ASSOCIATION PAC	150559	250361	102657	19616	.08	290540	0	310000	
NJ CAR PAC	120072	01040	57062	10430	.20	134424	0	100000	
NORTH JERSEY BUILDERS PAC	11614	20430	4951	17321	.61	17525	0	35101	
NJ ORGANIZATION FOR A BETTER STATE	50507	96990	6119	13000	.14	127500	0	141000	
SHEET METAL WORKERS LOCAL 020	130000	100707	190709	12600	.12	45349	0	07007	
TRANSPORTATION TRUST FUND II	0	235000	9110	11732	.05	232000	0	244200	
PIPEFITTERS LOCAL 0274	95002	56702	133476	11727	.21	7000	0	16000	
NJ TRADE ASSOCIATION PAC	12496	4320	2704	9040	2.27	4200	0	14040	
FOOD COUNCIL COMMITTEE FOR GOOD GOVT	30917	40561	13456	9623	.20	64400	0	74300	
NJ SOCIETY OF PROFESSIONAL ENGINEERS	15074	60000	9303	9449	.16	52000	5000	67000	
NJ FEDERATION OF ENVIRONMENTAL VOTERS	0	19721	1342	0900	.40	0	9300	10000	
NJ PROLIFE PAC	1270	13907	520	6000	.49	1200	4907	14700	
SOUTH JERSEY BUILDERS PAC	39413	122200	01215	6000	.06	70015	0	00400	
INTERESTED NURSES PAC	2012	7977	940	6040	.03	2393	0	0040	
PROFESSIONAL INSURANCE AGENTS PAC	13400	20725	1914	4500	.16	35095	0	40000	
BLAC PAC	0510	26000	26795	4312	.16	2000	0	0510	
NJ PHARMACISTS PAC	20014	42910	19103	4019	.09	47410	311	51740	
UTILITY EXECUTIVES FOR RESPONSIBLE GOVT	0	20000	10000	3001	.13	14075	0	10000	
LABORER'S LOCAL 0172 PAC	13930	60071	6910	3025	.06	63000	0	67411	
WOMENS POLITICAL ACTION COMMITTEE OF NJ	3703	12909	2941	3791	.29	9000	0	12974	
NJ OPTOMETRIC PAC	10544	22009	3725	3770	.17	32750	379	00007	7400
PLUMBERS LOCAL 14 PAC	17704	12640	22077	3767	.30	3700	0	7407	
CONSTRUCTORS FOR GOOD GOVT	17362	21670	10271	3611	.17	25150	0	20701	
NJ CPA PAC	06154	60010	24037	3002	.06	110000	0	100107	
SO. JERSEY NONPARTISAN POL. ED. COMM.	115	5500	95	3016	.55	1500	0	4510	
BURLINGTON COUNTY CENTURY CLUB	13000	13000	24367	2950	.22	0	0	2950	
COMMITTEE FOR NJ	3547	64000	10072	2670	.04	47399	0	50070	
NJ COMMITTEE FOR QUALITY ORTHOPAEDIC CAR	6700	51350	25141	2309	.05	30000	0	30000	
NATIONAL ORGANIZATION FOR WOMEN NJ	1635	1115	102	2192	1.97	370	0	2500	
NJ PRINCIPALS & SUPERVISORS ASC. PAC	1514	2002	070	1020	.09	075	0	2701	
NJ RESTAURATEURS GOOD GOVT FUND	33	12125	3055	1654	.14	6150	0	0004	
NJ AMERICAN PHYSICAL THERAPY ASSOCIATION	0941	25145	3300	1400	.05	22250	0	20710	
NJ PSYCHOLOGY PAC	0141	500	6020	1413	2.00	1000	0	2413	
JERSEY BANKERS PAC	10900	47140	6900	1370	.03	55750	0	07100	
INTERESTED MERCHANTS PAC	1300	17407	3640	1300	.00	23075	0	20000	
HOSPITAL CORP OF AMERICA PAC	3203	32523	2400	1340	.04	13950	0	30000	3400
BUILDERS OF METRO NJ	0	17043	10034	1100	.07	5050	0	7010	
OPERATING ENGINEERS LOCAL 025	9520	137100	0409	1041	.01	137113	0	130154	
NJ PEDIATRY PAC	0701	5679	4202	1000	.10	9200	0	10000	
COUNCIL OF NJ STATE COLLEGE LOCALS COPE	3317	1974	1524	997	.51	2770	0	3707	
HOFFMAN-LAROCHE GOOD GOVT COMMITTEE	13	5950	13	900	.15	5050	0	5950	
NJ LIFE UNDERWRITERS	10001	0704	15353	000	.10	0613	0	9400	
LOCAL 1171 PAC	9411	7453	13017	070	.12	2975	0	3047	
NJ UAW PAC	133134	09545	175769	000	.01	46110	0	40910	

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PAC name	\$ Beg 87	Receipts	\$ end 87	Operat	\$ Op % Rec	\$ to Cand	\$ FOR Cand	Tot. Disb.	'85 Dis
REPUBLICAN PROGRESSIVE ASSOCIATION	1652	22496	3382	732	.03	14500	4935	22767	
DEVELOPERS PAC	10000	55925	8293	627	.01	42000	0	57627	
OIL CHEMICAL ATOMIC WORKERS	500	12776	2777	579	.05	10000	0	10579	
MIDLANTIC STATE PAC	50000	71900	51000	564	.01	70425	0	72900	
NJ SOFT DRINK COM. FOR GOOD GOVT	25752	59497	21346	453	.01	63450	0	63903	
NJ BELL STATE PAC	4060	35366	11433	448	.01	28345	0	28793	
SHEET METAL WORKERS LOCAL #19	14252	43296	7269	413	.01	49116	0	52796	22400
HOWARD SAVINGS BANK CITIZENS COMMITTEE	12345	13667	9760	402	.03	15850	0	16252	
AT & T PAC	97	27770	7419	398	.01	20050	0	20446	
NJ FUNERAL DIRECTORS PAC	4027	2595	3256	369	.14	3795	0	4164	
WOMENS POLITICAL CAUCUS OF NJ	1757	1900	720	367	.19	2300	0	2927	
NJ ABC PAC	7196	4299	5273	346	.02	5277	0	5623	
FIRST JERSEY NATIONAL CORPORATION	0	30000	203	303	.01	30000	0	30003	
NJ MCDONALD'S OPERATORS PAC	5706	13946	367	245	.02	19100	0	19345	
RIGHT TO CHOICE PAC	230	2233	376	234	.12	1650	0	1650	
UJB PAC	5259	26731	5550	213	.01	25700	400	26400	
PRUDENTIAL NJ PAC	3001	25004	825	210	.01	27450	0	27660	
NJ CHAMBER PAC	0	12302	2002	200	.02	10100	0	10300	
NJ HEALTH CARE PAC	4000	21450	2813	191	.01	23335	0	23335	
ARTHUR YOUNG CO. PAC	1015	11460	939	106	.02	11350	0	11350	
WAWA PAC	7672	11225	16230	159	.01	500	0	659	11200
NJ SURPLUS LINES PAC	162	1650	171	141	.09	1250	0	1641	
CONSULTING ENGINEERS PAC	11520	16905	10690	129	.01	17000	0	17700	
NJ HOTEL MOTEL ASSOCIATION	1066	24	1065	125	5.14	500	0	625	
LIBERTY PAC	0	7000	853	122	.02	6025	0	6947	
AMER ASSN OF MARRIAGE & FAMILY PLANNING	400	1400	27	94	.06	1050	0	1044	
NATIONAL FEDERATION OF IND. BUSINESSES	3070	4094	4427	09	.02	2950	0	3000	1000
NJ SOCIETY OF ARCHITECTS	607	6727	639	00	.01	6000	0	6000	
MORTGAGE BANKERS OF NJ PAC	2903	4775	346	02	.02	7250	0	7302	
NJ FRIENDS OF FAMILY PLANNING	0	204	100	02	.29	0	104	204	
NJ VETERINARY PAC	2701	7500	309	72	.01	9050	0	9022	
CAMPAIGN ASSOC. PAC	0	2150	01	69	.03	2000	0	2000	
SAVINGS BANKS ASSOCIATION PAC	253	4070	157	00	.01	4700	0	4700	
AMERICAN TRIAL LAWYERS ASSOCIATION	0	154111	34709	65	.00	119150	107	119000	
GARDEN STATE STRAIGHT CHIROPRACTIC	5296	7615	0000	61	.01	2000	0	4000	
MUTUAL BENEFIT NJ PAC	1655	9450	1610	61	.01	9425	0	9425	
OFFICE DEVELOPERS ASSN.	6943	27000	27000	57	.00	20000	0	20000	
FUND FOR RESPONSIBLE LEADERSHIP IN NJ	20	20000	1310	54	.00	19250	0	19304	
COLLECTIVE FEDERAL SAVINGS PAC	0	2775	1324	51	.02	1400	0	1400	
STANDARDIZED HORSE INDUSTRY PAC	2751	4700	402	49	.01	7000	0	7000	
FOSTER WHEELER PAC	449	3250	1	48	.01	3000	0	3000	
NON-PARTISAN CITIZENS FOR BETTER ENVIRON	374	0	330	45	0.00	0	0	45	
SAVINGS ASSOCIATION PAC	57046	75530	37057	44	.00	95475	0	95000	
BULY LIQUID TERMINAL OPERATORS	6077	0	351	26	0.00	6000	0	6000	
STATEWIDE COM. OF PHARMACISTS FOR LEG. ED	2205	1950	1373	23	.01	2700	0	2700	
NJ SPORTSMEN PAC	1510	1000	600	22	.02	1950	0	1972	
NJ ENVIRONMENTAL VOTERS ALLIANCE	24	25	30	19	.77	0	0	19	
SUMMIT BANCORPORATION PAC	5020	20400	3953	15	.00	21070	0	21000	
CITY FEDERAL PAC	12517	23074	17001	9	.00	10500	0	10500	
SHEET METAL WORKERS LOCAL #27	0	60	60	9	.14	0	0	9	
NJ I.I.A. PAC	5034	15345	2961	0	.00	10210	0	10210	
POLITICAL COMMITTEE FOR NJ	653	47450	5200	0	.00	42000	0	42000	
AFSCME PUBLE EMPL. TO PROMOTE LEG. ED	0	23000	0	0	0.00	23000	0	23000	
ALLIED SIGNAL NJ PAC	0	5000	0	0	0.00	5000	0	5000	
BEAR STEARNS PAC	56	155000	2655	0	0.00	10251	0	10251	145000
CENTRAL JERSEY BUILDERS ASSOC.	24223	45290	11193	0	0.00	50000	0	50000	
CHEERY HILL INDUSTRIAL SITES INC PAC	230	10500	230	0	0.00	14100	0	14100	
COALITION OF NJ SPORTSMEN PAC	345	0	345	0	0.00	0	0	0	
EMRICH BOBER CO INC	25417	14000	3212	0	0.00	36000	0	36000	

