

#### **ELECTION LAW ENFORCEMENT COMMISSION**

JERRY FITZGERALD ENGLISH Chair

> PETER J. TOBER Vice Chair

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

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

Website: http://www.elec.state.nj.us/

FREDERICK M. HERRMANN, Ph.D. Executive Director

> JEFFREY M. BRINDLE Deputy Director

NEDDA G. MASSAR Legal Director

EVELYN FORD Compliance Director

> JAMES P. WYSE Legal Counsel

### PUBLIC SESSION MINUTES

March 30, 2007

Chair English, Vice Chair Tober, Commissioner Burstein, and Counsel Wyse participated by telephone. Executive Director Herrmann, Deputy Director Brindle and Legal Director Nedda Massar were present.

### 1. Open Public Meetings Statement

Chair English called the meeting to order and Executive Director Herrmann announced that pursuant to the "Open Public Meetings Act," N.J.S.A. 10:4-6 et seq., notice of the telephonic meeting of the Commission had been filed on March 28, 2007, with the Secretary of State's Office and distributed to the entire State House Press Corps. Executive Director Herrmann stated that the special meeting is being held pursuant to N.J.S.A. 10:4-9 and is necessary to deal with an urgent matter of importance and of concern to the public interest about the 2007 Clean Elections Pilot Project. A delay for the purpose of providing adequate notice might result in harm to the public interest. The Commission could not have foreseen the need for this meeting at a time when adequate notice could have been provided. The special meeting will be limited to discussion of the matter of importance.

On a motion by Commissioner Burstein that the Commission could not have foreseen the need for this meeting at a time when adequate notice could have been provided and that the meeting would be limited to discussion of the matter of extreme public importance concerning the 2007 Clean Elections Pilot Project, seconded by Vice Chair Tober and passed by a vote of 3-0, the Commission voted to conduct the special meeting.

The meeting convened at 9:10 a.m. in Trenton.

#### 2. Calculation of Clean Elections District Grant Totals

Legal Director Massar reported on the calculation of the candidates' initial grant amounts required by "The 2007 New Jersey Fair and Clean Elections Pilot Project Act," P.L. 2007, c.60 (hereafter, the Clean Elections Act), and described the methodology used to determine the grant amounts.

## Public Session Minutes March 30, 2007 Page 2

Legal Director Massar stated that the 2007 Pilot Project will occur in three legislative districts. She said that the President of the Senate and the Speaker of the General Assembly will select one legislative district in which all three current legislators are Democrats. According to the Legal Director, the Minority Leader of the Senate and the Minority Leader of the General Assembly will select one legislative district in which all three current legislators are Republicans. Finally, she said, the third district will be selected by the four legislative leaders and is to be a district whose current legislators include both Republicans and Democrats. Legal Director Massar noted that the law requires that the four leaders make their selections no later than April 9, 2007. She mentioned that if the leaders have not made one or more of the district selections, an alternative selection committee must make the decision no later than April 16, 2007.

Legal Director Massar said that a candidate must collect 400 qualifying contributions to receive the minimum amount of public funding and at least 800 qualifying contributions to receive the maximum amount of public funding. She informed the Commission that candidates of a political party in the two single party districts may receive no more than \$100,000 in public grant money, while independent candidates in those two districts may receive no more than \$50,000.

She added that the new law requires that each candidate in the "split district" receive an amount that is the average amount of money spent by all Senate and General Assembly candidates in that legislative district in the two immediately preceding general elections for those offices. She said that independent candidates in the "split district" are permitted to receive a maximum of \$50,000.

Accordingly, staff determined that the grant amount for each of the five legislative districts that currently have a mix of Democratic and Republican candidates is as follows:

District	Grant Amount	Grant Amount Rounded
1	\$373,037.43	\$373,050.00
2	\$419,259.36	\$419,275.00
7	\$282,251.87	\$282,275.00
12	\$445,409.29	\$445,425.00
14	\$534,366.98	\$534,375.00

Legal Director Massar stated that staff applied the same general methodology to calculate the district totals as it used in 2005. The methodology is contained in Memorandum from Nedda G. Massar, Legal Director, and Amy Davis, Director of Special Programs, to Frederick M. Herrmann, Ph.D., Executive Director, dated March 28, 2007.

# Public Session Minutes March 30, 2007 Page 3

Chair English directed staff to submit a letter to the four leaders of the Legislature as well as to the Governor informing them of the spending calculations.

Vice Chair Tober asked if the legislation contained an inflation indexing mechanism.

Legal Director Massar stated that unlike in the Gubernatorial Public Financing Program, the Clean Elections Pilot Project does not contain an inflationary indexing mechanism.

Chair English stated that one of the pitfalls of the 2005 program was that it was not advertised and promoted sufficiently. She said that the \$600,000 appropriation for that purpose was welcomed and that the Commission takes its responsibility in this area seriously. One of the complaints of candidates from two years ago was that they had to spend too much time explaining the program to voters and potential contributors.

Executive Director Herrmann stated that the Commission is dedicated to effectively promoting the program with the use of an experienced vendor.

Legal Director Massar and Deputy Director Brindle explained the "RFQ" bid process, which was specifically authorized in the law, that will shortly be underway with Purchase and Property in the Department of Treasury.

Chair English recognized Mr. William Castner, Director of the Assembly Democratic Office, who was representing Assembly Speaker Joseph Roberts.

Mr. Castner said that the Speaker had assembled a bipartisan group of Assembly people to design a strong proposal. He said that a key consideration was the development of an adequate formula. Mr. Castner complimented the staff of the Commission for its calculations, stipulating that the calculations were very close to that which his staff had developed. Mr. Castner stated, however, that the Speaker would be sending a letter to the Commission suggesting that in the regulations the Commission allow candidates, particularly in the "split district," to accept lower spending levels. Moreover, he said, unexpended public funds should be returned to the State. He said that the Speaker was mindful and concerned about the amount of money potentially being allocated to candidates.

Chair English recognized Frank Dominguez, representing the Assembly Republican Office.

Mr. Dominguez stated that it may be unrealistic to expect candidates to limit their spending. He queried: if public funds levels were to be agreed to, would there still be a mechanism for candidates to come back and request additional funds?

Legal Director Massar responded that she was not aware whether or not there is a process to request reissuance of funds that had been returned to the State.

Public Session Minutes March 30, 2007 Page 4

Chair English reiterated that the Commission was very concerned that the program be run well and said that the staff was legendary for doing an excellent job at administering the various programs under its jurisdiction.

Commissioner Burstein said that while the statute is silent on returning public funds to the State, he believed the Commission could accomplish this by regulation.

On a motion by Commissioner Burstein, seconded by Vice Chair Tober and passed by a vote of 3-0, the Commission approved the public funds allocation calculations and directed staff to circulate the chart and the calculations.

## 3. Adjournment

On a motion by Commissioner Burstein, seconded by Vice Chair Tober and passed by a vote of 3-0, the Commission voted to adjourn at 10:20 a.m.

Respectfully submitted,

Frederick M. Herrmann, Ph.D. Executive Director

FMH/elz