

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

February 23, 1981

PRESENT

Sidney Goldmann, Chairman
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

Josephine S. Margetts,
Member

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 12:15 p.m.

1. Approval of Minutes of Commission Meeting of February 9, 1981
On a motion by Commissioner Axtell, seconded by Commissioner DeCotiis and a vote of 3-0, the Commission approved the minutes of the public session of the above-cited meeting.

2. Advisory Opinion Requests

0-33-80, Henry Ramer for Friends of Pat Kramer

The Commission reviewed a February 10, 1981 letter from Mr. Ramer along with the survey questionnaire attached, and also reviewed previous correspondence in this matter. On a motion by Chairman Goldmann, seconded by Commissioner Axtell and a vote of 3-0, the Commission determined that the activity which is the subject area of this advisory opinion was exploratory and not campaign expenditures.

0-04-81, Henry Ramer for Friends of Pat Kramer

The Commission reviewed this advisory opinion request concerning whether certain fund raising expenses, such as the cost of a band, postage and printing or the cost of media ads to raise funds or the cost of employees or consultants who work only on fund raising, are exempt from the overall campaign expenditure limit. On a motion by Chairman Goldmann, seconded by Commissioner Axtell and a vote of 3-0, the Commission concluded that such expenditures are not exempt from the overall campaign expenditure limit and directed counsel to so apprise Mr. Ramer.

3. Legislation Re Gubernatorial Primary Election

The executive director reported on the status of the bill appropriating funds for the gubernatorial primary election public financing and those embodying the Governor's suggestions for a runoff election, open primary and increase in the threshold qualification for public financing from \$50,000 to \$150,000. The Commission and staff present discussed these matters.

4. Review of Status of Reporting of Lobbyist Financial Activity and Commission Regulations on the Subject

The Commission listened to a brief presentation by Lewis Applegate of the New Jersey State Chamber of Commerce, William Neely of General Motors Corporation, and Robert Woodford of the New Jersey Business and Industry Association regarding the reporting of dues to membership organizations under the Commission's lobbying regulations. These individuals, on behalf of their organizations, expressed concern that the regulations in one respect were unduly burdensome and inappropriate by requiring members of such organizations to report the portion of their dues used by the organization for lobbying purposes. After the presentation was concluded and the three individuals left the room, the Commission reviewed the questions involved and concluded that it would be appropriate and desirable to amend the Commission regulations to require that members of such organizations would report membership dues only if (1) they are made for the express purpose of lobbying or (2) to an organization whose principal purpose is lobbying. The Commission directed the executive director to communicate this policy decision immediately to persons who are anticipated to have a filing obligation.

Advisory Opinion Request 0-05-81, Joseph W. Katz - The Commission reviewed this advisory opinion request which concerns whether monitoring of legislation, analyzing legislation for a client's information, attending committee meetings, public hearings and floor debates of the legislature are lobbying activities, the cost of which must be reported under the statute and Commission regulations. The Commission reviewed the request and the regulations and concluded that, while the cost of such activities do not count against the threshold for determining whether a lobbyist has a reporting obligation, they are reportable lobbying expenditures. The counsel was directed to communicate this conclusion to Mr. Katz.

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

The assistant executive director summarized the staff review of information submitted by 6 candidates for Governor in applying for public matching funds. The summary included contributions and expenditure data submitted by the candidates to initially qualify for public funding and the staff recommendations as to which candidates had met the eligibility requirements and how much in public matching funds they were eligible to receive considering the requirements of the statute and Commission regulations. The Commission reviewed this information and discussed these matters.

On a motion by Chairman Goldmann, seconded by Commissioner Axtell and a vote of 3-0, the Commission agreed to a preliminary certification of \$964,198.94 in public matching funds to the following 5 gubernatorial candidates in the amounts specified:

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|-------------------------|--------------|
| William J. Hamilton (D) | \$ 85,253.04 |
| Lawrence Kramer (R) | 260,700.00 |
| Joseph P. Merlino (D) | 191,446.00 |
| Barry T. Parker (R) | 77,490.00 |
| Thomas F. X. Smith (D) | 349,309.90 |

6. Policy Question Re Contributions to Gubernatorial Primary Election Candidates

The assistant executive director indicated that a question had been asked by one of the gubernatorial candidates as to whether or not bank loans backed by the personal collateral of the candidate were limited to \$50,000 or \$25,000. The Commission reviewed the statute and regulations and concluded that such loans would be limited to \$25,000.

7. Executive Session

On a motion by Commissioner Axtell, seconded by Commissioner DeCotiis and a vote of 3-0, the Commission went into executive session to discuss current litigation, the executive session minutes of the Commission meeting of February 9, 1981, penalties to be assessed in certain enforcement matters relating to 1980 elections and whether complaints should be filed against certain 1980 candidates. At the conclusion of the discussions of these matters, the Commission returned to public session on a motion by Chairman Goldman, seconded by Commissioner DeCotiis and a vote of 3-0.

8. Extension of Filing Date for 1980 Annual Report of Lobbying Activity

The Commission noted that an application is presently pending before a 3-judge court in the United States District Court for the District of New Jersey in the case of ACLU of New Jersey and Others vs. New Jersey E.L.E.C. and Others, relating to a stay of enforcement of the New Jersey Campaign Contributions and Expenditures Reporting Act. To allow for the time period required for hearing and determination of the application by the Court, the Commission extended the filing date for 1980 lobbyist annual reports of financial activity from March 1 to March 16, 1981.

9. Adjournment - The Commission adjourned the meeting at 3:45 p.m.

Respectfully submitted,



LEWIS B. THURSTON, III
Executive Director