NEW JERSEY Election Law Enforcement Commission ELEC 1973

NEWS RELEASE

Respond to:
P.O. Box 185
Trenton, New Jersey 08625-0185

(609) 292-8700 or Toll Free Within NJ 1-888-313-ELEC (3532)

CONTACT: JEFF BRINDLE
EXECUTIVE DIRECTOR

FOR RELEASE:
June 16, 2020

ELEC Approves Four-Year Inflation Adjustments to Key Limits and Thresholds

Contributors to candidates for governor will be able to give up to $4,900 per election in 2021 under new inflation-adjusted limits and thresholds set by the New Jersey Election Law Enforcement Commission (ELEC).

In another change required by law every four years, gubernatorial candidates who qualify for public funding can spend a maximum of $7.3 million in primary elections and $15.6 million in general elections.

They can receive up to $4.6 million in public funds during the primary election, and $10.5 million during the general election. New Jersey in 1974 was the first state in the nation to approve the use of public matching funds for gubernatorial elections.

"Our program, which has won national acclaim, is a relative bargain. The average of $4.18 per taxpayer spent in 2017 to pay for the program helped free up gubernatorial candidates to focus more on issues that matter most to voters while exposing them to less direct influence by special interest groups,'' said Jeff Brindle, ELEC's Executive Director.

The table below shows the adjusted limits and thresholds under the Gubernatorial Public Financing Program. The adjustments apply to 2021 gubernatorial campaigns already underway (one person has declared his candidacy for the 2021 primary), or candidates who declare later for next year's election.

Table 1
2021 Gubernatorial Cost Index Adjustments

LIMIT/THRESHOLD	2017 AMOUNT	2021 AMOUNT
Contribution Limit	$ 4,300	$ 4,900
Qualification Threshold	$ 430,000	$ 490,000
Amount Not Matched	$ 138,000	$ 156,000
Primary Public Fund Cap	$ 4,000,000	$ 4,600,000
Primary Expenditure Limit	$ 6,400,000	$ 7,300,000
General Public Fund Cap	$ 9,300,000	$10,500,000
General Expenditure Limit	$13,800,000	$15,600,000

The bi-partisan Commission approved the 2021 Cost Index Report at today's meeting. Following a public hearing October 20, 2020, the Commission must by December adopt rules implementing the changes.

Since its inception, the Gubernatorial Public Financing program has provided funds to 37 Republican candidates, 36 Democrats and three independents.

"One purpose of the program is to help persons of limited financial means seek election to the state's highest office," said Brindle. "In other states with no contribution limits or public funding, candidates are more likely to have to depend on large checks from special interest donors."

"It is fine for interest groups to seek government policies that favor their interests. Public financing and contribution limits simply ensure that no one donor has too much direct leverage over candidates," he said.

One reason for the gubernatorial financing program's success is the fact that contribution limits and other thresholds are adjusted regularly to offset inflation.

New Jersey is believed to be the only state that factors in the cost of advertising as a major part of its inflation formula. "Media inflation generally is higher than general inflation. New Jersey's method adjusts for this disparity better than relying solely on the consumer price index," said Brindle, who developed the unique index.

Revised fines and reporting thresholds for non-gubernatorial candidates are listed on the following page. They apply to any candidates or committees intending to take part in 2021 elections.

Table 2
2021 Adjustments for Non-Gubernatorial Candidates and Committees

REPORTING THRESHOLDS AND FINES	2017 AMOUNT	2021 AMOUNT
Political Committee Reporting Threshold	$ 2,800	$ 3,200
CPC Reporting Threshold	$ 6,300	$ 7,200
Contribution Reporting Threshold (P.L. 2004, c.28)*	$ 300	$ 300
48-hr Notice Contribution Threshold	$ 1,600	$ 1,900
48-hr Notice Expenditure Threshold	$ 1,600	$ 1,900
JCC Thresholds - 2 candidates	$ 9,700	$11,000
JCC - 3 or more candidates	$14,000	$15,800
Form A-3 Threshold	$ 6,300	$ 7,200
Form A-1 & School Board/Write-in Threshold	$ 5,100	$ 5,800
Independent Expenditure Threshold	$ 1,600	$ 1,900
Section 20.1 Penalties (P.L. 2004, c.32)		
First Time	$ 8,600	$ 9,800
Subsequent	$17,200	$19,500
Section 22 Penalties (P.L. 2004, c.32)		
First Time	$ 8,600	$ 9,800
Subsequent	$17,200	$19,500
Pro Rata Return of Contributions**	$ 300	$ 300

*Frozen at $300 pursuant to P.L. 2004, c.28.
**Frozen by regulation to conform to contribution reporting threshold pursuant to P.L. 2004, c.28.

Contribution limits for non-gubernatorial candidates are not adjusted automatically. In fact, they have been frozen at the same levels since 2005.

The law requires that by July 1st each year, the Commission must issue a report that includes recommended increases in contribution limits for non-gubernatorial candidates. The report must be transmitted to the Legislature by July 15th. The Legislature then decides whether to enact legislation accepting these revisions.

The recommended 2021 non-gubernatorial contribution limit adjustments are displayed below. The Commission derived the 2021 recommended amounts by applying the cost multiplier to the contribution levels from 2005, the last year when adjustments were made.

Table 3
Recommended 2021 Non-Gubernatorial
Contribution Amount Adjustments

2005 CONTRIBUTION LIMIT	2021 CONTRIBUTION LIMIT
$ 2,600	$ 3,000
$ 7,200	$ 8,200
$ 8,200	$ 9,300
$25,000	$29,000
$37,000	$42,000
$72,000	$82,000

A copy of the "2021 Cost Index Report" is available at ELEC's website (www.elec.state.nj.us).

###