PAC name	\$ Beg 87	Receipts	\$ end 87	Operat \$	Op % Rec	\$ to Cand	\$ FOR Cand	Tot. Disb.	'85 Dis
ENSEARCH CORP	4862	127539	48701	0	0.00	3825	0	3825	
FIRST FIDELITY BANK CORP.	2767	51386	8978	0	0.00	45175	0	45175	
FRANKLIN STATE BANK PAC	728	4311	1110	0	0.00	3680	0	3680	
FUEL MERCHANTS FOR GOOD GOVT	457	19350	5407	0	0.00	14400	0	14400	
GENERAL MOTORS CIVIL INVOLVEMENT PAC	10722	15422	0	0	0.00	4700	0	4700	550
HORIZON BANK CORPORATION	1119	8031	3782	0	0.00	5368	0	5368	
INSURANCE BROKERS ASSOCIATION OF NJ	4951	8265	4811	0	0.00	9285	0	9285	
INTERNATIONAL LADIES GARMENT WORKERS	68610	39520	11071	0	0.00	89259	0	89259	
JERSEY ORTHODONTIC PAC	1812	3601	1958	0	0.00	3455	0	3455	
JOHNSON & JOHNSON EMPLOYEES GOOD GOVT FUN	29650	102509	22495	0	0.00	29000	0	29000	
MEDICAL ACTION COMMITTEE	35894	159297	4818	0	0.00	182355	7316	190173	
MERCK & CO. INC NJ PAC	45	17100	495	0	0.00	16650	0	16650	
MPAC INC	10789	116325	32114	0	0.00	95000	0	95000	
NJ HOSPITAL ASSOCIATION HEALTH PAC	21730	16845	23975	0	0.00	14700	0	14700	
NJ NATIONAL BANK	0	11137	3772	0	0.00	7365	0	7365	
NND APC MERIT PAC	4279	8400	269	0	0.00	12410	0	12410	
OPHTHALMOLOGY PAC	12710	7750	4713	0	0.00	15755	0	15755	
PFIZER PAC	50	550	50	0	0.00	550	0	550	1100
POLITICAL ACTION COM. OF BCA	14090	0	2336	0	0.00	11750	0	11750	
SALOMON BROTHERS PAC	0	8250	0	0	0.00	8250	0	8250	
SECURITY SAVINGS & LOAN ASSOCIATION PAC	3209	3505	2904	0	0.00	3850	0	3850	
TEYACO POLITICAL INVOLVEMENT PAC	0	3500	3250	0	0.00	250	0	250	
TRANS. POLITICAL EDUCATION LEAGUE	717	1810	620	0	0.00	1900	0	1900	
TPW GOOD GOVERNMENT FUND	0	1975	1975	0	0.00	1975	0	1975	
UFCW ACTIVE BALLOT CLUB	96525	49334	143259	0	0.00	2900	0	2900	
UNITED COUNTIES TRUST CO. PAC	9132	10600	7707	0	0.00	12100	0	12100	
INTERNATIONAL LONGSHOREMAN'S AFL-CIO					0.00	173347	0	173347	

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NJ PACs - 1987 Activity Ranked by Operating Costs as % of Receipts

PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Disb.
NJ HOTEL MOTEL ASSOCIATION	1666	24	1855	125	5.14	588	0	625	
NJ PSYCHOLOGY PAC	8141	588	6228	1413	2.83	1888	0	2413	
LOCAL 322 FOR POLITICAL EDUCATION	288759	48915	179212	113131	2.32	37498	7741	153382	
NJ TRADE ASSOCIATION PAC	12496	4328	2784	9848	2.27	4288	0	14848	
NATIONAL ORGANIZATION FOR WOMEN NJ	1635	1115	182	2192	1.97	376	0	2583	
COMM. FOR CLEAN & SAFE AMERICA	0	288852	13458	189681	.92	3888	0	192881	
CAMP. FUND OF LAWYERS ENCOUR. GOVT & LAW	213653	85445	33798	78837	.98	188478	0	288587	
NJ PRINCIPALS & SUPERVISORS ASS. PAC	1514	2882	878	1828	.87	875	0	2781	
NJ STATE LABORERS PAC	33335	188528	19828	182528	.87	4958	0	187492	
INTERESTED NURSES PAC	2812	7977	948	6648	.82	2393	0	9242	
NJ ENVIRONMENTAL VOTERS ALLIANCE	24	25	38	19	.77	0	0	19	
PROJECT NJ	5638	169888	25798	138582	.77	17958	0	149518	
INTL. BROT. OF PAINTERS & ALLIED TRADES	11919	92583	16584	57378	.62	38928	0	38818	
NORTH JERSEY BUILDERS PAC	11814	28438	4951	17321	.61	17528	0	35181	
PUBLIC EDUCATION COMM. OF NJMBA	32923	65718	6395	38744	.59	53435	0	98384	
NJ DENTAL PAC	94888	175439	22379	182992	.59	144758	0	247748	
PRIVATE ENTERPRISES PAC	79712	67545	45711	37546	.58	64882	0	181548	
SO. JERSEY NONPARTISAN POL. ED. COMM.	115	5588	99	3818	.55	1588	0	4518	
COMMITTEE FOR A BETTER NJ	43	51947	0	27874	.54	13615	0	51987	
LOCAL 88 PAC	9835	79258	18139	48973	.52	37181	0	78154	
COUNCIL OF NJ STATE COLLEGE LOCALS COPE	3317	1974	1524	997	.51	2778	0	3787	
NJ PROLIFE PAC	1278	13987	525	6858	.49	1288	4997	14782	
NJ FEDERATION OF ENVIRONMENTAL VOTERS	0	19721	1342	8978	.46	0	9323	18878	
PLUMBERS LOCAL 14 PAC	17724	12848	22877	3787	.38	3788	0	7887	
WOMENS POLITICAL ACTION COMMITTEE OF NJ	3783	12989	2941	3791	.29	9888	0	12974	
NJ FRIENDS OF FAMILY PLANNING	0	284	188	82	.29	0	184	887	
NJ CAR PAC	188872	91843	57882	18434	.23	134424	0	158853	
BURLINGTON COUNTY CENTURY CLUB	18883	13888	24387	2938	.22	0	0	2938	
REALTORS PAC	243973	317988	314679	67438	.22	177412	0	247188	17.5
PIPEFITTERS LOCAL 8274	95882	56782	133478	11787	.21	7888	0	18882	
FOOD COUNCIL COMMITTEE FOR GOOD GOVT	38917	48881	13458	9628	.28	64488	0	74382	
WOMENS POLITICAL CAUCUS OF NJ	1757	1988	738	387	.19	2385	0	2987	
NJ PODIATRY PAC	8781	5877	4232	1828	.13	9283	0	18283	
NJ OPTOMETRIC PAC	18544	22889	3725	3778	.17	32758	379	38987	7.8
CONSTRUCTORS FOR GOOD GOVT	17362	21678	18271	3811	.17	25158	0	28781	
BLAC PAC	6518	26888	26798	4312	.16	2888	0	6312	
PROFESSIONAL INSURANCE AGENTS PAC	13488	28725	1914	4578	.16	35895	0	48291	
NJ SOCIETY OF PROFESSIONAL ENGINEERS	15874	68823	9353	9449	.16	52988	5882	67849	
HOFFMAN-LAROCHE GOOD GOVT COMMITTEE	13	5958	13	988	.15	5858	0	5958	
NJ ORGANIZATION FOR A BETTER STATE	58587	96998	6119	13958	.14	127588	0	141458	
NJ FUNERAL DIRECTORS PAC	4827	2595	3255	389	.14	3795	0	4184	
SHEET METAL WORKERS LOCAL 827	0	85	85	9	.14	0	0	9	
BUILDERS PAC	318591	193874	285938	28511	.14	211785	0	238878	
NJ RESTAURATEURS GOOD GOVT FUND	33	12125	3855	1654	.14	6158	0	8384	
UTILITY EXECUTIVES FOR RESPONSIBLE GOVT	0	28338	18352	3831	.13	14875	0	18318	
LOCAL 1171 PAC	9411	7453	13817	872	.12	2975	0	3847	
RIGHT TO CHOICE PAC	238	2833	378	234	.12	1658	0	1584	
SHEET METAL WORKERS LOCAL 828	138897	189787	198219	12828	.12	45349	0	57877	
NJ LIFE UNDERWRITERS	18881	6784	13253	888	.18	8813	0	9493	
NJ PHARMACISTS PAC	28814	42918	19183	4819	.89	47418	311	51748	
NJ SURPLUS LINES PAC	182	1858	171	141	.89	1258	0	1841	
NJ ABC PAC	7196	4299	5873	346	.88	5277	0	5823	
INTERESTED MERCHANTS PAC	1353	17487	3648	1388	.88	23875	0	25285	
NJ EDUCATION ASSOCIATION PAC	156557	256261	182657	19616	.88	298448	0	318283	
BUILDERS OF METRO NJ	0	17843	18934	1168	.87	5858	0	7818	
LABORERS LOCAL 8172 PAC	13938	68391	6918	3525	.86	63288	0	67411	
AMER ASSN OF MARRIAGE & FAMILY PLANNING	488	1485	27	94	.86	1858	0	1944	

