



Guide To Political Contributions in New Jersey 2003 Update

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The New Jersey Election Law Enforcement Commission's ("ELEC") most recent amendments concerning the campaign contribution limits and thresholds under the New Jersey Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1 et seq., (the "Act") took effect on January 8, 2002 and were adopted by ELEC through regulation on July 15, 2002. 34 N.J.R. 2466(c).

Corporate political contributions are specifically authorized subject to certain limits in New Jersey under the Act. Further, ELEC regulations expressly provide for corporate contributions to political committees ("PCs"), continuing political committees ("CPCs") or political action committees (more commonly known as "PACs") and place certain limitations on the amount a corporation may contribute. However, certain regulated entities, e.g., utilities, telephone companies, banks, insurance companies and casinos and their affiliates are statutorily prohibited from making contributions under the New Jersey statutes and advisory opinions issued by the State Attorney General. The building industry, chemical and pharmaceutical industries, legal, medical and dental professions, and real estate business are examples of entities that are not "regulated" and are outside the scope of the political contributions ban. Regulated entities are also not permitted to use their funds to establish, administer or to solicit contributions for PCs or CPCs, unless immediately reimbursed by the PC or CPC. The ELEC regulations prevent entities which are commonly-owned or controlled from making contributions which, in the aggregate, exceed the contribution limits.

Important 2003 Dates to Remember for State Elections

April 7	Candidate nominating petition filing deadline for Primary Election Candidates
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May 5	Last day to register to vote in the June Primary Election
May 13	Non-partisan Municipal Elections (some municipalities)
May 27	Last day to apply for an absentee ballot application by mail (for the Primary Election)
June 2	Last day to apply for an absentee ballot application in person (for the Primary Election)
June 3	Candidate nominating petition filing deadline for Independent Candidates
June 3	Primary Election Day - polls open 6 AM until 8 PM
October 6	Last day to register to vote in the November General Election
October 28	Last day to apply for an absentee ballot application by mail (for the General Election)
November 3	Last day to apply for an absentee ballot application in person (for the General Election)
November 4	General Election Day - polls open 6 AM until 8 PM

State Contribution Limits

Contributing Entities	Candidate Committee	Political Committee	Continuing Political Committee	Legislative Leadership Committee	State Political Party Committee	County Political Party Committee	Municipal Political Party Committee
Individual to:	\$2,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$25,000 per year	\$37,000 per year	\$7,200 per year
Corporation or Union to:	\$2,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$25,000 per year	\$37,000 per year	\$7,200 per year
Association or Group to:	\$2,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$25,000 per year	\$37,000 per year	\$7,200 per year
Candidate Committee to:	\$7,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$25,000 per year	\$37,000 per year	\$7,200 per year

Political Committee to:	\$7,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$25,000 per year	\$37,000 per year	\$7,200 per year
Continuing Political Committee to:	\$7,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$25,000 per year	\$37,000 per year	\$7,200 per year
Legislative Leadership Committee to:	-	-	-	NO LIMITS	-	-	-
State Political Party Committee to:	-	-	-	NO LIMITS	-	-	-
County Political Party Committee to:	-	-	-	NO LIMITS, except those set forth in N.J.A.C. 19:25-11.7.	-	-	-
Municipal Political Party Committee to:	-	-	-	NO LIMITS	-	-	-

National Political Party Committee to:	\$7,200 per election	\$7,200 per election	\$7,200 per year	\$25,000 per year	\$72,000 per year	\$37,000 per year	\$7,200 per year
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Source: New Jersey Department of Law and Public Safety, Division of Elections

- For those contribution limits which apply to each election, the primary and the general elections are considered separate elections. New Jersey is currently in the primary season for its State legislators. This season will continue until 18 days after the primary on June 3, 2003; then the general election season begins and continues until 18 days after the general election.
- The maximum contribution an individual can make to one candidate for the State Legislature is \$2,200 per election. The \$2,200 maximum contribution also applies to corporations, unions and associations or groups.
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- Campaign financing laws are designed to inform the public of the source of campaign funds. Therefore, all contributions must be made in the true name of the person making the contribution. Making contributions anonymously, in a fictitious name, through or in the name of another person, directly or indirectly, is prohibited.
- Individuals making contributions are not required to register or file reports with the New Jersey Election Law Enforcement Commission (ELEC). Only those receiving (i.e., the candidate or office-holder) a contribution must report contributions.
- Political Committees and Continuing Political Committees must register with ELEC and file regular reports

describing their contributions and expenditures.

