

Elections—Governor—Campaign Contributions and Expenditures—
1989 N.J. Sess. Law Serv. 4 (West) (to be codified at N.J. Stat. Ann.
§§ 19:44A-3, -7, -7.1, -11.1, -18.1, -29, -33, -44 to -47).

On January 21, 1989, the New Jersey Legislature enacted legislation which provides guidelines for gubernatorial campaign contributions and expenditures as well as rules governing debate participants and sponsors.¹ The Act took effect immediately and was applied retroactively from January 1, 1989.²

The Act defines a qualified candidate as a candidate whose name does or does not appear on the general election or primary election ballot and who has deposited and expended \$150,000.³ The candidate must notify the Election Law Enforcement Commission in writing of his intent to make an application for general election monies to be put toward campaign expenses.⁴ The candidate is required to sign a form agreeing to participate in two gubernatorial debates.⁵ The candidate must also execute a statement of agreement acknowledging his understanding of any rules established by the sponsor of the primary or general election debates.⁶ The agreement states that if the candidate fails to participate in any of the debates, his general election monies may be terminated, and he can be liable for the return of the monies which he already received.⁷

The Act limits the amount which may be spent for a gubernatorial campaign to \$2,200,000 in the primary election, and \$5,000,000 in the general election.⁸ These sums do not include traveling expenses.⁹ These limits may be adjusted by the Election Law Commission, and such adjustments would take effect the following year.¹⁰

The Act requires the Commission to create an index which

¹ 1989 N.J. Sess. Law Serv. 4 (West) (to be codified at N.J. STAT. ANN. §§ 19:44A-3, -7, -7.1, -11.1, -18.1, -29, -33, -44 to -47).

² N.J. STAT. ANN. § 19:44A-3.

³ *Id.* § 19:44A-3(m)(1)-(4).

⁴ *Id.*

⁵ *Id.*

⁶ *Id.* § 19:44A-3(o).

⁷ *Id.*

⁸ *Id.* § 19:44A-7.

⁹ *Id.*

¹⁰ *Id.* § 19:44A-7.1(a).

monitors any changes in the price of goods and services used by campaigns, such as mass media, personnel, rent, office supplies, equipment, travel, entertainment, and legal and accounting services.¹¹ The Commission will then determine any changes which may have occurred during the four years prior to the general election.¹² Following its determinations, it will make necessary adjustments in the spending limits.¹³

A \$500 contribution limit for any inaugural fund raising event is required.¹⁴ The sponsor of the event must submit a report of all contributions and expenditures related to the event within forty-five days after the event takes place.¹⁵

No individual, political committee, or continuing political committee may contribute more than \$1500 to a candidate, campaign treasurer or deputy campaign treasurer.¹⁶ Contributions to state, county or municipal committees of any political party supporting a gubernatorial candidate are also limited to \$1500.¹⁷ An individual and his spouse may contribute a total of \$1500.¹⁸

A state committee must have a bank account on behalf of any candidate the committee intends to support in order to make disbursements.¹⁹ The committee must list monies allocated to or accepted by the candidate by contributors.²⁰ The county and municipal committees of a political party, together, may make expenditures in the aggregate of \$10,000 in support of a candidate.²¹

The Act further limits the candidate from making expenditures from his own funds in excess of \$25,000 for the primary election and \$25,000 for the general election.²²

A qualified candidate's campaign treasurer may make an application to the Commission to receive monies for campaign ex-

¹¹ *Id.* § 19:44A-7.1(b).

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.* § 19:44A-18.1(a).

¹⁵ *Id.* § 19:44A-18.1(c).

¹⁶ *Id.* § 19:44A-29(a).

¹⁷ *Id.*

¹⁸ *Id.* § 19:44A-29(c).

¹⁹ *Id.* § 19:44A-29(d).

²⁰ *Id.*

²¹ *Id.* § 19:44A-29(e).

²² *Id.* § 19:44A-29(g).

penses.²³ A candidate may receive up to \$1,350,000 for the primary election²⁴ and \$3,300,000 for the general election.²⁵

Bank loans to finance campaigns are also permitted by the Act.²⁶ Only the candidate or state committee in a general election may endorse or guarantee a loan in the minimum of \$1500.²⁷ This endorsement will be included as a contribution for the period the loan is unpaid.²⁸ The loan is limited to \$50,000 and must be repaid within twenty days prior to the primary or general elections.²⁹

If monies are disbursed for the purpose of determining whether the individual should become a candidate, the monies are not deemed contributions or expenditures.³⁰ At the time the individual becomes a candidate, the monies disbursed will be subject to the Act's requirements.³¹

The Act requires that gubernatorial debates be held prior to the primary and general elections.³² There will be two debates prior to the primary and general elections and they will last a minimum of one hour.³³ Private organizations may sponsor one or more of the debates as long as they are not affiliated with a political party or the candidate.³⁴ Potential sponsors must have previously sponsored a televised debate in the state.³⁵ In order to be a sponsor, an organization must apply to the Commission.³⁶

Finally, the Act gives the Commission authority to hold a hearing with respect to a candidate's failure to participate in a debate.³⁷ If the candidate has no justifiable excuse, the Commis-

²³ *Id.* § 19:44A-33(a).

²⁴ *Id.*

²⁵ *Id.* § 19:44A-33(b).

²⁶ *Id.* § 19:44A-44.

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.* § 19:44A-11.1(a).

³¹ *Id.* § 19:44A-11.1(b).

³² *Id.* § 19:44A-45(a).

³³ *Id.* § 19:44A-46(a).

³⁴ *Id.* § 19:44A-46(c).

³⁵ *Id.*

³⁶ *Id.*

³⁷ *Id.* § 19:44A-47.

sion may impose penalties on the candidate.³⁸ A penalty would be the return of the monies disbursed to the candidate for expenses in the primary and general elections.³⁹ If a candidate ceases at anytime to be a qualified candidate the Commission may place in escrow any funds which have been allocated, but not yet disbursed to the candidate until he again becomes a qualified candidate.⁴⁰

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³⁸ *Id.*

³⁹ *Id.*

⁴⁰ *Id.* § 19:44A-3(b)(2).