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PAC name	\$ Beg 87	Receipts	\$ end 87	Operat	\$ Op % Rec	\$ to Cand	\$ FGR Cand	Tot. Dist.	199 Dis
NJ CPA PAC	86154	68918	24637	3682	.06	118525	0	122127	
NJ AMERICAN PHYSICAL THERAPY ASSOCIATION	8941	25145	3358	1468	.05	22252	0	25718	
SOUTH JERSEY BUILDERS PAC	39413	122258	81215	6878	.06	73615	0	88435	
TRANSFORMATION TRUST FUND II	0	235888	9118	11732	.05	232588	0	244332	
NJ COMMITTEE FOR QUALITY ORTHOPAEDIC CAR	6758	51358	25141	2357	.05	38688	0	32957	
OIL CHEMICAL ATOMIC WORKERS	588	12776	2777	579	.05	18888	0	12579	
COMMITTEE FOR NJ	3547	64888	16872	2676	.04	47399	0	58678	
HOSPITAL CORP OF AMERICA PAC	3253	32523	2488	1346	.04	13958	0	33876	3-87
REPUBLICAN PROGRESSIVE ASSOCIATION	1652	22496	3392	732	.03	14588	4935	28757	
CAMPAIGN ASSOC. PAC	0	2158	81	69	.03	2888	0	2869	
HOWARD SAVINGS BANK CITIZENS COMMITTEE	12345	13667	9768	482	.03	15858	0	14272	
JERSEY BANKERS PAC	16968	47148	6986	1375	.03	55758	0	57128	
NJ SPORTSMEN PAC	1518	1892	639	22	.02	1958	0	1872	
COLLECTIVE FEDERAL SAVINGS PAC	0	2775	1324	51	.02	1488	0	1481	
NATIONAL FEDERATION OF IND. BUSINESSSES	3878	4894	4427	89	.02	2958	0	3839	175
NJ MCDONALD'S OPERATORS PAC	5786	13946	387	245	.02	19188	0	19345	
MORTGAGE BANKERS OF NJ PAC	2923	4775	346	82	.02	7258	0	7812	
ARTHUR YOUNG CO. PAC	1815	11468	939	166	.02	11358	0	11536	
NJ CHAMBER PAC	0	12362	2852	287	.02	18127	0	12388	
LIBERTY PAC	0	7888	853	122	.02	6825	0	6947	
FOSTER WHEELER PAC	447	3258	1	48	.01	3658	0	3698	
ATS T PAC	97	27778	7419	398	.01	28858	0	28445	
WANA PAC	7672	11225	18235	159	.01	588	0	689	10888
SAVINGS BANKS ASSOCIATION PAC	253	4678	157	66	.01	4788	0	4766	
NJ SOCIETY OF ARCHITECTS	687	6727	639	83	.01	6888	0	6833	
NJ BELL STATE PAC	4668	35366	11433	448	.01	25345	0	28793	
STATEWIDE COM. OF PHARMICISTS FOR LEG. ED	2285	1958	1873	23	.01	2768	0	2783	
DEVELOPERS PAC	18888	55925	8373	627	.01	42888	0	57827	
STANDARDIZED HORSE INDUSTRY PAC	2751	4788	482	49	.01	7888	0	7849	
FIRST JERSEY NATIONAL CORPORATION	0	38888	285	383	.01	38888	0	38123	
NJ VETERINARY PAC	2781	7538	389	72	.01	9858	0	9922	
SHEET METAL WORKERS LOCAL #19	14252	43296	7269	413	.01	49116	0	58279	33-87
NJ UAW PAC	133134	89545	175769	888	.01	46118	0	48818	
NJ HEALTH CARE PAC	4889	21458	2313	191	.01	23335	0	23526	
PROFESSIONAL NJ PAC	3881	25484	825	218	.01	27458	0	27688	
GARDEN STATE STRAIGHT CHIROPRACTIC	5296	7615	8358	61	.01	2888	0	4861	
UCB PAC	5259	26731	5558	213	.01	25768	462	26441	
MID-ATLANTIC STATE PAC	58833	71988	51882	524	.01	78425	0	78588	
CONSULTING ENGINEERS PAC	11528	16985	18896	125	.01	17688	0	17788	
NJ SOFT DRINK COM. FOR GOOD GOVT	25752	59497	21346	453	.01	63458	0	68888	
OPERATING ENGINEERS LOCAL 822	9583	137128	8469	1241	.01	137113	0	138154	
MUTUAL BENEFIT NJ PAC	1655	9458	1616	61	.01	9425	0	9456	
FUND FOR RESPONSIBLE LEADERSHIP IN NJ	28	28888	1316	54	.01	19258	0	19388	
OFFICE DEVELOPERS ASSN.	6943	27828	27885	57	.01	28888	0	28887	
SUMMIT BANCORPORATION PAC	5428	28428	3953	15	.01	21872	0	21887	
SAVINGS ASSOCIATION PAC	57646	75538	37657	44	.01	95475	0	95516	
NJ I.I.A. PAC	5634	15345	2961	8	.01	18212	0	18312	
AMERICAN TRIAL LAWYERS ASSOCIATION	0	154111	34729	65	.01	119158	187	119422	
CITY FEDERAL PAC	12517	23374	17321	9	.01	18568	0	18588	
POLITICAL COMMITTEE FOR NJ	653	47458	5238	8	.01	42865	0	42878	
AFSCME PUBLE EMP. TO PROMOTE LEG. ED	0	23888	0	0	0.01	23888	0	23888	
ALLIED SIGNAL NJ PAC	0	5888	0	0	0.01	5888	0	5888	
BEAR STEARNS PAC	56	155888	2655	0	0.01	18251	0	18351	1458-87
BULK LIQUID TERMINAL OPERATORS	6877	0	351	26	0.01	6588	0	6588	
CENTRAL JERSEY BUILDERS ASSOC.	24223	45298	11193	0	0.01	56328	0	56328	
CHERRY HILL INDUSTRIAL SITES INC PAC	229	18588	238	0	0.01	14188	0	14188	
COALITION OF NJ SPORTSMEN PAC	345	0	345	0	0.01	6	0	6	
EHRlich BOSE CO INC	25417	14888	3212	0	0.01	36275	0	36275	
ENSEARCH CORP	4862	127539	4881	0	0.01	3525	0	3525	

PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	165 Disb.
FIRST FIDELITY BANK CORP.	2767	51326	8978	0	0.00	45175	0	45175	
FRANKLIN STATE BANK PAC	729	4311	1110	0	0.00	3652	0	3923	
FUEL MERCHANTS FOR GOOD GOVT	457	19352	5407	0	0.00	14400	0	14400	
GENERAL MOTORS CIVIL INVOLVEMENT PAC	10722	15422	0	0	0.00	4700	0	4700	9800
HORIZON BANK CORPORATION	1119	6031	3722	0	0.00	5360	0	5360	
INSURANCE BROKERS ASSOCIATION OF NJ	4951	8265	4011	0	0.00	9205	0	9205	
INTERNATIONAL LADIES GARMENT WORKERS	60310	39520	11071	0	0.00	89259	0	89259	
INTERNATIONAL LONGSHOREMAN'S AFL-CIO					0.00	173347	0	173347	
JERSEY OSTEOPATHIC PAC	1812	3601	1952	0	0.00	3455	0	3455	
JOHNSON & JOHNSON EMPLOYEES GOOD GOVT FUN	29652	102522	22495	0	0.00	29020	0	29020	
MEDICAL ACTION COMMITTEE	35494	159297	4019	0	0.00	162955	7316	190170	
MERCK & CO. INC NJ PAC	45	17120	495	0	0.00	16652	0	16652	
MFAC INC	10789	116325	32114	0	0.00	95002	0	95002	
NJ HOSPITAL ASSOCIATION HEALTH PAC	21732	16845	23075	0	0.00	14700	0	14700	
NJ NATIONAL BANK	0	11137	3772	0	0.00	7325	0	7325	
NNJ ABC MERIT PAC	4272	6400	269	0	0.00	12410	0	12410	
NON-PARTISAN CITIZENS FOR BETTER ENVIRON	374	0	350	45	0.00	0	0	45	
OPHTHALMOLOGY PAC	12719	7750	4713	0	0.00	15755	0	15755	
PFIZER PAC	50	550	50	0	0.00	550	0	550	1100
POLITICAL ACTION COM. OF BCA	14022	0	2300	0	0.00	11750	0	11750	
SALOMON BROTHERS PAC	0	8250	0	0	0.00	8250	0	8250	
SECURITY SAVINGS & LOAN ASSOCIATION PAC	3269	3565	2964	0	0.00	3050	0	3050	
TEXACO POLITICAL INVOLVEMENT PAC	0	3500	3250	0	0.00	250	0	250	
TRANS. POLITICAL EDUCATION LEAGUE	717	1610	626	0	0.00	1900	0	1900	
TRW GOOD GOVERNMENT FUND	0	1975	1975	0	0.00	1975	0	1975	
UPON ACTIVE BALLOT CLUB	96825	49324	143252	0	0.00	2900	0	2900	
UNITED COUNTIES TRUST CO. PAC	9132	10200	7767	0	0.00	12125	0	12125	

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NJ PACs - 1987 Activity

PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Card	Tot. Disb.	'88 Bal
AFSCME PUBLE ENPL. TO PROMOTE LEG. ED	0	23000	0	0	0.00	23000		23000	
ALLIED SIGNAL NJ PAC	0	5000	0	0	0.00	5000	0	5000	
AMER ASSN OF MARRIAGE & FAMILY PLANNING	486	1485	27	94	.06	1850	0	1944	
AMERICAN TRIAL LAWYERS ASSOCIATION	0	154111	34709	65	.00	119150	187	119402	
ARTHUR YOUNG CO. PAC	1015	11460	939	186	.02	11350	0	11530	
AT&T PAC	97	27770	7419	398	.01	20050	0	20448	
BEAR STEARNS PAC	56	155300	2655	0	0.00	10251	0	10501	14500
BLAC PAC	6510	26600	26798	4312	.16	2000	0	6312	
BUILDERS OF METRO NJ	0	17843	18034	1160	.07	5050	0	7010	
BUILDERS PAC	310591	193674	265986	26511	.14	211705	0	238270	
BULK LIQUID TERMINAL OPERATORS	6877	0	351	26	0.00	6500	0	6500	
BURLINGTON COUNTY CENTURY CLUB	13823	13500	24367	2956	.22	0	0	2956	
CAMP. FUND OF LAWYERS ENDOUR. GOVT & LAW	213053	86645	32790	76039	.90	100470	0	253507	
CAMPAIGN ASSOC. PAC	0	2150	0	69	.03	2000	0	2000	
CENTRAL JERSEY BUILDERS ASSOC.	24223	45200	11193	0	0.00	56300	0	56300	
CHERRY HILL INDUSTRIAL SITES INC PAC	226	10500	230	0	0.00	14100	0	14100	
CITY FEDERAL PAC	12517	23374	17301	9	.00	10500	0	10500	
COALITION OF NJ SPORTSMEN PAC	345	0	345	0	0.00	0	0	0	
COLLECTIVE FEDERAL SAVINGS PAC	0	2775	1324	51	.02	1400	0	1400	
COMM. FOR CLEAN & SAFE AMERICA	0	206052	13450	109601	.92	3000	0	192601	
COMMITTEE FOR A BETTER NJ	43	51947	0	27074	.54	13015	0	51900	
COMMITTEE FOR NJ	3547	64000	16872	2676	.04	47390	0	50000	
CONSTRUCTORS FOR GOOD GOVT	17362	21670	10271	3611	.17	25150	0	25150	
CONSULTING ENGINEERS PAC	11520	16905	16905	129	.01	17000	0	10000	
COUNCIL OF NJ STATE COLLEGE LOCALS COPE	3317	1974	1524	997	.51	2770	0	3700	
DEVELOPERS PAC	10000	55900	0000	600	.01	42000	0	57000	
EMERSON ROBER CO INC	25417	14000	3012	0	0.00	36000	0	36000	
ENSERCH CORP	4000	120000	40000	0	0.00	3000	0	3000	
FIRST FIDELITY BANK CORP.	2700	51000	0000	0	0.00	45170	0	45170	
FIRST JERSEY NATIONAL CORPORATION	0	30000	200	200	.01	30000	0	30000	
FOOD COUNCIL COMMITTEE FOR GOOD GOVT	38917	40501	13450	9000	.20	64400	0	74300	
FOSTER WHEELER PAC	449	3200	1	40	.01	3050	0	3050	
FRANKLIN STATE BANK PAC	700	4311	1110	0	0.00	3000	0	3000	
FUEL MERCHANTS FOR GOOD GOVT	457	19300	5400	0	0.00	14000	0	14000	
FUND FOR RESPONSIBLE LEADERSHIP IN NJ	20	20000	1310	54	.00	19250	0	19300	
GARDEN STATE STRAIGHT CHIROPRACTIC	5296	7615	0000	61	.01	2000	0	4000	
GENERAL MOTORS CIVIL INVOLVEMENT PAC	10720	15400	0	0	0.00	4700	0	4700	0000
HOFFMAN-LAROCHE GOOD GOVT COMMITTEE	13	5900	13	900	.15	5000	0	5900	
HORIZON BANK CORPORATION	1119	0001	3700	0	0.00	5000	0	5000	
HOSPITAL CORP OF AMERICA PAC	3203	32500	2400	1346	.04	13950	0	33000	0000
HOWARD SAVINGS BANK CITIZENS COMMITTEE	12040	13600	9700	400	.03	15000	0	16000	
INSURANCE BROKERS ASSOCIATION OF NJ	4900	0000	4011	0	0.00	9000	0	9000	
INTERESTED MERCHANTS PAC	1300	17400	3040	1300	.00	23970	0	25000	
INTERESTED NURSES PAC	2012	7077	940	6040	.03	2393	0	9040	
INTERNATIONAL LADIES GARMENT WORKERS	60510	30000	11071	0	0.00	00000	0	00000	
INTERNATIONAL LONGSHOREMAN'S AFL-CIO					0.00	173347	0	173347	
INTL. BROTH. OF PRINTERS & ALLIED TRADES	11919	92000	16000	57200	.52	30900	0	00000	
JERSEY BANKERS PAC	16903	47100	6000	1370	.03	55700	0	57000	
JERSEY OSTEOPATHIC PAC	1012	3001	1900	0	0.00	3455	0	3455	
JOHNSON & JOHNSON EMPLOYEES GOOD GOVT FUN	29000	100000	20400	0	0.00	29000	0	29000	
LABORER'S LOCAL #172 PAC	13900	60000	6000	3000	.00	60000	0	67000	
LIBERTY PAC	0	7000	000	122	.02	6000	0	6000	
LOCAL 1171 PAC	9411	7400	13017	072	.12	2975	0	3000	
LOCAL 322 FOR POLITICAL EDUCATION	200700	40015	179012	113131	2.32	37400	774	150000	
LOCAL 60 PAC	9000	70000	10100	40000	.50	37000	0	70000	
MEDICAL ACTION COMMITTEE	30000	150000	4000	0	0.00	100000	7000	100000	
MERCK & CO. INC NJ PAC	45	17100	400	0	0.00	16000	0	16000	

