

NEW JERSEY ELECTION LAW ENFORCEMENT COMMISSION

PUBLIC SESSION MINUTES

JANUARY 7, 1985

PRESENT:

Andrew C. Axtell, Chairman
Alexander P. Waugh, Jr., Vice Chairman
Haydn Proctor, Member
Owen V. McNany, Member
Frederick M. Herrmann, Executive Director
Gregory E. Nagy, Acting Asst. Executive Director
Edward J. Farrell, General Counsel
Peter Nichols, Director of Public Financing

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

The meeting convened at 10:00 a.m. at the offices of the Commission, 28 West State Street, Trenton, New Jersey.

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

On a motion by Vice Chairman Waugh, seconded by Chairman Axtell and a vote of 3-0-1 (Commissioner Proctor abstained since he was absent from the last meeting), the Commission approved the public session minutes of December 19, 1984.

2. Executive Director's Report

Mr. Herrmann reported on the status of S-1523 to the Commissioners. He was informed by Bob Noonan, Executive Director of the Senate, that Senate President Orechio hopes to achieve a compromise with Governor Kean on this bill. Mr. Herrmann said over the course of the past few months Mr. Noonan and the Senate staff have been interested in the Commission's opinions and would like ELEC's continued input on the bill. Mr. Herrmann stated that Mr. Noonan advised him Senator Orechio would view favorably a letter from ELEC urging resolution of the issue and our involvement. Steve Carnes, Assistant Counsel to the Governor, informed Peter Nichols, the Director of Public Financing, that there would be a meeting in a few weeks between the Governor and Senator Orechio and that the Governor may be open to a compromise bill.

Another issue relating to S-1523 is the status of public financing funding. Mr. Herrmann was informed that there is no language in the FY-85 appropriations act to authorize ELEC to request additional money, above the initial \$4 million, if needed. To ensure that ELEC can obtain additional funds for the public financing program in time for the primary, language in the compromise bill

allowing ELEC to withdraw money if needed from the general treasury for Fiscal Year 1985 should be added. Mr. Herrmann advised the Commission to wait a couple of weeks to see if a compromise bill is passed. If not, alternative methods of seeking additional funding from the Office of Management and Budget, the Governor, or adoption of a supplemental appropriation could be pursued. In regard to funding the general election in FY-86, Mr. Herrmann informed the Commission that he could request from OMB \$3.5 million for the primary and for the general election, and probably obtain approval in writing. The advantage of doing this is that it would then become part of the general appropriations bill. On a motion by Commissioner Proctor, seconded by Chairman Axtell and a vote of 4-0, the Commission decided to have Mr. Herrmann make this request.

Mr. Herrmann stated that William R. Schmidt, former Assistant Executive Director and Juana M. Schultz, former Director of Compliance and Review, resigned their positions with the Commission as of Friday, January 4, 1985. General Counsel Farrell raised a question regarding parity of benefits between Mr. Schmidt and Ms. Schultz. Mr. Herrmann said each employee would be retained for two pay periods and receive vacation benefits. Staff Counsel Nagy is serving as Acting Executive Director until the post is permanently filled. Mr. Nagy is not interested in applying for the position. Carol Neiman, Personnel and Fiscal Officer, will be advertising to fill the position of Assistant Executive Director.

Mr. Herrmann advised the Commission that Maureen Adams, Deputy Attorney General, has reviewed the Prime/Cogent contract and found no problems. Mr. Herrmann assured the commissioners that if there are any unforeseen problems, he will bring them to their attention.

Mr. Herrmann stated that ELEC has become the last state agency accepted by the Federal Election Commission to be involved with its computer remote access project in this fiscal year. The FEC will be responsible for maintaining the terminal and training ELEC staff members in its use. Interested persons will be able to obtain information on all federal elections, greatly enhancing ELEC's ability to provide the public with election information. The only anticipated expense for ELEC will be staff time. Mr. Herrmann said that eventually ELEC may become a depository for the FEC.

Mr. Nagy distributed an unofficial text codifying recent amendments to ELEC regulations. The Office of Administrative Law in the Department of State will eventually update the Administrative Code and that text will be considered official.

The Executive Director reported that the G83 legislative report project will be completed this week and will be ready to go to the printers immediately. The document is crucial because it will be used as a planning tool for the 1985 campaign. Preliminary copies will be delivered to the Legislature, the Governor and the State committees of both parties. Vice Chairman Waugh asked that the Commissioners receive a copy before it is sent to the printers. Mr. Herrmann encouraged the Commissioners to edit and review the report.

Mr. Herrmann informed the Commissioners that the staff will be starting soon to work on the annual report to the Legislature for 1985.

The Commission meeting schedule for 1985 was revised by the Executive Director, the Director of Public Financing, and the Commissioners. The meeting schedule includes additional meetings so that public financing submissions may be certified by the Commission.

3. Director of Public Financing's Report

Peter Nichols, Director of Public Financing, reviewed the public financing program for the Commission. He presented them with a packet which included guides and submission forms. He also discussed the various stages of submission. The Commission directed that Vice Chairman Waugh will be able to sign the certifications if the Chairman is not available. Three Commissioners must be present to have a quorum for certification purposes, and the voting majority will be two commissioners. General Counsel Farrell stated that in case a quorum is not at the meeting, a speaker phone can be utilized to include an absent commissioner as long as the speaker phone is available to the public.

4. Advisory Opinion No. 01-1985 from Paul Kopp

Mr. Nagy distributed a two-page draft response to an advisory opinion request from Mr. Paul Kopp by letter dated 12/13/85. Mr. Kopp asked if expenditures made by him to publish and circulate a newsletter are subject to the reporting requirements of "The New Jersey Campaign Contributions and Expenditures Reporting Act," N.J.S.A. 19:44A-1 et seq., in view of his anticipated candidacy for local elective office. On a motion by Commissioner Proctor and seconded by Commissioner Waugh and a vote of 4-0, the Commission approved the draft advisory opinion and directed Mr. Nagy to forward it to Mr. Kopp.

5. Executive Session

On a motion by Commissioner Proctor and seconded by Commissioner Waugh and a vote of 4-0, the Commission decided to go into executive session to discuss enforcement and investigative matters, the results of which will be made public at their conclusion.

6. Adjournment

On a motion by Commissioner Proctor, seconded by Commissioner Waugh and a vote of 4-0, the Commission voted to adjourn.

Respectfully submitted,



FREDERICK M. HERRMANN