- A partnership, including limited liability partnerships, limited partnerships, limited partnership associations or similar associations of two or more persons, and limited liability companies are prohibited from making contributions as an entity. Any contribution written on a check from such an entity must be allocated to one or more of the partners or members of the entity. This can be on a separate paper accompanying the check.
- Out-of-state candidates and committees, including certain federal PACs, may make contributions in state and local elections. Such contributions are subject to the same limits as those from an association or group.
- In-kind goods and services are subject to the statutory contribution limits, unless such services are performed on a voluntary basis.
- ELEC is empowered to investigate possible violations of New Jersey's campaign contributions law. The penalties range for intentional violations. If one knowingly and willfully contributes in excess of the statutory limit, a fine of between \$4,300 and \$8,500 can be imposed, depending on the amount of the contribution.
- The contribution limit to a 2001 gubernatorial candidate was \$2,600 per election. The contribution limits are examined and increased quadrennially in the December before each gubernatorial election. The next increase is scheduled for December 2004, to be in effect for the next governor's race in 2005.

Federal Contribution Limits

Contributing Entities	Federal Candidate or Candidate Committee	Political Action Committee (SSF)	State or Local Party Committee supporting federal candidates	National Party Committee***
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Individual*	\$2,000 per election	\$5,000 per election	\$10,000 per year	\$25,000 per year
Corporation or Union	Prohibited	Prohibited	Prohibited	Prohibited
Political Action Committee	\$5,000 per election	\$5,000 per calendar year	\$5,000 per year	\$15,000 per year
National Party Committee**	\$5,000 per election	\$5,000 per year	Unlimited	

Source: Federal Election Commission. These limits reflect those made by the Bipartisan Campaign Reform Act of 2002 signed by President Bush on March 27, 2002 which will take effect on November 6, 2002.

* Please see note with respect to the bi-annual aggregate contribution limit for individuals

** Please see note with respect to a national party committee's ability to contribute to Senate candidates in the year of their election

*** A Party's national committee, Senate campaign committee, and House campaign committee are each considered national party committees, and each have separate limits

- Primaries, runoffs and general elections are considered separate elections.
- There is a bi-annual aggregate contribution limit of \$95,000 for individuals. Of the \$95,000, only \$37,500 may be contributed to candidates or their authorized candidate committees; and the remaining \$57,500 may be contributed to other committees. As a further restriction, of the \$57,500 which may be contributed to other committees, only \$37,300 of it may be contributed to committees that are not national party committees.
- There is a "millionaires' amendment" in the law which permits for deviation from the individual contribution limits where the contributions are made to candidates for the U.S. House of Representatives and the U.S. Senate, if the candidate is opposing another candidate who makes expenditures from his or her personal funds above a certain threshold. Portions of such contributions also would not apply to the bi-annual aggregate contribution limit.

- The Republican and Democratic Senatorial campaign committees or the national committee of a political party will soon be able to contribute \$35,000 to Senate candidates in the year of their election (effective January 1, 2003). This figure has increased from the current limit of \$17, 500.
- Anonymous cash contributions may not exceed \$50 and contributions in excess of \$100 must be made by check, money order or other written instrument.
- Under federal law, contributions from foreign nationals, national banks, government contractors, minors under the age of 18, and those made in the name of another, are prohibited.

For more information, please call Riker Danzig's Trenton office to speak with one of our attorneys or paraprofessionals. This document is for informational purposes only and should not be relied upon as a legal opinion. An attorney should be consulted to determine the implications of these laws in specific situations.

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