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PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Dis
MIDLANTIC STATE PAC	50000	71900	51800	564	.01	78425	0	78929	
MORTGAGE BANKERS OF NJ PAC	2903	4775	346	82	.02	7250	0	7332	
MPAC INC	10789	116325	32114	0	0.00	95000	0	95000	
MUTUAL BENEFIT NJ PAC	1655	9450	1616	61	.01	9425	0	9450	
NATIONAL FEDERATION OF IND. BUSINESSES	3670	4094	4427	89	.02	2950	0	3039	1750
NATIONAL ORGANIZATION FOR WOMEN NJ	1635	1115	182	2192	1.97	376	0	2560	
NJ AEC PAC	7196	4295	5073	346	.08	5277	0	5623	
NJ AMERICAN PHYSICAL THERAPY ASSOCIATION	6941	25145	3360	1460	.06	22250	0	20710	
NJ BELL STATE PAC	4060	35366	11433	440	.01	20345	0	20793	
NJ CAR PAC	126072	01040	57002	10434	.23	134424	0	153050	
NJ CHAMBER PAC	0	12302	2060	200	.02	10100	0	10300	
NJ COMMITTEE FOR QUALITY ORTHOPAEDIC CAR	6750	51350	25141	2359	.05	30600	0	30950	
NJ CPA PAC	00154	00010	24037	3000	.06	119525	0	120100	
NJ DENTAL PAC	94600	175439	22379	102990	.59	144750	0	247700	
NJ EDUCATION ASSOCIATION PAC	150559	250001	102057	19016	.08	200000	0	310000	
NJ ENVIRONMENTAL VOTERS ALLIANCE	24	25	30	19	.77	0	0	19	
NJ FEDERATION OF ENVIRONMENTAL VOTERS	0	19701	1342	0900	.46	0	9300	10000	
NJ FRIENDS OF FAMILY PLANNING	0	204	100	00	.29	0	100	200	
NJ FUNERAL DIRECTORS PAC	4027	2595	3250	369	.14	3795	0	4000	
NJ HEALTH CARE PAC	4007	21450	2013	191	.01	23335	0	23500	
NJ HOSPITAL ASSOCIATION HEALTH PAC	21730	10045	23075	0	0.00	14700	0	14700	
NJ HOTEL HOTEL ASSOCIATION	1600	24	1000	120	5.14	500	0	600	
NJ I.T.A. PAC	5034	15345	2961	0	.00	10010	0	10010	
NJ LIFE UNDERWRITERS	10001	0700	15353	000	.10	0010	0	0000	
NJ MCDONALD'S OPERATORS PAC	5700	13940	307	240	.02	19100	0	19000	
NJ NATIONAL BANK	0	11137	3770	0	0.00	7300	0	7000	
NJ OPTOMETRIC PAC	10044	22000	3725	0770	.17	32750	300	30000	7000
NJ ORGANIZATION FOR A BETTER STATE	50007	00000	0119	10000	.14	127000	0	141000	
NJ PHARMACISTS PAC	20014	40010	19100	4019	.20	47410	311	51000	
NJ PODIATRY PAC	0701	5070	4000	1000	.10	0000	0	10000	
NJ PRINCIPALS & SUPERVISORS ASS. PAC	1014	2000	070	1000	.09	070	0	070	
NJ PROLIFE PAC	1270	13937	525	0000	.49	1200	4997	14000	
NJ PSYCHOLOGY PAC	0141	500	0200	1410	2.00	1000	0	2410	
NJ RESTAURATEURS GOOD GOVT FUND	30	10125	3055	1054	.14	0150	0	0000	
NJ SOCIETY OF ARCHITECTS	007	0700	039	00	.01	0000	0	0000	
NJ SOCIETY OF PROFESSIONAL ENGINEERS	10074	00000	0000	0000	.10	50000	5000	00000	
NJ SOFT DRINK COM. FOR GOOD GOVT	25700	59497	21340	450	.01	00450	0	00000	
NJ SPORTSMEN PAC	1510	1000	030	22	.02	1950	0	1900	
NJ STATE LABORERS PAC	33000	100000	10000	100000	.07	4950	0	100000	
NJ SURPLUS LINES PAC	100	1000	171	141	.09	1250	0	1000	
NJ TRADE ASSOCIATION PAC	12400	4300	2700	9000	2.27	4200	0	14000	
NJ UAW PAC	130134	09045	170000	000	.01	40110	0	40000	
NJ VETERINARY PAC	2701	7000	300	70	.01	0000	0	0000	
NJ ABC MERT PAC	4279	0400	200	0	0.00	12410	0	10000	
NON-PARTISAN CITIZENS FOR BETTER ENVIRON	374	0	330	45	0.00	0	0	45	
NORTH JERSEY BUILDERS PAC	11014	20430	4901	17001	.01	17000	0	20000	
OFFICE DEVELOPERS ASSN.	0943	27000	27000	57	.00	20000	0	20000	
OIL CHEMICAL ATOMIC WORKERS	500	10770	2777	579	.05	10000	0	10000	
OPERATING ENGINEERS LOCAL 020	0000	137120	0400	1000	.01	137110	0	130000	
OPHTHALMOLOGY PAC	12710	7700	4710	0	0.00	15700	0	15700	
PFIZER PAC	50	550	50	0	0.00	550	0	550	1100
PIPEFITTERS LOCAL 0074	95000	50700	130470	11727	.21	7000	0	10000	
PLUMBERS LOCAL 14 PAC	17704	10000	22077	3707	.30	3700	0	7000	
POLITICAL ACTION COM. OF BCA	14000	0	2300	0	0.00	11700	0	11700	
POLITICAL COMMITTEE FOR NJ	000	47450	5200	0	.00	42000	0	40000	
PRIVATE ENTERPRISES PAC	79712	07040	45711	37040	.50	04000	0	100000	
PROFESSIONAL INSURANCE AGENTS PAC	13400	20720	1914	4590	.16	35000	0	40000	
PROJECT NJ	5000	100000	25700	130000	.77	17900	0	140000	
PRUDENTIAL NJ PAC	3001	25400	000	210	.01	27450	0	27000	

PAC name	\$\$ Beg 87	Receipts	\$\$ end 87	Operat \$\$	Op % Rec	\$\$ to Cand	\$\$ FOR Cand	Tot. Disb.	'85 Dis
PUBLIC EDUCATION COMM. OF NJHTA	32983	65716	6395	38744	.59	53485	0	92384	
REALTORS PAC	243973	317902	314679	69436	.22	177415	0	247186	171544
REPUBLICAN PROGRESSIVE ASSOCIATION	1652	22496	3382	732	.03	14500	4935	26767	
RIGHT TO CHOOSE PAC	230	2833	378	234	.12	1650	0	1684	
SALOMON BROTHERS PAC	0	8250	0	0	0.00	8250	0	8250	
SAVINGS ASSOCIATION PAC	57646	75530	37657	44	.00	95475	0	95519	
SAVINGS BANKS ASSOCIATION PAC	253	4670	157	66	.01	4700	0	4766	
SECURITY SAVINGS & LOAN ASSOCIATION PAC	3269	3565	2964	0	0.00	3850	0	3850	
SHEET METAL WORKERS LOCAL #19	14252	43295	7269	413	.01	49116	0	52279	22435
SHEET METAL WORKERS LOCAL #27	0	65	65	9	.14	0	0	9	
SHEET METAL WORKERS LOCAL #28	139999	189787	196789	12429	.12	43349	0	57977	
SO. JERSEY NONPARTISAN PGL. ED. COMM.	115	5500	99	3016	.55	1502	0	4516	
SOUTH JERSEY BUILDERS PAC	39413	122223	81215	6870	.06	73615	0	80435	
STANDARDBRED HORSE INDUSTRY PAC	2751	4700	402	49	.01	7000	0	7049	
STATEWIDE COM. OF PHARMICISTS FOR LEG. ED	2385	1750	1373	23	.01	2760	0	2733	
SUMMIT BANCORPORATION PAC	5420	28420	3953	15	.00	21872	0	21887	
TEXAS POLITICAL INVOLVEMENT PAC	0	3520	3250	0	0.00	250	0	250	
TRANS. POLITICAL EDUCATION LEAGUE	717	1910	626	0	0.00	1900	0	1900	
TRANSPORTATION TRUST FUND II	0	235600	9110	11732	.05	232500	0	244332	
TRW GOOD GOVERNMENT FUND	0	1975	1975	0	0.00	1975	0	1975	
UPCW ACTIVE BALLOT CLUB	96025	49334	143259	0	0.00	2900	0	2900	
UJE PAC	5259	26731	5550	213	.01	25760	450	26441	
UNITED COUNTIES TRUST CO. PAC	9132	10500	7767	0	0.00	12165	0	12165	
UTILITY EXECUTIVES FOR RESPONSIBLE GOVT	0	20000	10302	3031	.13	14675	0	18506	
WAWA PAC	7672	11225	10235	159	.01	500	0	659	11300
WOMENS POLITICAL ACTION COMMITTEE OF NJ	3783	12909	2741	3791	.29	9000	0	13974	
WOMENS POLITICAL CAUCUS OF NJ	1757	1900	730	367	.19	2385	0	2927	

EXPENDITURE/LEFTOVER CAMPAIGN MONEY RANKING-1987 LEGISLATORS

THE FOLLOWING RANKING(S) OF EXPENDITURES AND LEFTOVER CAMPAIGN MONEY FOR THE CURRENT LEGISLATURE REPRESENTS ONLY THOSE REPORTS FILED BY AN INDIVIDUAL LEGISLATOR. MONEY SPENT BY THE NUMEROUS "FRIENDS OF..." COMMITTEES IS NOT INCLUDED, UNLESS OTHERWISE INDICATED BY APPEARANCE OF "+f".

THE APPEARANCE OF *** AFTER A LEGISLATOR'S NAME INDICATES THAT THE DOLLAR FIGURES ARE DRAWN FROM A JOINT CAMPAIGN ACCOUNT FILED BY THE TWO ASSEMBLY AND ONE SENATE CANDIDATE. THE DOLLAR FIGURE LISTED REPRESENTS ONE THIRD OF THE AMOUNT SPENT AND AMOUNT REMAINING IN THE ACCOUNT. A PARTICULAR LEGISLATOR'S SHARE OF THE JOINT AMOUNT SPENT/LEFTOVER MAY IN FACT HAVE BEEN LESS THAN ONE THIRD, IN SOME CASES MORE THAN ONE THIRD.

A FINAL REPORT BASED ON ADDITIONAL RESEARCH WILL INCLUDE THE "FRIENDS OF..." MONEY AND THE EXACT AMOUNT SPENT BY EACH LEGISLATOR NOW LISTED AS JOINT ACCOUNTS.

