

NEWS RELEASE

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CONTACT: JEFF BRINDLE EXECUTIVE DIRECTOR

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Political Contributions by Public Contractors Lagged in 2020

COVID-19 Pandemic and Lack of State Elections May Have Depressed Giving

Without state elections in 2020 and in a year when COVID-19 health restrictions cancelled many fundraising events, public contractors so far have disclosed their fewest political contributions since they began filing annual reports with the New Jersey Election Law Enforcement Commission (ELEC) in 2006.

Contractors to date have reported just \$7.8 million in contributions. That figure is currently 16 percent less than 2019 and is the lowest total of any year since 2006.

Jeff Brindle, ELEC's Executive Director, emphasized that the 2020 total is preliminary because some contractors still have not filed reports with ELEC. Last year's figure is likely to end up the second lowest total if not the smallest, he said.

"We've seen signs that the COVID-19 crisis hurt political fund-raising in 2020. Many party committees and candidates cancelled fund-raising events when the virus threat first emerged last spring," Brindle said. "Another factor for the decline is likely to be the lack of state elections in 2020."

Table 1 Campaign Contributions Reported by Public Contractors in Annual Disclosure Reports by Year					
YEAR	AMOUNT	CHANGE-%	YEAR	AMOUNT	CHANGE-%
2020	\$ 7,793,701*	-16%	2012	\$ 7,988,882	-20%
2019	\$ 9,320,087	-6%	2011	\$ 9,982,696	3%
2018	\$ 9,877,897	-6%	2010	\$ 9,725,922	-12%
2017	\$10,453,554	15%	2009	\$11,078,713	-9%
2016	\$ 9,083,938	-1%	2008	\$12,120,923	-26%
2015	\$ 9,215,463	-6%	2007	\$16,436,039	8%
2014	\$ 9,843,769	-8%	2006	\$15,157,941	
2013	\$10,713,401	34%			

^{*}Preliminary

"With elections looming for both the governor's seat and both legislative houses this year as well as more fundraising events being held due to an easing of the virus threat, contributions from these donors are likely to bounce back," Brindle said.

Continuing a long-term trend, engineering firms dominated the top ten list of contractors making political contributions. Seven firms on the list, including the top six, are engineering firms. Two others are law firms while the other is an insurance agency.

Table 2 Business Entities that Made Most Contributions in 2020				
BUSINESS ENTITIES	AMOUNT	CONTRACTS		
Remington & Vernick Engineers	\$ 432,700	\$ 48,059,945		
CME Associates	\$ 388,450	\$ 48,647,679		
T&M Associates	\$ 336,650	\$ 33,714,314		
Richard A. Alaimo Business Entities ¹	\$ 316,500	\$ 9,680,934		
French and Parrello Associates PA	\$ 155,925	\$ 7,983,142		
Pennoni Associates Inc.	\$ 147,850	\$ 13,346,052		
Rainnone Coughlin Minchello LLC	\$ 141,700	\$ 5,890,204		
Business and Government Insurance Agency Inc.	\$ 116,950	\$ 1,754,893		
Neglia Engineering Associates	\$ 104,075	\$ 10,584,942		
Archer & Greiner P.C.	\$ 102,700	\$ 4,013,927		
Top Ten Totals	\$2,243,500	\$183,676,032		
Top Ten as % Of Overall Totals	29%	2%		

The top ten contractor donors gave a combined total of \$2.2 million- 29 percent of all contributions. Their contracts totaled just under \$184 million- just two percent of all contracts.

Since 2009, engineering firms have been the top contributor each year except for 2018 and 2014.

