

# Pay-to-Play Spotlight: New Jersey Alters Pay-to-Play Regulations

May 2010

In early April of this year, the New Jersey Election Law Enforcement Commission (ELEC) issued several new pay-to-play regulations that slightly change the tenor of the state's laws and add a new requirement upon state and local contractors. The new rules became effective on April 19, 2010.

First, ELEC concluded that contributions of any amount made in cash are reportable by recipient candidates, party committees and New Jersey nonfederal PACs. As "reportable" contributions, such cash contributions of any amount are captured by the state's pay-to-play laws. As a result, the pay-to-play contribution bans that apply at the state, county and municipal levels are all now triggered not only by contributions of more than \$300 made by check or credit card, but also by contributions of any amount made in cash. The pay-to-play annual reporting requirements and pre-contract reporting requirements also now apply to contributions of any amount made in cash.

Second, ELEC promulgated a rule that affects recordkeeping by state and local contractors. Now, by regulation, businesses filing the annual pay-to-play report in New Jersey must maintain all records and documents relating to the report for four years after the report was filed or after the due date for the report, whichever is longer.

ELEC's summary of the new regulations can be found on ELEC's website at [http://www.elec.state.nj.us/pdf/files/regulations/P2P\\_regualtions\\_notice\\_0410.pdf](http://www.elec.state.nj.us/pdf/files/regulations/P2P_regualtions_notice_0410.pdf).

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