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
36	Senator	Ambrosio	D	388666	10957
02	Senator	Gormley	R	377491	0
11	Senator	Pallone, Jr.	D	266588	522
30	Senator	Orechio	D	266466	14272
01	Senator	Hurley	R	254136	1960
13	Senator	Van Wagner	D	252457	3034
05	Senator	Rand ***	D	208417	25040
10	Senator	Russo	D	202913	225272
01	Assemblyman	Salmon ***	D	198113	14748
04	Senator	Dalton ***	D	178836	6894
21	Senator	Bassano ***	R	178621	10091
34	Senator	Bubba	R	173118	7
35	Senator	Graves, Jr.	D	163439	38615
32	Senator	Cowan	D	159545	0
24	Assemblyman	Haytaian	R	149498	0
06	Senator	Laskin	R	135845	0
18	Assemblyman	Pelly ***	D	130614	599
18	Assemblyman	Spodoro ***	D	130614	599
18	Senator	Paterniti ***	D	130614	599
33	Senator	Jackman	D	128248	76531
40	Senator	McNamara	R	124593	0
34	Assemblyman	Miller ***	R	124502	0
07	Assemblyman	Foy	D	122443	32334
02	Assemblyman	Kline	R	114015	9276
04	Assemblyman	Marsella ***	D	111356	8822
10	Assemblyman	Doyle ***	D	109747	2170
13	Assemblyman	Kryillos, Jr.	R	108459	5103
12	Senator	Gagliano ***	R	107860	48135
33	Assemblyman	Menendez	D	107572	0
15	Senator	Stockman ***	D	104201	581
34	Assemblyman	Zecker ***	R	101511	0
11	Assemblyman	Palaia	R	98793	1857
30	Assemblywoman	Crecco ***	R	97982	346
12	Assemblyman	Bennett ***	R	94523	22330
26	Senator	Brown	R	94347	0
05	Assemblyman	Bryant ***	D	92398	25754
03	Assemblyman	Stuhltrager ***	R	87833	0
03	Assemblyman	Collins ***	R	87833	0
01	Assemblyman	LoBiondo ***	R	87774	0
08	Senator	Haines ***	R	86647	0
05	Assemblyman	Roberts, Jr. ***	D	86211	450
20	Senator	Lesniak	D	85155	0
17	Assemblyman	Schwartz	D	83693	22974
17	Senator	Lynch	D	78554	0
16	Assemblyman	Penn ***	R	78492	0
06	Assemblyman	Rocco ***	R	78082	0
06	Assemblyman	Shusted ***	R	78082	0
04	Assemblyman	Riley ***	D	78016	19033
11	Assemblyman	Villaine	R	75047	48
12	Assemblywoman	Farragher ***	R	73938	1017
33	Assemblyman	Kenny, Jr.	D	72139	0

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
35	Assemblyman	Pascrell, Jr.	D	71856	0
38	Assemblyman	Schuber	R	71267	416
31	Assemblyman	Doria ***	D	70658	5079
14	Assemblyman	Patero ***	D	68697	63
38	Assemblyman	Roma	R	67726	1990
37	Senator	Feldman ***	D	64704	68066
15	Assemblyman	Watson ***	D	63382	1420
22	Assemblywoman	Ogden	R	62748	0
35	Assemblyman	Girgenti	D	61768	13271
16	Senator	Ewing ***	R	59788	0
39	Assemblyman	Rooney ***	R	57426	0
16	Assemblyman	Kavanaugh ***	R	54116	0
39	Assemblywoman	Randall ***	R	53370	0
36	Assemblyman	Gill ***	D	52321	2183
36	Assemblyman	Duch ***	D	52321	2183
37	Assemblyman	Baer ****+f	D	51633	0
31	Senator	O'Connor	D	51032	0
17	Assemblyman	Smith	D	50346	0
37	Assemblyman	Mazur ***	D	49453	0
19	Senator	Weiss	D	49293	11429
26	Assemblyman	Loveys	R	46775	0
26	Assemblyman	Martin	R	45382	0
21	Assemblyman	Genova ***	R	42729	10226
28	Assemblyman	Adubato	D	42685	0
32	Assemblyman	Impreveduto	D	42353	3
14	Senator	McManimon ***	D	42120	63
03	Senator	Zane ***	D	40358	120105
28	Assemblyman	Zangari	D	37898	0
23	Assemblyman	Kamin	R	36825	0
14	Assemblyman	Cimino ***	D	35845	63
31	Assemblyman	Charles ***	D	35486	0
40	Assemblyman	Kern, Jr	R	33957	0
08	Assemblyman	Colburn ***	R	33610	0
08	Assemblyman	Shinn ***	R	33610	0
24	Assemblyman	Littell	R	32562	0
19	Assemblyman	Karcher ***	D	31248	1482
19	Assemblyman	Otlowski ***	D	31248	1482
39	Senator	Cardinale ***	R	30073	0
40	Assemblyman	Felice	R	29843	0
29	Senator	Lipman	D	28488	6756
27	Senator	Codey	D	27892	43977
25	Assemblyman	Freylinghuysen +f	R	27722	37115
29	Assemblywoman	Mattison	D	27141	5909
15	Assemblyman	Naples ***	D	25698	820
07	Senator	Costa	D	24885	20150
32	Assemblyman	Kronick	D	24392	0
20	Assemblyman	Deverin	D	21072	21148
07	Assemblywoman	Kalik	D	20318	0
30	Assemblyman	Kelly ***	R	20000	0
21	Assemblyman	Hardwick ***	R	17741	18045
02	Assemblywoman	Cooper	R	17599	11509
24	Senator	Dumont, Jr	R	15537	12262

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District	Salutation	Last Name	Party	87 Expend.	87 Leftover
23	Senator	Zimmer	R	15220	0
25	Assemblyman	Albohn	R	14547	10020
23	Assemblyman	Schluter	R	12354	67
20	Assemblyman	Hudak	D	11937	3901
27	Assemblywoman	Bush	D	11180	2534
04	Senator	Lunnors, Jr.	R	10657	0
27	Assemblyman	McEnroe	D	7205	14780
13	Assemblywoman	Smith	R	4848	9
09	Assemblyman	Moran	R		
09	Assemblyman	Hendrickson	R		
10	Assemblyman	Singer	R		
22	Assemblyman	Franks	R		
22	Senator	DiFrancesco	R		
25	Senator	Dorsey	R		
28	Senator	Rice	D		4181
29	Assemblyman	Brown	D		42828
38	Senator	Contillo	D		

EXPENDITURE RANGES- BY WINNERS 1981-87

	1987		1985		1983		1981	
	A	S	A	S	A	S	A	S
300,000 & up		2						
200,000-299999		6	1		1			
100,000-199999	12	11	6		1	6		1
90,000-99999	4	1	3					
80,000-89999	5	2	3		1	3		1
70,000-79999	10	1	6			1		
60,000-69999	5	1	8		1	2		1
50,000-59999	7	2	4		2	2		3
40,000-49999	6	3	10		1	2		1
30,000-39999	10	1	15		8	4	7	7
20,000-29999	8	3	15		19	7	21	11
10,000-19999	6	3	7		24	6	35	12
0-9,999	2		2		23	6	17	3

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
10	Senator	Russo	D	202913	225272
03	Senator	Zane ***	D	40358	120105
33	Senator	Jackman	D	128248	76531
37	Senator	Feldman ***	D	64704	68066
12	Senator	Gagliano ***	R	107860	48135
27	Senator	Codey	D	27892	43977
29	Assemblyman	Brown	D		42828
35	Senator	Graves, Jr.	D	163439	38615
25	Assemblyman	Freylinghuysen +f	R	27722	37115
07	Assemblyman	Foy	D	122443	32334
05	Assemblyman	Bryant ***	D	92398	25754
05	Senator	Rand ***	D	208417	25040
17	Assemblyman	Schwartz	D	83693	22974
12	Assemblyman	Bennett ***	R	94523	22330
20	Assemblyman	Deverin	D	21072	21148
07	Senator	Costa	D	24885	20150
04	Assemblyman	Riley ***	D	78016	19033
21	Assemblyman	Hardwick ***	R	17741	18045
27	Assemblyman	McEnroe	D	7205	14780
01	Assemblyman	Salmon ***	D	198113	14748
30	Senator	Orechio	D	266466	14272
35	Assemblyman	Girgenti	D	61768	13271
24	Senator	Dumont, Jr	R	15537	12262
02	Assemblywoman	Cooper	R	17599	11509
19	Senator	Weiss	D	49293	11429
36	Senator	Ambrosio	D	388666	10957
21	Assemblyman	Genova ***	R	42729	10226
21	Senator	Bassano ***	R	178621	10091
25	Assemblyman	Albohn	R	14547	10020
02	Assemblyman	Kline	R	114015	9276
04	Assemblyman	Marsella ***	D	111356	8822
04	Senator	Dalton ***	D	178836	6894
29	Senator	Lipman	D	28488	6756
29	Assemblywoman	Mattison	D	27141	5909
13	Assemblyman	Kryillos, Jr.	R	108459	5103
31	Assemblyman	Doria ***	D	70658	5079
28	Senator	Rice	D		4181
20	Assemblyman	Hudak	D	11937	3901
13	Senator	Van Wagner	D	252457	3034
27	Assemblywoman	Bush	D	11180	2534
36	Assemblyman	Gill ***	D	52321	2183
36	Assemblyman	Duch ***	D	52321	2183
10	Assemblyman	Doyle ***	D	109747	2170
38	Assemblyman	Roma	R	67726	1990
01	Senator	Hurley	R	254136	1960
11	Assemblyman	Palaia	R	98793	1857
19	Assemblyman	Karcher ***	D	31248	1482
19	Assemblyman	Otlowski ***	D	31248	1482
15	Assemblyman	Watson ***	D	63382	1420
12	Assemblywoman	Farragher ***	R	73938	1017
15	Assemblyman	Naples ***	D	25698	820

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District	Salutation	Last Name		Party	87 Expend.	87 Leftover
18	Assemblyman	Pelly	***	D	130614	599
18	Assemblyman	Spodoro	***	D	130614	599
18	Senator	Paterniti	***	D	130614	599
15	Senator	Stockman	***	D	104201	581
11	Senator	Pallone, Jr.		D	266588	522
05	Assemblyman	Roberts, Jr.	***	D	86211	450
38	Assemblyman	Schuber		R	71267	416
30	Assemblywoman	Crecco	***	R	97982	346
23	Assemblyman	Schluter		R	12354	67
14	Assemblyman	Cimino	***	D	35845	63
14	Assemblyman	Patero	***	D	68697	63
14	Senator	McManimon	***	D	42120	63
11	Assemblyman	Villaine		R	75047	48
13	Assemblywoman	Smith		R	4848	9
34	Senator	Bubba		R	173118	7
32	Assemblyman	Impreveduto		D	42353	3
01	Assemblyman	LoBiondo	***	R	87774	0
02	Senator	Gormley		R	377491	0
03	Assemblyman	Stuhltrager	***	R	87833	0
03	Assemblyman	Collins	***	R	87833	0
06	Assemblyman	Rocco	***	R	78082	0
06	Assemblyman	Shusted	***	R	78082	0
06	Senator	Laskin		R	135845	0
07	Assemblywoman	Kalik		D	20318	0
08	Assemblyman	Colburn	***	R	33610	0
08	Assemblyman	Shinn	***	R	33610	0
08	Senator	Haines	***	R	86647	0
09	Senator	Connors, Jr.		R	10637	0
16	Assemblyman	Penn	***	R	78492	0
16	Assemblyman	Kavanaugh	***	R	54116	0
16	Senator	Ewing	***	R	59788	0
17	Assemblyman	Smith		D	50346	0
17	Senator	Lynch		D	78554	0
20	Senator	Lesniak		D	85155	0
22	Assemblywoman	Ogden		R	62748	0
23	Assemblyman	Kamin		R	36825	0
23	Senator	Zimmer		R	15220	0
24	Assemblyman	Haytaian		R	149498	0
24	Assemblyman	Littell		R	32562	0
26	Assemblyman	Loveys		R	46775	0
26	Assemblyman	Martin		R	45382	0
26	Senator	Brown		R	94347	0
28	Assemblyman	Zangari		D	37898	0
28	Assemblyman	Adubato		D	42685	0
30	Assemblyman	Kelly	***	R	20000	0
31	Assemblyman	Charles	***	D	35486	0
31	Senator	O'Connor		D	51032	0
32	Assemblyman	Kronick		D	24392	0
32	Senator	Cowan		D	159545	0
33	Assemblyman	Kenny, Jr.		D	72139	0
33	Assemblyman	Menendez		D	107572	0
34	Assemblyman	Zecker	***	R	101511	0