Table 3 Top Contractor Donors 2009-2020				
Year	Firm	Contributions		
2020	Remington & Vernick	\$432,700		
2019	Remington & Vernick	\$556,550		
2018	153 Halsey Street Partnership/ Hartz Mountain Industries Inc.	\$528,650		
2017	Remington & Vernick	\$512,550		
2016	Remington & Vernick	\$430,920		
2015	Remington & Vernick	\$474,100		
2014	Bloomberg Finance LP	\$422,800		
2013	Remington & Vernick	\$529,400		
2012	Remington & Vernick	\$457,050		
2011	CME Associates	\$537,960		
2010	T&M Associates	\$435,110		
2009	T&M Associates	\$534,300		

¹ The Alaimo Group Inc., Richard A. Alaimo Associates, Richard A. Alaimo Associates, Richard A. Alaimo Engineering Associates, Richard A. Alaimo Engineering Company.

For the second year in a row, the top recipient of contractor contributions was General Majority PAC.

It is a federal political fund-raising committee that supports Democrats but operates separately from parties and candidates. It has been one of the leading spenders on recent legislative elections, sinking \$2.8 million into the 2019 election.

Table 4				
Top Ten Recipients of Contractor Contributions in 2020				
RECIPIENT	AMOUNT			
General Majority PAC	\$178,200			
Nancy Pinkin for Clerk (Middlesex County)	\$157,150			
Leslie Koppel for Freeholder (Middlesex County)	\$156,400			
Charles Tomaro for Freeholder (Middlesex County)	\$149,900			
Heather Simmons, Lyman Barnes & Jim Jefferson for	¢1.47.500			
Freeholder (Gloucester County)	\$147,500			
Blue Pac	\$115,800			
Mount Laurel Democrats	\$111,758			
Election Fund of Brian Wahler, Gabrielle Cahill, Kapil Shah	¢107.050			
& Chanelle McCullum (Piscataway)	\$107,850			
GOPAC	\$100,000			
South Brunswick Democrats 2020	\$ 83,000			

A Republican "outside" group- GOPAC- received \$100,000 from public contractors in 2020.

Among the other top ten recipients, four represented county candidates while three supported municipal candidates.

With 2020 being a federal election year, New Jersey congressional candidates received \$60,225 from public contractors.

Democratic Governor Phil Murphy, who kicked off his reelection campaign last year, and Republican challenger and former Assemblyman Jack Ciattarelli both received checks from contractors last year. Murphy received \$26,000 while Ciattarelli got \$11,200.

Contributions by public contractors were down not just overall but also to traditional political action committees, which are subject to contribution limits, and independent groups, which are not.

PACs and independent groups received \$1 million in 2020- a 17 percent drop, and 14 percent of all contractor donations. It was the lowest amount since 2012, when contractors also gave just \$1 million to such committees.

Contractors reported \$8.9 billion in contracts during 2020-a 9 percent drop and the lowest total since 2016.

Table 5 Total Value of Contracts Reported Annually by Business Entities by Year					
YEAR	AMOUNT	CHANGE-%	YEAR	AMOUNT	CHANGE-%
2020	\$ 8,869,276,367*	-9%	2012	\$ 5,954,013,939	8%
2019	\$ 9,784,119,367	-2%	2011	\$ 5,509,000,868	-6%
2018	\$ 9,961,729,346	-4%	2010	\$ 5,831,430,755	-4%
2017	\$10,383,217,280	19%	2009	\$ 6,061,413,903	21%
2016	\$ 8,747,203,681	6%	2008	\$ 5,003,469,665	-12%
2015	\$ 8,280,639,442	19%	2007	\$ 5,686,393,016	-45%
2014	\$ 6,982,725,369	3%	2006	\$10,396,758,835	
2013	\$ 6,752,690,921	13%			

^{*}Preliminary

The number of contracts for 2020 is 18,193, up one percent. The total number of business entities filing reports is 1,827-8 percent fewer than in 2019.

Numbers in this report reflect information available to the Commission through April 5, 2021 and should be considered preliminary. Some contractors are likely to submit reports or amendments after that date that could change the totals. Numbers earlier than 2020 reflect similar revisions and could differ from those reported in prior press releases. All reports are available at ELEC's website at www.elec.state.nj.us.

