



**Testimony in Opposition to S2866/A4372
Assembly Appropriations Committee
March 23, 2023**

Good afternoon. Thank you for the opportunity to present testimony on behalf of the League of Women Voters of New Jersey. My name is Philip Hensley, I am the Democracy Policy Analyst with LWVNJ. We are here to testify in strong opposition to S2866/A4372.

We have a number of serious concerns regarding this legislation. One major concern is that this bill would retroactively reduce the statute of limitations for campaign finance infractions from 10 years to two years. In so doing, this legislation would kill eighty percent of active, ongoing investigations into candidates and campaign committees. This comes after ELEC publicly disclosed in January that it was investigating four major party campaign committees. We understand and appreciate that campaign finance complaints need to be resolved in a timely manner. We suggest a statute of limitations of five years, following the precedent of federal law. However, retroactively reducing the statute of limitations makes both accountability and transparency impossible, and is the antithesis of good government.

As amended, this bill would allow the governor a one-time ability to circumvent checks and balances and appoint four ELEC commissioners without Senate confirmation. The governor could make four nominations today. Why is this circumvention of the ordinary appointment process necessary? If, as has been suggested in press reports, there is a desire to replace the Executive Director of ELEC, the governor is entitled to nominate commissioners through the normal process. The statute governing ELEC, and this bill, require that "not more than two of [the Commissioners] shall be of the same political party." By convention, and throughout ELEC's entire history, that has meant that ELEC's commissioners were bipartisan. However, the Governor could instead appoint two members of one party and two individuals registered as political independents, or he could appoint four political party chairmen. And although this emergency appointment power is a one-time grant, the Commissioners appointed in this way could serve for years to come, especially given the fact that ELEC Commissioners routinely serve in a "holdover" capacity beyond their three-year terms. Only the check on the Governor's discretion provided by advice and consent would guarantee that ELEC remains what it has been throughout its history: both independent and bipartisan.

We have additional concerns with this legislation: Under this bill, all local ordinances prohibiting pay to play will be gone. Maximum contribution limits to candidates will be doubled, and to political parties effectively tripled, because of political party "housekeeping" funds. The only individuals who will truly benefit from this change will be the very small number of donors who can make these massive contributions, expanding their influence on the political system.

Finally, we are also deeply concerned that this bill expands a loophole in pay-to-play laws to cover state government contracts. As amended, the bill would allow recipients of state government contracts to contribute to candidates for Governor if those contracts are awarded through a so-called “fair and open” process, without actually requiring that the process is either fair or open. Observers and experts, including the State Comptroller’s office, have long supported efforts to repeal the “fair and open” loophole. Instead, this bill would expand it to all local governments and to state government. With this bill, and a new Gubernatorial election on the horizon, New Jerseyans would be left asking if future state government contracts would be awarded to the lowest qualified bidder, or to the next Governor's biggest donors.

Some have suggested that the transparency provisions that do exist in this bill are reason enough to vote for it. We disagree. This bill’s transparency provisions are not tough enough, as they would not guarantee that all donors behind “dark money” ads would in fact be disclosed. We agree that New Jersey desperately needs dark money disclosure, but it must not come at the expense of gutting our anti-corruption and other campaign finance laws, or at the expense of ELEC’s independence.

In conclusion, we respectfully request that you vote NO on S2866/A4372 today. Thank you for your time, I would be happy to take any questions.

Testimony presented by:
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