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District	Salutation	Last Name		Party	87 Expend.	87 Leftover
34	Assemblyman	Miller	***	R	124502	0
35	Assemblyman	Pascrell, Jr.		D	71856	0
37	Assemblyman	Baer	****f	D	51633	0
37	Assemblyman	Mazur	***	D	49453	0
39	Assemblyman	Rooney	***	R	57426	0
39	Assemblywoman	Randall	***	R	53370	0
39	Senator	Cardinale	***	R	30073	0
40	Assemblyman	Felice		R	29843	0
40	Assemblyman	Kern, Jr		R	33957	0
40	Senator	McNamara		R	124593	0
09	Assemblyman	Moran		R		
09	Assemblyman	Hendrickson		R		
10	Assemblyman	Singer		R		
22	Assemblyman	Franks		R		
22	Senator	DiFrancesco		R		
25	Senator	Dorsey		R		
38	Senator	Contillo		D		

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
36	Senator	Ambrosio	D	388666	10957
02	Senator	Gormley	R	377491	0
11	Senator	Pallone, Jr.	D	266588	522
30	Senator	Orechio	D	266466	14272
01	Senator	Hurley	R	254136	1960
13	Senator	Van Wagner	D	252457	3034
05	Senator	Rand ***	D	208417	25040
10	Senator	Russo	D	202913	225272
04	Senator	Dalton ***	D	178836	6894
21	Senator	Bassano ***	R	178621	10091
34	Senator	Bubba	R	173118	7
35	Senator	Graves, Jr.	D	163439	38615
32	Senator	Cowan	D	159545	0
06	Senator	Laskin	R	135845	0
18	Senator	Paterniti ***	D	130614	599
33	Senator	Jackman	D	128248	76531
40	Senator	McNamara	R	124593	0
12	Senator	Gagliano ***	R	107860	48135
15	Senator	Stockman ***	D	104201	581
26	Senator	Brown	R	94347	0
08	Senator	Haines ***	R	86647	0
20	Senator	Lesniak	D	85155	0
17	Senator	Lynch	D	78554	0
37	Senator	Feldman ***	D	64704	68066
16	Senator	Ewing ***	R	59788	0
31	Senator	O'Connor	D	51032	0
19	Senator	Weiss	D	49293	11429
14	Senator	McManimon ***	D	42120	63
03	Senator	Zane ***	D	40358	120105
39	Senator	Cardinale ***	R	30073	0
29	Senator	Lipman	D	28488	6756
27	Senator	Codey	D	27892	43977
07	Senator	Costa	D	24885	20150
24	Senator	Dumont, Jr	R	15537	12262
23	Senator	Zimmer	R	15220	0
09	Senator	Connors, Jr.	R	10637	0
22	Senator	DiFrancesco	R		
25	Senator	Dorsey	R		
28	Senator	Rice	D		4181
38	Senator	Contillo	D		
30	Assemblywoman	Crecco ***	R	97982	346
12	Assemblywoman	Farragher ***	R	73938	1017
22	Assemblywoman	Ogden	R	62748	0
39	Assemblywoman	Randall ***	R	53370	0
29	Assemblywoman	Mattison	D	27141	5909
07	Assemblywoman	Kalik	D	20318	0
02	Assemblywoman	Cooper	R	17599	11509
27	Assemblywoman	Bush	D	11180	2534
13	Assemblywoman	Smith	R	4848	9
01	Assemblyman	Salmon ***	D	198113	14748
24	Assemblyman	Haytaian	R	149498	0

69X

District	Salutation	Last Name		Party	87 Expend.	87 Leftover
18	Assemblyman	Pelly	***	D	130614	599
18	Assemblyman	Spodoro	***	D	130614	599
34	Assemblyman	Miller	***	R	124502	0
07	Assemblyman	Foy		D	122443	32334
02	Assemblyman	Kline		R	114015	9276
04	Assemblyman	Marsella	***	D	111356	8822
10	Assemblyman	Doyle	***	D	109747	2170
13	Assemblyman	Kryillos, Jr.		R	108459	5103
33	Assemblyman	Menendez		D	107572	0
34	Assemblyman	Zecker	***	R	101511	0
11	Assemblyman	Palaia		R	98793	1857
12	Assemblyman	Bennett	***	R	94523	22330
05	Assemblyman	Bryant	***	D	92398	25754
03	Assemblyman	Stuhltrager	***	R	87833	0
03	Assemblyman	Collins	***	R	87833	0
01	Assemblyman	LoBiondo	***	R	87774	0
05	Assemblyman	Roberts, Jr.	***	D	86211	450
17	Assemblyman	Schwartz		D	83693	22974
16	Assemblyman	Penn	***	R	78492	0
06	Assemblyman	Rocco	***	R	78082	0
06	Assemblyman	Shusted	***	R	78082	0
04	Assemblyman	Riley	***	D	78016	19033
11	Assemblyman	Villaine		R	75047	48
33	Assemblyman	Kenny, Jr.		D	72139	0
35	Assemblyman	Pascrell, Jr.		D	71856	0
38	Assemblyman	Schuber		R	71267	416
31	Assemblyman	Doria	***	D	70658	5079
14	Assemblyman	Patero	***	D	68697	63
38	Assemblyman	Roma		R	67726	1990
15	Assemblyman	Watson	***	D	63382	1420
35	Assemblyman	Girgenti		D	61768	13271
39	Assemblyman	Rooney	***	R	57426	0
16	Assemblyman	Kavanaugh	***	R	54116	0
36	Assemblyman	Gill	***	D	52321	2183
36	Assemblyman	Duch	***	D	52321	2183
37	Assemblyman	Baer	****f	D	51633	0
17	Assemblyman	Smith		D	50346	0
37	Assemblyman	Mazur	***	D	49453	0
26	Assemblyman	Loveys		R	46775	0
26	Assemblyman	Martin		R	45382	0
21	Assemblyman	Genova	***	R	42729	10226
28	Assemblyman	Adubato		D	42685	0
32	Assemblyman	Impreveduto		D	42353	3
28	Assemblyman	Zangari		D	37898	0
23	Assemblyman	Kamin		R	36825	0
14	Assemblyman	Cimino	***	D	35845	63
31	Assemblyman	Charles	***	D	35486	0
40	Assemblyman	Kern, Jr		R	33957	0
08	Assemblyman	Colburn	***	R	33610	0
08	Assemblyman	Shinn	***	R	33610	0
24	Assemblyman	Littell		R	32562	0
19	Assemblyman	Karcher	***	D	31248	1482

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
19	Assemblyman	Otlowski ***	D	31248	1482
40	Assemblyman	Felice	R	29843	0
25	Assemblyman	Freylinghuysen +f	R	27722	37115
15	Assemblyman	Naples ***	D	25698	820
32	Assemblyman	Kronick	D	24392	0
20	Assemblyman	Deverin	D	21072	21148
30	Assemblyman	Kelly ***	R	20000	0
21	Assemblyman	Hardwick ***	R	17741	18045
25	Assemblyman	Albohn	R	14547	10020
23	Assemblyman	Schluter	R	12354	67
20	Assemblyman	Hudak	D	11937	3901
27	Assemblyman	McEnroe	D	7205	14780
09	Assemblyman	Moran	R		
09	Assemblyman	Hendrickson	R		
10	Assemblyman	Singer	R		
22	Assemblyman	Franks	R		
29	Assemblyman	Brown	D		42828

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
10	Senator	Russo	D	202913	225272
03	Senator	Zane ***	D	40358	120105
33	Senator	Jackman	D	128248	76531
37	Senator	Feldman ***	D	64704	68066
12	Senator	Gagliano ***	R	107860	48135
27	Senator	Codey	D	27892	43977
35	Senator	Graves, Jr.	D	163439	38615
05	Senator	Rand ***	D	208417	25040
07	Senator	Costa	D	24885	20150
30	Senator	Orechio	D	266466	14272
24	Senator	Dumont, Jr	R	15537	12262
19	Senator	Weiss	D	49293	11429
36	Senator	Ambrosio	D	388666	10957
21	Senator	Bassano ***	R	178621	10091
04	Senator	Dalton ***	D	178836	6894
29	Senator	Lipman	D	28488	6756
28	Senator	Rice	D		4181
13	Senator	Van Wagner	D	252457	3034
01	Senator	Hurley	R	254136	1960
18	Senator	Paterniti ***	D	130614	599
15	Senator	Stockman ***	D	104201	581
11	Senator	Pallone, Jr.	D	266588	522
14	Senator	McManimon ***	D	42120	63
34	Senator	Bubba	R	173118	7
02	Senator	Gormley	R	377491	0
06	Senator	Laskin	R	135845	0
08	Senator	Haines ***	R	86647	0
09	Senator	Connors, Jr.	R	10637	0
16	Senator	Ewing ***	R	59788	0
17	Senator	Lynch	D	78554	0
20	Senator	Lesniak	D	85155	0
23	Senator	Zimmer	R	15220	0
26	Senator	Brown	R	94347	0
31	Senator	O'Connor	D	51032	0
32	Senator	Cowan	D	159545	0
39	Senator	Cardinale ***	R	30073	0
40	Senator	McNamara	R	124593	0
22	Senator	DiFrancesco	R		
25	Senator	Dorsey	R		
38	Senator	Contillo	D		
02	Assemblywoman	Cooper	R	17599	11509
29	Assemblywoman	Mattison	D	27141	5909
27	Assemblywoman	Bush	D	11180	2534
12	Assemblywoman	Farragher ***	R	73938	1017
30	Assemblywoman	Crecco ***	R	97982	346
13	Assemblywoman	Smith	R	4848	9
07	Assemblywoman	Kalik	D	20318	0
22	Assemblywoman	Ogden	R	62748	0
39	Assemblywoman	Randall ***	R	53370	0
29	Assemblyman	Brown	D		42828
25	Assemblyman	Freylinghuysen +f	R	27722	37115