Under pay-to-play laws, all businesses that have received \$50,000 or more through public contracts must indicate whether they have made any reportable contributions and if so, must disclose contracts and contributions to ELEC by March 30th for the previous calendar year.

With some exceptions, most firms with state contracts in excess of \$17,500 are barred from contributing more than \$300 to gubernatorial candidates, other candidates, state political parties, legislative leadership committees, county political parties and municipal political party committees. Firms that exceed this limit must seek refunds of excess contributions within a necessary time period or relinquish their contracts for four years.

Contractors may have given out fewer contributions overall in 2020 but the average check was the biggest ever. The average contribution made by contractors in 2020 was \$1,355- up 26 percent from a year earlier. The previous top average was \$1,228 in 2018.

Two health insurance companies that service the state and/or other governmental entities in New Jersey dwarfed all other contract recipients.

The list also includes two banks, six construction firms, a telecommunications firm, and a major health insurer.

The top ten contractors received \$7.1 billion worth of contracts- 80 percent of the reported total -while making just \$139,112 in contributions- just two percent.

Table 6 Top Ten Business Entities That Reported Largest Contract Totals in 2020*			
BUSINESS ENTITY	CONTRACTS	CONTRIBUTIONS**	
Horizon Blue Cross Blue Shield Affiliates ²	\$5,803,454,424	\$ 45,000	
South State, Inc.	\$ 389,289,195	\$ 11,072	
Unity Bancorp, Inc.	\$ 142,590,643	\$ 1,600	
Earle Asphalt/ The Walter R. Earle Corp.	\$ 116,460,855	\$ 9,800	
Union Paving & Construction Co., Inc.	\$ 110,658,496	\$ 7,700	
Magyar Bank.	\$ 110,437,579	\$ 1,850	
Crisdel Group, Inc.	\$ 101,789,389	\$ 7,140	
Joseph M. Sanzari, Inc.	\$ 101,452,829	\$ 5,400	
Verizon New Jersey Inc.	\$ 98,496,817	\$ 38,250	
J. Fletcher Creamer & Son, Inc./ Creamer Sanzari- Joint Venture	\$ 96,580,692	\$ 11,300	
Top Ten Totals	\$7,071,210,919	\$139,112	
Top Ten as % of Overall Totals	80%	2%	

^{*}Lists only public contractors that made reportable political contributions. **Some totals adjusted to avoid double-counting.

State government as usual was the largest source of contracts in 2020. The New Jersey Department of Human Services was the top contracting agency.

Table 7 Contracts by Public Entity Type in 2020				
PUBLIC ENTITY TYPE	AMOUNT	PERCENT		
State	\$6,696,242,101	75%		
Municipality	\$ 775,928,047	9%		
Independent Authority	\$ 640,942,925	7%		
County	\$ 354,020,371	4%		
Uncertain	\$ 204,906,052	2%		
School Board	\$ 170,748,950	2%		
College/University	\$ 23,305,700	0.3%		
Fire District	\$ 3,182,220	0.04%		
Grand Total	\$8,669,276,367	100%		

Table 8				
Top Ten Contracting Agencies in 2020				
CONTRACTING AGENCY	AMOUNT			
New Jersey Department of Human Services	\$5,808,843,817			
New Jersey Department of Transportation	\$ 781,665,084			
New Jersey Turnpike Authority	\$ 311,843,718			
Port Authority of NY and NJ	\$ 76,771,780			
New Jersey Department of Treasury	\$ 67,911,831			
Middlesex County	\$ 67,527,383			
Elizabeth	\$ 55,773,629			
Newark	\$ 44,296,732			
New Brunswick	\$ 35,325,180			
Somerset County	\$ 34,657,742			

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² Horizon Healthcare of NJ Inc., Horizon Insurance Co., Horizon Casualty Services Inc., and Horizon Healthcare Dental Inc.