



State of New Jersey

ELECTION LAW ENFORCEMENT COMMISSION

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COMMISSIONER

DAVID LINETT
COMMISSIONER

S. ELLIOTT MAYO
COMMISSIONER

PUBLIC SESSION MINUTES

NOVEMBER 28, 1990

All of the Commissioners and senior staff were present.

Chairman McNany called the meeting to order and announced that pursuant to the "Open Public Meetings Act," N.J.S.A. 10:4-6 et seq., 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 9:35 a.m. at the Commission offices, 28 West State Street, Trenton, New Jersey.

1. Approval of Public Session Minutes of October 17, 1990

On a motion by Commissioner Bedford, seconded by Commissioner Mayo and passed by a vote of 4-0, the Commission approved the Public Session Minutes of October 17, 1990. Commissioner Linett noted two typographical errors in need of correction.

2. Executive Director's Report

A. Personnel News

Executive Director Herrmann introduced newly-appointed Director of Administration Barbra Fasanella, newly-hired Systems Administrator Anthony Chianese, and Acting Director of Compliance and Information Virginia Wilkes. The Executive Director reported that all three individuals are doing a great job.

Executive Director Herrmann announced that Legal Secretary Loree Segal has resigned to take a job with the Board of Public Utilities (BPU). He indicated that her position cannot be filled because of the "absolute" hiring freeze imposed by the administration recently.

B. Staff Activities

Executive Director Herrmann reported that Executive Secretary Carol Killingsworth has repaired the binders and minutes in former public and executive session notebooks. He said that this project was necessary to preserve these materials in a proper manner.

The Executive Director reported that Barbra Fasanella, also serving as the Commission's Ethics Liaison Officer (ELO), will be preparing quarterly ethics memos for staff and is running an annual ethics seminar. Executive Director Herrmann said that the ethics seminar is scheduled for December 13, 1990, at which time Mr. Anthony Scocozza of the Executive Commission on Ethical Standards will address ELEC staff members.

Executive Director Herrmann reported that in the November 12, 1990, issue of Campaign Practices Reports there is a story on Ohio Common Cause's National Study of Computerized Access to State Campaign Finance Data. The Executive Director said that the study notes that "New Jersey, Washington and Oregon lead the pack" with respect to the computerization of data.

Executive Director Herrmann mentioned that, with respect to the computer, Tony Chianese is standardizing operating procedures and will create a continuous record of all modifications to software. Moreover, added Executive Director Herrmann, the Systems Administrator will also conduct an annual retraining program to sharpen the skills of the secretarial staff on the personal computers.

Executive Director Herrmann reported that the Citizens' Research Foundation (CRF) has published his 1990 Campaign Finance Update, which he delivered at the COGEL Conference. He said that CRF gets the money from sales and that COGEL gets wider exposure. Executive Director Herrmann noted that the Campaign Finance Update is an annual CRF project. He said that last year CRF published the update produced by Ron Michaelson of Illinois.

Executive Director Herrmann indicated that staff has prepared a fiscal analysis of the effects of the Ad Hoc Commission's recommendation on ELEC's budget. He advised the Commission that enactment of the recommendations would require ELEC's budget to double. The Executive Director said that the driving factors behind this projected budgetary increase include the recommendations for: contribution limits, PAC registration, employer listing by contributors, continuous quarterly reporting by candidates, surplus funds guidelines, and tougher lobbying rules.

Executive Director Herrmann reported that Acting Director of Compliance and Information Virginia Wilkes and Associate Examiner Susan Williams staffed a consulting table at the League of Municipalities' Annual Conference in Atlantic City, N.J., on November 15, 1990.

The Executive Director advised the Commission that on November 26, 1990, he met with Bart Regazzi, Chief Clerk of the New York City Board of Elections. Executive Director Herrmann indicated that Mr. Regazzi is doing a masters' thesis on ELEC. Mr. Regazzi chose this topic because the New York City Public Library printout on campaign finance has more research from ELEC than any other source.

Executive Director Herrmann reported to the Commission that he would be attending his last meeting as a member of the Organizational Planning and Coordinating Conference (OPACC) at the Council of State Governments' Annual Conference in Savannah, Georgia, from December 1-5, 1990.

The Executive Director said that to save money he would be taking the train and paying for its cost himself.

Executive Director Herrmann said that he has been invited to address the New Jersey Bar Association's subcommittee on Administrative and Regulatory Review of the Election Law Committee. He said that his address will probably take place sometime in December.

C. 13th Floor Situation

Executive Director Herrmann reported that the Board of Public Utilities has vacated ELEC's space on the 13th floor. He said that this action was taken in a timely fashion. Executive Director Herrmann said that ELEC will now have adequate space for off-site files and an appropriate security situation.

D. Budget Situation

Executive Director Herrmann said that the State's fiscal crisis has led to the Governor directing all state agencies to cut their budgets eight percent in this fiscal year as opposed to waiting until fiscal year 1992. The Executive Director announced that pursuant to the measures taken to streamline state government, ELEC's total of 35 authorized positions has been reduced to 34 positions. He said that a clerk typist position, presently vacant, has been eliminated.