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
07	Assemblyman	Foy	D	122443	32334
05	Assemblyman	Bryant ***	D	92398	25754
17	Assemblyman	Schwartz	D	83693	22974
12	Assemblyman	Bennett ***	R	94523	22330
20	Assemblyman	Deverin	D	21072	21148
04	Assemblyman	Riley ***	D	78016	19033
21	Assemblyman	Hardwick ***	R	17741	18045
27	Assemblyman	McEnroe	D	7205	14780
01	Assemblyman	Salmon ***	D	198113	14748
35	Assemblyman	Girgenti	D	61768	13271
21	Assemblyman	Genova ***	R	42729	10226
25	Assemblyman	Albohn	R	14547	10020
02	Assemblyman	Kline	R	114015	9276
04	Assemblyman	Marsella ***	D	111356	8822
13	Assemblyman	Kryillos, Jr.	R	108459	5103
31	Assemblyman	Doria ***	D	70658	5079
20	Assemblyman	Hudak	D	11937	3901
36	Assemblyman	Gill ***	D	52321	2183
36	Assemblyman	Duch ***	D	52321	2183
10	Assemblyman	Doyle ***	D	109747	2170
38	Assemblyman	Roma	R	67726	1990
11	Assemblyman	Palaia	R	98793	1857
19	Assemblyman	Karcher ***	D	31248	1482
19	Assemblyman	Otlowski ***	D	31248	1482
15	Assemblyman	Watson ***	D	63382	1420
15	Assemblyman	Naples ***	D	25698	820
18	Assemblyman	Pelly ***	D	130614	599
18	Assemblyman	Spodoro ***	D	130614	599
05	Assemblyman	Roberts, Jr. ***	D	86211	450
38	Assemblyman	Schuber	R	71267	416
23	Assemblyman	Schluter	R	12354	67
14	Assemblyman	Cimino ***	D	35845	63
14	Assemblyman	Patero ***	D	68697	63
11	Assemblyman	Villaine	R	75047	48
32	Assemblyman	Impreveduto	D	42353	3
01	Assemblyman	LoBiondo ***	R	87774	0
03	Assemblyman	Stuhltrager ***	R	87833	0
03	Assemblyman	Collins ***	R	87833	0
06	Assemblyman	Rocco ***	R	78082	0
06	Assemblyman	Shusted ***	R	78082	0
08	Assemblyman	Colburn ***	R	33610	0
08	Assemblyman	Shinn ***	R	33610	0
16	Assemblyman	Penn ***	R	78492	0
16	Assemblyman	Kavanaugh ***	R	54116	0
17	Assemblyman	Smith	D	50346	0
23	Assemblyman	Kamin	R	36825	0
24	Assemblyman	Haytaian	R	149498	0
24	Assemblyman	Littell	R	32562	0
26	Assemblyman	Loveys	R	46775	0
26	Assemblyman	Martin	R	45382	0
28	Assemblyman	Zangari	D	37898	0
28	Assemblyman	Adubato	D	42685	0

District	Salutation	Last Name		Party	87 Expend.	87 Leftover
30	Assemblyman	Kelly	***	R	20000	0
31	Assemblyman	Charles	***	D	35486	0
32	Assemblyman	Kronick		D	24392	0
33	Assemblyman	Kenny, Jr.		D	72139	0
33	Assemblyman	Menendez		D	107572	0
34	Assemblyman	Zecker	***	R	101511	0
34	Assemblyman	Miller	***	R	124502	0
35	Assemblyman	Pascrell, Jr.		D	71856	0
37	Assemblyman	Baer	****+f	D	51633	0
37	Assemblyman	Mazur	***	D	49453	0
39	Assemblyman	Rooney	***	R	57426	0
40	Assemblyman	Felice		R	29843	0
40	Assemblyman	Kern, Jr		R	33957	0
09	Assemblyman	Moran		R		
09	Assemblyman	Hendrickson		R		
10	Assemblyman	Singer		R		
22	Assemblyman	Franks		R		

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
01	Assemblyman	Salmon *	D	198113	14748
01	Assemblyman	LoBiondo *	R	87774	0
01	Senator	Hurley	R	254136	1960
02	Assemblyman	Kline	R	114015	9276
02	Assemblywoman	Cooper	R	17599	11509
02	Senator	Gormley	R	377491	0
03	Assemblyman	Stuhltrager *	R	87833	0
03	Assemblyman	Collins *	R	87833	0
03	Senator	Zane *	D	40358	120105
04	Assemblyman	Marsella *	D	111356	8822
04	Assemblyman	Riley *	D	78016	19033
04	Senator	Dalton *	D	178836	6894
05	Assemblyman	Roberts, Jr. *	D	86211	450
05	Assemblyman	Bryant *	D	92398	25754
05	Senator	Rand *	D	208417	25040
06	Assemblyman	Rocco *	R	78082	0
06	Assemblyman	Shusted *	R	78082	0
06	Senator	Laskin	R	135845	0
07	Assemblyman	Foy	D	122443	32334
07	Assemblywoman	Kalik	D	20318	0
07	Senator	Costa	D	24885	20150
08	Assemblyman	Colburn *	R	33610	0
08	Assemblyman	Shinn *	R	33610	0
08	Senator	Haines *	R	86647	0
09	Assemblyman	Moran	R		
09	Assemblyman	Hendrickson	R		
09	Senator	Connors, Jr.	R	10637	0
10	Assemblyman	Doyle *	D	109747	2170
10	Assemblyman	Singer	R		
10	Senator	Russo	D	202913	225272
11	Assemblyman	Villaine	R	75047	48
11	Assemblyman	Palaia	R	98793	1857
11	Senator	Pallone, Jr.	D	266588	522
12	Assemblyman	Bennett *	R	94523	22330
12	Assemblywoman	Farragher *	R	73938	1017
12	Senator	Gagliano *	R	107860	48135
13	Assemblyman	Kryillos, Jr.	R	108459	5103
13	Assemblywoman	Smith	R	4848	9
13	Senator	Van Wagner	D	252457	3034
14	Assemblyman	Cimino *	D	35845	63
14	Assemblyman	Patero *	D	68697	63
14	Senator	McManimon *	D	42120	63
15	Assemblyman	Naples *	D	25698	820
15	Assemblyman	Watson *	D	63382	1420
15	Senator	Stockman *	D	104201	581
16	Assemblyman	Penn *	R	78492	0
16	Assemblyman	Kavanaugh *	R	54116	0
16	Senator	Ewing *	R	59788	0
17	Assemblyman	Schwartz	D	83693	22974
17	Assemblyman	Smith	D	50346	0

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
17	Senator	Lynch	D	78554	0
18	Assemblyman	Pelly *	D	130614	599
18	Assemblyman	Spadaro *	D	130614	599
18	Senator	Paterniti *	D	130614	599
19	Assemblyman	Karcher *	D	31248	1482
19	Assemblyman	Otlowski *	D	31248	1482
19	Senator	Weiss	D	49293	11429
20	Assemblyman	Hudak	D	11937	3901
20	Assemblyman	Deverin	D	21072	21148
20	Senator	Lesniak	D	85155	0
21	Assemblyman	Hardwick *	R	17741	18045
21	Assemblyman	Genova *	R	42729	10226
21	Senator	Bassano *	R	178621	10091
22	Assemblyman	Franks	R		
22	Assemblywoman	Ogden	R	62748	0
22	Senator	DiFrancesco	R		
23	Assemblyman	Kamin	R	36825	0
23	Assemblyman	Schluter	R	12354	67
23	Senator	Zimmer	R	15220	0
24	Assemblyman	Haytaian	R	149498	0
24	Assemblyman	Littell	R	32562	0
24	Senator	Dumont, Jr	R	15537	12262
25	Assemblyman	Albohn	R	14547	10020
25	Assemblyman	Freylinghuysen	R	27722	37115
25	Senator	Dorsey	R		
26	Assemblyman	Loveys	R	46775	0
26	Assemblyman	Martin	R	45382	0
26	Senator	Brown	R	94347	0
27	Assemblyman	McEnroe	D	7205	14780
27	Assemblywoman	Bush	D	11180	2534
27	Senator	Codey	D	27892	43977
28	Assemblyman	Zangari	D	37898	0
28	Assemblyman	Aubato	D	42685	0
28	Senator	Rice	D		4181
29	Assemblyman	Brown	D		42828
29	Assemblywoman	Mattison	D	27141	5909
29	Senator	Lipman	D	28488	6756
30	Assemblyman	Kelly *	R	20000	0
30	Assemblywoman	Crecco *	R	97982	346
30	Senator	Orechio	D	266466	14272
31	Assemblyman	Charles *	D	35486	0
31	Assemblyman	Doria *	D	70658	5079
31	Senator	O'Connor	D	51032	0
32	Assemblyman	Impreveduto	D	42353	3
32	Assemblyman	Kronick	D	24392	0
32	Senator	Cowan	D	159545	0
33	Assemblyman	Kenny, Jr.	D	72139	0
33	Assemblyman	Menendez	D	107572	0
33	Senator	Jackman	D	128248	76531
34	Assemblyman	Zecker *	R	101511	0
34	Assemblyman	Miller *	R	124502	0
34	Senator	Bubba	R	173118	7

District	Salutation	Last Name	Party	87 Expend.	87 Leftover
35	Assemblyman	Girgenti	D	61768	13271
35	Assemblyman	Pascrell, Jr.	D	71856	0
35	Senator	Graves, Jr.	D	163439	38615
36	Assemblyman	Gill *	D	52321	2183
36	Assemblyman	Duch *	D	52321	2183
36	Senator	Ambrosio	D	388666	10957
37	Assemblyman	Baer *	D	51633	0
37	Assemblyman	Mazur *	D	49453	0
37	Senator	Feldman *	D	64704	68066
38	Assemblyman	Roma	R	67726	1990
38	Assemblyman	Schuber	R	71267	416
38	Senator	Contillo	D		
39	Assemblyman	Rooney *	R	57426	0
39	Assemblywoman	Randall *	R	53370	0
39	Senator	Cardinale *	R	30073	0
40	Assemblyman	Felice	R	29843	0
40	Assemblyman	Kern, Jr	R	33957	0
40	Senator	McNamara	R	124593	0
40	Senator	McNamara	R		
				9280962	1125505

NJPIRG

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TESTIMONY OF ROB STUART
LEGISLATIVE PROGRAM DIRECTOR
NEW JERSEY PUBLIC INTEREST RESEARCH GROUP
BEFORE THE ASSEMBLY STATE GOVERNMENT COMMITTEE
OCTOBER 17, 1988

"THE TIME FOR CAMPAIGN FINANCE REFORM IS NOW"

Good morning, my name is Rob Stuart, I am the Legislative Program Director of the New Jersey Public Interest Research Group. NJPIRG is the state's largest consumer, environmental and good government research and advocacy organization with over 70,000 members.

NJPIRG has long supported legislative campaign reform as a critical element in any effort to preserve good government and to insure our representative form of government is not undermined by greed and well financed special interests. Unfortunately there are too many examples where our democracy and legislative process is interrupted and corrupted by undue influence of Political Action Committees, PAC's, and well financed corporations and unions.

The public not only supports comprehensive reform but knows why reform is necessary. Eagleton polls document what Representative Barney Frank sarcastically observed on this subject; that elected officials are the only people in the country that can accept large sums of money and not be influenced by those contributions in their deliberations.

More significantly, high priced legislative races and the hundreds of thousands of dollar war chests nurtured by incumbents

discourage challengers, limit debate over important issues and turn people off to public service.

The main message we want to impart to the Committee this morning is that the system needs reform. You know it, the PAC's know it, Election Law enforcement supports it and the public wants it.

NJPIRG has endorsed the entire Schluter package. We congratulate the committee for taking the time to hear public testimony on this matter, but testimony is not enough. Campaign finance reform 1988 must not fall victim to the cancerous disease which affects this body. This committee must act on some form of comprehensive campaign finance reform package in time for implementation before the next elections.

There are several provisions of reform we support, but the one I want to highlight is specifically the "Truth in Labeling" provision. And to urge the repeal of the "expressly" clause which would close a major loophole in lobby disclosures.

Our organization only promotes issues supported by the public ^{and} documented by facts. Yet, interests opposed to our issues spend incredible sums directly, and indirectly against our proposal. Too often we never know what our opponents spend because of the expressly clause and often the opponents use a name which is opposite of their purpose and might be something a supporters campaign could be called, to spread mis-truths and myths about our proposal.

