

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

February 9, 1981

PRESENT

Josephine S. Margetts, Member
Andrew Axtell, Member
M. Robert DeCotiis, Member
Lewis B. Thurston, III, Executive Director
Edward J. Farrell, General Legal Counsel
William R. Schmidt, Assistant Executive Director
Gregory E. Nagy, Staff Counsel

ABSENT

Sidney Goldmann, Chairman

The chairman called the meeting to order and announced that pursuant to the Open Public Meetings Law, P.L. 1975, c.231, annual notice of the meetings of the Commission, as amended, has been filed with the Secretary of State's office, and that copies have been posted in the State House Annex, and mailed to the Newark Star Ledger, the Philadelphia Bulletin and the entire State House press corps.

The meeting convened at 10:10 a.m. In the absence of Chairman Goldmann who is hospitalized, Commissioner Margetts served as acting chairman.

1. Public Hearing on General Election Public Financing Regulations for Gubernatorial General Election Public Financing

The Commission convened a public hearing for the above-cited purpose in accordance with notice previously given in the New Jersey Register. No witnesses appeared to give testimony and, at 10:25 a.m., Acting Chairman Margetts declared the public hearing concluded. The Commission's proposed regulations were published in the January edition of the New Jersey Register.

2. Approval of Minutes of Public Session of Commission Meeting of January 26, 1981

On a motion by Acting Chairman Margetts, seconded by Commissioner Axtell and a vote of 3-0, the Commission approved the minutes of the above-cited meeting.

3. Discussion of Legislation Re Gubernatorial Primary Elections

The executive director reported on current developments on this topic. He indicated that the Governor had taken the position that he would not sign an appropriation for the public funding of the 1981 gubernatorial primary election unless and until the Legislature approves new legislation providing for a run-off election, an open primary system for ballot position and an increase

to \$150,000 of the qualification threshold. The Commission discussed these issues and the effect on the Commission's timetable for administration of the provisions of the Campaign Contributions and Expenditures Reporting Act.

4. Adoption of Gubernatorial General Election Public Financing Regulations

On a motion by Commissioner DeCotiis, seconded by Acting Chairman Margetts and a vote of 3-0, the Commission adopted its proposed gubernatorial general election public financing regulations. They will take effect immediately, upon filing with the Office of Administrative Procedure. The Commission filed notice of the regulations in the January 1981 New Jersey Register in accordance with the Administrative Procedure Act.

5. Advisory Opinion

The Commission discussed an advisory opinion request from Herbert W. Miller, representing N. J. Co-ordinating Council of Organized Older Citizens, Inc., C-03-81, which concerns whether his organization has an obligation to file annual lobbyist reports with the Commission, and agreed upon an opinion to be forwarded to him by counsel.

6. Annual Reporting of Lobbyist Financial Activity

The executive director reported on the current status of this. He indicated that forms had been prepared, printed and distributed to prospective filees, that an information session was scheduled for them on February 11 and a number of designation of treasurer forms had been received on or about January 31. He indicated further that S1396 and S1397, which propose to reduce the scope of information reported and transfer responsibility for enforcement from the Commission to the Attorney General, have passed in the Senate and are expected to pass in the Assembly today, but it is not known what the Governor's position is on these bills. The executive director and general legal counsel reported to the Commission on the meeting they held with representatives of the New Jersey Bar Association and others to discuss issues relating to the confidentiality of certain records maintained by attorneys for their clients as such relate to possible audits or investigations the Commission might undertake. The Bar Association representatives indicated that there appeared to be a conflict between New Jersey Supreme Court rules and the needs of the Commission in regard to such records. The issues were discussed and it was agreed the Bar Association representatives would review analogous situations with the Internal Revenue Service and criminal investigations to determine what procedures are employed in such cases. It is anticipated that they will communicate this information back to the Commission.

The executive director indicated that he had received a letter from the attorney for the New Jersey Catholic Conference which indicated that his position was that the Conference was exempt from the reporting provisions. The Commission reviewed this question and directed general legal counsel to prepare a response to the letter indicating that on the basis of the information available, it would appear that the Conference would not be excluded from reporting on the basis of the exemption contained in the Commission regulations.

7. Certification of Public Matching Funds to Gubernatorial Primary Election Candidates

The Commission reviewed the staff summaries of the submissions of the six candidates who have made application for public matching funds. The Commission found that before any of the candidates would fully meet the qualifications for receiving public matching funds, each still had a technical deficiency in either not fully documenting \$50,000 in expenditures, or not returning excess contributions and documenting to the Commission that this had been done and citing the reasons for receipt of such contributions.

In response to a question raised by one of the candidates as to whether excess funds can be transferred to a general election bank account rather than returned to contributors, the Commission indicated that they could not and directed counsel to so indicate to the candidate.

8. Executive Session

On a motion by Acting Chairman Margetts, seconded by Commissioner Axtell and a vote of 3-0, the Commission went into executive session to discuss current litigation, enforcement actions for late filing and the executive session minutes of the Commission meeting of January 26, 1981. At the conclusion of the discussion of these matters the Commission returned to public session on a motion by Commissioner Axtell, seconded by Acting Chairman Margetts and a vote of 3-0.

9. Adjournment - The Commission adjourned the meeting at 2:35 p.m.

Respectfully submitted,



LEWIS B. THURSTON, III
Executive Director