

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

OCTOBER 3, 1984

PRESENT

Andrew C. Axtell, Chairman
Alexander P. Waugh, Jr., Vice Chairman
Haydn Proctor, Member
Frederick M. Herrmann, Executive Director
William R. Schmidt, Asst. Executive Director
Gregory E. Nagy, Staff Counsel
Edward J. Farrell, General Legal Counsel

Chairman Axtell called the meeting to order and announced that pursuant to the Open Public Meetings Law, P.L. 1975, c.231, special notice of the meeting of the Commission had been filed with the Secretary of State's office and distributed to the entire State House press corps.

The meeting convened at the Montclair Borough Hall, 205 Claremont Avenue, Montclair, New Jersey.

1. Approval of Minutes of Public Session of September 19, 1984

On a motion by Commissioner Proctor, seconded by Commissioner Waugh and a vote of 2-0, the Commission approved the public session minutes of September 19, 1984. Chairman Axtell did not vote because he did not attend the September 19, 1984 Commission meeting.

2. Pending Legislation: Amendments to Public Financing Legislation, S-1523 (Orechio)

The Commission reviewed a three page September 25, 1984 memorandum from Staff Counsel Nagy in which Mr. Nagy summarized the amendments to S-1523.

3. Discussion of Staff Proposals for Suggested Legislation

The Commission reviewed a three page draft of a letter addressed to Assemblyman Joseph Charles, Jr., Chairman of the State Government Committee. The draft letter set forth six suggestions for amendments to the Campaign Contributions and Expenditures Reporting Act. Two of the recommendations, one dealing with raising the threshold to \$500 for the 48-hour notice requirement and the other raising the amount of a contribution requiring identification of the contributor to \$200, were in the Commission's report, released in November 1982, which proposed amendments to the Act. A third recommendation would enact a recent Commission policy permitting continuing political committees to report substantial contributions (those over \$250) in a preelection setting on the 11-day preelection report date. The remaining three recommendations dealt with the following issues: permitting postelection reporting on a quarterly basis, extending the term of the Commissioners from 3 to 5 years, and increasing the response time for the Commission to prepare advisory opinions from 10 days to 20 days.

Following a review and discussion, on a motion by Commissioner Waugh, seconded by Commissioner Proctor and a vote of 3-0, the Commission authorized the Executive Director to send the letter to Assemblyman Charles.

4. Personal Financial Disclosure Legislation

Executive Director Herrmann reported on the proposed personal financial disclosure legislation. He said that the staff had requested technical changes in the draft legislation so that incumbents who are also running for office need file only one report. Mr. Herrmann noted that there is a second major issue concerning the draft legislation, namely the proposed requirement for much broader disclosure than currently is required. Mr. Herrmann reported that Al Porrioni, Executive Director of the Office of Legislative Services, said that he cannot give a proposed bill to a member of the legislature. Thus, the problem is how, if at all, the changes in the personal financial disclosure law can be brought to the attention of the legislature.

Following discussion, on a motion by Commissioner Waugh, seconded by Commissioner Proctor and a vote of 3-0, the Commission authorized the Executive Director to pursue the possibility of the Office of Legislative Services and the Election Law Enforcement Commission issuing a joint report on possible amendments to the law but with the Commission maintaining a neutral position.

5. National Political Party Committees' "Soft Money"

Executive Director Herrmann reported that the staff had spoken with Herb Alexander on the issue of "soft money" from the National Political Party Committees. "Soft money" represents funds raised by the National Political Party Committees from unions and individuals who have exceeded their limit on contributions to federal candidates and corporations that are not permitted to contribute at all. Reportedly, both national political party committees are raising such funds to be transferred to state party organizations to spend in the 1984 general election. Since these funds cannot be spent on behalf of federal candidates, supposedly this money is being spent on party building and get out the vote endeavors. Mr. Herrmann reported that Dr. Alexander said that to his knowledge no state is requiring the national political party committees to report these expenditures or the sources of the funds. Mr. Herrmann said that Dr. Alexander urged New Jersey to pioneer on this matter. It was noted that we are uncertain how much "soft money", if any, is being spent in New Jersey by either national political party committee. The Commission has been advised by the Democratic National Committee that it is planning to spend funds from a non-federal account. Mr. Herrmann said that the staff recommended that the Commission continue probing on this issue to find out how these funds are being reported and what role, if any, the New Jersey Commission should play in requiring the reporting of such expenditures by the national political party committees. He noted that he and Mr. Nagy were traveling to Washington, D. C. for a conference on the issue of "soft money" on Wednesday, October 10, 1984.

6. Public Financing Legislation: S-1523 (Orechio)

Mr. Herrmann reported that S-1523 was amended on the floor of the Senate on September 20th. However, the Senate did not make one change that Senator Orechio sought and, therefore, the bill is being held over in the Senate so the change can be effected. He said the plan is for the Senate to make the amendment on October 18th, pass the bill, as amended, on October 22nd, and send it to the Assembly. In the Assembly, the bill will not be referred to committee and the Assembly leadership proposes to seek passage of the bill at its meeting on October 25th.

Mr. Herrmann said that it is his understanding that S-1523, as amended, represents a compromise among the leadership in the Senate and the Assembly.

7. Pending Legislation

Mr. Herrmann reported that the Senate voted 35-0 to approve S-669 (Saxton) which would repeal the requirement for the sample general election ballots to carry 500-word statements from the gubernatorial candidates.

Mr. Herrmann reported that the Senate State Government Committee did not consider S-2077 (Codey) which would prohibit state agencies from buying television time for gubernatorial appearances prior to an election.

8. Fourth Commissioner

Mr. Herrmann said he had spoken with the Governor's staff and reportedly the Governor is very carefully studying names. The Governor is moving with great care because of the importance of the position. Chairman Axtell said that the Governor's office definitely has someone in mind to serve as the fourth Commissioner.

9. Future Meeting Dates

The Commission decided to make the following changes in its meeting schedule:

- change the October 15 meeting to October 17,
- change the November 5 meeting to November 7,
- cancel the first meeting in December, and
- change the December 17 meeting to December 19.

10. Informational Brochure

Chairman Axtell suggested that the Commission prepare a summary brochure similar to that issued by the Federal Election Commission. He asked that the Commissioners' names be included in the brochure.

11. Election of Vice Chairman

On a motion by Commissioner Proctor, seconded by Chairman Axtell and a vote of 2-0-1 (with Commissioner Waugh abstaining), the Commission elected Commissioner Waugh as Vice Chairman.

12. Election of Acting Chairman

Chairman Axtell noted that he has been reappointed to the Commission and raised the question whether the Governor needs to appoint a chairman. To insure that there is a chairman of the Commission, on a motion by Commissioner Waugh, seconded by Commissioner Proctor and a vote of 3-0, the Commission elected Commissioner Axtell as Acting Chairman.

13. Resolution to Enter Executive Session

On a motion by Commissioner Proctor, seconded by Commissioner Waugh and a vote of 3-0, the Commission decided to go into executive session to review the executive session minutes of September 19, 1984, and to discuss investigative and enforcement matters, the results of which will be made public at their conclusion.

14. Adjournment

On a motion by Commissioner Waugh, seconded by Commissioner Proctor and a vote of 2-0, the Commission voted to adjourn.

Respectfully submitted,



FREDERICK M. HERRMANN
Executive Director