The classic example of this activity are the committees established to fight environmental protection measures. Hundreds of thousands of dollars are spent by committees such as "The Mercer Citizens for Recycling", or the "Clean Capital County Committee", and countless others, on negative advertising against

an environmental issue when in fact these citizens or the members of the committee are really just affected industries who are causing the environmental harm.

This type of activity is unfair to voters, unfair to the legislative process and should be effectively prohibited by requiring that names of industry and the purpose of their association be part of their official PAC name.

In conclusion, I wanted to say that NJPIRG supports contribution limits to legislative races and is prepared to support public financing for legislative races. We do not believe the two are mutually exclusive and thus we are prepared to suggest a \$500 contribution limit for legislative races.

On behalf of our membership, I want to thank the committee for affording me the opportunity to address you on this important issue. We strongly urge you to release a comprehensive legislative campaign finance reform package as soon as legislatively possible and will work with the committee in any way possible to achieve that goal.

Thank you and good morning.

NEW JERSEY
ENVIRONMENTAL LOBBY

375 West State Street
Trenton, NJ 08618
(609) 396-3774

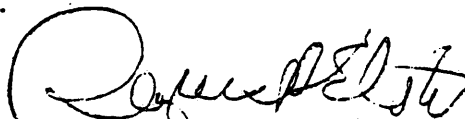
TESTIMONY BEFORE THE ASSEMBLY STATE GOVERNMENT COMMITTEE
by Phyllis R. Elston
RE: Campaign Finance Reform Legislation

~~September 29, 1988~~ *Oct 17, 1988*

The New Jersey Environmental Lobby supports Assembly Bill No. 2529 (Schluter) as the most effective initiative to provide needed limits on campaign spending for State legislative offices.

The attached material demonstrates the general public concern on this issue. In particular, the concern of the New Jersey Environmental Lobby is the inability of environmental groups -- whether "grassroots" or professional -- to compete with special interest lobbies to raise vast sums for political contributions.

Thank you.

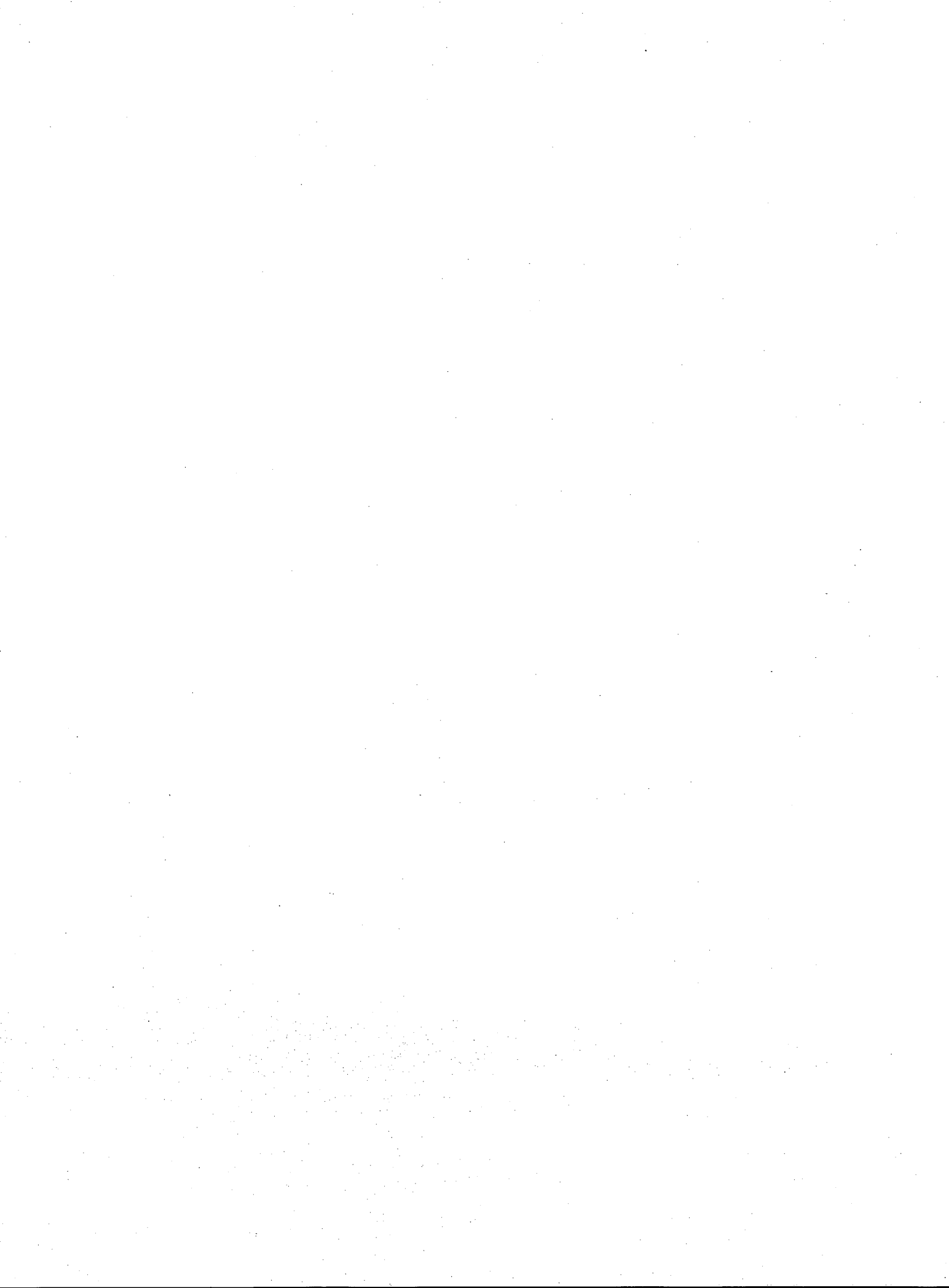


Phyllis R. Elston
Executive Director

attachments

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NJEL
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LEAGUE OF WOMEN VOTERS OF NEW JERSEY

204 WEST STATE STREET, TRENTON, NEW JERSEY 08608 / TELEPHONE 1-800-792-VOTE / 609-394-3303

TESTIMONY BEFORE ASSEMBLY STATE GOVERNMENT COMMITTEE ON CAMPAIGN FINANCE BILLS

September 29, 1988

The League of Women Voters of New Jersey believes that improved methods of financing public campaigns must be initiated, and that any new state legislation should be directed toward:

making the system totally open and accountable to the public;

encouraging and expanding citizen participation in campaigns and contributions;

providing all serious candidates with equitable time and funding to compete for office.

elimination of corruption and undue influence by any individual, organization, business or industry.

These policy statements were developed in 1973 after a statewide study of campaign financing by our local membership. Since that time some of our goals have been accomplished.

The establishment of the Election Law Enforcement Commission, for instance, was a giant step toward equitable management of the system. Much, however, remains to be done and adjustments must be made.

Ensuring the public right to know requires realistic and reasonable limits on contributions -- high enough to be enforceable and allow for visibility of the candidate, yet not so low as to have an adverse effect on challengers. Such limits should encourage broad public participation while eliminating the possibility of "big money" influence. Limits should be flexible and tied to a cost of living index or other economic indicators.

Timely public disclosure of contributors' names as well as other pertinent information is a vital element in maintaining the integrity of contribution limitations.

Raising the qualification threshold for public funding is a reasonable approach to ensure participation by only bona-fide candidates, those who have demonstrated substantial support. While we do not have a position on specific figures, the amount should be high enough to eliminate "ballot clutter" by non-serious candidates.

The League strongly supports expenditure limits on publically funded campaigns. Without limits, candidates with access to extensive private contributions could drain the general fund. Such limits could also help counter balance an incumbent's innate advantage in fund raising.

In another area, the influence of Political Action Committees, PACs, on elected officials continues to worry the electorate. Limitations on contributions, stronger disclosure laws, closing the "credibility gap" and names that reflect the true purpose of the PAC are all measures we support.

We are pleased that this committee is scrutinizing the campaign finance issue once again. We commend the Election Law Enforcement Committee on its excellent work and its interim publications. We applaud all of the legislators who have submitted bills addressing this subject. Now let's act on the proposed legislation.





*Statement of
New Jersey Business and Industry Association
to the
Assembly State Government Committee
concerning A-1413, A-2529 and A-2581*

September 29, 1988

Mr. Chairman and members of the Committee, I am Robert Woodford, Vice President of New Jersey Business and Industry Association. On behalf of the Association, I will make some general comments concerning limitations on PAC contributions and restrictions on corporate contributions.

Safeguards Against Undue Influence

New Jersey's present system for requiring the reporting of campaign contributions serves to inform the voters if there is undue influence or the appearance of undue influence by a political contributor. Voters wield the ultimate control over the process through their ability to replace any elected official whose record appears to reflect unacceptable sensitivity to the interests of contributors. An informed electorate is the best safeguard.

Nonetheless, we understand the desire to seek a balance between the important right of constituents to support a candidate of their choice and the need to protect the system from undue influence. We would not oppose the establishment of reasonable campaign contribution limits which carefully balance those interests.

Important Considerations in Limiting Contributions

Any limitation on campaign contributions should consider the following:

- (1) Limits should reflect the level of necessary campaign expenditures in New Jersey -- including the high price of television advertising. A reasonable basis for indexing contribution limits to campaign costs would be desirable, if feasible.

- (2) The law should not place inordinately low limits on contributions to candidates and higher limits on contributions to local, county or state committees. Such an imbalance would virtually eliminate the right of constituents to determine which candidate(s) they wish to support. Constituents should have the right to support a candidate, not a party. Furthermore, directing funds away from the candidate and into local, county and state committees would reduce the independence of elected officials and tend to recreate the bossism of the past.
- (3) Limits should not be so extreme that they provide an advantage to incumbents who normally start with the advantage of greater public recognition and exposure. Defeating an incumbent normally requires substantial expenditures. A maximum PAC contribution level of \$2,500 may be too low both in terms of a challenger's needs and the level of New Jersey campaign costs.

The Role of Corporate Contributions and Broad-based PACS

Our Association has long supported an independent statewide business PAC, the "NEW JOBS" PAC, whose bipartisan Board of Trustees makes its decisions based on a broad array of issues of importance to the business community. There is never a single litmus test nor any prior commitment expected in return for contributions. Contributions to any individual candidate have been limited, carefully, to avoid even the appearance of undue influence. This form of industry-wide PAC protects both the contributor and recipient candidates from even the appearance that contributions involve a quid pro quo. In fact, contributors can not know in advance which candidates the Trustees will select, nor precisely which issues will influence their selections. This form of broad-based PAC is intended to protect both contributors and candidates against the appearance of undue influence.

A majority of dollars contributed to "NEW JOBS" are direct corporate contributions. The right of corporations to make such contributions to business PACs is essential if businesses are to be heard amidst competing interests -- many representing powerful constituencies unfriendly to business and frequently enjoying greater popularity with the press. Legislative proposals often threaten the ability of businesses to compete or even survive. Corporate contributions to PACs are an essential part of the efforts of business associations to protect the economic vitality of New Jersey's economy.

Our own New Jersey Business and Industry Association constituency combines over 11,000 businesses -- partnerships, sole proprietorships and corporations. Their interests, and the challenges they face, are the same whether they are incorporated or unincorporated. We believe there is no valid reason why businesses operating in corporate form should be selectively deprived of their right to contribute to PACs or to individual candidates for state or local office.

We look forward to working with the Committee to design an equitable and sound law.