Executive Director Herrmann said that the goal of ELEC's management is to avoid layoffs, which would hurt the provision of services and negatively affect morale.

He noted that ELEC's past, voluntary fiscal prudence should prove a real help in maintaining the current staff level. Executive Director Herrmann said that, in addition, staff is considering ways to save money as well as ways to raise more revenue.

Executive Director Herrmann mentioned that among the cost savers under consideration are:

- 1) not making any new major purchases such as a needed modern phone system, a replacement Xerox machine, an expanded public room, a linoleum floor for the computer room, and additional computer terminals;
- 2) simplifying the final decision format;
- 3) condensing the size of Compliance Manual to save printing and mailing costs; and
- 4) stopping the mailing of courtesy compliance packages to 29-day R-1 filers.

In discussing revenue enhancers, Executive Director Herrmann suggested that copying fees be increased to approximate those charged by most other agencies. He said ELEC currently charges 15¢ per page when the true cost is over 50¢ per page. Executive Director Herrmann said that staff proposes that the fee be raised to 50¢ for the first 10 pages, 25¢ for additional pages up to 20, and 15¢ for each page thereafter. He said that this method would permit bulk prices to remain the same but would add an additional \$4.50 to smaller requests of 20 pages or less.

Executive Director Herrmann added that staff will initiate its own program for collecting delinquent fines by using warning letters tied to a scofflaw press release. He said that the Department of Treasury's piggyback approach to collecting their delinquent fines is not possible because the Treasury announced that there is not sufficient interest among small agencies to undertake such an effort.

Commissioner Mayo suggested that an increase of 50¢ per page might meet with resistance. He asked about the costs going into this price structure.

Legal Director Nagy said that the increase to 50¢ was limited to the first 10 pages only, and the increase to 25¢ was limited to the next 10 pages only.

Chairman McNany supported the proposal and suggested that the Commission would have the latitude to waive the fee for non-profit organizations under certain circumstances.

On a motion by Commissioner Bedford, seconded by Commissioner Linett and passed by a vote of 4-0, the Commission directed staff to prepare a proposed regulation for raising copying fees.

Regarding the scofflaw press release, Counsel Farrell recommended that the office, municipality, name and address of the candidate, and the date of the fine should be included. He suggested, however, that the candidate's political party should not be included. Counsel Farrell said that no legal problem existed with respect to producing a scofflaw press release and that, indeed, it was a good idea. He said, however, that staff should strive to minimize errors.

Commissioner Bedford agreed, stating that in undertaking such a scofflaw press release mistakes are bound to occur. He said, however, that every measure should be taken to minimize any errors.

Commissioner Linett said that he had reservations about publishing names and that the Commission should give this issue more thought.

Executive Director Herrmann said that there is historical precedent regarding the Commission's production of a violation press release in that it has published names in the past of those who committed violations.

The Commission directed staff to proceed with the fine collection effort and production of a scofflaw press release.

Commissioner Linett asked: Will any legislative action result from the report of the Ad Hoc Commission on Legislative Ethics and Campaign Finance?

Executive Director Herrmann responded that the recommendations have not yet been addressed by the Legislature. He said, however, that he has reason to believe that legislation is being drafted which embodies many of the recommendations.

Commissioner Linett suggested that the Commission place the issue of the Ad Hoc report on the February agenda. He suggested that the Chairman of the Ad Hoc Commission, Dr. Alan Rosenthal, be invited to address the Commission.

Commissioner Mayo agreed and added that the other members of the Ad Hoc Commission ought to be invited as well. He said that the Ad Hoc Commission should be recognized for its hard work and praiseworthy contributions to the areas of campaign finance and lobbying reform.

The Commission instructed staff to place the Ad Hoc Commission's report on the February agenda and to invite the members of the Ad Hoc Commission to the meeting.

E. Future Meetings

On a motion by Commissioner Bedford, seconded by Commissioner Linett and passed by a vote of 4-0, the Commission approved the proposed 1991 meeting schedule and instructed staff to publish it pursuant to the Open Public Meetings Act. The approved schedule calls for all meetings to be held in Trenton at 9:30 a.m. on the third Wednesday of every month, except for the months of April, September, and October. The approved meeting dates for those months are: April 24, September 17, and October 9, 1991.

The Commission will hold its next meeting on December 19, 1990, in Trenton at 9:30 a.m. The holiday luncheon will be held on this meeting date.

3. Resolution to go into Executive Session

On a resolution by Commissioner Mayo, seconded by Chairman McNany and passed by a vote of 4-0, the Commission resolved to go into closed Executive Session to discuss the following matters which will become public as follows:

1. Final Decision recommendations in violation proceedings which will not become public. However, the Final Decisions resulting from those recommendations will become public 15 days after mailing;
2. Investigative Reports of possible violations, which reports will not become public. However, any Complaint generated as the result of an Investigative Report will become public 30 days after mailing.

4. Adjournment

On a motion by Commissioner Bedford, seconded by Commissioner Linett and passed by a vote of 4-0, the Commission voted to adjourn at 12:30 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "F. M. Herrmann", written in a cursive style.

FREDERICK M. HERRMANN, PH.D.

FMH/ck